LAUNCH MARKETING COMMUNICATIONS PLANNING GUIDE

Case: Service Industry Franchise Chain X

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ABSTRACT

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The thesis content and scope is built around the needs of the franchise chain X which had over 50 stores in Finland and a few stores in Europe and North America in late 2015. The internalization of the chain created new challenges for the launch marketing planning. The launch activities play always a crucial role in the future success of a store but are even more important for a franchise chain as the success or failure of one shop affects the image of the whole chain. The target of the thesis was to standardize the launch marketing planning process, and create a launch marketing communications planning guide for the Company X franchisees. The main research questions of the study were: what background information is needed for a good launch marketing communications plan, and what the marketing communications plan should contain. The secondary research question was how to reach the defined target groups effectively.

The marketing and marketing communications theories used in this thesis was reviewed in the context of launching new services to consumers. The impacts of international marketing, different cultures and the special features of the franchise business were taken into account where applicable. Information was also collected from the Company X internal materials, and several discussions with the CEO of the chain. The empirical data was collected by qualitative theme interviews from the Company X's franchisees abroad. The writer's own experience in international marketing communications was used throughout the project.

There were three deliverables created as a result of the thesis: Company X's launch marketing planning process; launch marketing communications planning guide; and operational launch marketing communications plan template. The base for all planning is the company strategy, and the profound knowledge of the target groups. The company brand ties everything together, and it should be visible in everything what the company does. The importance of analysis and collecting relevant background information is higher when entering a totally new market; and the importance of internal launch marketing communications can't be ignored especially when the company is working in the service industry. The new guide and standardized process will help for their part in eliminating risk factors hindering the rapid growth of the franchise chain.

The confidential material has been excluded from the public report.

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CONTENTS

GLOSSARY

4Ps	product, price, place, promotion
7Ps	4Ps added by people, physical evidence, process
AIDAS	Awareness, Interest, Desire, Action, Satisfaction
App	application
B2B	Business-to-Business
B2C	Business-to-Consumer
CDA	Competitive Differential Advantage
EBITDA	Revenue – Expenses (excl. tax, interest, depreciation, amortization)
IAB	Interactive Advertising Bureau
IFA	International Franchise Association
IMC	Integrated Marketing Communications
ISMC	Integrated Services Marketing Communications
PEST	Political, Economic, Social and Technological factors
PPT	Ms PowerPoint program
POS	Point-of-sales
ROI	Return on Investment
SEM	Search Engine Marketing
SEO	Search Engine Optimization
SWOT	Strengths, Weaknesses, Opportunities, Threats
TBD	to be defined
WOM	Word of Mouth

1 INTRODUCTION

The thesis content and scope is built around the needs of the case Company X which is a franchise chain established in 2008 in Finland. Nowadays a franchise agreement is most often understood as a contractual agreement between two legally independent firms. In the Company X case there are two parties: the *franchisee* that pays the other company i.e. the *franchisor* for the right to sell the franchisor's products and services, and to use its trademarks and business format in given location for a specified period of time. (Blair & Lafontaine 2005, 3-4.) The Company X franchise chain currently has more than 50 stores in Finland, and their internationalization process started by opening the first store abroad in 2013. There were five stores in four countries in Europe and North America, and ongoing negotiations with several new locations in the end of 2015. The company X is the Europe's biggest operator in its field of business.

Launch activities play a crucial role in the future success of a store; it is especially important for a franchise chain as the success or failure of one shop affects the image of the whole chain. The franchisees buy a turnkey package including launch marketing materials when starting the business; however the internalization of the franchise chain has created new challenges. The markets differ from each other a lot; the marketing activities that work in one place don't necessarily work in others even if the target group is the same. The second challenge is an unknown brand when opening the first or one of the first stores in a new country; the target region around a single shop is quite small. The third challenge is the different backgrounds of the franchisees; for example the level of their marketing experience varies, and yet the market research and analysis as well as creating the launch marketing proposal are franchisees' responsibilities. The Company X has defined a shop opening process (appendix 1) but it is lacking the marketing communications part; it only mentions the window tapes and global corporate website.

The target of the thesis was to standardize the Company X franchise chain's global launch marketing communications planning process by creating a guide to help the franchisees to find out the relevant background information, and to create the launch marketing communications proposal for the franchisor. The benefits of the standardized process include cost and time savings by reducing the amount of franchisor's and franchisees' extra work created by incomplete guidance and unstandardized process; and

higher profitability and return on investment (ROI) by franchisees collecting the right information for decision making, and finding the best possible marketing channels to reach the target groups instead of spending on activities that don't work. The items listed before will also lead to giving a professional image of the company right from the beginning, and reaching the break-even faster when right people are attracted to the shop quickly and effectively.

The main research questions of the study were: what background information is needed for a good launch marketing communications plan; and what the marketing communications plan should contain. The secondary research question was how to reach the defined target groups effectively. Some of the marketing plan components are given to the franchisees as a part of the concept but as they are an essential part of the launch marketing planning, and they were not all clearly defined and easily found therefore the formatting and defining them were included in the thesis. Some of the elements must also be tested in case any adaptation is needed when entering a new market. There were three deliverables created as a result of the thesis: Company X's launch marketing planning process; launch marketing planning guide; and operational launch marketing communications plan template.

The Company X works in the business-to-consumers (B2C) market. The stores offer both services and their own product lines but as their main focus is in services, the products are excluded in this study. The marketing and marketing communications theory used in this thesis has been reviewed in the context of launching new services to consumers. The impacts of international marketing, different cultures and the special features of franchise business have also been taken into account where applicable. The availability of theoretical data on launch marketing was limited; not too many books exist due to the complexity of the topic, and the once existing are some years old and mostly related to launching of physical products. However some of the theories were still applicable today despite the year of publication. The writer's own about fifteen years' of experience in international business-to-business (B2B) marketing communications of products was used as well; even if the Company X and its field of business, B2C marketing, marketing of services, and franchise business were less familiar in the beginning of the process. The thesis project offered a good opportunity to expand the knowledge from another angle. Information was also collected by studying the Compa-

ny X's internal materials, having several discussions with the CEO of the Company X, as well as by interviewing most of the Company X's franchisees abroad.

The structure of the thesis is divided into nine chapters: introduction, methodology, marketing planning basis, launch marketing process, framework, and analysis, launch marketing communications plan and the planning guide, and discussion.

The first chapter gives a brief introduction to the topic of the thesis, the Company X, and the challenges the franchisor is facing. The chapter contains also the thesis targets, research questions, and discussion about the theory and focus. The structure of the thesis is also introduced in this chapter.

The second chapter introduces the methodology used in this thesis. The chapter explains theory of qualitative research, and the method of data collection used. The data analysing method part will describe how the interview materials were analysed. The profiles of the interviewed franchisees are also included in this chapter.

The third chapter focuses on marketing planning basis theories; the framework of the study. The chapter starts with the definition of strategies relevant to marketing communications planning, and the brand concept. They are followed by descriptions of the contents, relationship and differences of services marketing and marketing communications mixes, as well as an introduction of more recent term social marketing mix. The chapter ends with launch marketing specific topics.

The fourth chapter discusses about the launch marketing processes. The Company X launch marketing process created as part of the thesis project is introduced and described in this chapter.

The fifth chapter presents the Company X launch marketing plan framework. The chapter is divided into three parts. The first part includes the basic Company X company details such as strategy, mission, vision, values, and brand definitions. The second part consists of strategic key decisions such as strategic goals, competitive strategy, and marketing communications strategic decisions. The last part defines the Company X service marketing mix elements: product, price, promotion, place, people, physical evi-

dence and process. This chapter is mostly based on the Company X internal materials, and the discussions with the franchisor.

The sixth chapter gives guidance on the launch marketing analysis the franchisees must do. The analyses are divided into market, competitor, environment, and company analysis. The feedback received from the franchisees' interviews is included in addition to theoretical elements.

The chapter seven contains the parts of the actual launch marketing communications plan. It presents the process starting from the definition of the launch objectives, target groups, main message, and media selection criteria. This chapter includes also discussions of the marketing communications tools and channels, marketing materials, testing of the planned actions, and assessing the potential risks. The implementation plan clarifies the budget, schedule, and roles and responsibilities. Internal communications is handled as its own due to the importance of it in launch marketing. The chapter seven is ended by the follow-up i.e. the measurement of the planned marketing actions.

The chapter eight introduces the contents of the actual launch marketing communications planning guide, and the operational launch marketing communications plan template; which are the main deliverables of the thesis. The guide and templates can be found in the appendices 9-10.

The final chapter nine draws together the results of the research. It includes also discussions of the reliability of the study, and development suggestions and further research topics.

2 METHODOLOGY

2.1 Research method

Researches can be divided roughly into two types, quantitative and qualitative. Quantitative research refers to collection of a data that can be expressed numerically and the analysis can be done mathematically, unlike quantitative research which focuses on the quality of the data instead of quantity. (Tuomi & Sarajärvi 2009, 74.)

In qualitative research the sample size doesn't matter. The aim of qualitative research is not to do statistical generalizations but to describe a phenomenon or an event, understand certain activity, or to give a theoretically meaningful interpretation of a phenomenon. Therefore it is important that the persons giving the information knows as much as possible of the phenomenon, or have personal experiences about it. The qualitative research answers to questions what, how and why. The quality criterion of the material is defined by the diversity of the data, and how well it meets the research content objectives and target group's needs. (Kananen 2015, 59; Tuomi & Sarajärvi 2009, 85; Vilkka & Airaksinen 2003, 63-64, 150.)

Data can be collected for example by interview, printed or online survey, observation, or the data can be based on different kinds of documents. The advantage of an interview is its flexibility i.e. possibility to repeat, clarify, discuss, change the order, and thereby to get as much information as possible. However interview is an expensive and time consuming data collection method. The format can be structured, unstructured, or semi-structured. A structured survey is based on a form which includes questions and ready-made answer options whereas an unstructured interview's content is free discussion purely formed by the terms of the interviewee. Semi-structured interviews are sometimes also called a theme or focused interview, and are something in between. The themes or topics are defined and discussed with all interviewees but the form and order of the questions can vary. (Eskola & Suoranta 2003, 86; Hirsjärvi & Hurme 2011, 35, 47, 106; Ruusuvuori & Tiittula 2005, 11; Tuomi & Sarajärvi 2009, 73-74; Vilkka & Airaksinen 2003, 63.)

2.2 Data collection method

The Company X, its industry and franchise business were not familiar to the writer in advance. In addition to the theory, background information for the thesis was gathered by reading public Company X related materials, print and electronic, as well as internal materials such as the franchise manual, training materials, customer satisfaction survey results, and samples of the Finnish launch marketing plans, an international business plan, and a weekly launch follow-up report. There were also several one-to-one discussions with the CEO of the franchise chain.

The target of the empirical research was to gather experiences and information from the franchisees that had opened Company X store or stores abroad; and to reflect the franchisees' feedback to the information and input collected from the franchisor. Qualitative research was selected as the research strategy for the study due to the low number of franchisees to be interviewed. There were six international franchisees existing abroad in early October 2015 when the interviews were conducted, and four of them took part in the research.

Semi-structured theme interview was selected as the interview type since there were certain topics that had to be covered when discussing with the franchisees. Basic principle of theme interviews is that there are no definite questions but the main discussion topics are defined and same to all interviewees; in addition all the questions are open despite the type. (Eskola & Suoranta 2003, 86; Hirsjärvi & Hurme 2011, 106.)

The research and interview type decisions were followed by the planning of the interview themes. According to Hirsjärvi & Hurme (2011, 66) it is important define what kind of conclusions are planned to be drawn from the data; the aim of the interviews is to collect such a data on which to make reliable conclusions of the studied phenomenon. The target of the interviews was to gather franchisees experiences on the launch marketing communications planning process, collection of background information for the planning, definition of the target groups, selection of the marketing channels and tools, evaluation of the implemented actions, and marketing materials. According to Kananen (2013, 27) specific questions are impossible as the phenomenon is not known. Therefore the interview themes were created starting from the research problems, to defining

the main categories of the phenomenon, and finally the theme areas (Hirsjärvi & Hurme 2011, 66, 68-69). The open interview themes can be seen in the appendix 2.

Each main theme included additional support questions for the actual interview, and the sub questions were designed according to a checklist for questionnaire that the writer collected from different sources. The guide included remarks such as hypothetical and yes/no questions should be avoided, better option would be to ask the interviewees to describe the topic; the interview should be started with easy and broad questions and continued towards more specific questions; questions should be short and easy to understand instead of using unclear and imprecise questions or academic language; and two to three simple questions are better than one complicated. (Hirsjärvi & Hurme 2011, 105; Kananen 2013, 27; Vilkka 2015, 129.)

The initial contact with the interviewees is normally done via cover letter. The cover letter and its visual layout is a part of the credibility and plausibility, and the good research practise requires that the interviewees have enough and correct information about the study to be able to decide whether to participate in the research. Research ethical issues also include anonymity and confidentially of the interviewees and their responses, and the transparency of the researcher and commissioner. It is also important to motivate the interviewees by explaining why their participation is important. (Eskola & Suoranta 2003, 93; Kananen 2015, 85; Ruusuvuori 2005, 17; Tuomi & Sarajärvi 2009, 73; Vilkka 2015, 190.) All these items were considered and included when writing the cover letter which can be seen in appendix 3. The writer contacted the franchisor when planning the interviews in order to get some background information, find out the best way to contact the franchisees, and the level of their English language skills. Based on the information it was decided that an English cover letter can be used for introducing the research, and in order for higher attention value it was sent via email by the CEO of the Company X. More information on the themes and practicalities such as language, time estimation and the online meeting tool was given to the interviewees on the second email sent directly by the writer. The second message included also a request for an interview time proposal, and an option to test the online tool in advance.

Face-to-face interviewees were not possible as the interviewees were around the world; the time difference between interviewer and interviewees was 1-10 hours. The initial plan was to use an online meeting tool called GoToMeeting which advantages were the

possibilities to talk over the internet, share material like the interviewee themes on the screen and record the interviews. According to Ruusuvuori & Tiittula (2005, 14-15, 24) the research interviews are usually being recorded as it offers an option to return to the interview and therefore possibility to check the interpretations; interviewee's permission for recording is always needed.

The tool GoToMeeting was familiar to the interviewee and considered to be easy to use; interviewee would only need to send an invitation link and the interviewees would have a direct connection to the tool by clicking the link. It is important to make sure that the interviewees have the technical opportunity and knowhow; both interviewer and interviewee must get along with the technology and master the technical solution that has been selected for use (Kananen 2015, 69, 85). Therefore the franchisor was contacted in advance in order to find out how technology savvy the interviewees are. According to the franchisor the franchisees were used to using an online meeting tool, mostly Skype which offers video and voice calls, and a chat tool via internet. Skype includes the screen sharing capability but the recording option was missing; therefore the online tool GoToMeeting was introduced to the interviewees together with an advance testing possibility. The tool and recording option was tested by the writer in advance.

A guide including some tips for the interview situation was created as well. The target was to have a relaxed and free discussion. It is important to ensure in the beginning that the interviewee is aware of the research target and still willing to take part in the study; and to motivate the interviewees to share their experiences (Vilkka 2015, 133). It is also important to listen to all answers carefully and confirm the interviewer's own understanding by asking for clarification if needed. It is also advisable to be as neutral as possible and not the comment the responses in order not to influence the content and thereby the reliability of the study. (Hirsjärvi & Hurme 2011, 109, 124-125; Kananen 2015, 99-101.)

The four interviews were done within two weeks period in the beginning of October 2015. Despite the preparations, the selected tool GoToMeeting was not used in any of the interviews as all franchisees preferred to use the tool Skype which was familiar to them. Video interview was used and it created a nice face-to-face interview feeling via cameras. The writer's observation was that the atmosphere in all interviews was very

open and relaxed, and one interview took approximately two hours. One of the interviews was done in three parts due to conflicting schedules.

The missing recording opportunity caused that all notes had to be written as carefully as possible during the interviews. There is no exact rules on how precisely the transcribing has to be done; it depends on the research method and questions (Hirsjärvi & Hurme 2011, 138-139, 142; Ruusuvuori & Tiittula 2005, 16; Vilkka & Airaksinen 2003, 63-64). Three of the interviews were conducted in Finnish and one in English, and the notes were done in the same language as the interview in order to write down the comments as precisely and quickly as possible during the call. All interview notes were translated in English and transcribed on a computer immediately after the calls when the content was still fresh in mind. At the same time the content was roughly organised under the defined interview themes. All three versions i.e. hand written and scanned notes, translation in original order and according to the themes were saved for potential future need.

2.3   Data analysing method

Analysing of qualitative research material can be difficult and laborious due to the huge amount of data collected and lack of existing clear working techniques. The purpose of the qualitative research data analysing is to create clarity to the collected material and thereby generate new knowledge about the studied phenomenon. The target of the analysis is to intensify the material yet without losing any information; on the contrary the target is to increase the information value by clarifying the fragmented data into something meaningful. (Eskola & Suoranta 2003, 137; Hirsjärvi & Hurme 2011, 135; Vilkka 2015, 164.) Vilkka & Airaksinen (2003, 64) write that the collected qualitative research data doesn't necessarily need to be analysed but it can also be used as a reference similar to consultation. Typological or thematic approach is often sufficient depending on what kind of information is looked for. However Eskola & Suoranta (2003) consider the describing level not to be true interpretation; instead finding similarities or differences and diversity in the data creates more precise analysis. Interviewer's interpretation of the interviewees in addition to reader's interpretation of the report will all affect the end result; there is no formal guideline on how to make interpretations. However the most important thing in the beginning is to know and internalize the collected material and

therefore it should be read through several times. (Eskola & Suoranta 2003, 139, 141, 145, 151; Hirsjärvi & Hurme 2011, 143; Kananen 2015, 117-119.)

Several theories such as Eskola & Suoranta (2003), Hirsjärvi & Hurme (2011), Kananen (2015), Tuomi & Sarajärvi (2009), Vilkka (2015) and Vilkka & Airaksinen (2003) were read about the data analyzing techniques and even though all of the authors described similar techniques and processes, the analysis of this research was finally done mostly according to Kananen's (2015, 112-129) model of segmenting, coding and categorizing or classification. Segmenting is done in for example MS Word program and it means that the raw text i.e. longer sentences are separated into different segments according to the content by an Enter; a new content topic will start on a new line. The material is transferred from MS Word to MS Excel after segmenting; then each part of the raw text will be in its own cell and row. After that each segment is coded and categorized according to the content. Tuomi & Sarajärvi (2009, 92) write that the encoding of the material can be done as wished by the researcher however the codes have important tasks such as they act as written notes and tools for describing the text, they structure the material according to what is being studied, and they help in testing the structure and searching and checking of the different parts of the material.

At first the interview materials were all combined together under the main themes as well as identified by numbers from one to four according to which interview the comment belonged to. The analysis of the material continued by splitting them into smaller parts, sentence by sentence without losing any important information, the link to the interviewed person, or the order of the sentences. Each phase of the analysis was created into a new document in order to make sure that it was possible at any time to go back to any of the previous versions. There were in the end thirteen different phases in organizing the interview data. The first phases i.e. combining all raw texts into one file under themes, adding some categories into the main themes, segmenting the sentences and adding them into table format according to Kananen's (2015, 116-117) model were done in MS Word. After that the data was transferred to MS Excel and three columns were added: one for the table row number in order to be able to return to the original order whenever needed; interviewee identification number which allowed the writer to review the content by interviewee; as well as a column for reduced i.e. simplified expression on the raw text. After this exercise the themes, categories and keywords were defined, added, and modified. One column was also added for defining if the comment

was considered positive, negative or neutral (Hirsjärvi & Hurme 2011, 178). A sample of the final format of the interview master data is illustrated in the table 1. The raw texts and reduced expressions were removed from the sample table. MS Excel's filter tool enabled easy arranging and filtering the data, yet it was always possible and easy to return to the original starting point and thereby not to lose the context of a single comment.

TABLE 1. Sample of the final interview master data table format

order	intervievee	Raw (translated) text, based on phone interview notes	Reduced expression		Theme main	Theme1	Keywords	Keywords	ADDITIONAL
304	3			-	Marketing tools	word-of-mouth			
305	3			N	Marketing tools	general			planning
306	3			N	Marketing tools	general			
307	1			-	Marketing tools	Free week	follow-up		follow-up
308	1			-	Marketing tools	Free week	follow-up		follow-up
309	1			-	Marketing tools	Free week			brand
310	1			-	Marketing tools	Free week			brand
311	1			-	Marketing tools	Free week	personnel		personnel
312	1			N	Marketing tools	Free week	planning		planning
313	1			-	Marketing tools	Free week	promo girls	training	flyer
314	1			-	Marketing tools	Free week	promo girls	training	flyer
315	1			-	Marketing tools	Free week	training	parent company	parent company
316	1			-	Marketing tools	Free week	promo girls	training	training
317	1			N	Marketing tools	Free week	flyer	message	message
318	1			+	Marketing tools	Free week	general		groupon
319	2			+	Marketing tools	Free week	follow-up		training
320	2			-	Marketing tools	Free week	personnel	training	training
321	2			-	Marketing tools	Free week	personnel	training	training
322	2			-	Marketing tools	Free week	personnel	training	training
323	2			N	Marketing tools	Free week	personnel	training	training
324	2			N	Marketing tools	Free week	personnel	training	training
325	2			N	Marketing tools	Free week	personnel	training	training
326	2			-	Marketing tools	Free week	Membership		membership
327	2			-	Follow-up	Membership			membership

The data from master sheet was copied in different Excel sheets in order to ease the analysing task and make sure that all the relevant data was considered. There material was divided into fifteen different sheets such as backgrounds, target groups, analysis, planning, marketing tools, follow-up, and brand. In the end there were nine different main themes and all together about seventy different keywords. Excel proved to be an easy and simple analysing tool, and after the proper categorizing work it was easy to analyse the data when going through different parts of the report. The main positive and challenging elements were also easy to see after the categorizing; same as the topics that were outside of this study's scope.

2.4   Background information of the interviewees

Four franchisees were interviewed out of the total number of six international franchisees at the time of the interviews. Two of the interviewees were women and two men, but since there was no relation between the answers and the gender of the inter-

viewee, and the total number of interviewees was so low; the writer made a decision to refer to all franchisees by term 'he'. The background information of the franchisees concentrated in store opening, and knowledge of the market and marketing. Because there were no fixed questions the interviewees didn't provide similar responses; therefore there are some unknown factors when comparing the data with each other.

At the time of the interview i.e. in October 2015 the first international store had been launched almost two years before, whereas the newest franchisee was only about to open his first shop in the near future. There were four stores open, two of the franchisees had one shop, one franchisee had two shops, and one didn't have his shop open yet. The franchisees experience on the Company X business after shop opening varied between 22, 7, 4, and 0 months. All of the franchisees had plans to open more shops, and three of the four franchisees had plans to become a franchisor in the area. Three franchisees had personal connections to the franchisor; the topic was not mentioned in the discussions with the fourth one.

Education and work experiences are summarised in the table 2. Educational background was divided into general business, marketing and the field of Company X business. Two of the franchisees had both business and marketing education but they were lacking the field of business knowhow. One of the franchisees on the other hand had the field of business education but no business or marketing education. One response was missing. Work experience responses were divided into entrepreneurship, marketing, field of business and training. The experiences varied a lot. Two of the respondents had experience on entrepreneurship, two had marketing, and two the field of business experience. Only one had prior working experience on training people.

TABLE 2. Summary of the franchisees' education and work experience by the number of respondents

education	yes	no	empty	work	yes	no	empty
business general	2	1	1	entrepreneurship	2	1	1
marketing	2	1	1	marketing	2	1	1
field of business	1	2	1	field of business	2	2	
				training	1	3	

The experience on the country of the business varied also. Only one of the franchisees was native and originally born in the particular country. Three of the interviewed franchisees were Finnish origin although one of them had lived already twenty years in the country of business. The other two franchisees had lived 1-2 years in the country before opening the first shop. The nationality of the franchisee naturally affects the cultural perception, and therefore has an effect on the interview responses. This together with the low number of interviewees restricts the generalizability of the research results which needs to be kept in mind when reading the report; however a lot can be still learned from the samples of franchisees' experiences. The franchisees' estimation about their own market knowledge was mostly good, only one of the interviewees considered the knowledge level being average.

3 MARKETING PLANNING BASIS

3.1 Corporate and marketing strategies

Launch process and decision has a direct connection to company's strategic long-term planning and goals (Rope 1999, 17). Whereas strategy or creation of a strategy is not the topic of the thesis, the marketing planning is so tightly connected to the corporate and marketing strategies, that it can't be ignored. The strategy also offers the framework and contexts for the launch marketing planning and decisions. The process and context are illustrated in the figure 1 (Vuokko, Haarti-Kuokkanen & Koskiniemi 2003, 132). When going through the Company X internal materials it was also noted that some of the key elements and definitions needed in order to start the launch marketing planning were not easily found and clearly defined. As it will be essential for all franchisees to know and understand the basics crystal clear, these definitions were included in the work.

FIGURE 1. Launch marketing planning in the context of the overall strategic planning. (Vuokko et al 2003, 132, modified)

Corporate strategy is the overall plan, the foundation upon which all other strategies, plans and operations are based on. It is the overall scope and direction, the way in which the operations work together in order to achieve the defined common goal. It consists of the fundamental decisions and choices made, such as selected customer, product and service groups. (Sipilä 1999, 86.) Strategic planning is long-term, usually 3-5 years means for a corporation to adapt into the business environmental changes. Strategy is based on the corporate's vision i.e. description of what the organization would like to achieve or accomplish in the long-term future. (Raatikainen 2010, 73.)

Marketing strategy is one element of the corporate strategy; it combines all strategic and operational marketing goals as well as action planning, implementation and follow-up into one comprehensive plan. It is a list of all the essential decisions; it defines how the company is planning to act in the market and create value for its customers, owners

and other stakeholders. Marketing strategy can contain further strategies like product, price, communications, service, specialization, and distribution strategies. One company can also have several marketing strategies for example per target country. (Sipilä 1999, 86, 92; Raatikainen 2010, 79-85; Tikkanen & Vassinen 2010, 23, 25; Lehtinen & Niinimäki 2005, 20.)

The marketing strategy is the foundation of a marketing plan. The strategic choices will profoundly affect what kind of marketing plan will be; and elements such as the corporate identity must be in line with the strategy (Lehtinen & Niinimäki 2005, 23; Pelsmacker, Geuens, & Bergh 2004, 12). The role of the strategic marketing is to transform the corporate strategy into operational business. The content and execution of the marketing strategy can be a central element steering profitable operations when implemented in a right way. Strategic marketing expertise plays a key role in long-term success of the business. (Tikkanen & Vassinen 2010, 41.) In franchising business the definition of the franchise concept is the strategic base for operational business (Kautto & Lindblom 2004, 35).

Implementation of a launch is mostly implementation of **marketing communications** (Raatikainen 2008, 199). Marketing communications is also the most visible part of the marketing mix, and it should always be clearly connected to the corporate and marketing strategy. Strategic marketing decisions relevant for marketing communications include market *segmentation* i.e. identification of the potential target groups, *focus* i.e. evaluation of different segments, and selection and definition of the own target groups; and *positioning* i.e. evaluation and selection of the approach and concepts suitable for different segments – how does the company differ from competitors and what makes it unique. Branding, product or company factors, field of business, competitors and target groups all affect the marketing positioning. Defining the positioning targets requires good knowledge on the current situation i.e. what do the potential customers think about competing services, and what do they value in the service group. Especially when launching a new company or service the knowledge of the competition situation is vital; what kind of services there are on the market and how the consumers relate to them. Only after that it can be defined what kind of position is wanted for the new company. Positioning is normally planned on a four-field diagram where both axels have opposite attributes at the ends; dimensions can be for example trendy/casual and affordability/high quality. The most important point is that the selected dimensions are relevant

for the target group. It is notable that the company or product positioning materializes only when it has been successfully communicated, and the service promise redeemed i.e. the positioning in the market defines the company's or product's identity foundation which is then expressed in all marketing communications. (Rope 1999, 82-84; Vuokko et al. 2003, 25, 129, 139, 141.) If the positioning is done well the service can have a competitive differential advantage (CDA) over the rest of the market, especially for the designated target group of customers (Ruskin-Brown 2005, 73).

All the strategic decisions mentioned above define what to communicate and to whom; what does a company want to be and to whom. After making the decisions it can be considered and defined what are the marketing communications means and possibilities to implement the marketing strategy. (Vuokko et al. 2003, 25-26, 133.) Strategy defines the long-term term goals, it is often made for 3-5 years, and the more detailed operational marketing communication plan is usually made annually (Raatikainen 2010, 58-59).

3.2   Brand

One of the major objectives of marketing communications is to build and maintain strong brand, and all marketing must support the brand building (Pelsmacker et al. 2004, preface). Brand includes a name, logo, symbol, shape, or their combination that identifies specific company's services and differs them from competitors' offerings. Strong brand is easier to sell, creates brand loyalty, gives flexibility in pricing, creates resistance against competitors' campaigns, and makes it more difficult to copy the product or service. Brand is the added value that customers feel they receive; and even if the brand is finally created in customers' mind it is important for company to define the brand first. These definitions include brand's special vision and purpose, and answers to questions such as what makes the brand different and distinguishable, what customers' needs the brand satisfies, and what are the brand's features and values. The brand defines what kind of image needs to be created and to whom, what special features are highlighted, what elements need to always be included, and what are the benefits and values to be communicated. Marketing communications always affect the creation of a brand. Both are needed, a good product and good communications. (Raatikainen 2008, 97; Vuokko et al. 2003, 119-123, 127.)

Corporate brand and image are affected by different elements such as people's information, experiences, perceptions, rumors and beliefs, attitude and prejudice as well as values. Corporate can't decide what the brand is formed of; it's created of everything possible. Communication planning should always be based on precisely defined image targets. It is also important to communicate the target image internally: where the company is aiming at and why. Especially in service business the personnel plays a key role; and everything what a company does, says or presents affects the brand image. (Vuokko et al. 2003, 111-112, 116.)

In a franchise chain the brand is defined in the franchise concept. All units and stores use the united corporate identity, logo, name, slogans, pictures etc. Corporate identity and brand is one of the most important pillars of the business success; it is the most effective mean to influence customers' purchasing behavior. In business format franchising model that the Company X represents every company and store of the chain use identical business model, both internally and externally. Therefore the corporate identity is unified and the creation of customer expectations and redeeming service promises are executed in the same way. External marketing is implemented by the same tools and means, and the aim is to create united and tight image of different stores' operations and differentiate the chain from competitors. The target corporate image plays an important role in all actions, communications and channels. In the building phase of a franchise chain it is essential to identify the corporate image; the true challenge is to get all the franchisees and their personnel committed to the common goal. (Laakso 2005, 55-58.)

According to Ellish (2012), who was talking in the International Franchise Association's (IFA) summit about the critical steps to positioning a franchise into a world-class brand, it will be difficult to communicate a clear and meaningful message about the brand without a concise brand positioning statement with a competitive point of difference, and complete management alignment behind that positioning. The three test questions that should be asked from each executive team member are: what business is the brand in, what the target market for the brand is, and what the maximum of three points of difference of the brand are. The responses should be consistent and the points of difference should be real differentiators compared to other brands.

Kemp (2014) talks about social brands and reminds that when it comes to people's attention, interest and engagement, a brand is not competing with only with the competitors but with everything that really matters to people. Therefore marketing that doesn't add value will simply be ignored; shouting for attention rarely helps, and there is a very big difference between being aware and caring about something. According to Kemp the secret for better marketing is not about finding more efficient ways to interrupt people but finding new ways to engage people as effectively as possible. In order to engage companies must understanding what people want, and in adding value at every possible opportunity; offering people things that make their lives better, and adding to their experiences instead of interrupting them. People should be engaged around their passions and not the company's products.

3.3   Service marketing mix

Services require more complex marketing communications compared to products; all external communications channels must be coordinated but with services both external and interactive communications channels must be organized and communicate to produce the service promise in addition. Employees and company must be in agreement about what is communicated to the customers. Integrated services marketing communications (ISMC) requires that everyone involved with communications clearly understand both the company's marketing strategy and its promises to customers. (Zeithaml, Bitner & Gremler 2006, 450.) But as Grönroos (2010, 359-361) writes it's important to recognize that it is not only the planned communications such as marketing campaigns via media that effect; the messages can come from other sources such as via service processes as well. Service personnel's appearance, attitude and behavior, systems' and technology's mode of operation and the environment sends different messages to customers. There are also unplanned messages which are sent by the other customers who are either present within the service process or give positive or negative statements about the company in media or other occasions. These kinds of unplanned messages are considered the most reliable ones.

Traditional marketing mix 4Ps is one of the most basic concepts in marketing and an essential part of marketing strategy; it defines the elements an organization controls and that can be used to satisfy or communicate with customers. The concept includes the

basic decisions on corporate's competitive edges and the 4Ps was originally created by McCarthy in the 1960s. The four Ps are product, price, place and promotion. These elements were later found insufficient when marketing intangible services, because services are produced and consumed simultaneously and service delivery people are involved in real-time promotion of the service. Therefore nowadays it's more common to talk about 7Ps; the three additional Ps being namely people, physical evidence and process. (Brown & Suter 2012, 4; Omar 2009, 289, 291; Pelsmacker et al. 2004, 3; Raatikainen 2008, 205; Zeithaml et al. 2006, 23-24.) In a good launch process and planning all marketing mix elements are tested and modified to fit in the corporate's strategic targets before starting the actual launch program (Raatikainen 2008, 206); therefore the elements are defined next.

Product or service is the starting point of the marketing mix. The objective is to make a competitive product which main buying decision criterion will not be the price. In order to do that the company must find out what the selected target group values. Product has different layers: the core product, value adding features, and brand image. The core product is made as appealing as possible for the target group by marketing means. Elements such as name, packaging or design and colors create differentiation from competitors. High attention value and differentiation from competitors is especially vital in the launch phase in order to raise interest and get the potential customer to try the product or service. (Rope 1999, 73-75, 79, 81.)

Price defines the value of the product or service, it is one of the basic elements that affects directly to both competition and profitability, as well as the positioning of the product. Price includes for example discounts and payment terms in addition to the standard price of the service. (Rope 1999, 88-89.) Price also affects the brand and quality image of the product.

Promotion i.e. marketing communications is the most visible part of the marketing mix and the relationship between the marketing and communications mix is illustrated in the figure 2 (Smith & Taylor 2004, 8). Marketing communications includes all instruments which the company uses to communicate with its target groups and stakeholders to promote its products or the company as a whole (Pelsmacker et al. 2004, 3). Marketing communications mix is discussed more in details in the chapter 3.4.

Product
Price
Place
Promotion
People
Physical evidence
Process

The marketing mix

Selling
Advertising
Sales promotion
Direct marketing
Publicity (and public relations)
Sponsorship
Exhibitions
Packaging
Point-of-sale and merchandising
Word of mouth
e-Marketing
Corporate identity

The communications mix
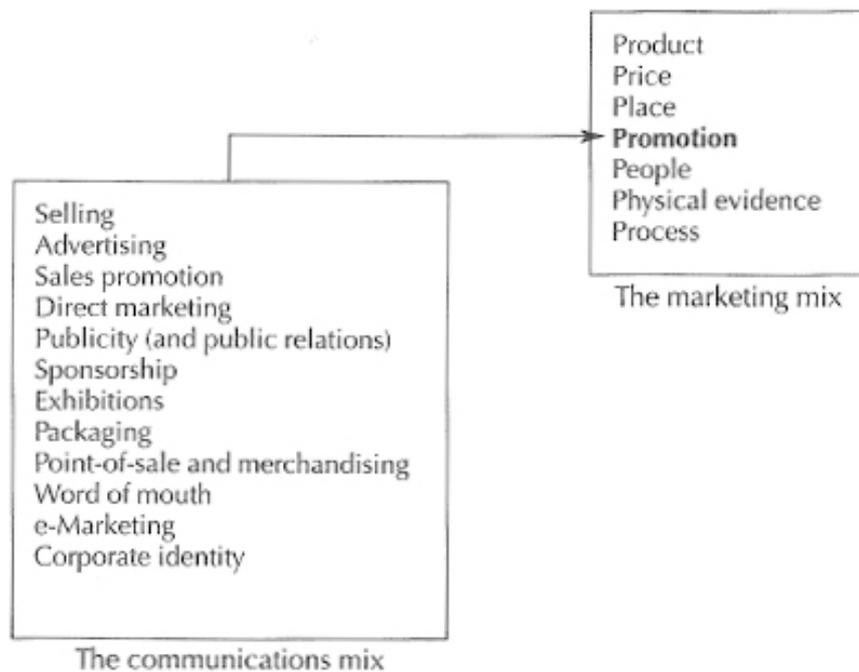
FIGURE 2. How the communication mix feeds into the marketing mix (Smith & Taylor 2004, 8)

Place is the central element affecting the launch; it includes elements such as distribution channels, location, storage and transportation, and the target is to ensure that the product is available within the selected target group. Information is needed to be able to define the decisions regarding place. This background information includes for example the number of potential customers, geographical location of the customers, how often customers buy, who makes the purchase decision versus who buys, where the customers are used to getting similar services, what additional products and/or services the potential customers want to engage. (Rope 1999, 93-94.) Additional questions to be asked are what would be the best location of the store for potential customers, and in order to maximize the demand what does the service availability and delivery or waiting time mean to customers; and how these things can be found out. Place can also be the element that differentiates the company from the competitors. (Lehtinen & Niinimäki 2005, 83.)

People are a critical element which includes all humans who play a part in service delivery and therefore influence the buyer's perceptions. People include not only the company's personnel and the customer but also the other customers in the service environment; their actions can have an influence on the buyer. Everyone's appearance, attitude and behavior all affect. (Zeithaml et al. 2006, 24.) The person delivering the service will communicate the spirit, value and attitudes of the service corporation; even more than

the service itself. The service person is both the producer and the marketer of the service. (Czinkota & Ronkainen 2010, 511.) Because the company's personnel hold such a key position in influencing customer perceptions of the product quality it is important to pay particular attention to the quality of employees and to monitor their performance (Omar 2009, 290). Everything begins with people with right aptitudes, skills and attitudes and proceeds to policies for their empowerment, training, motivation and control (Ruskin-Brown 2005, 40). In service franchise chain the personnel's importance is even higher, as the customer experience should be similar and according to the concept in every store. In the same way a bad customer experience in one store will affect the brand image of the whole chain. Major emphasis must therefore be placed on the recruitment and training of suitable personnel.

Physical evidence refers to the environment in which the service is delivered and where the company and customer interact; as well as any tangible components that facilitate the performance or communication of the service. Brochures, signage, letterheads, equipment etc. are also part of the physical evidence. Performance of a service is as such intangible. Customers will associate the physical items of that service with the service being provided at that place and time; whether they are deliberately managed or not. Therefore it is important that the service marketer takes charge of these tangible elements, and makes sure that they communicate to the customer the required impression and image. Physical evidence can also be one of the differentiators compared to competitors. (Ruskin-Brown 2005, 40; Zeithaml et al. 2006, 25.)

Process means the actual procedures, mechanisms and flow of activities by which the service is delivered (Zeithaml et al. 2006, 25). Unlike products, services are performed and consumed simultaneously, they are not produced nor have any shelf life. Service is an experience and therefore it will be essential to manage the customer's experience at the point of deliver and to control the so called 'moment of truth' to the service provider's best advantage. (Ruskin-Brown 2005, 40.) According to Lehtinen & Niinimäki (2005, 84) the service provider should consider for example what kind of service process the customers and personnel desire, what is the customer's role in the process, how the service quality can be monitored, and can the service be differentiated via production and delivery process.

Ruskin-Brown (2005, 41-42) includes also time and resources into the marketing mix. **Time** is the only objective dimension on which the quality of a service can be judged and which can be used to gain considerable competitive advantage. Competitive advantage can be punctuality, availability of the service, duration, speed of response or speed of innovation. **Resources** on the other hand are the cement that holds all the other elements of the mix together because service is performed and consumed at the same time. Both customer demand and resources vary and the service provider therefore must create and adopt strategies and policies to ensure that their business is always able to optimize and match the demand and resources capacity in such way that it either doesn't lose valuable customers because of poor service at times of peak demand, or the business doesn't suffer with unused spare capacity during times of low demand.

Whereas the promotion is the marketing communications part of the marketing mix, it is important to remember that all marketing mix elements communicate, and there can't be any conflict between the 7P elements. A poor-quality service generally says more to the user than any amount of advertising, and misleading communications can destroy opportunities in the market and create long-term negative attitude towards the company. (Smith & Taylor 2004, 7; Vuokko et al. 2003, 24.) According to Ruskin-Brown (2005, 39-40) much of the failure of service firms to reach their full potential in terms of long-term customer relationships and profit optimization is caused by the lack of understanding of how the various elements of the extended mix work. Especially in sectors of the service industries which are facing increasing competition the emphasis is too often on operations or on sales orientation. Pelsmacker et al. (2004, 3-4) also reminds that in a good marketing mix all the elements are working in the same direction in synergy. When the instruments are designed in such a way, the effects are also reinforcing and the brand will become stronger. Successful marketing depends on a well-integrated, synergetic and interactive marketing mix.

Grönroos (2010, 324-327) on the other hand criticizes the whole marketing mix concept that it can never include all needed elements, it can't be applied to every situation and it gets outdated. He also judges the approach which starts inside the company making customers the targets of the marketing actions instead of being subjects with whom the solutions are being developed. Another issue is that in many cases the personnel who are marketing minded and therefore work in marketing department often lack interaction with customers; whereas those people who are in contact with customers don't usually

have marketing training. Due to the fact that most of the employees in many cases don't have marketing education, customers' benefits are stressed only in some parts of the total customer relationship lifecycle. The marketing mix concept doesn't often include all resources, actions and processes that exist in the different stages of the customer relationship especially when marketing services. This is worth keeping in mind and to recognize when making marketing plans for services.

3.4   Marketing communications mix

Marketing communications involves all the tools and means by which a company communicates with its target groups and other stakeholders to promote its products and services or the company as a whole (Pelsmacker et al. 2004, 3). There can't be any demand in case the potential customers are not aware of the product or service. The objective of the marketing communications process is to influence the perception, understanding and actions the target audience has towards the organization and/or its product and services. (Czinkota & Ronkainen 2010, 397; Vuokko et al. 2003, 12.)

Grönroos (2010, 359-361) reminds that it is not only the planned campaigns that people consider as marketing and base their opinions on; marketing communications is everything a company says and does but also what other people say and do. Customers receive a lot of information and messages, and they don't define from which source the messages came. Integrated marketing communications (IMC) means that all messages about the company or its products or services, company's positioning, images and identity are planned in such a way that they support each other and create a consistent impression. It doesn't happen automatically; all the elements have to be carefully planned in such a way that they form a consistent and coherent integrated communications plan. IMC doesn't mean that there is exactly the same visual and message in different media but they must be according to the brand and have the same 'look and feel'. An important requirement of IMC is therefore the improvement of strategic thinking and the most important requirement is that the internal communications, positioning, marketing communications and marketing solutions are all based on the corporate vision and strategy. The need of integration has increased when the communications world and processes have become more complex; there are more actors, channels, audiences and gen-

eral noise. (Pelsmacker et al. 2004, 9; Vuokko et al. 2003, 323-324, 335-337, 327; Zeithaml et al. 2006, 450.)

Traditionally the marketing communications tools have been divided into advertising, sales promotions, personal selling, public relations, and direct marketing but additional categories such as sponsoring and word of mouth exist as well. The different tools complement and complete each other and they all have pros and cons. The boundaries of the tools are not always clear; internet is an example of a media that can be used for different marketing communications needs simultaneously. Whereas the internet was still seen as a support media in 2002-2003 literature, today its importance is remarkable. Yet the most effective form of communications is still one-to-one communications when the disturbing noise that for example other advertisers cause is missing. What makes the selected communications mix effective depends on the selected target group, other marketing mix elements, and the strategic goals set for the launch. The company should create such a communication mix that it takes the service from complete unfamiliarity to the market in such a way that it makes the selected target group at least try it. (Czinkota & Ronkainen 2010, 384; Rope 1999, 103; Vuokko et al. 2003, 17, 32-33, 148, 150; Zeithaml et al. 2006, 449.) The different marketing communications tools are introduced further below.

3.4.1 Personal selling

Personal selling refers to oral presentation or demonstration of a salesperson aimed at selling services of a company. It is a two-way face-to-face communication between company's representative and a potential customer, where salesperson needs to correctly understand buyer's needs and match those needs to company's services. The possibility to listen to the prospect and being able to react and respond to his questions, feedback and comments allows salesperson to tailor the message according to the person and situation. This opportunity is the main advantage of personal selling and it should not be missed; however the success of personal selling depends greatly on what kind of personnel has been recruited and how they have been trained and motivated. The more important the personal selling is for the company, the more important it is to invest in the recruitment (Omar 2009, 381-382; Pelsmacker et al. 2004, 5, 458; Raatikainen 2008, 141; Vuokko et al. 2003, 168-169, 179; Zeithaml et al. 2006, 449.) According to Rope

(1999, 112) selling is extremely important in launching companies or services. However personal selling must be supported by other means that are more effective and better in creating brand image (Vuokko et al. 2003, 170).

3.4.2 Advertising

Adverting is one of the most visible tools of communications mix. It includes any non-personal communication through various media, and the content is defined and paid by the company. The media advertising includes newspapers and magazines, TV, radio, outdoor, internet and movies. Other advertising tools are direct mail directories, store advertising, sponsoring, business gifts, packaging etc. Advertisements or ads can be seen in the strangest places and the new communication tools and technologies have increased direct marketing. Advertising is used for informing, persuading and reminding, and the targets can be to raise awareness of the service in the market, change or strengthen the company image or create purchase intention. The goals are often set for long-term but it is clear that people need to be aware of a company before they can use its services. Advertising has two roles in launch marketing; on the other hand it creates brand awareness and builds a corporate image but it also creates sales and supports concrete sales. The importance and market share of different media varies between countries. (Pelsmacker et al. 2004, 5, 181, 200; Raatikainen 2008, 136-137; Rope 1999, 109-111;Vuokko et al. 2003, 193, 195-197, 200, 202.)

3.4.3 Public relations

Marketing public relations is very strategic element of the marketing communications mix; it manages the reputation and supports marketing communications objectives. Editorial publicity is received when an editorial is published about company's service in a print or broadcast mass media. Editorial publicity is attractive due to its cost effectiveness and credibility; it is not free but less expensive than any other element of the promotions mix. The effectiveness is enhanced enormously by the very high levels of credibility that can be obtained as people have a tendency to skip the ads whereas editorials are considered to be produced by an objective journalist. Whereas the cost is lower compared to advertising, the content is more difficult to control by the company; the

journalist decides if and when he will publish the news, what parts will be included and if the tone of the news will be positive or negative. In order to be successful and take advantage of the editorial publicity the company must be proactive, take charge and create its own news; learn how to write a press release and to whom to send it, establish a contact with the journalists and get to know them. The news must be also interesting and relevant to the defined target group. (Czinkota & Ronkainen 2010, 589; Pelsmacker et al. 2004, 5, 296; Ruskin-Brown 2005, 202-203; Vuokko et al. 2003, 291-293, 295-296; Zeithaml et al. 2006, 449.) The means of getting media publicity are writing press releases, arranging press conferences or opening event for the press, sending materials such as brochures, videos or pictures to media, giving interviews, writing articles to magazines, giving presentations or speeches, or taking part in charity etc. (Raatikainen 2008, 143; Vuokko et al. 2003, 295). According to Rope (1999, 108) as much as possible positive publicity should be created around the company or service both before and during the launch period as it will create advance interest towards the new company and enhance the impact of the paid advertising.

Public relations include also **internal communications** which is an important tool for creating the corporate culture. Internal communications and sharing of information is needed when personnel and their knowledge is considered as one of the important competitive advantages. The purpose of internal communications is to ensure personnel's awareness and motivation to act as wanted when launching a company or service. This should be done well in advance in order to execute the training effectively (Czinkota & Ronkainen 2010, 589; Raatikainen 2008, 143; Rope 1999, 108.) **Crisis communications** is also part of the communications and companies must be prepared for those situations. The media is very active during any potential crises and the damages can be extensive. It is important to be able to communicate in all situations to avoid rumors and false interpretations. Crisis communications guidelines are rarely needed when launching a new company however they should not be ignored in a franchise chain. (Vuokko et al. 2003, 297-301.)

3.4.4   Sales promotions

Sales promotions support other marketing communications elements and can be used for attracting new customers, making existing ones loyal, increasing market size, reinforcing other communications tools, and rewarding loyal customers. Sales promotions can also be used for building a customer database. Consumer promotions are often divided into three categories; *price-reducing* such as discounts, coupons or saving cards, *prizes* such as competitions and *product promotions* such as sampling or premiums. Sales promotions don't always need to be giving out free items; special service or treatment can work too as they add value for customers. Sales promotions can include also all the elements in the store; the design and style, lightning, air conditioning, music and other elements that make the experience more convenient. An optional extra can be for example a sports match shown on the screen in the shop. Which technique should be selected depends on the objectives of the campaign. As the promotions can increase trials and lead to substantial increase in sales and market share in the short run they are well suited for launch campaigns; however in the long run they may potentially cause negative impact on brand image which needs to be taken into account. The best sales promotions therefore support the brand strategy and values, and deliver real customer benefits. It is also important to remember that the sales promotion tools fall under different kinds of regulations; something can be permissible in one market but illegal somewhere else. Local laws and cultural differences must be taken into account when planning campaigns. (Czinkota & Ronkainen 2010, 587; Omar 2009, 382-383; Pelsmacker et al. 2004, 352, 358; Raatikainen 2008, 142; Smith & Taylor 2004, 357, 359-360; Vuokko et al. 2003, 246-247, 252-253, 264-265, 270, 273.)

Sales promotions' target group can also be internal i.e. the personnel. They are in direct contact with potential customers and it is therefore important to inform them about any matters related to the company and its services and future plans, create interest and motivate the personnel and offer equipment and materials that ease the selling task. The target is to increase personnel's ability and willingness to sell company's services. Internal sales promotion tools include meetings, information sharing, training sessions and news, as well as sales support materials and sales competitions. It is especially important to inform the personnel about the target groups and any possible changes in them. (Vuokko et al. 2003, 250, 260.)

3.4.5 Direct marketing

Direct marketing is a personal and direct way to communicate with customers and prospects. Personalized brochures and leaflets, direct mailings or email campaigns, and telemarketing actions are possible ways of using direct marketing communications. The effectiveness of the personalized direct mailing depends on the availability and quality of the mailing lists; whether they are available and if they are up-to-date or as precise as the marketer would want. Efficient direct mail campaign requires extensive market-by-market planning of materials, format and mode of mailing. Direct marketing can also be non-addressable for example by distributing leaflets to nearby companies or resident houses; however depending on the country it may require permission. Direct marketing has grown because of the cost of advertising and sales promotion has arisen and technology has developed. It is possible to create high quality direct marketing materials in-house and distribution costs have decreased. The internet has also increased the availability of interactive facilities and tools. (Czinkota & Ronkainen 2010, 388-389; Omar 2009, 388-389; Pelsmacker et al. 2004, 5, 387-388.)

3.4.6 Sponsorship

Sponsorship means renting or taking advantage of an image of a person, group, event or other activity for a certain marketing communications purpose. For example sports, art, media, education, science, social projects and institutions or TV programs can be sponsored; sports being the most popular internationally. Sponsorship is always based on an agreement, has a clear marketing communications target, and the publicity of the sponsorship is important. Target group knowledge is vital as the company needs to know what represents the target group those values and characteristics the company wants to connect to itself. Sponsorship targets can be for example creating media publicity, creating or improving company's or product's image, motivating personnel, or showing corporate social responsibility. (Czinkota & Ronkainen 2010, 592; Pelsmacker et al. 2004, 5; Vuokko et al. 2003, 303-304, 309, 311, 312, 319-320.)

3.4.7 Events and exhibitions

Events and exhibitions are particularly important in business-to-business and industrial marketing but also in consumer marketing. Events can be an effective place to introduce new products; there a company can reach a great number of key target groups within in a short time period. Exhibitions combine advertising and personal selling functions. Like other marketing communications activities it is important to define the objectives, an exhibition strategy and target groups; also the right shows must be selected. Events include many elements from pre-show promotions, booth design and concept, training the staff, and evaluation of the results. (Pelsmacker et al. 2004, 5, 504-509; Rope 1999, 111-112.)

3.4.8 Word of mouth

Word of mouth (WOM) marketing i.e. people talking to each other about the company, its services and personnel, and customer experiences; it is by far the most powerful marketing tool. No amount of advertising can compete with a trusted friend or colleague recommending or on the other hand criticizing a service or company. The benefits of WOM are reputation, referrals and recommendations which are difficult to copy by competitors, and the number of recommendations seems to directly correlate with how much a company grows compared to other companies in the same field of business. WOM can be generated and partly managed although it is more difficult compared to traditional marketing tools; customer satisfaction and customer experience management are the key elements and the reality must match the expectations created by marketing. The negative experiences will increase WOM faster and more frequently compared to positive experiences, and the internet provides an easy platform for that in blogs, chat groups, discussion forums, and other social media channels such as Facebook and Twitter. Positive WOM decreases the need of marketing communications whereas negative WOM creates resistance towards company's marketing activities. Complains will always exist and they actually give helpful feedback by identifying problems which is in many cases difficult; companies can in many cases even save money by actively listening to their customers. Handling complains in a right way is important. The WOM communications can also have immediate effects on the moment of purchase or consumption; for example a remark made by a sales person or another nearby customer can

change a person's perception of the service received. (Grönroos 2010, 361, 364-366; Pelsmacker et al. 2004, 590-594.)

3.4.9   Online marketing communications

E-marketing means achieving marketing objectives via use of electronic communications technology or simply just marketing online (Chaffey 2009, 417). The importance of online or e-communications can't be ignored by any company nowadays. The online communications is a wide concept including basically all the elements of the communications mix i.e. for example advertising via online banners or search engine marketing, selling via web shops, sales promotion via online coupons, public relations via blogs or social networks, sponsorship via sponsoring a website, direct mail via email campaigns, exhibitions via virtual events or word of mouth via social media (Chaffey 2009, 462). The e-communications include anything from company and campaign websites to mobile marketing and social engagement. Not only are consumers' media attention fragmented and the playground complex, but the online world and digital media changes extremely rapidly which makes it difficult for companies to keep up with the development. What was relevant just a while ago may not be any more; the best marketers are the ones who can adapt.

Online marketing is sometimes also called inbound marketing. The traditional outbound marketing like advertisements, direct mail, TV and radio commercials doesn't easily reach the potential customers whereas inbound marketing techniques like blogging, website and search engine optimization, social media, email marketing and public relations allows companies to build a strong online presence. The online presence is critical not only in order to reach the target audience but also to enhance brand awareness, get found by potential customers via search engines, increase sales as well as connect and engage with the prospects. Benefit of the inbound marketing is that it attracts those with genuine interest in services instead of targeting general public. (Cloud 2015.) Online channels are also interactive two-way communications channels that offer possibility to get feedback; they can also decrease the load on other customer service channels such as phone calls if the opening hours and location details are easily found online, or for example the real-time queue situation is visible via mobile phone application. Online world makes it also easy to benchmark, to follow competitors' activities and take ad-

vantage of the best practices. Maybe the biggest advantage of online marketing is the viral communications i.e. when a company is able to create an interesting ad, picture or video that spreads around the internet like a virus when people are sharing it to their networks.

According to recent 'Digital in 2016' report (Kemp 2016) statistics mainly collected from GlobalWebIndex there are 3.4 billion internet users compared to total world population of 7.4 billion people. The trend is also going towards mobile; today mobile phone's share of the total number of webpages accessed is already almost 40% and there are 3.8 billion mobile users. Mobile is the primary driver in bringing people online; the gap between fixed versus mobile subscriptions is increasing (Internet.org 2016). According to Kemp (2014) Google told already two years ago that more people around the world owned a mobile phone than a toothbrush, while according to the UN more people had access to mobile phones than toilets. Yet only a few brand advertisers have a mobile strategy or consider mobile to be very important to their current marketing. People are also increasingly emotionally connected to their phones which are also very personal; people can decide which activities they participate in, what content they consume, and where and when they do so. However it is more important to understand how people are using the devices than just to know how many are using them. By exploring the internet and current hot topics the top trends in 2016 seem to be *social media, mobile* and *videos*.

Naturally it is a must for a company to have a **website** that can be found by the target group. According to We Are Social's study majority of people (for example Germany 76%, the USA 71% and Spain 66%) searched online for a product or service to buy in the past month when the study was done (Kemp 2016). Tools like search engine optimization (SEO) and search engine marketing (SEM) are used in order to improve the findability. SEO concentrates on the technical elements of the website as well as optimized content, and it affects the so called organic or natural search results; the better optimized the website is the higher it ranks on the search results. SEO can be tricky as the search engines like Google don't reveal all its policies on how the ranking is done but they also change the rules from time to time; they can also punish companies trying to trick them and you don't want to get on Google's blacklist. SEM on the other hand means paid advertising on search engines pages; it is possible to increase the visibility by using promotional advertisements. Basically the company selects keywords and geo-

graphical areas, and normally pays depending on the number of times people have clicked the link. There are also different kind of tools to analyze the website performance and visitors' performance; some of them are free like Google Analytics but there are also companies offering different kinds of user-friendly analytics tools.

Social media consists of communities and networks. There are many definitions for the term, the following being very describing: "it is the collective of online communications channels dedicated to community based input, interaction, content sharing and collaboration" (TechTarget 2016). The most common social media channels are briefly introduced in the appendix 4. Social media usage continues to grow around the world, there are currently 2.3 billion users making the penetration already almost 30% of the population (Kemp 2016). Facebook still dominates the global landscape with almost 1.6 billion users as seen in Kemp's (2016) figure 3. Even though there are little signs that its popularity is declining among both users and marketers, there are still around half a million new users joining daily. (Kemp 2016; Stelzner 2015, 32.) Notable is also that the social media is no longer used by teenagers only; more and more middle aged people are joining in. According to Stelzner (2015, 5, 23, 27, 29) the top platforms used by B2C marketers were Facebook (65%), Twitter (10%), LinkedIn (9%); Google+, YouTube, Pinterest and Instagram had almost equal shares (3-4%). The same study revealed also that most marketers were planning on increasing their activities in Twitter, YouTube and LinkedIn, and that those marketers who were more experienced with social media preferred Facebook, LinkedIn, Google+, YouTube, Twitter and Instagram. (Stelzner 2015, 30-31, 39). Social media marketing includes paid advertising in addition to the free posts that companies can make. According to Stelzner's (2015, 40) study the majority of marketers use Facebook ads (84%), followed by Google ads (41%) and LinkedIn ads (18%); however all of them dropped a few percentages from previous year. Facebook advertising is more common among B2C than business-to-business (B2B) marketers.
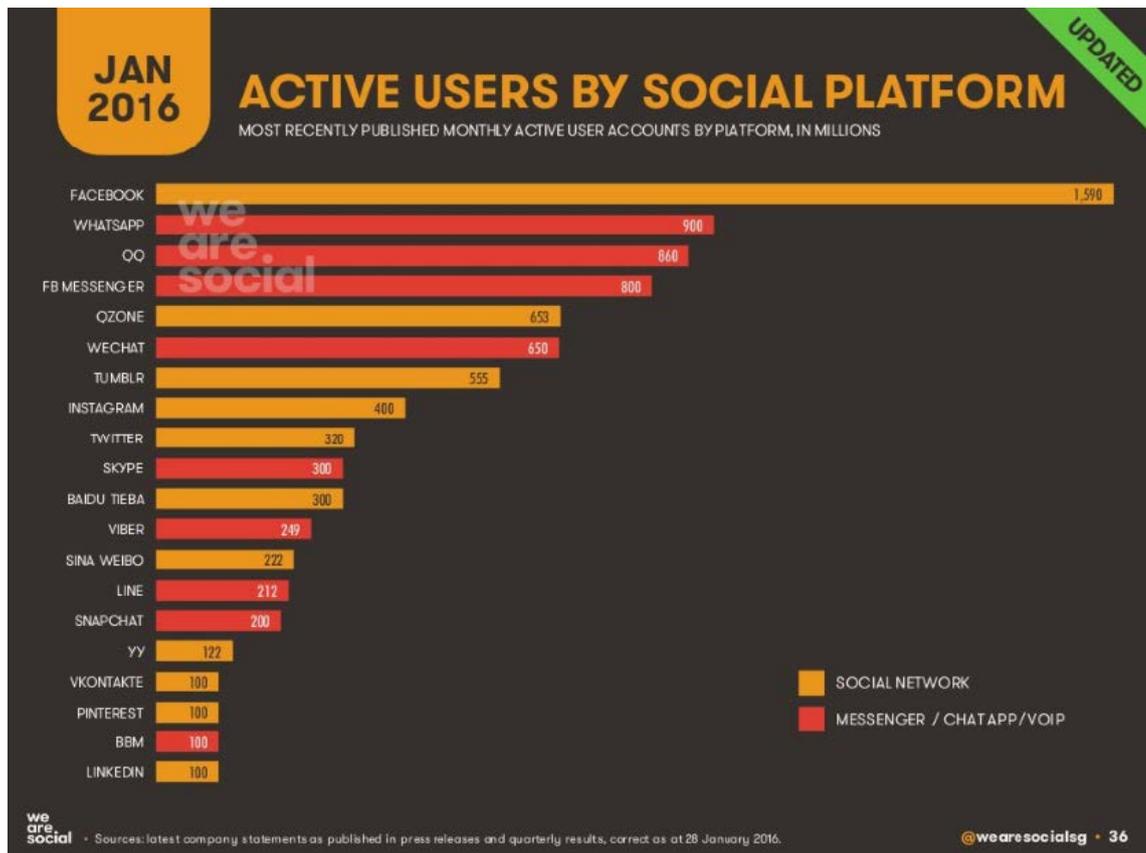
FIGURE 3. The most popular social platforms globally by the number of active users (Kemp 2016)

Even though social media offers lots of opportunities there are many challenges as well. According to Stelzner (2015, 5-6) the top social media questions marketers want to be answered include what social tactics are most effective, what are the best ways to engage the target group with social media, how to measure the return on investment (ROI), how to find the target audience with social media, and what are the best social management tools. Marketers also don't know if their social media marketing is effective. Okimo's (Berg 2016) smaller research revealed also that in many companies the media content's targets and responsibilities are not clear neither are there clear meters or indicators for social media content. There are challenges like understanding the target groups, visual content, and optimization of content. Resources for monitoring and maintaining social marketing are one remarkable issue which was also seen in the Company X interviews. Social marketing often requires time before relationships lead to sales; however a large percentage of marketers who take the time will find great results (Stelzner 2015, 18). Stelzner (2015, 19-20) also continues that the more time marketers invest in social media, the more they gain business partnerships; more than half of marketers who have invested at least two years in social media marketing reported that new

partnerships were gained, and more than half of those who spend at least six hours per week on social media efforts saw a benefit of reduced marketing expenses.

In addition to the social media platforms such as Facebook, LinkedIn, Twitter and Instagram there are new mobile **chat applications i.e. apps** overshadowing the growth of the more conventional social networks. WhatsApp which is nowadays owned by Facebook is the world's fastest growing big platform with 900 million active users; whereas there even weren't any statistics about WhatsApp users in 2013. Other big chat apps are Chinese WeChat (Weixin) and Viber which is similar to Skype. (Kemp 2016.) A nice example of WhatsApp's sharing power was seen already in 2014 when a Spanish soccer club Valencia tested it by adding its website a WhatsApp share button that appeared on mobile devices only. The analysis showed that when looking at the mobile sharing only, WhatsApp bet clearly its competitors Facebook, Twitter and Google+ in sharing, and the difference was even more obvious when looking at the number of visits created by the sharing. This is of course just a one example of a good content created in a country that has high WhatsApp user percentage. (Benton 2014.)

Videos were one of the 2016 trends as well; mobile users globally are also watching more video content than ever, both short clips and longer videos such as films. IAB (2015) surveyed 5,000 smartphone users in 24 countries and according to the study mobile video consumption is on the rice; globally 35% of respondents said they are watching more videos. Surprisingly according to the study people watch also advertisements, and were overwhelmingly open to tailored advertising when watching mobile videos. Almost half of the videos were found via social media, and 68% of people say they share videos on their smartphones; the opportunity for viral marketing and brand engagement is huge. As a sample, there are 8 billion videos being watched in Facebook alone daily. According to estimation as much as 80% of the global web traffic consists on videos by 2019, and the growth of video traffic in mobile devices will grow annually 55% until year 2020. (Ericsson Mobility Report 2015; IAB 2015.) Stelzner's (2015, 5) study says that the importance of videos is also recognized among marketers, more than half use videos in their marketing, and 72% of the interviewees wanted to learn more about video marketing and planned on increasing their use of video.

Internal communications should not be forgotten when talking about online communications. It offers possibilities such as intranet or extranet for communicating

with internal people inside the franchise chain. Even though there are nowadays more elements to manage; there are also new opportunities to develop and streamline operations. (Franchising Suomessa 2015, 24.) In the end integration is again the key; all online marketing and communications should support and contribute the overall brand and company strategy. Yet online marketing usually requires its own strategy and plan as well as policy and guidelines for all employees. (Rider 2015.)

3.5 Social marketing mix

Success in social media marketing is not just about the reach such as likes, followers or retweets. Since the platforms are evolving and even disappearing rapidly Kemp (2014, 2015, 2016) advices to focus on social sharing and customer engagement instead of individual platforms. He talks about social brands and social marketing mix driving social conversation; success in social is not just about what the company posts or says but the success lies in what other people say about the company and what do they share. The companies should use their full marketing mix to inspire valuable organic social conversation and adopting a whole brand view of social i.e. using everything the company does to inspire organic social conversations that increases brand awareness and increases social engagement.

The optimized social marketing mix is planned for sharing, and it includes elements such as products, advertising, recruitment, customer service, point-of-sale (POS) activities and packaging. According to Kemp (2015) people are more likely to share their own product shots than company's social posts therefore companies should give people products worth sharing. All communications and advertisements should also be shareable whether it is a TV or outdoor ad; the online discussion doesn't necessarily need to start online. Product packaging can be informative or entertaining and inspire in sharing, same goes for store environment. People like to share great experiences; companies should offer people experiences they want to tell others whether it's customer service or an event. Companies should also be innovative in search terms and hashtags[1] and also explore experiences that are often associated with the brand. Kemp's one example was a

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[1] The # symbol, called hashtag, is used to mark keywords or topics in a Tweet i.e. a short message or a post in social media platform Twitter. It was created originally by Twitter users as a way to categorize and search messages. (Twitter 2016.)

Thai beer; people were posting photos of the bottles in conjunction with beaches. People also like sharing their location and finding other people. One other interesting point that was mentioned was related to social pricing models where Groupon type of models i.e. customers buying the offer via external service providers instead of the company itself, would not be focused on discounts only but tactics such as 'pay-with-a-tweet'. This could be something worth exploring when thinking about the Company X launch marketing. Social brand and customer engagement can also ease up recruitment process and make a company as an attractive employer; it may help in finding excellent employees.

It's worth remembering that the key in succeeding in social branding and marketing, same as in all marketing is to understand **consumer behavior**, and the reasons why people choose to talk about brands and share certain content; to understand people's wants, needs and desires. And above all, it's important to add value to potential customers' lives at every opportunity. Companies need to start by identifying what they want the conversations to be about, and then explore the most engaging and motivating ways of inspiring those conversations. Before making any investments the companies should be very clear about why the audience might want to be a part of the conversation, and really think about if anyone will actually care. One valuable way to learn about the company's target groups is **social listening**; listening to the organic conversations of the people that matter to the company, and using these insights to develop richer, more tailored strategies. For example a good tool to figure out how people are behaving and what they are sharing is to check the hashtag words in Instagram; people share billions of public posts across social media every day, and many of those offer valuable insights into what people really care about. (Kemp 2014, 2015, 2016.)

3.6   Launch marketing

Launch is at its simplest releasing a product in a market. Launch marketing is a broad and complicated topic, and perhaps that is the reason there aren't many books about it. In the marketing literature launch is often seen as the final step of a product development process but according to Rope (1999, 16-18, 21, 45, 61) it is a broader decision and operational process including the planning, execution and follow-up of the product release in order to ensure a successful launch. Launch can be a new or revised product

but also for example an old product introduced to a new market. A product launch can also be a launch of company in the case of opening a totally new company or start-up.

When the launch is done by expanding the market segment for example geographically the target group and its purchasing criteria remains similar; therefore similar marketing solutions can be used. Launch risk will be reduced due to the experiences on the current target group. However the risk increases when the company moves from the current markets to totally new markets where experiences on market segment consumers' selection criteria, purchasing behavior and the factors affecting the target group's marketing are missing. The only certain thing is that the exact same marketing actions won't most likely work on the new market. Analysis on the new target groups are therefore needed in order to avoid failure risk. (Rope 1999, 64-65.) This was also noticed in the Company X chain; the launch marketing process and activities were well established in Finland but the same model didn't work as well abroad.

Competitive strategy needs to be considered when launching a company, product or service i.e. what are the features creating attraction in the market, what is the competitive advantage compared to the existing services in the market, and why the selected target group will choose this service. Competitive strategy can be either price or refinement strategy; bringing out the product or service to the market by lower price, or by offering benefits the competitors are not able to offer. These benefits can be for example physically unique product, high quality, or more attractive corporate or product image. It is important to make a clear selection of the strategy when launching a company, product or service, otherwise there is a high risk in being somewhere in the middle which makes competitors always better in either one. (Rope 1999, 48-51.)

Rope (1999, 139-140) suggests that companies have two options for operational policy when entering a totally new market; either prudential trial or bold market intruder. The careful approach is used when resources are small, market and volume targets are limited, and target customers well known. In order to be successful it is important to define the target groups carefully, identify the key customers and target the communications means accurately by person to person, as well as use efficient personal selling and/or strictly targeted individual level direct marketing. Bold market intruder approach is used when a product has broad mass markets, target groups are impossible to define in personal level, company has lots of resources, volume targets are big, and a quick market

entry is needed. The approach requires large investments and lots of image advertising. Main approach in the case of Company X is the careful approach as the resources are limited, and on the other hand the target group is geographically nearby the shop; therefore the marketing is very local and there is no additional value in creating broad nationwide brand awareness in the beginning. On the other hand the target group definition is very board and limited by gender only; perhaps identifying the key customer group better would be advisable. Target group and the related dilemmas are discussed in more details in chapters 5.2 and 7.2.

Launching a new product or service, and creating a new product image is always more difficult than marketing of existing products; it requires very different kind of more fundamental marketing planning and more investments and resources. The launch will be easier in case the product or service has unique features which customers value and which differ from the competitors. (Lehtinen & Niinimäki 2005, 62; Raatikainen 2008, 138; Vuokko et al. 2003, 99-100.)

Starting a business is always the most critical phase as it defines the direction of the success in the future; therefore it must be prepared well. In franchise business the success of a new franchisee's company launch is critical for the entire chain's success, and it is the stage were biggest mistakes can be made. In consequence it is important to invest in training and support, and in that way ensure that the customers will get the same quality service in the new store starting from the day one. The reputation of the whole chain is at stake. (Laakso 2005, 82, 227; Rope 1998, 19.) Even if the amount and type of start-up support varies from chain to chain the franchisors often help new franchisees in the beginning for example in planning and implementation of the launch marketing; and the franchisee will take the total responsibility of the business only after the launch (Laakso 2005, 77, 108, 160).

4 LAUNCH MARKETING PROCESS

Launch should be seen as a clear process which is carried out step by step on schedule and budget. There is no such thing as 'one fits all' action plan guide for launch implementation because the process has many stages, and the execution varies depending on the situation. Launch activities vary for example depending on the field of business, competition situation, objectives of the launch, company's strategy, resources and knowhow. Launch can take from a couple of months to even a couple of years depending on the business. (Raatikainen 2008, 199; Rope 1999, 150.)

Successful product launches are difficult, and not even a good product and successful communications always guarantee the success. Launch planning is goal-oriented, long-term and purposeful work, and the responsibility of coordinating marketing communications requires know-how and understanding on how to plan the media solutions. (Raatikainen 2008, 198; Rope 1999, 14.) According to Nielsen Index research many of the launches fail and the failure can happen in both planning and/or implementation of the launch (Rope 1999, 30, 241). In most cases one practical problem is that companies don't have any comprehensive system for product launches, only very few have conceptualized launch process model to base the implementation on (Rope 1999, 139). Mattila (1998, 122) also stresses the importance of documentation; every franchise chain has collected good and bad experiences on launching new shops but unfortunately these experiences are often not collected. Even though documented launch process and written guidelines would make the implementation of a launch plan considerably easier; and at the same time benefit the development of the launch process.

The risk of failure is very big; then how to guarantee a successful company launch? Rope (1999, 14-15, 239-241) lists items that clearly support successful launch process; such as a systematic way of working in order to create positive synergy benefits, linking the launch planning into company's strategic goals, as holistic approach as possible, logic and consistency between selected launch activities, and aiming at measurable targets. Comprehensive know-how on marketing and competitive tools as well as the markets and market situation are extremely important in order to be able to make strategic and operational decisions, target the service, and use versatile and integrated launch actions. Clear responsibilities assist the process; one person should be named responsi-

ble for launch process as his main task instead of handling it alongside other tasks. Another key point is the courage to invest on the launch phase as in order for company to be successful it has to start strongly. In case the launch will be weak it is nearly impossible to obtain growth curve. Mattila (1998, 121) also states that the success of a franchise store launch depends on several factors such as if the location of the business and the market of operation is correct; if the entrepreneur is competent and well enough trained; and whether a successful launch program has been created. Rope (1999, 42) summarizes that launch requires strong knowledge on marketing, and the recipe of success includes 60% systematic work, 30% skills and knowledge, and 10% luck.

The Company X has defined a shop opening process (appendix 1) but it is lacking the marketing communications part; it only mentions the window tapes and global corporate website. According to Tuominen (2015, 26) there is a discussion with the launch team in the beginning of the process; there the expected targets, quality, budget, and schedule are defined. Emphasis is paid on that everyone understands the objectives and how they are achieved. Communications between the franchisor and franchisee are close during the launch process. A follow-up discussion and evaluation with franchisor and franchisee are done after the launch.

According to Laakso (2005, 139) at least the following points regarding launch marketing should be clarified by the franchisor: how the launch will be carried out in practice, how will the franchisor be involved in the launch process, how the tasks will be divided i.e. who is responsible in which details, does the franchisor have a detailed operational guidelines for starting the business, will the franchisor do any kind of brand marketing in the area before or after the launch or is it franchisee's responsibility to create awareness, is the franchisor's representative co-working with the franchisee after the launch and for how long, and what support functions are included in the franchise fee and which are charged separately.

In Company X the launch marketing is included in the start package and paid by the franchisor. The launch planning process starts by franchisee collecting information, doing analysis and making a detailed launch plan proposal. The proposal is then discussed together with franchisor that makes the final decision. Marketing materials come via the franchisor but the implementation and follow-up are franchisees responsibilities. The planning process responsibilities are illustrated in the figure 4.

Franchisee	• collection of information and analysis
Franchisee	• Detailed launch plan proposal
Franchisor & Franchisee	• Discussion about the plan proposal
Franchisor	• Final decision
Franchisor	• Marketing materials
Franchisee	• Implementation of the launch plan
Franchisee	• Follow-up
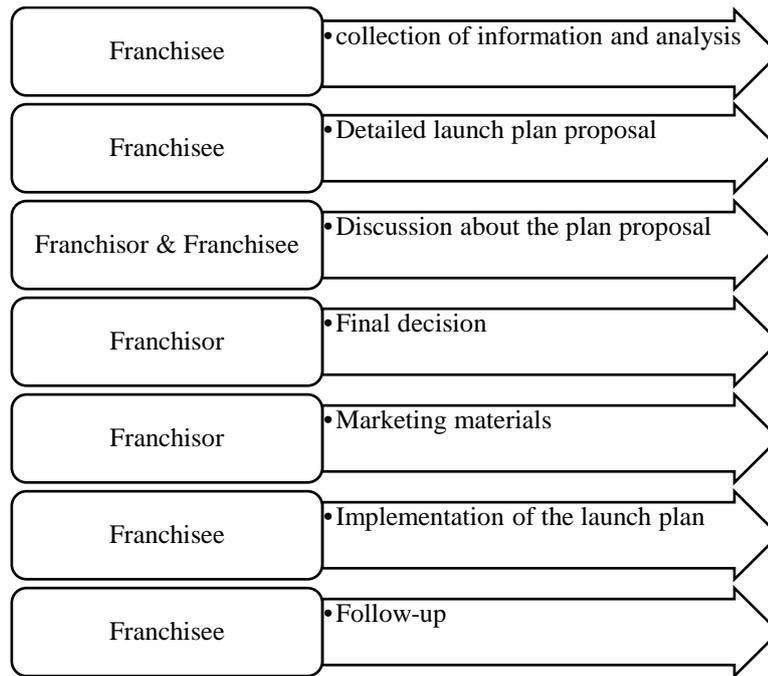
FIGURE 4. Company X launch planning process responsibilities

The launch process models by Rope (1999, 240) and Raatikainen (2008, 199) were used as a foundation when creating the launch process model suitable for this case. The original figures are illustrated in appendix 5, and the new Company X process model created in appendix 6. The Company X launch process consists of two main parts; launch marketing communications framework that mainly is defined by the franchisor, and the launch marketing communications plan that will be created by the franchisee. The parts are illustrated with different colors in the figure. The process starts from the definition of the important basic details such as the company strategy, mission, vision, values, and the franchise concept; the core of the whole franchise chain. Basic service marketing mix items are defined as well. The framework elements were summarized and defined within the process, and described in more details in chapter 5.

The actual franchisee's launch planning work starts after the franchise contract has been signed, location of the store has been fixed, and the final launch decision has been made. The franchisee's launch planning process will be described in more details in the chapters 6-7, but the main phases are:

1. Analysis – market, competitor, business environment and company analysis
2. Plan – definition of launch targets, target groups, selection of launch marketing communications tools and channels, setting up the schedule and budget, appointing roles and responsibilities, and assessing potential risks
3. Implementation of planned action – both internal and external
4. Follow-up – evaluation and measurement of the implemented activities and the whole process

Launch planning process will also work as a checklist; it will clarify, simplify and remind about the things that must be done and considered during the launch process in order to reach the targets set. The launch plan will help the company to create an integrated entity, and the documentation will enable exploitation of the process in future launches. When the targets are included in the launch plan it will be possible to evaluate them during and after the project. (Raatikainen 2008, 207; Rope 1999, 35, 138.)

The interviewed franchisees didn't have a certain planning process, and their marketing communications plans varied from precisely defined tables to deliberately not having a fixed plan at all. In many cases franchisees' launch plan was flexible and adjusted for example weekly depending on what seemed to work and what didn't. A flexible plan was seen as an asset in order to be lean and agile in the new market. Most used approach was to try out everything possible, and test randomly what might work. Even though the loose plans were found working a good common template or checklist for planning is advisable in order to scale the franchise chain up, ease up franchisor's part in approving the plans, and gain synergy effects. Sharing the lessons learned experiences within the franchisee network would also be productive.

5 LAUNCH MARKETING PLAN FRAMEWORK

5.1 Basic company details

Company X launch marketing planning began by gathering the basic company details starting with **company in brief** description, mission and vision. A **mission statement** is a written declaration of an organization's core purpose and focus, its reason for existing, and it normally remains unchanged over time. A **vision statement** on the other hand is the company's road map indicating what the company wants to become. Vision also sets a defined direction for the company's growth and it normally undergoes only minimal revisions during the life of a business, unlike operational goals which can be updated annually. (Business Dictionary 2016.) Company X **values** and corporate **strategy** were also included. To summaries it briefly, mission is the purpose why, values tell how, strategy what, and vision the objectives where. Together they define the area or playground where the personnel can operate. The values guide company's personnel and form the corporate culture which according to William Wolfram from DealDash means what happens when no-one is watching. (Luukka 2016.) All these elements need to be visible in marketing and marketing communications (Vuokko et al. 2003, 132).

The basic company details were originally collected from several internal materials and discussions with the Company X CEO during autumn 2015, when the interviews were also conducted. When going through the different materials, there wasn't a clear picture of these central elements. Since good marketing communications planning is based on company's strategy, mission, vision, and values the writer felt it would be very important for the franchisees to clearly and truly understand the common goals. The writer was happy to learn in the finalizing stage of the thesis project that the Company X had a project ongoing in order to clarify these matters, and they had just redefined a new vision, mission and values. Based on the writer's experience, Company X did an excellent job in a difficult task; they managed to create understandable values and targets which are both clever and easily remembered and implemented on everyday work on all levels of the company. The results of this exercise will clarify many things but also profoundly affect the launch marketing communications planning and implementation processes, both internally and externally. There is a solid foundation on which to build-up the

business. The basic company details and the whole planning framework presented next are defined in the appendix 7.

Company X success concept has been summarized in the **franchise concept** visual. The concept defines the operational model for the service in the shop, and provides instructions for various situations which may come up in customer service or when marketing the business. The first priority and core of the concept is formed by franchisees; they must internalize and understand the concept and implemented it in their daily work. The core is surrounded by different layers including the concept, brand, and customer. In case the concept's components are not visible to the end-customer via every employee the whole concept will collapse. Franchisor sees also that the main difference from competitors is created by focusing the efforts on making sure that the concept is being followed.

Franchisees feedback and experiences on the concept were mainly positive. The concept was found proven, and it was clearly understood by the franchisees that the concept works if it is followed precisely. The competitive advantage compared to competitors was clear on the underserved markets. The interviewees agreed also on the fact that customers like the service concept; in some markets they were surprised as they weren't used to that kind of service however they all enjoyed it. Most negative comments were related to personnel, and their internalization of the concept; they are discussed more in details in chapter 5.3. One of the franchisees also commented that even if the concept includes easy and understandable elements there are many of them in terms of numbers. Whereas the technical systems such as point-of-sales (POS) were praised by the franchisees it was also seen that some employees found them complicated. The franchisees saw that the concept and systems should be constantly simplified; however the new value process that was introduced only after the interviews may solve some of the current issues once implemented throughout the chain. There were also some culture related comments such as 'no need for appointment' is not a selling point in some countries even if it differentiates the Company X from competitors in Finland. Therefore it is important to listen to the local franchisee when fine tuning the marketing communications.

Basic company details also include **visual and brand guidelines** such as how to use the logo and other brand elements, font, style of photos and images etc. When a company or service is launch in a new market, the visual appearance is the first thing that the poten-

tial customers see; in case it doesn't raise interest, a lot of marketing work is required (Rope 1999, 85). Company X graphical guidelines from stationary to promotional materials, store design and car tapes are all described in the franchise manual.

5.2 Strategic key decisions

Launch planning is driven by the corporate **strategic goals**, which in the Company X franchisees' case is penetration into new markets and beating possible existing competitors in the market segment, and in later point of time either strengthening the market positioning or increasing the market share, and keeping out the potential competitors. (Raatikainen 2008, 204; Rope 1999, 52-56.)

Competitive strategy can be either price or differentiation. According to Porter (1990) with differentiation a company is able to offer its customers unique and superior value in the form of product quality, special features or after sales services. The selected strategy defines also the strategic goals of the launch. (Raatikainen 2008, 77; Rope 1999, 52-57.) The Company X has clearly chosen the competitive strategy of offering a unique service concept; that together with the membership concept are the main differentiators. Another important element is the Company X's own product lines. Competing with price is not really an option as the price variation within the field of business is tremendous; the difference between the cheapest and most expensive service providers is often as high as hundred times.

The marketing communications strategic decisions as described in chapter 3 include for example segmentation (identification of the potential target groups) and focus (evaluation of different segments and selection and definition of own target groups); which define to whom to communicate. Company X doesn't want to limit the **target group** too much, and therefore it defines the customer segment only according to gender; it potentially includes all the men that regularly visit the near surroundings of the store. Based on franchisor's experience, the customer base varies a lot within each store; the bigger determinant on the main customer group is the location of the store whether it is for example in a city center or in a business district. The target group can be categorized for example by income level, hobbies etc. but according to the franchisor the categories don't really effect on what the Company X does. They even have customers they didn't

think was possible, people who didn't used to buy the offered service anywhere before as they performed the service themselves. Therefore the focus target group has created lots of discussion within the company, and the common factor is yet to be identified if it even exists. As the demographics don't seem to provide the answer the factor may be psychographic; therefore there are plans to study it more. One potential answer for a common denominator could be the women that affect men throughout most of their lives; from mothers to potential girlfriends and wives.

Even though the definition of the target group is broad there is also one unofficial definition of the main **focus group** which is the 'men who wear collar shirts on weekdays'. This group is in general more likely to buy memberships. According to the franchisor men are a grateful target group also in the way that once they find a good service provider they rarely change it. Men change the service provider on average only every 12 years compared to women's 3.5 years; and even then it is often caused by external factor such as moving to another city.

The franchisor has been very active in collecting customer feedback; therefore it knows its customers and their needs well. Thanks to the thought-through tools they have in place they also learn more constantly. In addition to the quick real-time data the franchisor has conducted more profound studies in the Finnish market. Their customer satisfaction rate is extremely high, and it correlates directly with how well the concept that has been created based on the men's needs has been followed. The needs that are fulfilled are roughly divided into two: some men are looking for effortless and simple service whenever they have a spare moment without planning it beforehand; whereas the others require special service enabled by the professional staff specialized in the niche segment.

When discussing about the different cultures, consumer behavior, and implementing the franchise concept the franchisor claimed that in many cases there are prejudice against the concept, and whether it fits into the new cultural environment. The biggest challenge has been the local personnel's strong pre-assumptions that the service concept doesn't work in the area, and certain things can't be done in particular country or culture. The franchisor's experience from the current countries however has proven that the real differences are minor, and no matter where the customers come from they behave the same way in the end if they are served according to the concept. Even if the assumptions have

been so far proven wrong this is still an important matter for all the franchisees to keep in mind when training their employees and implementing the internal launch marketing; the personnel must be fully on board before the opening. Franchisees' views on target groups are discussed more in chapter 7.2.

Marketing communications plan often includes also **positioning** targets i.e. selecting the approach and concepts suitable for different segments. Company X franchise service concept defines the operational method, purpose and goal. The concept defines also the operational model for the service processes in the shop, and provides the instructions for various situations which may come up in customer service, or when marketing the business. The instructions are defined for the franchisor, franchisee and their employees. The service concept is illustrated in appendix 7, and described in details in the franchise manual. Since defining the positioning targets requires good knowledge on the current market situation, and information on potential customers' values and thoughts about competing services; it will be advisable to double check that the selected attributes are appealing to the target group also in a new market. As mentioned earlier especially when launching a new company or service the knowledge of the competition situation is vital; what kind of services there are on the market, and how the consumers relate to them (Vuokko et al. 2003, 139).

Profiling means defining the three main spearhead features or adjectives of the brand to be communicated to the target groups and it is also one of the strategic decisions the franchisor must do. The features can be purely functional such as quality, service, durability or image based such as youthfulness or internationality. The image or style factors are the most important ones as once the company has owned certain image features it is hard for competitors to use them without giving an impression of being a copycat which is always a poor solution. In order to create a brand, the silver bullet features are included both visually and verbally in all communications, starting from the launch. (Rope 1999, 86-87.) The profiling details are described in the appendix 7.

5.3 Service marketing mix

Service marketing mix consists of several elements such as product, price, promotion, place, people, physical evidence and process. The elements are discussed in this chapter and summarized in the Company X marketing plan in the appendix 7.

Product

Company X products are divided into main and additional services, own product lines, and membership program. Their own service technique enables fast, efficient and individual service whereas the additional services enable tailoring each visit a personal and unique experience. The tested and well-thought-out service concept is the main differentiator from the competitors; customers' wishes and feedback has been an essential tool in modifying the concept to suite the men's needs. Another strength is the own product lines which offer an opportunity to respond to customers' needs in a flexible and fast manner; but also enable advertising at customers' homes. The membership program on the other hand provides customers easy and effortless service, and added value via partner network's offering. It also creates customer loyalty and regular income for the franchisees.

The core products and services are tightly connected to additional brand and image elements which are classic masculinity, high quality services including guarantee for the professional service satisfaction, as well as a friendly and casual ambiance. Service availability, simplicity, and ease of use are the key parts in each service and customer contact.

The interviewed franchisees saw the unique service concept as an absolute strength of the franchise chain. They also realized the importance of product sales even if it was seen difficult in some cultures where the customers were used to buying products from supermarket instead of a specialty shop. The number of products sold is also one of the key figures measured. The interesting thing found out was that the number of products sold correlates directly on how well the Company X concept was followed; the more precisely the service concept was followed the more products were sold.

Price

Price competition seldom pays off in the long run. When the franchisor asked the customers in Finland the main reasons they use the Company X's services, the ease of use and the services themselves were on top of the list whereas price didn't really come up at all. However prices created a lot of discussion when interviewing the franchisees. The pricing in the field of business is challenging as despite the general price level of the country, the difference between the cheapest and most expensive service providers is huge, and the price competition is fierce. The Company X service prices vary per country but the price level is somewhere little bit above the average price. The brand image target also affects the price level; cheap prices and high quality service offer don't really go hand in hand. Franchisees saw also that a certain price level is required both in order to be able to offer the level of service and in maintaining the brand image. One interviewee summarized it as "good service for moderate price" whereas another franchisee described the general price level as "premium light"; something above average but below high-end luxury.

The basic prices of services and product are set before the launch marketing planning and therefore not discussed here in details. However discounts and free services are offered during the launch campaigns in order to remove any possible obstacles for potential customers to try the services. What surprised some of the franchisees was their own personnel's reaction and attitude towards the marketing campaigns; some franchisees' employees especially the most skilled ones experienced discounts or free services during the launch campaign as a personal insult towards their professionalism. This was something the franchisee wasn't prepared for. As a lesson learned the importance of recruitment and proper internal training before launch can't be stressed enough.

Promotion

Promotion i.e. marketing communications includes all the means to communicate with the target groups and stakeholders to promote the company and its services. In franchise chains it is important to clearly divide the responsibilities between franchisor and franchisee: who is doing what, in which area, what are the franchisees' freedoms of doing local marketing communications, and on the other hand what items needs to be approved by the franchisor in advance. The launch related marketing communications planning process responsibilities within Company X were illustrated in figure 4 and the

graphic guidelines to be used are defined in the franchise manual. Marketing communications tools and channels are discussed in more details in chapter 7.

Place

Place is one of the central elements of a launch; location of a store is also extremely important in the case of Company X, and certain requirements are defined to make sure that the criteria are met. The details are out of the scope of this thesis as the location has been fixed before the launch marketing planning starts; however the importance of the store location was clearly identified by the interviewed franchisees. The location affects also some of the launch marketing planning elements; for example the location of the store influences directly the potential target group as the geographical target area in this case is very small.

People

The most critical element especially within service industries is the people; the personnel are the link between customer and company, they redeem the service promises that marketing sets. Employees' behaviour, appearance and attitude have a direct impact on how the customers experience the service. The unified service experience is important for a franchise chain as the same experience should be guaranteed in every store. The franchise manual therefore includes detailed instructions on clothing and the behaviour in the service process. The people in this context include also the other customers within the store; however affecting their behaviour is extremely difficult.

Employees were causing the main challenges for the franchisees, and the personnel related matters were brought up many times during all interviews. Whereas the franchisees had internalized the franchise concept well; the biggest task seemed to be getting the local employees to understand the value of following the concept. The preconceptions were strong especially among more experienced professionals. According to the franchisees their employees know the concept but they were not implementing it in practice; the issue was more of an attitude problem in many cases. Franchisees' backgrounds varied, and some of them were struggling with the recruitment process because they were not experienced on the business field themselves. They felt like they had two choices; to hire professionals who perform high quality service act but have attitude problems and issues in following the concept, or freshmen or rookies who follow the concept but can potentially fail the technical service.

It was also mentioned by one interviewee that the concept requires all employees master and perform variety of tasks which was new for personnel in some countries, something they were not used to. There were also some other culture related issues found such as internal issues among one franchisee's employees; the interpretation was that the particular culture didn't support teamwork or entrepreneurial thinking. The employees were also found more heterogeneous and multicultural compared to the teams in Finland; and it was seen that the motivating tools need to be adapted into the particular culture.

One interviewee summarized it well: "the concept is about good service, not about artists". Therefore it is important to include the concept thinking and the chain's values already in the recruitment process in order to hire the right kind of personnel that fit in the concept and values from the beginning. The importance of recruitment was understood among the franchisees however in many cases it was more of a lesson learned from opening the first store; most of the interviewees agreed that they should have spent more time in the recruitment process. The writer's view is that the new value implementation will also improve the recruitment process as well as solve some if not all issues mentioned above.

The importance of training can't be stressed enough either. Whereas the training is needed in the concept and service technique themselves; the internal launch marketing must not be forgotten. The training topic seemed to be a hot potato among the franchisees as it created lots of discussions during all interviews. This feedback was mostly out of the scope of this study, and will therefore be shared with the franchisor separately. However sharing launch and other marketing communications experiences between the franchisees would be helpful in many cases; for example one solution for the internal issues towards discounts presented by one of interviewees was to make a quick internal study from the POS system, and show the so called artists how many memberships were sold based on the discount campaigns. As a summary, the recruitment process, efficient training on the concept and internal implementation of the launch is crucial for successful launch of a service company.

Physical evidence

Physical evidence refers to the environment where the service is delivered, and any tangible components such as physical products or brochures. The 'look and feel' of the

store itself i.e. how it looks from outside and inside has been defined precisely and described in details in the franchise manual. According to the brand and concept the store environment offers men their own dedicated social meeting place, and therefore the right atmosphere in the shop is important. The atmosphere is stylish and masculine yet casual with cosy waiting are equipped with defined entertainment. One of the interviewees described that the shop should represent a place where a customer can and wants to hang around while waiting for example his friend; like going to a pub or similar. Franchisee's other example for describing the desired feeling was when friends go to sports match; they support the same team, like the experience and talk about it afterwards. It should be that easy to talk about the experience in Company X as well.

According to one of the interviewees the launch of the first international shop kicked-off a brand renewal process. The requirements created by a big metropolitan were different compared to cities and towns in Finland. There was also a need to match the visual appearance to the price level and competitors; there were good looking high quality shops nearby that cost less. The visual identity update was a necessity in order to be able to market in the new areas, and to be a credible international franchise chain. In Finland the brand was well known but unknown brand made launching a store abroad more difficult in most areas; the only exception was Spain where is a big Finnish population in the area. The areas differ and some cultural adaptation may be required in some regions; however even if two shops would be somewhat different, it doesn't mean that they wouldn't look like Company X and be according to the brand. It is important to have a capable brand manager who keeps the threads on his hands at the franchisor's end.

Process

Process refers to the actual procedures and flow of actions when delivering the service. The service concept is a vital part of the total franchise concept, and it is described step by step in the franchise manual from the moment the customer arrives all the way until the customer leaves the premises. The franchise concept related comments received from the franchisees were discussed already in the chapter 5.1.

6   LAUNCH MARKETING ANALYSIS

6.1   Situation analysis

'Where are we now?'

The situation analysis must be done in totally different depth when marketing new products, or to new markets compared to familiar market. Planning a launch requires fundamental information about the company and its environment; without sufficient information the launch will be based on guesses only. Situation analysis include analysis on the market, business environment, competitors, and the company itself – it is essential to process each analysis to some extent because only a comprehensive review of all them will create a solid foundation for the launch process. (Rope 1999, 35, 38-39; Vuokko et al. 2003, 135.) One of the most important attributes of a successful company is its ability to analyse external factors, and aim its resources into those product or market areas where it can stand out positively from its competitors. The basic requirement of a new product or service is its customer orientation i.e. the ability to respond to customers' wishes and expectations better than competitive products. (Rope 1999, 17.)

Marketing intelligence means all the information needed and used for planning. Information for analysis can be found both from inside and outside of the company; the source can also be either secondary i.e. existing information or primary i.e. specifically collected for a certain need. Typical secondary information used for marketing communications planning is for example market area situation report, or consumer group's media usage information bought from a research institute. Primary information can be collected by quantitative survey or qualitative interview, and used when company specific details are needed; such as how the target group values company's product compared to competitor's comparable item. (Omar 2009, 77-79, Vuokko et al. 2003, 136-137.)

In many cases primary research is essential for the formulation of a marketing plan; however due to the required time and expenses needed for the collection of primary data the use of secondary data in international marketing research continues to grow. It is worth remembering though that the evaluation of secondary data is even more critical for international than for domestic projects. With the rapid growth of the secondary data

in the internet the data has become more available and accessible. The need to systematically evaluate the data before using it will become even more crucial. (Omar 2009, 77-79, 81.) Analyses are used for improving the quality and reliability of decision making, streamlining the decision making process, minimizing risks, collecting current up-to-date and reliable information, and perceiving new market opportunities.

Making the analysis is the franchisees' responsibility, and the analysis made by the interviewees varied a lot. One interviewee used one year for collecting information on the market whereas another trusted in his own experience and didn't see any added value on doing a market research. The difference correlated with the time spent in the country in case of the Finnish franchisees; the shorter time the franchisee had lived in the country the more information and analysis he felt was required. In addition to the existing knowledge the information was collected from marketing agencies; not necessarily by hiring them but by having meetings, requesting quotations, and asking lots of questions. Personal networks and membership of a local trade association were used as sources of information as well. External help was used in some cases when franchisees' own experience on the local market and culture was considered insufficient.

6.2 Market

Analysis begin with a research of the new potential market; the situation at the moment and forecast of the future outlook. The market analysis includes also a research on the potential customer groups. Proper analyses require separate studies however existing basic information can often be found in many businesses and product fields; this secondary data can be basis for conclusions and forecasts. (Rope 1999, 39, 42.)

Size and saturation degree of the market

Market is defined as a certain geographical area that can also be divided into different regions. The market size is formed by the number of potential customers, and the average amount of money they use for equivalent services. Market saturation i.e. how broadly the use of similar services has spread enables the company to find out how the customers' needs are satisfied at the moment, and how much demand there will be in the future for the particular services. With the collected information it is possible to esti-

mate the total volume of the whole business in the area in pieces and money; today and 2-3 years from now. (Raatikainen 2008, 200-201; 2010, 65; Rope 1999, 40.)

Structure of the market

After the initial regional definition it must be studied what kind of customer target groups the market consists of. For example following facts should be clarified in order to create a clear picture on what kind of potential consumers form the market: who makes the final purchasing decision, gender, age groups, education level, occupational groups, income levels, family stage, and lifestyle factors. (Raatikainen 2008, 200-201; 2010, 65; Rope 1999, 40-41.)

Consumer purchasing behavior

Purchasing behavior studies are part of the market analysis. Purchasing behavior explains what are the buyers' purchasing habits related to this kind of services i.e. for example from where and how often they normally buy, and is there any seasonal variation (Rope 1999, 41). Raatikainen (2008, 200) also lists additional open questions to be asked such as how a certain customer is reached i.e. what kind of ad interests him; how should he be approached, and what type of consumer he is; what is the customer's need or a problem the company's service satisfies or solves; how the needs are fulfilled now; when will the customer buy; is there purchase loyalty in the market, or are some customers willing to change the service provider?

Future development

Future development and potential should also be considered within the market analysis. What are the potential changes and the direction of the development; what could be the company's market share; in which direction is the purchasing power going i.e. will there be more or less money to be used in the future, and which direction the market development is in general going; is the market growing, regressive or stable? (Raatikainen 2008, 200.) Different kinds of future trends should also be considered, there are for example are reports available on global or country specific consumer trends.

The Company X individual store's geographical market area is very small, only maximum of 2 km around the store. This makes the location of the shop extremely important, and the basic requirement set for the location is a certain number of people visiting the 1 km radius daily. Chain's location analysis template includes estimations for

example on customer flow, number of parking lots, and the Company X store's visibility in the area. It includes also identification of other businesses, shops and large corporations in the area; any potential special features of the area should be also considered.

According to the interviewees a good location of the store depends on the size and structure of the city; for example in some cities the people who earn money live in city center whereas in another place they may live outskirts. The variation was also seen within a country as those franchisees that had or were close to having more than one shop also claimed a big difference between markets and target groups inside different cities, even if the stores were very close to each other in some cases. Price level also varied within different parts of the cities, and the Company X brand set also some requirements for the location; even if the company is not aiming at high-end luxury markets, a shabby neighborhood would conflict with the targeted unique high quality brand image. Some of the interviewees also suggested that a local external consultant or other help should be used in order to learn about the market and consumer behavior in case own knowledge is not sufficient on the particular market.

6.3 Competitors

Competitors include all the companies that offer any services that fulfil the same needs of potential customers within the business region. First task is to identify the competing, similar or substituting services. Competitor analysis can be done for example by using Raatikainen's (2008, 201) sample table 3 illustrated below. The central items to be analysed are competitors' market share and competitive power; turnover and market share growth rate can be added as well. The most important element to be analysed is the reasons why some competitors are successful in a certain area and others not; it is good to define the success factors of the key competitors. (Raatikainen 2008, 201; Rope 1999, 42-43.) Own company's or service's sales arguments and/or key advantages should be analyzed correspondingly. The competitors can also be something else than actual companies; for example such a change in the environment that people wouldn't be buying the service from external service providers at all. It is good to keep an open mind and use imagination when doing the analysis.

TABLE 3. Sample of a competitor analysis table (Raatikainen 2008, 201, edited)

Competitors	Strengths	Weaknesses	Other comments
Company A			
Company B			
Potential future competitors			
Competitors	Strenghts	Weaknesses	Other comments
Phenomena C			
How the competition develops in future		Conclusions: How to react	
Example: Competition will increase, new companies will be formed		Example: Do marketing, maintain quality level, offer good service, keep an eye on the competition situation	

Raatikainen (2008, 201), Rope (1999, 43-44) and Vuokko et al. (2003, 135-136) list some things to be considered when analyzing the competitors; such as the competitors'

- Number and quality,
- Strengths and weaknesses, success factors, opportunities and threads,
- Product or service features, advantages and benefits for customers, image,
- Status and positioning in the market,
- Marketing and competitive strategies and their influence,
- Future prospects and plans,
- Assumed reactions towards a new competitor entering the market,
- And threat of potential new competitors.

Predicting existing companies' reaction towards newcomers is often vital in order to secure the entrance and future success of the launched company or service. Especially those companies whose competitive advantage is in danger or will disappear should be watched carefully. It is likely that these companies will invest strongly in maintaining their market shares. (Rope 1999, 44.)

According to the Company X interviewees the competitor analysis affected for example the pricing and location of the new store. Three of the four franchisees said that the competition in the area in general is hard; there are many competitors, and especially price competition is tough. It was also seen that most likely the competition will only get harder. However since the geographical target area is so small around the shop; in many cases there weren't any real competitors near the shop. The interviewees also saw

that the Company X concept and service level was so different compared to the competitors that they saw an opportunity on the underserved marked. It is a real advantage if the offered service is very different compared to existing companies when launching a store in a new area. However it is still always important to keep an eye on the situation which can change any moment.

6.4 Environment

Marketing communications are constantly affected directly or indirectly by the business environment, and its many uncontrollable factors. The so called PEST factors are *political* such as new laws and regulations, *economic* such as recession or boom, *social* such as changes in values or attitudes, as well as *technological* factors like the development of internet and social media. This part of the analysis is often neglected on the pretext that predicting some things is difficult and the company can't affect them anyway. However this analysis provides lots of important information on the needs of the changing world, and the most remarkable future trends. Also for example the development of political economy affects directly the purchasing power, and therefore the sales potential. (Raatikainen 2008, 201-203; Rope 1999, 44-45; Smith & Taylor 2004, 216; Vuokko et al. 2003, 135-136.)

When a company is operating and for example executing an advertising campaign in a foreign country it should be familiar with the culture and legislation of the particular country (Vuokko et al. 2003, 136). The chances or differences in values and culture affect the amount and structure of the demand; changes in the set of values are reflected in the way people view on the central elements of life such as work, family, free time, hobbies and environmental protection (Rope 1999, 46). The changes can happen slowly within one culture but the differences can be seen more clearly between different countries and cultures. Even geographically close nations can differ culturally more than assumed; therefore the culture and its effects on marketing and communications can't be ignored.

The interviewed franchisees, especially the Finnish entrepreneurs working in a different country all stressed out the importance of knowing and understanding the culture in order to succeed in the market. Culture had also effects on some practical matters like

opening hours, payment methods, and bureaucracy which was affecting both the process of starting a business and different kind of permissions needed for example for distributing marketing flyers. It was also seen that things don't get so massive in big cities compared to Finland where a new company or hit product that breaks through can quickly be known by majority; most people have often even tested or own the product themselves. Other differences the franchisees mentioned were that in bigger cities it is common that companies or people don't help each other – everyone must survive on his own. Customers are also more skeptical if the company will stay around – in some cities new companies pop-up and disappear in no time.

6.5   Company

Company analyses include reviewing the internal matters and comparing the company to its competitors in a particular market, today and in the future. Most common and perhaps known company analysis tool is SWOT i.e. listing company's strengths, weaknesses, opportunities and threads. In this case the view should be concentrated on things relevant to launch marketing planning, and reflected on the specific market the franchisee works in. According to Lehtinen & Niinimäki (2005, 71) creating a table alone is not enough but in order to specify the objectives and plan, the content needs to be carefully analysed; especially criss-cross examination i.e. how the opportunities can be exploited and threads prevented by taking advantage of the strengths; how the weaknesses can be decreased and their effects prevented with the help of the strengths; and how the strengths can be further strengthen and weaknesses decreased or eliminated.

Company analysis includes items such as marketing knowledge level, economical situation, amount and skills of human resources, and company's brand and image. It also includes analysing the basic company details such as values, vision, strategy, brand targets, and positioning which were discussed in chapter 5. The analysis can also be done both at company and service level. (Raatikainen 2008, 203; Vuokko et al. 2003, 135.) Company analysis weren't really discussed during the interviews. However based on the interviews the writer suggests that special attention should be paid in analyzing personnel's general skill level, and special skills in the case of Company X.

7 LAUNCH MARKETING COMMUNICATIONS PLAN

7.1 Targets

'Where do we want to go?'

The actual launch marketing communications plan starts by defining the objectives of the launch. Marketing actions to reach the targets will then be planned for each and every target set. Targets define where the company wants to go, and what it wants to be. Clear objectives are necessary in order to give a focus to the organization, and direction to creative planning. Good objectives are SMART: Specific, Measurable, Actionable, Realistic, and Time specific; they are also based on the company and marketing strategies and goals. Launch targets can be roughly divided into awareness and image targets and financial targets; the main targets will be divided further on to sub targets. Targets can be quantitative such as increasing market share to 60%, or qualitative like creating interest in trial, or concurring new market area. In most cases the objectives should be as quantitative as possible. (Czinkota & Ronkainen 2010, 569; Lehtinen & Niinimäki 2005, 75; Rope 1999, 131-138; Smith & Taylor 2004, 43; Vuokko et al. 2003, 137-139.)

Awareness and image targets follow the communications process known as AIDAS. The phases start from Awareness of the company or service, followed by customer being Interested in the service, and Desiring the service that will satisfy his needs. After that the customer will take an Action and try the service; if everything goes well the customer will be Satisfied. When launching a new company or service the primary goal is to create awareness among potential customers; to explain which needs are better fulfilled with the new company or service, and how it differs from the services the consumers were using before. Awareness is best created by traditional marketing and the basic selling points i.e. the central functional advantages must be stressed. Setting image targets means defining the image attributes the company wants customers to combine with the company or service; image targets affect the concrete content of communications and the features to be emphasized per target group. Awareness targets can be for example such as a certain number of potential target customers knows the company after a defined time period or has tried the services. Image targets set for the company

or service can be for example quality, easy to use, internationality or youthfulness. The defined objective can be for example that the selected image targets have been realized and correctly understood by the target group. (Grönroos 2010, 341; Lehtinen & Niinimäki 2005, 78; Pelsmacker et al. 2004, 148; Raatikainen 2008, 206–207; Rope 1999, 131-132; Vuokko et al. 2003, 135–136.)

Financial goals are often a bit complicated when talking about company or product launches as the cumulative profit is almost always negative. Therefore the importance of other targets will be higher. Financial targets can include expectations on for example profitability, gross profit and EBITDA, estimations on sales volumes or market shares, and definition of the breakeven point. Financial targets can also include more detailed targets for instance for prices. (Raatikainen 2008, 206–207; Rope 1999, 20-21, 132-133; Vuokko et al. 2003, 135–136.)

The marketing communications targets should be divided into more detailed sub targets that represent the efficiency of communications. They should also be defined per communications tool, communications channel, customer target group, sales person, or for example region; the positioning targets described in chapter 5.2 are also marketing communications targets. It is impossible to create a plan without the sub goals as each action requires a concrete target according to which it will be planned. The targets should also be set separately for internal and external communications. (Raatikainen 2008, 206–207; Rope 1999, 137-138; Vuokko et al. 2003, 135–136, 139.)

According to Company X franchisor, the main target for franchisee's store launches is to get a certain defined number of people to the new store as soon as possible in order to reach the breakeven. Company X's experience shows that once a certain number of different customers has visited the shop and experienced the service concept, the breakeven realizes and positive financial results will follow there onwards. The process of changing a first-time-visitor into a member is well established; however the challenge for the launch marketing is how to get the mass of right kind of people aware and interested in testing as fast as possible. The interviewed franchisees also stated that the customers were needed inside the shop in order to present the service offering most effectively. In addition to the main launch target the franchisor sees the number of products sold as an important key figure to be followed as it correlates directly with how well the

service concept has been executed, and how good the customer feedback is. Franchisor also sets some financial targets for the franchisees.

Target setting among the franchisees varied a lot from no defined targets at all to very specific targets. Initial target for most of them was to get as many potential customers as possible inside the shop. One interviewee also mentioned membership related targets; the target was to get 10 people inside off the street and turn an average one of them into a member. Financial targets were not defined specifically during the interviewees but it was clear that they existed.

7.2   Target groups

A good knowledge of the customer target groups is essential in matching the marketing activities according to target groups' needs and operating methods; it will assist in achieving sales. Due to the importance of the target groups when planning launch marketing activities the concept is discussed more in details. Effective and efficient communications is needed for creating awareness or brand image; for informing prospective customers about the availability of products and services. The goal of marketing communications is to create an impact on the recipient; in order for sender or the company to be able to communicate effectively it needs to know the target group, be able to formulate the message, and communicate the message so that the target group receives it. In other words the target group defines what should be said and where in order to achieve the communications goals. The receiver (customer) must also have the ability to decode the message i.e. understand the language, terms and symbols. The target groups will be the starting point for all marketing communications planning. (Czinkota & Ronkainen 2010, 397; Raatikainen 2008, 22; Vuokko et al. 2003, 13, 27-29, 203.)

Raatikainen (2008, 21-22) writes that the consumers differ by demographic, geographic, situational, and psychographic factors. Demographic factors include age, gender, race, nationality, income, education, size of the family, stage of life, civility, profession, language, and living conditions; the demographics can be easily be found in existing statistics and registers. Geographic factors include details such as zip code, city, country, or whether the people live in a city environment or countryside. These things are also relatively easy to find out. Situational matters such as if the service is consumed during

work hours or free time, and what time and where the consumption happens are often figured out by conducting a marketing research. Psychographic features include personality, lifestyle, values, attitudes, and culture; it is often difficult to figure out why consumers act the way they do, many things happen without the person being aware of it himself. According to Kautto & Lindblom (2004, 19) the customer target groups need to be defined and segmented in sufficient detail in order to be able to build a successful brand. In addition to the basic demographical factors the importance of potential customers' appreciations, life styles, and purchase behaviour is becoming more and more important.

A targeted marketing plan starts with identifying the primary audience segments. The potential customers' purchasing behaviors i.e. demand is studied and analyzed, the segmenting criteria is selected, and the customers are divided into the segments. Decisions must be made on how to reach each of the intended target audiences without wasting valuable resources. Therefore it is often selected which customer segments are worth spending marketing resources. Strategy can be centralized when a certain target group is selected; selective when several customer target groups are addressed according to their characteristics; or unsegmented when the service is offered to all possible target groups via mass marketing – however the latter requires that all customers have similar needs. (Czinkota & Ronkainen 2010, 397; Raatikainen 2008, 23.) According to Ruskin-Brown (2005, 14) marketing should be addressed to a specific group of customers only; no firm today can achieve success by trying to be all things to all people. The companies must be close to particular customers in order to build profitable relationships; this means some potential customers will be ignored. Service marketers must address this issue and it should be clear on what basis the choice is made: is it for long-term profit, market penetration, short-term gains, or something else. Ruskin-Brown (2005, 14-15) continues that the service marketers should never be satisfied with what they know about the customer. Although information costs money the 80/20 rule often applies i.e. the first 20% of information will be cheaper per quantum than the remaining 80%, and will often enable the service marketer to make 80% of the key decisions.

It will be possible to interpret the selection criteria that guide target groups' purchasing decision only by identifying the target groups' characteristics (Rope 1999, 106). According to Vuokko et al. (2003, 14) the best way to know the target group is by experience, by meeting up with them. It is important to know how to listen to the target groups

whether it will be via face-to-face communications, received feedback or studying the target groups. It should be known how to actively take an advantage of these situations in order to get to know the target group better.

As a summary an exact definition of the target groups is essential in order to be able to select what communications tools and channels should be used in order to influence the target groups. Different channels and tools can have different target groups; depending on which target group a certain channel reaches the best. (Vuokko et al. 2003, 142-143.)

Company X targeted marketing strategy is mainly combination of demographic and geographic strategies; its target audience consists of all the men within a certain location i.e. defined area around the shop. The franchisor's comments regarding the target group were discussed in the chapter 5.2. One of the interviewed franchisees struggled with the target group thinking in the beginning; the marketing person in him was convinced that there must be a more specific definition for target group i.e. a certain age, income and type of work. However he admitted that his thoughts were changed after opening the shop; he felt the franchisor was right after all, the main target group includes all men. Yet the broad target group makes it difficult to do good marketing, and therefore this franchisee is planning to study the behavior and psychologic factors of current customers, both members and non-members. His view was that figuring out the common thing between the customers, in addition to gender, would increase the percentage of how many people out of all visitors will be turned into members; it would also ease up the marketing planning. This psychological strategy that looks for certain desired personality would be a good addition if the common factors between the customers can be identified. As mentioned earlier by the franchisor, the common nominator may be the women. Some franchisees also mentioned women being one of the target groups; a mean to influence men. There were for example campaigns were flyers were distributed in events targeted to women only.

Based on the franchisee' interviews there was some variation in customer target group between countries, such as age related. Some defined customer target group being 18-65 or 25-50 years old where as one included all ages. Even if the total age group was wide, the main marketing target group was at some cases for example 20-40 years old men. Children i.e. boys were a customer group in Spain whereas in Germany they were totally missing. In Spain the visit to the shop was sometimes seen as a family event as well,

their main target groups were young adults, and fathers with their son. In general even if the target group included all ages it was seen that different marketing tools were needed in order to reach the people; for example in one country the older generation was listening to radio and reading newspapers whereas younger generation was better reached via social media.

In some countries there has been a long history and existing traditions in the particular field of business, and that created high expectations and standard levels among the customers. In some cultures it was also seen that people were suspicious by nature; nothing can't be free, there must be something hidden. Gaining trust in these cultures had been slow and difficult; customers had to visit the store for a long time before they were ready to recommend it to someone.

Consumer behavior related features were discussed in interviewees. Some franchisees described the customers as people who dress-up and take care of themselves. Dressing-up didn't necessarily mean suite or white collars; it could also mean being classy, stylish, artistic or hipster; freelancers and designers, people interested in dressing up. Spanish culture was seen to support the field of business as tidiness, stylishness and trendiness are valued; whereas in Sweden the service was seen in general more as something that takes time from more important things i.e. the more convenient the service is the better.

Location was an obvious topic. Geographical targeting was used a lot and all interviewees signed the franchisor's definition of the target area around the shop being small, and the main customer target group being people near the shop. However in one shop people walking around the store didn't necessarily belong to the target group as there were lots of tourists as well. Description of the area around the shop varied between 2-7 blocks or 1-2 km. All franchisees agreed that the variation between customers in one shop is amazingly huge even if the location of shop does affect the biggest customer group. A shop in a business district or financial center has lots of business people as customers whereas the so called white collar men were missing in some shops totally as there simply were no companies nearby where men would be working. At the same time two shops in a same country, even being very close to each other can have very different markets and target groups. In general franchisees agreed that the customers were mainly people who bypass the shop regularly anyway.

In Spain the target group was also divided very clearly by nationalities; different language versions were also required. The biggest group was Spanish men, second biggest Finnish men, and the third group consisted of different nationalities such as British and Swedish.

Income was mentioned in one of the interviews. In the particular country the Company X price level made it a bit expensive; therefore the marketing activities were targeted towards working people with good education and income. The income level of customers varied but students and unemployed people didn't really visit the shop. On the other hand in another country the students were part of the customer group.

Some of the interviewed franchisees had experiences on purchased marketing contact lists but they were not seen useful or efficient without brand recognition or ability to target better. However some of the franchisees had done targeted campaigns for example for city employees or distributing direct mailing to companies nearby.

It is also worth remembering that launch marketing has other target groups as well in addition to the potential customers. These other target groups can be for example local media, local community such as sports clubs and associations, and potential partners; companies that have the same target group and can offer additional benefits for the Company X members. A company can also be willing to influence on its suppliers, financiers or authorities. One extremely important target group not to be forgotten is the own personnel; especially in service marketing the campaigns must be sold to own personnel first (Vuokko et al. 2003, 16). According to Rope (1999, 138) it is very important to define all the groups that can benefit or contribute the launch of a company or service. The better and more specifically all the target groups are defined, the easier it is to plan and execute the launch communications.

Most of the franchisees were targeting only potential customers with their launch marketing activities. One main issue that caused many problems was the lack of internal marketing and communications before the launch. Creating a local partner network was on every franchisee's agenda however it was not seen as part of the launch marketing due to the lack of Company X brand awareness. Getting partners before or soon after opening the first shop was seen difficult also because it was either common that compa-

nies or people were not used to helping each other, or the potential partners didn't see the benefit for them. The franchisees that had been on the business longer or had more than one shop had partners but the general view was that creating the partner network should only happen after the launch marketing activities.

7.3   Service promise and main message

Content of marketing is based on customer, or service promise as in the case of Company X. A company can succeed well in giving promises but fail in keeping them if the experienced quality becomes poor. Therefore the service promises must be fully consistent with the store concept, marketing, and all operations. Often the long-term implementation of original customer promise combined with a high quality performance, and consistent marketing leads to best results. Creating positive experiences and image requires always long-term working whereas bad experiences and images occur in a flash, and are often extremely difficult and slow to fix. Therefore when launching a company the first impression is crucial; it is important to do things correctly right from the beginning. (Grönroos 2010, 342; Kautto & Lindblom 2004, 22, 30.) Ruskin-Brown (2005, 15) also adds that a successful service marketer doesn't promise what can't be delivered; he rather under promises and over delivers. Company X service promise is to make happy and handsome men; professional service satisfaction is guaranteed.

When a company is launched in a new area the company needs to communicate about the services or organization to someone who has never heard anything about them. The most challenging situation is faced when the target group's whole frame of reference is different and strange, for example if they speak different language. Even more importantly they may value very different things, and their operating environment and experiences can differ a lot. Therefore it is not always enough to just translate the messages and texts; it is also important to promote those service features that are important in the particular culture, and do it in a way that is appealing in that context. Customer oriented marketing means that the barrier is not that the customers don't know the company but the company doesn't know the customers. Therefore the message content should always be planned starting from target groups' buying motives i.e. what the consumer is really buying. Despite the goal the sender must study receiver's characteristics before encoding the message in order to achieve maximum impact. Encoding a message

means that it must be converted into a form that the receiver will properly understand it. The idea may be global but it may require some tailoring in order to suite the local market conditions and regulations. (Czinkota & Ronkainen 2010, 376-377, 577-578; Rope 1999, 107; Vuokko et al. 2003, 14-15, 325.)

The franchisor has local franchisees to support but the franchisor need to acknowledge this when making decisions that affect the whole chain; the franchisor must make a decision on whether to standardize or localize marketing, and to what extent. Standardization means that only minor modifications or proper translations are used in all countries; the advantages include maintaining consistent image and identity, cost savings, and less confusion among people who travel frequently. According to standardization view there is an assumption that consumers have similar buying motives. Assumptions can be even dangerous as there may be huge differences between countries such as cultural, economic, legal, media etc. Therefore different messages should be used to reach buyers in different markets. The franchisor needs to determine which adaptations are needed or most appropriate in different situations; the most important thing is that the decisions have been made consciously. (Omar 2009, 374-377.)

Company X franchisor says that in general the message is planned according to the selected media, and its target group. For example a motorbike, sports or women magazines can have the same visual image, the look and feel, but the message would be different. Based on this information the Company X leans towards the standardization strategy. The interviewees' comments were focused mainly on the visual side, however there were some points mentioned. One concern was that the so called elevator speech was missing, how to tell a potential customer in thirty seconds what is so special and different about the Company X; at the time of the interview the best way to describe it was to ask people to visit the store and experience it themselves. According to one of the franchisees the content should be something more interesting in general like telling a story. The writer's view is that the brand-new value, mission and vision process is a good step towards better direction in this sense as well. The other franchisees' comments were related to cultures; that the messages must be aligned with the particular culture and habits. For example some of the selling points used in Finland were not relevant in some countries as they didn't differ from other competitors at all.

7.4   Media selection

In media selection the decision is made on what media and vehicles will be purchased, at what time, and what price. When selecting the launch marketing communications media it is important to keep in mind the basics of integrated marketing communications i.e. that the strategic marketing decisions such as target group selection and positioning are same for all communications means. This enables synergy benefits, and decreases the amount of communications and resources needed. (Pelsmacker et al. 2004, 234; Vuokko et al. 2003, 325-326.) When launching a company or product it is also important to find the most effective channel to communicate the desired message to the selected target group, in such a way that the targeted image comes across as planned. The most important thing when selecting media is not the media itself but its ability to deliver the planned communications message to the target group. There are many phases where things can go wrong; for example if the target group will not be exposed to the ad at all due to wrong media selected, ad doesn't stand out from the surroundings, or it is not interpreted correctly. The order of the planning process is also important; starting from defining the desired impact continued by considering how to create the impact on the selected target groups; what are their motives, and which media meets the needs the best. The media selection must be done only after defining the content of the message. (Rope 1999, 107-108; Vuokko et al. 2003, 209, 211-212.)

Marketing means can differ a lot depending on the target; for example if the target is to keep the current customers, or to get new ones. According to Grönroos (2010, 341) in the beginning when potential customers don't have any information or interest towards the company and its services, the main purpose of marketing is to create attention and interest towards the company. This is often done via traditional marketing i.e. advertising, sales promotion and public relations. It may also be that one tool is used for informing, another for creating an image, and the third one for triggering a try-out. In most cases the definition of the most effective, rational and economical way requires external special expertise. (Vuokko et al. 2003, 149, 151.)

Czinkota & Ronkainen (2010, 570), Omar (2009, 377-378) and Vuokko et al. (2003, 228-230) list the following quantitative media selection criteria to be considered:

- Media availability – are all medias available in the area
- Coverage or circulation – how many percent of the defined target group can be reached
- Selectivity – how well a certain target group is reached, what are the media habits of the target group(s)
- Frequency – how often or many times the target group will be exposed to the ad
- Geographical flexibility – media's ability to take into account the different needs of different regions
- Speed – how fast the message can be delivered if necessary
- Costs – total costs including media space, planning and production but also the cost per contact

Effectiveness and especially how to measure it can be difficult due to lack of reliable data in some markets. It is always advisable to be critical when reading the media data as for example the circulation data may be fabricated. (Czinkota & Ronkainen 2010, 572; Pelsmacker et al. 2004, 234.)

There are also qualitative criteria to be considered; such as image-building capacity, ability to deliver the desired message content and form, amount of noise i.e. how easy it is to notice the ad within a certain media, and media attention value i.e. what is the media's ability to get target group's attention, and how important the media is to the target group. The image of the media will affect the image of the company or service that is advertised in the media; however media can also be selective as they want to have as good material as possible. As a summary, the media selection must fit the target group, service of the company, marketing message, objectives of the campaign, media mix, competition situation, budget, and corporate strategy i.e. where the company wants to be seen. It is important to reach the target group both physically and emotionally. (Vuokko et al. 2003, 231- 232, 235.)

Once the media has been selected there are tool specific decisions to be made when creating the media plan, such as target, target group, message and channel. Even though they all have one common goal, each of the channels will have its own more detailed target. The common target can for example be the successful launch of the service within the market; but for example the target of public relations can be to get the opinion leaders to test the service, and the target of consumer advertising can be to create

awareness of the company. The strengths and weaknesses of each mean need to be known, and as mentioned earlier all selected tools must be integrated into a single whole to reach synergies. (Vuokko et al. 2003, 158-159).

7.5   Marketing communications tools

The interviewees' launch marketing tactics used were more or less 'test and see' method i.e. trying as many different things as possible and continuing with those that were working. The franchisees mainly started doing same activities that their Finnish colleagues had found effective; however it was quickly noticed that some of the launch activities used in Finland didn't necessarily work in different regions. Almost everything else but sponsoring was tested. A lot more marketing is needed when a totally unknown brand enters into a new market which in this case was often a much bigger city compared to towns in Finland. There is also more noise i.e. other marketing and events around in larger cities which makes it more difficult to stand out. Marketing must be planned and executed longer-term, for example in Finland most people know about a certain thing after a 3-day promotion but it doesn't work similarly in the bigger cities. There were different views among franchisees on whether general brand awareness marketing should be done or not, if it makes sense as the geographical target area is so small. The dominant view was that the brand awareness should be created bottom-up meaning through business itself but there was also an opposite view from top to down; fulfilling the brand by creating general brand awareness via more marketing.

The franchisees also acknowledged that some of the unsuccessful launch marketing activities might have worked with better preparation; especially better and more structured training of personnel on launch marketing before opening the store. This was mentioned in many cases; therefore some of the bad experiences described next may be avoided and turned into success by simply increasing the internal launch communications.

Personal **networks** were seen as a huge advantage and an important marketing tool among the franchisees that were local, or had lived in the country or area for several years. Networks were used for word of mouth and direct marketing campaigns. One franchisee ranked the network as high as the second most important marketing channel.

Personal connections with marketing specialists and some local culturally aware people were found beneficial as well.

Personal selling is an important part of the Company X marketing as it was clearly seen by the franchisees that the potential customers are needed inside the shop in order to be able to present the service concept. Personal selling is done during all customer interaction situations due to the nature of service business. One form of personal selling called '**street fishing'** was commonly used at least in Spain. The employees stand at the door greeting people when they don't have customers. It is natural and part of the Spanish culture that everyone greets everyone; therefore it worked well and it was seen as an important channel to bring in new customers. Nearby **hotels** and their reception personnel including concierges were also a remarkable target group in most areas. Hotels have their own databases and whenever guests request for any services they are able to recommend service providers. Hotels and their important employees were personally visited, and marketing materials were left behind. Franchisees expressed that they have received many customers via hotels; one franchisee considered hotels to be the third most important marketing channel after e-commerce marketplace Groupon and the personal networks. In addition to the examples mentioned before, personal selling is also an essential part of most of the marketing communications tools and channels discussed further.

Pure **print advertising** was seen inefficient, expensive and hard to measure, and therefore unpopular. Another struggle was how to identify and select the right newspapers among for example twenty existing local newspapers? There were also cultural differences; for example in Spain the **print coupon** ads worked well for Finnish people in the area as they cut out the coupon whereas Spanish would never do it. The franchisee in Germany did a six-month trial on a free local biweekly magazine concentrated on events and happenings but didn't use it any more when opening the second store. **Poster** advertising on the other hand was done in partner premises and inside own stores. One franchisee had also done a small general brand awareness **TV spot** with the local television; some people came but the franchisee considered the real effects to be difficult to evaluate.

Outdoor advertising played an important role in franchisees' launch campaigns due to the small geographical target area; it should be utilized as much as possible. **Window**

tapes where one part of the outdoor marketing and they were installed together with the opening advertisement as soon as the store space was rented. Experience has proven the window tapes being an essential part of the launch marketing. **A-stand posters** outside the store were used a lot as well. Big outdoor **banners** were used in squares and train stations at least in Germany. Especially the huge banner in the plaza received good feedback from the customers; it was noticed and cost efficient. Another creative outdoor campaign mentioned was a use of a **street painter**.

Public relations campaigns were also used when opening the stores. A few articles based on press releases and interviewees were published in different regions. In some areas the franchisees were having difficulties in getting them through, and they were planning on putting more efforts on the press relations when opening the next stores. The identification of the right newspapers and magazines as well as creation of good relationships with the journalists are important. The best scenario is if the journalists can be invited for a free trial in the store; the concept can be explained and answers given to their questions at the same time. However ensuring extra ordinary good service would be essential in order to get positive publicity. Getting news, stories or articles published may also require paid advertising. The franchisees found the impact of articles hard to evaluate.

One of the most used **sales promotion** tool during launch marketing was called the '**free week'** campaign; it was offered in all locations during the opening week. Free service was given either with or without a flyer or coupon; but there was no remarkable difference between the two approaches. The main target was to get as many men as possible into the shop in order to be able to present the concept idea. The free week campaign has been very successful in Finland but the experiences abroad varied a bit; however it was also seen that some of the obstacles could have been avoided with better and more proper preparations.

The main issues were related to either cultural or internal issues. In some cultures people appeared to be very suspicious by nature, and simply refused to believe that something can be free; discounts worked better in those areas. The 'pay-with-a-tweet' mentioned in the social marketing mix chapter 3.5, or other social media recommendation could be worth trying. Whereas some franchisees struggled, in some other countries people were extremely happy about the campaign. Unknown brand also partly created

the difficulties. Internal issues were seen by all franchisees, and they were related to the lack of personnel training i.e. explaining the targets to avoid possible resistance towards discounts and free offerings and to ensure the membership and product sales. Interviewees also proposed that it would be good to have one or two more experienced employees leading by example during the opening week.

Flyers were another tool used a lot during the launch period, but other street promotion campaigns were conducted regularly at other times as well. The content of flyers varied from service or membership discounts to advertising the opening and free week. They were distributed via other shops and on the streets by personnel or interns. In some countries they worked well and were seen important whereas in some other areas they didn't really work. In some big cities flyers were very common and huge amounts of them were given out daily; the amount of flyers made it difficult to stand out, and required distribution of thousands of flyers. It should also be noted that in some regions permission is needed to distribute flyers. Flyers were considered to have two sides as on the other hand they may be seen negative as well by giving a cheap image. **Discount coupons** were given to new customers but coupons in magazine on the other hand were mostly seen useless.

The parent company's support in training matters was missed by the franchisees; such as tips on what kind of people should be approached when distributing advertising flyers on the street, how should they be approached, and what should be said. It was learned for example that men walking alone were not good targets, neither were bums part of the target group. The person distributing flyers affects a lot, as one of the interviewees said the game can be over before the flyer is even seen. Both Company X personnel and external non-professional people were used in flyer distribution. In many countries it is possible to hire professional promotional staff to do the distribution however the higher cost may be an issue. Despite on who were used for distributing the flyers it was agreed by all franchisees that a proper training is needed. Therefore some franchisees also saw the online channels being a lot easier when the people effect and the numerous things that come along were missing.

Direct marketing campaigns done were both print and electronic. Purchased contact list were considered as waste of money due to the missing brand recognition and ability to target properly. Printed direct mailing was targeted to men working nearby the shop

i.e. the companies in the area. Targeted campaigns were also used according to male dominated professions; for example city employees, police force, and firemen were targeted. Franchisees also used existing customer database whenever opening second or third store; non-addressable campaigns had to be used when opening the first store. Direct email campaign contacts were done either via business-oriented social networking service LinkedIn, other personal networks, or purely by looking for potential contacts via internet. One franchisee used LinkedIn to send out personal messages with a coupon, and gave the recipients permission to share the message with their contacts. He also sent one reminder note. The campaign was time consuming but effective; the opening percentage of both emails was a remarkable 60-70%. Another direct marketing tool mentioned was bulletin boards but it was only at planning phase.

Promotional events were used mostly in Germany only; there they were seen more efficient than distributing flyers only, especially when during events there was a chance to talk to people. There were several different kinds of events such as customer events and happening inside the own stores, and small promotional stands in partners' or other companies' premises. Own Company X men's evenings had entertainment such as beer and DJ, and basic services were offered during the events. However attracting people was considered challenging in a big city full of happenings every day. Own events were advertised via flyers, customer emails and social media, but also by music and candles outside the shop in order to attract people passing by the store during the event. Office promotions were often ordered by companies who wanted to offer the services to their employees or customer. During those events the Company X had a chance to promote the concept by talking to prospects, performing their services, and distributing promotional materials. Usually the best way had proven to be arranging the external company events in their premises rather than in a Company X's shop. Manly happenings were also arranged around fashion events, local cigar club, and for example Movember which is an annual event to race awareness of prostate cancer. Experience has shown that the best events were arranged together with partners, and it will be best to hire the promotional girls via an agency as will guarantee that they show up. It is also notable that even though the promotional events work well there must be enough staff to release to the events. The German franchisee's next plan is to visit the companies nearby, and try to get promotional stands for a couple of days for example in their lobby.

Creation of **partnerships** was seen extremely difficult in the launch stage mainly due to lack of the Company X brand awareness when opening the first store in a new country. The franchise concept model includes the partnership element where local partners and Company X offer additional value, benefits and marketing support to a common customer group. Marketing support can be for example distributing each other's flyers, arranging joint promotional events, or offering free Company X services in the partner company's events. Additional marketing added value was also seen for Company X when a customer uses the Company X member card in another local company, and someone may ask what the card is about; there will be an opportunity for word of mouth communications. According to the interviewees it was easy to identify suitable potential partner companies with the similar target group but it was difficult to get them convinced about the mutual benefits of the partnerships. There were also some cultural restrictions as in some countries it was said to be common that companies don't help out each other. One franchisee also commented that the partnerships are a good idea and can add value after the membership exists, however they don't really affect customer's decision making when they are purchasing memberships. Samples of existing partner companies included local coffee shops or pubs, sports club and wellness spa chain, gyms, hotels, golf companies and clubs but also online shops like Outfittery and Zalando.

Basic **word of mouth** marketing was seen valuable but sometimes slow; in some areas it has been very slow and it only started to add value after some years. Gaining trust seems to be difficult; people must visit the shop for a long time before they can recommend it to someone. Word of mouth is perhaps easier and more effective in the online world, and the best scenario is when word of mouth can be combined with for example an online offer; someone recommends a person the Company X and the person checks if there are any available discounts online. Both are often needed, and the online discounts are commonly used for service trials. One way to use WOM marketing is to use **spokes persons** such as celebrities or known bloggers. One franchisee for example had an idea to use known hockey players as spokes persons.

Online communications and especially social media and email campaigns were recognized as an important and modern way to communicate and advertise by the franchisees. The experience level varied a bit but everyone was using e-communications. Main obstacle was definitely the lack of resources; especially time as franchisees were mainly

creating social media marketing by themselves. The corporate website including the language and country versions is the franchisor's responsibility. There was some kind of renewal project ongoing while writing this report, and therefore the website is not discussed here. Online or social media strategy or guidelines were not discussed with the franchisees but the writer's assumption is that such strategy or policy doesn't exist at the moment. Every bigger company and especially a franchise chain should absolutely have a strategy and guidelines in place. Crises communications is also something that franchisees should be prepared in advance as bad publicity can make huge damage quickly in social media if not handled correctly.

An important remark received from one of the franchisees was related to the naming policy of the different stores in social media. According to the franchisee the most important thing is to name the company or store exactly the same way throughout the different online channels, as well as keep the details such as address, opening hours and business licence uniform. The most important thing for Google search engine is that it can trust that the store really exists. If the names and details conflict in different channels it may decrease the search engine visibility. The franchisee also added that it is extremely difficult or sometimes even impossible to change the naming after creating the accounts. Therefore it would be advisable for franchisor to define the naming policy for franchisees. Unified naming would also help customers to find different stores where to utilize their memberships.

Franchisees also commented some of the content of franchisor's social media channels like Facebook. The franchisor's view was that the social media channels are different or used differently across countries; however whereas there may be differences between the most popular channels it seemed like the consumer behaviour was not so different after all at least in the particular regions. It may be that the franchisor's knowhow on social media hasn't been adequate, or the chosen strategy has originally been wrong. Maybe it would be worth researching if the Finnish people are really behaving differently, or if there is an improvement need in the strategy in Finland as well. The content must be interesting, social and interactive as discussed earlier.

The social media channels and tools mentioned in the thesis are briefly described in appendix 4. There are regional differences on the social media platforms' popularity and this is important to note when starting to plan the launch marketing campaigns. For ex-

ample according to the We Are Social's report the top active social networks in Germany were Facebook (38%), Google+ (9%) and Instagram/Twitter (7%); whereas in the United Sates they were Facebook (41%), Twitter (17%) and Pinterest/Instagram (15%); and in Spain Facebook (44%), Twitter (24%) and Google+ (21%). Similarly whereas WhatsApp is the number one social chat app in Germany and Spain, it is not at all on the United States' list. The other top social app in Germany and Spain is Facebook Messenger whereas in the USA the two most common are Facebook Messenger and Snapchat. (Kemp 2016.)

Facebook is still clearly the number one platform even though it may be used a bit differently. Interviewed franchisees all had a Facebook account, and it was usually the first channel to start with. The targets concentrated mainly on increasing the number of 'likes'; for example one of the franchisees was planning to do a campaign in order to get more likes, and offer some kind of benefits for likers. One franchisee also mentioned that his store has received more reviews in Facebook compared to the other online channels. At least one franchisee had also used Facebook advertising but the results were not discussed during the interview.

Kemp's (2016) statistics also included Facebook user profiles divided by age groups and gender in Germany, the United States and Spain. There were in total 29 million users in Germany, 192 million in the USA, and 22 million in Spain. Interestingly the Facebook was more popular among male than female within the 20-49 years old group in Germany, whereas in the United States it was the opposite, and in Spain equally 50-50%. The number of men's Facebook profiles according to age groups in these countries is defined in more details in table 4 (Kemp 2016, modified).

TABLE 4. Active Facebook user profiles by gender and age group including percentage of the total users in Germany, the United States and Spain (Kemp 2016, modified)

	Germany	United States	Spain
13 – 19 years old men	1.9 million (7%)	7.3 million (4%)	0.6 million (3%)
20 – 29 years old men	4.8 million (17%)	27 million (14%)	2.7 million (12%)
30 – 39 years old men	3.3 million (11%)	19 million (10%)	2.8 million (13%)
40 – 49 years old men	2.4 million (8%)	14 million (7%)	2.3 million (10%)
50 – 59 years old men	1.5 million (5%)	10 million (5%)	1.3 million (6%)
60+ years old men	0.9 million (3%)	9.7 million (5%)	0.8 million (4%)
Total	14.8 million men (52%)	87.5 million men (46%)	10.5 million men (50%)

Google+ is similar to Facebook, and the channel was mentioned by only one franchisee: the impression was that it is not used very actively. Anyhow it is still advisable to create a Google+ account and add the company details there in order to support findability via Google search engine. **Google AdWords**, the paid advertisements on the other hand were seen extremely important at least by one of the franchisees. The AdWords campaigns can be geographically targeted quite precisely. The same interviewee mentioned also that the AdWords campaigns were supported by the franchisor.

The photo and video sharing portal **Instagram** wasn't much talked about by the interviewees; one mentioned that the account is opened and another that it is sometimes used. A quick check at the time writing the report revealed that three of the four interviewed franchisees had an Instagram account, and the impression was that they were getting more active. **Twitter** that allows users to send short messages called tweets wasn't much explored or used either, and the photo sharing website **Pinterest** wasn't mentioned at all. **LinkedIn** which is more of a business-oriented social networking service was used only when sharing the message throughout franchisees' own networks.

Groupon is a global e-commerce marketplace connecting subscribers with local service providers and other merchants, and it was most commonly used online tool by the franchisees. Franchisees' experience was that it worked better with services only compared to if product offers were included. It was also found that many of the customers gave feedback and recommendations via the platform; and for example in Germany as many as 92% of the people who gave feedback recommended the Company X services. Groupon offers brought many new customers and good contacts which made it especially suitable for launch marketing. In the United States it was considered the number one marketing tool and channel; there Groupon was also considered easier compared to distributing flyers due to the need of training people. Despite the many positive sides Groupon wasn't totally carefree either; there were some misuses and problems in Germany, such as people entering the store in large groups, and discounts eating up resources in the long run. In the USA the issues were mainly internal and related to personnel as discussed before in chapter 5. Groupon brought also some new customers from further away outside the target region; those were mainly one-time visitors only but it wasn't seen as a major issue. Groupon offers are mainly aimed at women but the experience had proven that message was reaching men via them. It is notable that there

are again regional differences with this tool as well as; for example the Groupon recently quit its services in Finland after almost five years of service.

There are also other similar services such as **Let's Deal**, **Amazon Local**, and **Living Social** which is an online marketplace that allows people to buy and share things to do in the city they live in. Both Amazon Local and Living Social also worked well in the USA although according to news released in the end of December 2015, it looks like Amazon Local has stopped selling the daily deals. This just shows how quickly the things can change in online marketing. All Groupon, Amazon and Living Social were considered being easy to keep track.

Other channels were also used by the franchisees. Social review site **Yelp** was used in Germany, however the ads didn't work as effectively as Groupon, and the number of reviews was also lower. One franchisee also tested marketing via fashion **blogger** however no benefit was seen due to undeveloped blogger scene in the country at the time. Different kind of **apps** were also discussed with one of the franchisees but the existing apps were considered being either city apps aimed for tourists, or appointment reservation apps that were not relevant for the Company X. Very basic geographical and demographical targeting was used in social media campaigns in general.

Marketing materials are used in launches to introduce the service to potential customers. Uniform elements and materials both in shops and advertising media are an important part of franchise chain's marketing; the manual includes guidelines for the corporate identity. (Kautto & Lindblom 2004, 23.) According to Mattila (1998, 113-114, 132-133) the development and controlling a unified profile in all operations is one of the most important tasks of a franchisor. The local franchisees are entrepreneurs and responsible for local marketing. Sometimes the franchisees can have innovative ideas; therefore it is important to guide the local activities with detailed instructions and examples on how the campaigns should be implemented locally. This applies to launch marketing as well. It is also advisable to check centrally the basic materials including stationary when a business is opened, in order to avoid most common issues within local marketing right from the beginning. It is also important to ensure that the franchisees know how and in what ways the logos, other brand elements, and for example marketing materials can and must be used in different occasions. Well prepared profile guidelines make sure that every franchisee is able to operate according to the defined concept

and the franchisor can follow-up and guide the implementation in practice. The guidelines should also clearly define which materials must have franchisor's approval in beforehand.

The current Company X franchise manual includes guidelines for promotional materials such as leaflets, flyers, posters, bonus cards, ads, coupons, and shelf talkers in different sizes. The brand book includes examples of materials that can be used during the launch period, even though the launch marketing operations may vary locally. The marketing materials used before the opening can include flyers and email campaigns; during the opening week stand posters outside the shop; and later for example local newspaper ads or coupons – everything is supported by online marketing. But the detailed opening marketing plan is always designed for each case.

When launching the first shop abroad it was clearly seen that a broad visual guideline update was needed as there was a mismatch between the concept, brand, message, and the visual appearance. The materials need to reflect what the company wants to be, they must be credible, and high standard similar to the service offered. The brand and logo were not known, and the materials which first impression appearance relied heavily on the Company X logo didn't tell anything to potential customers; the logo by itself on leaflets' cover was even connected to a gay or striptease club by potential customers. As these are not the Company X fields of business this clearly shows the importance of testing marketing materials. There may be a possible need for adaptation to the surrounding market and culture. Despite the visual identity update done a few years ago comments still arose regarding the materials not having international look and feel. The Company X marketing materials are strongly visual, and brand stories were missed in addition to images; more feelings, something inspiring and emotional. The pictures of men used in the materials created some discussion as well; the franchisees' message was that more international models, men with different ethnicity were needed. It was very obvious to all franchisees that the models looked too Finnish or Scandinavian, even for the next door neighbor Sweden.

The importance of video materials was discussed before. Company videos that were shared via social media received some criticism. One opinion was that they should be technically better, and look more produced and not like they were shot by a smart phone. One comment was that the videos should be shared by people because they are

cool, and not because they are funny in a wrong way. In general videos were considered as a good tool to introduce the Company X and its products and services, and to create the brand image. Videos were also shown inside the stores for example in waiting areas in addition to online sharing. Even though different media affects the style and content of the material, the vision and mission and brand should be kept in mind when creating different materials.

Marketing material creation process was also discussed with some of the interviewees. In most cases the materials were created in co-operation with franchisee and the franchisor; the ideas and needs came mainly from franchisees, and franchisor's graphic designers were creating proposals based on the brief. Franchisees' experiences with the parent company varied a bit; some were very satisfied with the support whereas some struggled with the missing guidelines and processes, and the difficulty of integrating local external marketing support into the system. There was a clear difference in opinions depending on if most of the materials were produced in Finland, or whether more things were done locally – the latter being more unsatisfied. The franchisees' own activity in innovating and creating campaigns also had an impact; it looked like the more the franchisee demanded and was involved in the process, the more satisfied he was. However the resource issues will most likely occur once the chain will grow; therefore more formalized process such as more detailed guidelines, ready-made templates, and perhaps assigned media agency partners are needed.

7.6 Testing and risk assessment

The selected marketing communications activities should always be pre-tested somehow but it is especially important when launching something in a new environment and culture; only one non-functional element such as wrong communications style or non-appealing advertising message can ruin otherwise potentially successful launch. Launch tests are often very small-scale studies but it is essential to test only one element such as message content, message style or visual design at a time. Testing is a cost-efficient way to confirm that the planned marketing activities work as wanted within the target group; if any risk factors can be fixed and in that way ensure a successful launch, the test has already paid back. Even though testing is often neglected, the costs are always

small compared to the mistakes that can be done when planning the marketing and communications mix. (Rope 1999, 112-118.)

Testing of marketing communications elements were not discussed during the inter-viewees; perhaps there were no tests done. Tests are anyway advisable; even if done in very small scale among a small group of people. For example the following elements can be tested before launching a company in a new region: product and service features such as price, name, colours, and image; and features of the company message, advertis-ing concept, and creative design. The functionality of the elements can also be tested within different target groups. (Rope 1999, 248.)

Risk analysis

Risk analysis is always worth doing in order to be able to be prepared in potential risks that can put the launch in jeopardy; without any risk management the cost of damage may be high. The first phase is to identify any potential risks. Risks may be internal or external, and related to resources such as time, money or human resources, or to knowhow or skills, pricing, products, or for example the market. Brand risks such as name or image risk, or communications risks like inefficient message or choosing wrong communications channels can also exist. (Laakso 2005, 158; Pihlajarinne 2014; Rope 1999, 120-122.) The risks were not specifically discussed during the interviewees but a couple of potential risks could be seen in the collected material, they were related to resources and personnel. One franchisee mentioned the lack of resources as he was doing everything by himself; such as training, supervising, operational management, marketing planning, and financials. Trying to manage and control everything made exe-cution slow. Another franchisee was concerned about the professional expertise of the personnel and worried about a potential risk of bad publicity in social media in case a customer will receive poor service.

Identification of the potential risks is purely a list of risks; however it is only the first step. It is even more important to recognize the most important risks to focus on. There may be risks that need to be managed or avoided, and risks that the company can live with. The analysis is often done in parallel with the identification of the risks. The anal-ysis can be done by comparing the risk probability versus its impact; a simple sample of a tool is presented in table 5 (Pihlajarinne 2014; Rope 1999, 123). The probability as-sessment describes if the risk is highly unlikely, unlikely, or likely to realize; and the

impact assessment analyses if the risk is slightly harmful, harmful, or extremely harmful in case it will come true. The most important risks to focus on are the risks that are likely to occur and which impact is extremely harmful. Those risks should be either reduced or eliminated. The importance of a risk will be medium in case the risks are either unlikely or highly unlikely to happen, and the impact is either harmful or slightly harmful. The low importance risks are those that despite the impact are highly unlikely to happen, or on the other hand those risks which impact will be only slightly harmful despite if it is likely or highly unlikely to realize. (Pihlajarinne 2014.)

TABLE 5. Sample of a risk analysis probability versus impact (Pihlajarinne 2014; Rope 1999, 123, modified)

Identified risks	Probability	Impact	Risk importance
Visualization risk (creative design not fitting the culture)	2	2	medium
Name risk (name not fitting the language or culture)	1	2	low
Marketing channel risk (target group not reached)	3	1	low
Message risk (message not understood correctly)	3	3	high
Personnel risk (staff not delivering service promise)	2	3	medium

Probability
1. Unlikely
2. Possible
3. Very likely

Impact
1. Slightly harmful
2. Harmful
3. Extremely harmful

7.7   Implementation plan

The implementation of the plan needs to be considered once the actual launch marketing communications plan has been created. In this phase the decisions will be transformed into a concrete action plan. The implementation includes defining the budget, schedule and other resources, roles and responsibilities, as well as all the internal and external actions.

Schedule means planning on what will be communicated and when; defining the timing of the individual launch campaign elements; and for example outlining when the marketing materials should be ordered. The order of the sub campaigns has also an impact on the affects as some campaigns will support each other. For example when launching a service or company the first targets will be to create media publicity; to get the journalists interested and try out the services. Internal communication should be done simul-

taneously; everyone needs to know the targets, and how to achieve them. Consumer marketing should be started only after informing personnel and the media. The resources may be internal or external depending on what makes sense and suites the needs best. It will also be important to define the roles and responsibilities; there should be one main responsible person for the whole launch project, and additional sub project owners if needed. Despite if the human resources are internal or external the responsibilities must be clear; who is responsible of what, who reports to whom, what kind of teams there are, and what are the expectations. (Lehtinen & Niinimäki 2005, 98-99; Vuokko et al. 2003, 161-163.) Budget, schedule, roles and responsibilities, and internal communications are discussed more in details in the next chapters.

7.7.1 Budget

The opening marketing materials are paid by the franchisor, and the budget for each launch is set case by case. In order to be able to make a final decision on the executed actions and the budget the franchisee must look for all the related cost details on the marketing communications tools and channels before making the plan proposal to the franchisor. The more detailed the budget and cost estimations are, the less surprises will there be. Depending on the situation the decision is often done either on how much money will be spent, or how much money will be available when making the initial budget. Marketing communications should be seen as an investment rather than cost as the target is to reach long-term effects.

According to Vuokko et al. (2003, 145) the marketing communications costs can be divided into three classes which each include both fixed and variable costs: *planning* costs such as flyer design or promotional event planning; *implementation* costs such as media space or space rental; and *monitoring* costs such as reporting or conducting a feedback survey. It will also be important to define the money allocation for different tools according to the target setting. The most important marketing tools depend on the target of the campaign, company's policies, product or service, and target group. For example advertising and sales promotions are especially needed when launching something new. (Vuokko et al. 2003, 147.) Rope (1999, 141) also reminds that even if the launch should be cost-efficient, the savings should not be the main target. The danger is that the launch profits will decrease double compared to cost savings, and therefore it's

often better to execute the launch properly even if it costs more compared to the consequences of saving in wrong place.

7.7.2 Schedule

Schedule together with the budget creates the framework for the whole planning and implementation of the launch marketing project. The schedule and time required in each step depends on several things such as field of business, type of launch, market situation, target group, resources, and launch strategy. Launch process model presented in chapter 4 and visualized in the appendix 6 is used to ensure that all central launch steps are considered and executed professionally. The launch plan including schedule often makes the implementation firmer and improves the power and results of the launch campaign. The schedule should be seen as something that boosts and eases, and not as something that restricts the process. (Raatikainen 2008, 206; Rope 1999, 19-20, 35-36, 142.)

The interviewed franchisees did their planning and implementation quite flexibly. One franchisee said that he did weekly planning, implementation and follow-up, and it worked well for him and allowed to adjust the activities immediately based on the feedback and experiences. He also mentioned that he was doing launch activities for about 4-5 months after the opening, thereafter he switched to monthly planning mode. Another franchisee informed that he was doing strong launch marketing starting 2-3 weeks before opening. The launch planning and implementation schedule is often quite intensive, and the franchisees have an extensive to do list when the contract has been signed and location selected; the stores are usually opened as soon as possible. Therefore the launch marketing activities planning should start already alongside the other planning work as soon as the contract has been signed. The target schedule according to the franchisor includes three months of planning before the launch, three months for implementing the launch marketing activities followed by measurement of the executed activities. The schedule is illustrated in the figure 5.

FIGURE 5. Launch marketing target schedule set by the franchisor

The launch marketing schedule should include all the elements starting from the situation analysis, target setting and definition of launch objectives, target groups, and roles and responsibilities to the actual planning of the tools and channels; followed by the internal and external marketing implementation, and measurement of the executed activities as listed in the Company X launch process in the appendix 6.

One simple schedule sample can be seen in figure 6 (Rope 1999, 142). The schedule shows that the launch marketing plan should be ready clearly before the launch, and the internal communications should also start on time. Another more detailed Finnish franchise chain launch marketing process plan sample including the schedule can be seen in appendix 8. The launch process is very extensive and detailed, and the planning process is longer, starting six months before the actual opening but it gives a clear example on how to schedule the planning. It is interesting also because it was created for a franchise chain.
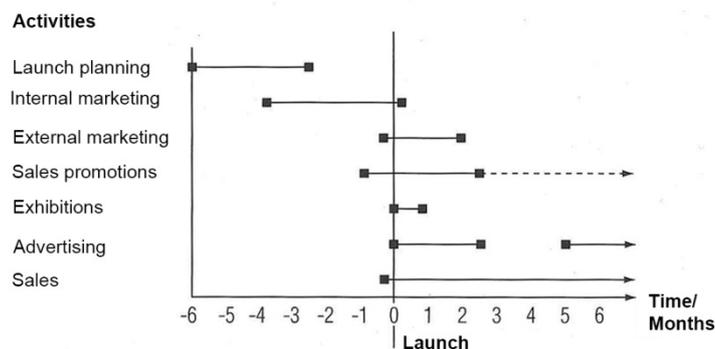
FIGURE 6. Launch schedule sample (Rope 1999, 142, translated)

7.7.3   Roles and responsibilities

Launching a company or a new product is always a remarkable financial decision and launch requires a comprehensive management of marketing methods; therefore the top marketing management must own the main responsibility of the launch marketing project. The overall launch marketing process should also be one person's main responsibility at the time as it consists of so many activities. All the possible resources must be connected to the process, and the best possible knowledge should be used to guarantee the success of the launch; external resources such as market research, advertising and media agencies or consultants should be used in case the company doesn't have the required knowhow or human resources inside the company. Ensuring the launch knowledge and resources is one of the elements where companies should not save; well prepared, successfully implemented and a bit more expensive launch is always better solution compared to poor, unsuccessful and cheap launch. (Rope 1999, 143-144.)

The interviewed franchisees were responsible for the making the launch marketing plan proposal for the franchisor who made the final decision on the actions. Franchisees acted as the main responsible person for launch marketing within their stores, and in most cases they actively participated the hands-on implementation themselves which ate lots of resources from other tasks. The resources were seen limited, and the marketing knowledge level of the franchisees varied. External support was sometimes used for example for traditional acquisition marketing as well as email and social media campaigns; mostly because of the lack of franchisee's time. External support varied from marketing specialists to interns and voluntary helpers, and the street marketing for example was also done by the shop personnel. Most franchisees had a separate store manager to share the responsibilities with however some franchisees struggled with the manager's competence to take responsibility. Another issue was the store managers' insufficient integration in the franchise concept which leads once again to the recruitment process and training matters discussed before.

Integrating external local marketing people into the Company X concept was found difficult, the system or process was missing. This caused the franchisee being forced to act as a middle man between the franchisor and the local marketing assistant. There were also several comments regarding the lack of high level international marketing knowhow within the franchisor organization; partly due to lacking resources. Fran-

chisees felt also that the brand management guidelines needed further development as there was no freedom at all for doing local marketing. Probably one reason is the history of the chain being a Finnish only, and the implementation of the global requirements were not yet on the level where they should be. Developing the brand guidelines and deepen the marketing knowhow in the franchisor organization would enable the integration of external resources in the concept to ease up franchisees' stress and workload.

Even though there was criticism towards the marketing knowledge level and the lack of marketing focus, integration, planning and authority; there were also many positive comments regarding the parent company's support during the launch marketing planning and launch period. In most cases the support and relationship between franchisees and franchisor was very tight and personal, and communications was open and frequent. The franchisor was described as supportive, understanding, good listener, and easy to talk to also in conflict situations. However nice the personal support seems it will not be scalable in the long run when there will be more stores opened faster. One franchisee also had an opposite experience on the support; he felt that he didn't really get support from the franchisor but on the other hand he mentioned that in many cases it is not even possible to support from Finland; the support needed should rather be local. Once the network grows and there will be local franchisors in many countries, this will of course improve.

7.7.4   Internal communications

Poorly handled internal communications before the launch caused many issues for the franchisees; it was acknowledged and mentioned several times during the interviews by all franchisees. Therefore a special attention must be paid for the internal launch. Internal communication or marketing is not always included in the marketing process as it is often assumed that when the marketing decisions have been made, the execution is done as well. However these kinds of assumptions can be dangerous especially in service business where the marketing program and actions must be marketed internally to them who are expected to implement them externally. Accurate, complete and consistent communications from company to the employees ensure consistent communications to customers who form their image of the company based on everything they hear or see; including for example marketing activities and personal experiences in the store. One of

the key reasons for service communication problems is inadequate internal marketing communications; whereas on the other hand managing internal marketing communications is one of the strategies to match the service promises with the delivery. (Czinkota & Ronkainen 2010, 494; Grönroos 2010, 313; Zeithaml et al. 2006, 448, 450-452, 466.)

Rope (1999, 144-146) also reminds that the launch marketing plan needs to include both internal and external activities. The objectives for the internal launch are to ensure the personnel's awareness and required level of knowhow; make the employees to commit to the main and sub target of the launch, and motivate them to execute the launch activities as efficiently as possible; make sure that the staff knows the external launch activities and is able to connect their own tasks into them; and last but not least to create team spirit and faith on the success. The tools for internal launch marketing can include such as internal communications, training, and incentive systems like bonuses or internal competitions. Team building can be created in internal launch events where the target is to enhance the excellence of the new company or service. Depending on the culture, common symbols can also act as a connecting factor. It is worth keeping in mind that the external activities can't succeed without the own organization's trust and faith on the success.

7.8   Follow-up

It will be important to evaluate the success of the launch campaign and how the defined targets, schedule and budget were achieved; this is the only way to know if the communications process was successful. It may for example be that the company has had a wrong image of the target group which may have caused that inefficient or even harmful approach has been used. The evaluations should also be done before and during the campaign in order to do the right things right way; during the campaign it will still possible to make needed corrections. The collection of the data will improve the planning and decision making process which leads to cost savings; the risks will also be reduced and communications will be more efficient. Company's knowhow will also increase when more information is available on what works and what doesn't. (Vuokko et al. 2003, 31, 163-164.) The measurement means should be defined for each communications channel and tool, and it should be done when making the launch marketing communications plan proposal to the franchisor.

As an example, the success of a press release can be measured by in how many and witch media the story was published, and how big the news was. How many people especially those belonging to the target group was reached; and how was the quality and content of the news. Did the publicity create any enquires, interest towards the company, orders, trials, or real purchases. (Vuokko et al. 2003, 297). Customer feedback plays an important role in addition to the financial targets. According to Berg's (2016) study the latest trends in social media measurement are quality of the sales leads, cost savings, sales, SEO ranking, social media shares, higher conversion rates, growth of the number of subscribers, time spent on website, website traffic, qualitative customer feedback, and inbound links. The following figure 7 (Chaffey 2009, 502) gives another example on what kinds of sophistication levels there are on campaign objectives depending on the knowledge level, and how advanced the online campaign is. The initial measure is volume i.e. number of unique visitors, followed by the quality of the visitors and cost per click or visitor; all the way to lifetime value of the campaign.
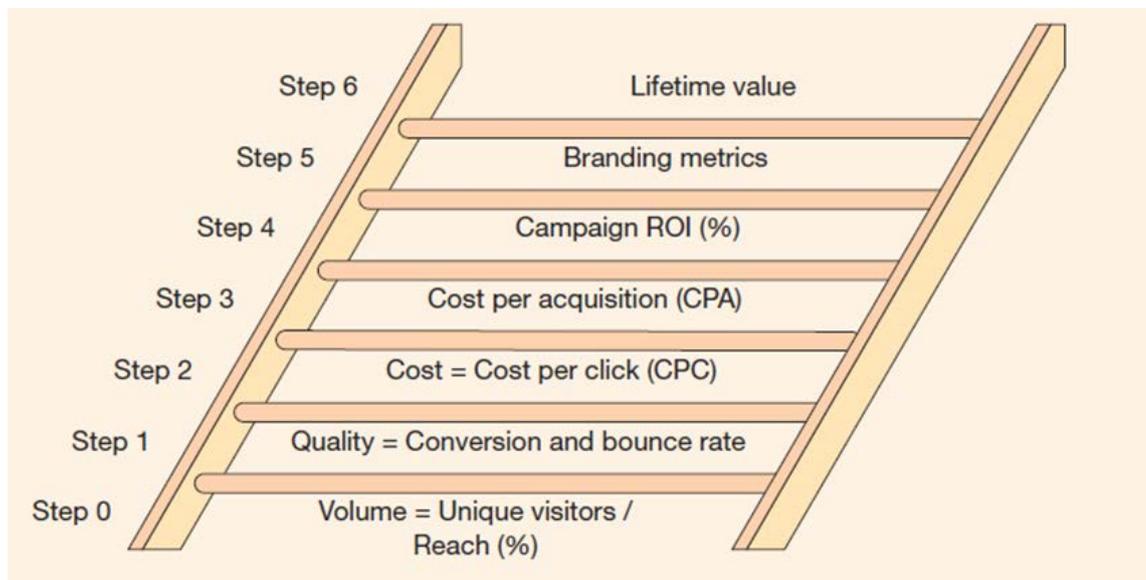
FIGURE 7. Measures used for setting campaign objectives or assessing campaign success increasing in sophistication from bottom to top (Chaffey 2009, 502)

The interviewed franchisees were following up their launch activities in many ways, often directly from the beginning when starting the launch activities. It was recognised that it is important to do only the things that work. The Company X franchise chain's POS system was praised for being easy to use and proving excellent reports. The system allowed franchisees to follow-up different kinds of data, for example the 10-3-1 figures

i.e. the number of products and memberships sold per certain number of customers. This is the most important figure the chain follows as it has a direct connection to how well the Company X service concept has been followed and how satisfied the customers are. Financials such as sales increase percentage were followed as well.

Customer feedback collection was also well established as a short customer satisfaction survey was sent to each customer after a visit. Customer feedback and reviews are also received via social media, such as Facebook, Groupon, Yelp, Amazon, Living Social and Google+. Therefore these tools are easy to monitor. Customer feedback has been positive to great extent, and the franchisees mentioned having mostly returning customers. The bigger challenge was getting the new ones.

Other online measures used by the franchisees were number of likes, followers, and content shares. For example Yelp also provided details such as number of clicks and visitors; however it was unclear to franchisees how these kinds of data shows in cash flow. The quality of publicity in social media was also followed in addition to quantitative data.

Number of coupons or flyers returned; and customers coming via hotels or street fishing were counted too. Print ads, TV spot and press release were found difficult to measure.

8   LAUNCH MARKETING COMMUNICATIONS PLANNING GUIDE

The launch marketing communications planning guide made as a result of the thesis consists of two documents: the launch marketing communications planning guide and template, and launch marketing communications action plan template. The launch marketing communications planning guide and template is the main deliverable, and it was created in the MS PowerPoint (PPT) format as requested by the franchisor. The tool was considered to be well known and easy to use, and the Finnish franchisees use it as well. The guide includes guidelines and samples written in the notes section, and the franchisees can create their plan proposal into the actual slides. The second document i.e. the implementation or action plan template was created by MS Excel. The main purpose of the template is to be used as an easy everyday operational follow-up tool and checklist after the background analysis, definitions, and decisions on the actions to be executed have been made.

The **launch marketing communications planning guide and plan template** is included in the appendix 9. The guide follows the structure of the thesis by starting with the company in brief, strategic framework, service marketing mix, and the planning process roles and responsibilities between the franchisor and franchisee. The important elements are summarized on the slides, and more detailed information is given on the notes section. The second part of the guide consists of the market, competitor, business environment, and company analysis the franchisee must do. The third part consists of the planning process, launch marketing goals, target groups, and marketing communications tools. Guidelines for follow-up, testing the marketing communications activities, and risk assessment are also presented. The guide ends with a template model where the different actions and relevant details should be added for presenting the proposal to the franchisor. The template table can be used in PowerPoint or copied to Excel or Word if wanted.

The **launch marketing communications action plan template** illustrated in the appendix 10 is a sample of an operational tool that can be used after the final decision on the actions to be executed has been made. The template is based on writer's experience in the field of marketing communication. The launch implementation or action plan includes also the schedule overview; the timeline starts three months before and contin-

ues three months after the launch until the follow-up. Actual months and calendar week numbers can be added once the dates for signing the contract and launch are set; the launch marketing planning should be started right after the agreement has been signed. The action plan overview should include all the selected actions, schedule and deadlines, budget details, as well as named responsible persons. The notes column can include more details of the items listed on the first column. This type of an overview plan is an easy tool to keep track on several items; it can also work as a checklist. It is also possible to add more detailed steps on different actions if wanted, as seen on the window tape sample. Another option is for example to list them in the notes column after the schedule.

There are two other simpler Excel template models included in the action plan template; one for easy budget follow-up, and the other one concentrated more on the deadlines. The sample of the **budget follow-up table** illustrated in table 6 includes the broad description of the marketing communications activity, for example the window tapes. The budget is divided into two columns where the total amount is first placed into the cost estimation or budget column. The amount in that column is decreased whenever an invoice is received or paid. With the tool it is easy to keep track on the budget i.e. how much will still be invoiced, and how much has been paid. The notes column can include more details on what the costs consist of.

TABLE 6. Sample of a budget follow-up template

Action	Cost estimation	Invoiced €	Details
Window tapes		40	design 10€, materials 15€, delivery 8€, installation 7€
Flyers	9	20	design 9€, printing 12€, mailing 8€
Online banner	8	0	design 8€
Etc.			
Total	17	60	77

A sample of a **'to do' table** is presented in table 7. This kind of template can ease up following up the different actions by deadlines. In the tool the lines are added according to the sub tasks which are listed in the task column. The main action or project the task belongs to is defined in the action or project column on the left; each action can have a color code for easier recognition. Deadline is defined in a separate column; this is the main column to arrange the whole table. With the Excel filter tool it is possible to sort the deadline column from oldest to newest which enables the tasks to be shown in time order. Done column is added in order to easily hide the rows or tasks that are already done. When an X is market on the actions that are done; it is possible to filter the tem-

plate so that only the empty cells are visible. Similarly it is possible to easily filter the view according to the main action or project, or by responsible person.

TABLE 7. Sample of a 'to do' template

Action/Project	Deadline	Done	Task	Actions done	Responsible person
PR	12.4.2016		identify correct contact persons per media	most important newspapers and magazines identified	AA
Window tapes	15.4.2016	x	measure windows		BB
Personnel	20.4.2016		training on launch activities	materials prepared OK	CC
Window tapes	1.5.2016		order installation (delivery of materials by 15.5.2016)	email sent to installer	BB
Facebook	14.5.2016		set-up the profile		DD

9   DISCUSSION

Launching a company is an extremely important phase as it defines the future success of the business; it is very difficult if not impossible to improve the situation after a potentially poor start. In the franchise business the launch period is even more important as the performance of the new store affects the whole chain's image; therefore the service level must be on the same level starting from the day one. Like Rope (1999, 128) said the launch moment is always a time for celebration and it should be seen and heard. The profitability of the launch period is partly based on the human nature of being curious about new things. Therefore the companies should take advantage of the natural attractiveness of the new company and service, and the extra boost it gives.

The Company X is on an early stage of its internationalization process, and therefore there are still elements and processes to be developed. However it was very clear that the Company X service concept has proven to be very successful and liked by the franchisees and customers. The target of the thesis was to create a launch marketing communication planning guide for the Company X franchisees. It is the franchisees' responsibility to analyse the regional market and the marketing channels and tools that are effective and available in the area. It was important for the franchisor that the varying launch marketing communications analysis and plans would be standardised, and the process would be duplicable and as similar as possible around the world. The desired outcome of the thesis project was to have a list of items and elements the franchisee needs to find out before the decision on the launch activities can be done; a marketing tool for the start.

The thesis includes theories of marketing and marketing communications planning process; and marketing communications channels and tools. The base for all planning is the company strategy, and the profound knowledge of the target group. Brand is the glue that ties everything together, and it should be visible in everything what the company does. The importance of analysis and collecting enough and correct background information is higher when entering a totally new market. The information is needed in order to make right decisions and not wasting resources. The marketing communications tools and channels were introduced but since the scene especially on the online side is evolving extremely fast, it is important to stay alert and monitor the development. Particularly

for that reason the presented theory of social marketing mix is interesting, it concentrates on the social engagement and sharing instead of focusing on different platforms that can pop up and disappear in a flash.

The new guide and standardized process developed as part of the thesis will help for their part in eliminating risk factors hindering the rapid growth of the franchise chain. The guide gives instructions on what kind of background information is needed for a good marketing communications plan, and what the marketing communications plan should contain. The benefits of the standardized process include cost and time savings by reducing the amount of franchisor's and franchisees' extra work created by incomplete guidance and unstandardized process; and higher profitability and return on investment (ROI) by franchisees collecting the right information for decision making, and finding the best possible marketing channels to reach the target groups instead of spending on activities that don't work. The key for finding the most effective marketing communications channels lies in knowing the target groups properly.

B2C service business is heavily dependent on the personnel who are delivering the brand and service promises to the customers; one of the key reasons for service communication problems is inadequate internal marketing communications. The personnel were also clearly the number one challenge for the franchisees; most of the issues were related to either recruiting unsuitable people, or not implementing the internal launch marketing properly. Therefore the importance of constant internal communications, training, and motivating the personnel can't be stressed enough. The personnel need to be internalized in the service concept, and be aware of the external marketing activities and the targets of those actions; also after the launch marketing period.

Once the launch marketing communications period is over it is worth remembering that the marketing activities can't stop there. Without establishment marketing the target groups' interest towards the new company may decline quickly as the company hasn't stabilized its position yet. Therefore the reminder marketing should be continued for a couple of months after the launch marketing until the brand has earned its position, and the so called basic marketing can start.

Reliability and limitations

The purpose of the qualitative research is not to generalize but to describe or understand certain phenomenon, and therefore the sample size doesn't define the quality of a qualitative research. More important is that the interviewees know as much as possible, or have personal experience on the research phenomenon. (Tuomi & Sarajärvi 2009, 74, 85; Vilkka 2015, 150.) According to Vilkka (2015, 196) the results must also be placed into the social and cultural context of the interviewees; the collected data represents the phenomenon the way it is experienced by a certain person in a certain situation, time and place. Four out of the six available interviewees were able to attend the research and even though the interviewees represented the majority of the total group, the experiences offer still a limited view on the phenomenon. The purpose of the research was to collect the existing franchisees' experiences on their launch marketing process, and whereas the data describes their experiences widely it is notable that the cultural background limits the variety of the viewpoints as three of the four interviewees were Finnish franchisees living abroad. Their own nationality and cultural background filter somewhat how they experience things in another country. Therefore the presented data must be reviewed as individual experiences and not to draw general conclusions.

The credibility of the research is evaluated by its reliability and validity. Reliability refers to the reliability and objectivity of the perception and findings; the researcher's background and values affects what is being observed and heard, and how the interpretations are made. Validity refers to if the conducted research studied what it was supposed to study. However the concepts have been created for the needs of quantitative research, and therefore there are no clear guidelines for evaluating the credibility of qualitative researches. (Eskola & Suoranta 2003, 213; Kananen 2015, 293; Tuomi & Sarajärvi 2009, 135-136, 140-141; Vilkka 2015, 198.) The objectivity can be at risk if the researcher is a part of the community or its operational culture. In this case the researcher was external, and not part of the Company X personnel or the field of business. Therefore the researcher didn't have any bias in advance. The researcher acknowledges that her values, cultural background, and own experiences on the particular countries may have caused impartiality of the observation and interpretation, and therefore special attention was paid to the reporting of collected data as neutrally as possible. One way to confirm the credibility is to have the researcher's interpretations read and confirmed by the interviewees themselves (Kananen 2015, 281). Unfortunately it wasn't possible within the project schedule. To support the credibility of the study every phase of the

planning, execution and reporting of the research was documented properly and as detailed as possible as described in the methodology chapter. The interviews and report were also conducted according to the good research practice by committing to honest way of working, and general carefulness and accuracy in collecting, analyzing and reporting the data. The copyrights and other authors' publications were respected according to the guidelines.

The writer also acknowledges the possibility of unintentional or random errors and other limitations of the study. The effects of occasional mistakes are not necessary meaningful for the research; they may happen for example if someone remembers something incorrectly, understands differently than the researcher, or the researcher records something incorrectly. The risk gets higher when there are many steps in recording like in the particular research where the interviews were not recorded but the notes were mostly done in Finnish during the calls, and translated afterwards. In order to minimize the risk the hand written notes were all translated and transcribed right after each interview in order not to forget anything. The other limitations relate to the availability of time and the theoretical data. The available time for the thesis was limited due to the writer's fulltime job in another company, and the schedule defined by the university. However a lot of time and effort was used in order to make the thesis and the guide as useful as possible for the commissioner. The availability of the theoretical data on launch marketing was also limited. The available material was partly old, and mostly related to product launches instead of company or service launches which were the topic of the thesis. The theories were used as applicable based on researcher's years of experience on the field of marketing communications.

Potential development suggestions and research topics
The marketing communications planning guide created as a result of the thesis should be tested; feedback should be collected from the interviewed franchisees, and a few new franchisees that are able to test the guide in practice. The feedback and potential development proposals should be evaluated, and the guide updated accordingly.

It would also be advisable to create an internal portal such as intranet, extranet, or social business platform in order for franchisees to network and share experiences. Such a platform could for example include tips for different launch or other marketing tools as well as marketing material templates, logo originals, and other important information

like the franchise manual. In that way all the franchisees would always have the latest up-to-date information and materials available; the platform would also work as a communication platform for the franchisees.

The writer also suggests that the franchisor will create social media policy or guidelines for the franchisees; potentially also a high level social media strategy. This guideline should include the defined naming policy for creating social media accounts and profiles. Crises communications is a topic that should also be covered in the franchisees' training program as bad publicity can make huge damage quickly in social media if not handled correctly. Franchisees should be prepared in these situations in advance.

The Company X branch opening process (appendix 1) included in the franchise manual should also be further developed. At least the following steps or milestones should be added in the process flow: launch marketing communications plan proposal from franchisee to franchisor, final decision on the actions to be executed, and internal and external implementation of the launch marketing communications plan.

Social media usage and consumer behaviour especially the differences between genders could be a potential further research topic, similar to marketing to men. Social media strategy's validity in Finland could also be checked based on the feedback collected from international franchisees. The selection of the most efficient marketing communications tools and channels could also be further explored by consulting international media or communications agencies. Benchmarking of other franchise chains' launch planning would also be beneficial, although not easy due to the confidentiality of franchise manuals. One source could potentially be the international franchise associations' events.

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APPENDICES

Appendix 1. Company X branch opening process

Note: CONFIDENTIAL

Appendix 2. Interview themes

Company X Franchise Chain – Launch Marketing Communications Planning

1. Implemented launch plan, in advance if possible

2. Background information
   - Store opening
   - Market knowledge
   - Marketing knowledge

3. Planning Process

4. Targets

5. Target group(s)

6. Background information and analysis before the opening; what information was collected and how?
   - Market, environment
   - Target group
   - Competitors
   - Company analysis
   - Marketing channels and tools
   - Others

7. Marketing tools and channels; which were selected and why

8. Marketing materials; message and visual identity

9. Follow-up and measurement of the implemented activities

Appendix 3. Interview cover letter

Dear [Company X] Franchisee,

My name is Rosanna Kivinummi, and I am a Master of Business Administration student specialized in International Project Management at Tampere University of Applied Sciences (TAMK) in Tampere, Finland. The research I wish to conduct for my Master thesis involves creating a launch marketing communications planning guide for [company name]'s international franchisees. This project will be conducted under the supervision of [name], CEO, [Company X], and Hanna Pihlajarinne, Thesis Supervisor, TAMK.

The main purpose is to standardize and develop the Company X franchise concept's launch marketing planning process and the results of the study will be used by [Company X]. The results and final report will be shared with the interviewees and the [Company X] franchise manual will be updated based on the research. The study is estimated to be completed by the end of 2015.

The material for the research is collected by interviewing the existing [Company X] franchisees outside of Finland. Your participation in the research is important and will benefit the whole [company name] chain and make the future launch marketing processes more effective. After all, launching activities play an important role in the future success of a store.

The interview materials will be used only by the interviewer and the original materials will be destroyed after analyzing. All materials will be handled anonymously unless something else will be agreed with single interviewees. The interviewer has signed a confidentiality agreement with [Company X].

The interviews will be conducted either in English or Finnish via online meeting tool called 'GoToMeeting'. The tool can be accessed via internet or phone and it can be tested together prior to the interview if wanted.

The interviewer will contact the franchisees in the near future in order to set-up a time for the interview and give more details. Meanwhile, in case you have any questions, please don't hesitate to contact the interviewer.

Looking forward to talking to you soon, your kind co-operation and support is much appreciated.

With kind regards,
Rosanna Kivinummi
Tampere University of Applied Sciences, TAMK
Email [email address]
Mobile [mobile number]
Skype [Skype name]
More information [LinkedIn profile link]

Appendix 4. Sample of social media channels

- Amazon Local – e-commerce marketplace connection subscribers with local service providers and other merchants, https://local.amazon.com
- Facebook – online social networking service, www.facebook.com, Facebook advertising www.facebook.com/Business
- Foursquare – local search and discovery service mobile app, https://foursquare.com
- Google+ - online social meeting place, https://plus.google.com
- Google AdWords – advertising in Google, www.google.com/adwords
- Groupon – global e-commerce marketplace connecting subscribers with local service providers and other merchants, www.groupon.com
- Instagram – photo and video sharing portal, https://www.instagram.com, advertising https://business.instagram.com/advertising
- Let's Deal – e-commerce marketplace connection subscribers with local service providers and other merchants, www.letsdeal.com
- LinkedIn – business-oriented social networking service, www.linkedin.com, LinkedIn advertising https://www.linkedin.com/ad/start
- Living Social - online marketplace that allows people to buy and share things to do in the city they live, www.livingsocial.com
- Periscope – live video streams via mobile phone (for example backroom of events, launches, interviews, announcements), www.periscopeblog.com/2015/04/09/the-periscope-official-faq
- Pinterest – photo sharing website, www.pinterest.com, advertising https://ads.pinterest.com
- Snapchat – sharing images, used by young people, www.snapchat.com, advertising www.snapchat.com/ads
- Skype – online calls and chatting, www.skype.com
- StumbleUpon – social bookmarking, discovery engine that finds and recommends web content to its users, www.stumbleupon.com, advertising http://ads.stumbleupon.com
- Tumblr – microblogging platform and social networking website, www.tumblr.com
- Twitter – short messages called tweets, www.twitter.com, advertising https://ads.twitter.com, most used hashtags https://2015.twitter.com/top-trends
- Viber – instant messaging and VoIP app, www.viber.com
- Vine – entertainment network for video materials, https://vine.co
- Yelp – social review site, www.yelp.com
- YouTube – video sharing website, www.youtube.com, advertising www.youtube.com/advertise
- WhatsApp – cross-platform mobile messaging app, www.whatsapp.com
- Wikipedia – free encyclopedia built collaboratively, www.wikipedia.org

Qzone, Baidu Tieba, Sina Weibo and Yy are Asian and VK (former Vkontakte) Russian platforms and therefore not described here.

Appendix 5. Launch process models
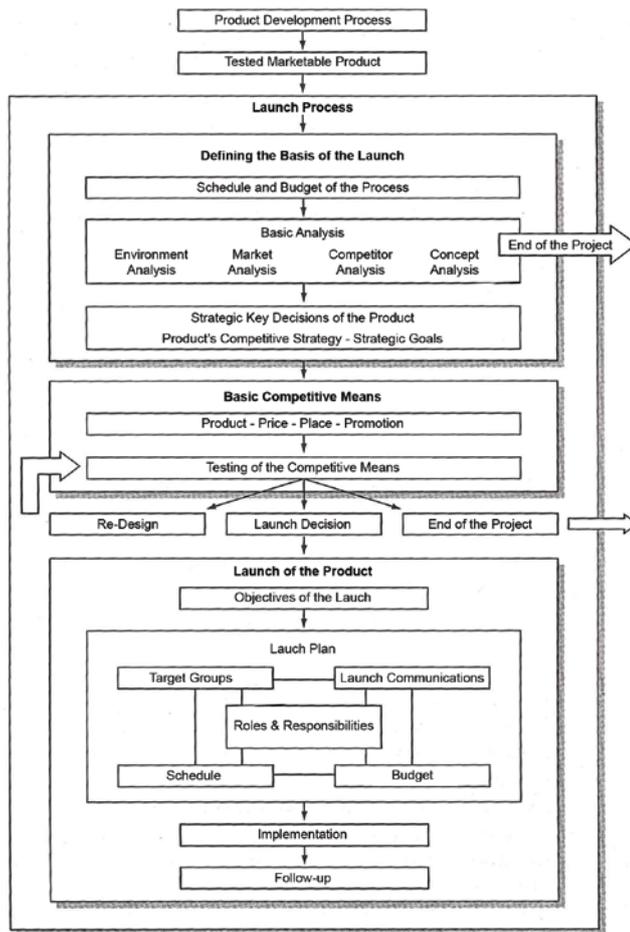
FIGURE Z. Launch process model (Rope 1999, 240, translated)

FIGURE Z. Launch process (Raatikainen 2008, 199, translated)

Appendix 6. Company X launch marketing process

Company X Launch Marketing Plan Framework

Basic company details
Mission, Vision, Strategy, Values, Brand

Strategic key decisions
Strategic goals of the company
Competitive strategy

Service Marketing Mix
Product
Price
Promotion
Place
People
Physical evidence
Process

Starting point
Franchise contract signed
Location of the store selected
Final launch decision made

Company X Franchisee's Planning Process

Launch marketing analysis
Market analysis
Competitor analysis
Business environment analysis
Company analysis

Launch planning
Targets
Target groups
Message
Promotion i.e. launch communications tools & channels
Testing & risk assesment
Budget & Schedule
Roles & responsibilities

Implementation - internal and external

Follow-up

(Raatikainen 2008, 199; Rope 1999, 240 modified)

Appendix 7. Company X launch marketing plan framework

Note: CONFIDENTIAL

Basic company details

1. Company in brief

2. Mission – Purpose

   A mission statement is a statement of the purpose of a company, organization or person; its reason for existing; a written declaration of an organization's core purpose and focus that normally remains unchanged over time.

   [Company X] makes happy and handsome man

3. Company strategy – What?

   Precise recruiting, following the concept, developing the brand constantly, developing partner relations, active training and inspection, targeted marketing

4. Vision – Objectives/where?

   A vision statement is a company's road map, indicating both what the company wants to become and guiding transformational initiatives by setting a defined direction for the company's growth. Vision statements undergo minimal revisions during the life of a business, unlike operational goals which may be updated from year-to-year.

   [Company X] is everyman's right

5. Values – How?

   The following values are explained in more details in the Company X handbook.

   - We are [professionals] by choice
   - You own the initiative
   - We are here for you
   - For us happiness is both a way of life and a goal

6. Brand

Company X brand is based on the unique service concept and high quality personalized customer service; the brand image is stylish and classic masculinity yet easy and casual. Professional service satisfaction is guaranteed. Graphical guidelines are defined in the franchise manual.

Strategic key decisions

1. Strategic goals

Strategic goal of the launch is penetration into a new market region, and beating possible existing competitors in the market segment.

2. Competitive strategy

Main competitive strategy is differentiation through the unique service and membership concept, secondary strategy is the own product lines.

3. Marketing communications strategic decisions

- Segmentation i.e. identification of the potential target groups: all men, the total market is illustrated in the image below (source: Company X internal materials)
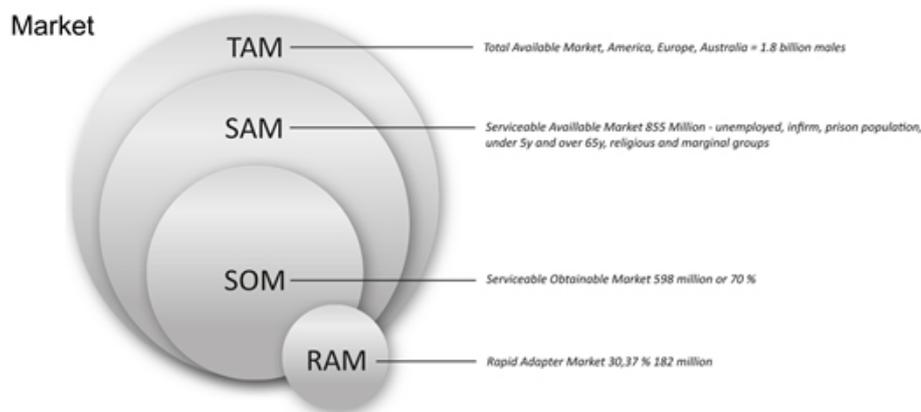
Market

TAM — Total Available Market, America, Europe, Australia = 1.8 billion males

SAM — Serviceable Available Market 855 Million - unemployed, infirm, prison population, under 5y and over 65y, religious and marginal groups

SOM — Serviceable Obtainable Market 598 million or 70 %

RAM — Rapid Adapter Market 30,37 % 182 million

- Focus i.e. evaluation of different segments and selection and definition of own target groups: to be defined case by case by franchisees, sample 'men who wear collar shirts on weekdays'

- Positioning i.e. evaluation and selection of the approach and concepts suitable for different segments: Company X franchise concept defines the operation method, purpose and goal. The concept defines the operation model for the service in the shop and provides instructions for various situations, which may come up in customer service or when marketing the business; defined separately for the franchisor, franchisee and persons working with these parties. The concept is illustrated in the image below and described in details in the franchise manual.

- Profiling i.e. strategic key factors how the company differs from competitors:

Service marketing mix

1. Products and services

   Main products and services

   -
   -

   Additional services

   - Special treatments
   - Enables tailoring each visit a personal and unique service entity

   Own product lines

   - Two own product lines, strength, opportunity to respond to customer's needs in a flexible and fast manner
   - Enables advertising at customer's home

Membership

- Annual membership fee includes an unlimited number of ☐ and other benefits, three service levels
- Provides easy and effortless service for customers, customer loyalty
- Added value for customers via partner network (companies with same target group, city specific)

Brand image elements

- Classic masculinity – Essentially classic is the ethos of Company X with a nod to modern day style. Masculinity and respect for taking care of our customer's as individuals and in a personal manner are firmly held values.
- High quality services for men – A complete and accurate service concept ensures compliance with the customer's highest expectations, and guarantees a consistent quality service experience in all Company X shops; Company X's attitude is dedication to the concept and the brand.
- Friendly and casual ambiance – Company X is the place for men who value the individuality of being a man. Service availability, simplicity and ease of use are key parts in each service and customer contact

2. Price

The price level will be so called 'premium light', and the local price level will be defined by the franchisor case by case. The franchisee will do the situation analysis on the competitors' pricing in the area; the selected price level needs to be justified.

3. Promotion

The launch marketing communications plan process and responsibilities are divided as illustrated in the figure below. The launch marketing operations may vary locally, and will be determined case by case. The franchisee will make a launch marketing communications plan proposal to the franchisor with the help of the particular guide.

Franchisee	• collection of information and analysis
Franchisee	• Detailed launch plan proposal
Franchisor & Franchisee	• Discussion about the plan proposal
Franchisor	• Final decision
Franchisor	• Marketing materials
Franchisee	• Implementation of the launch plan
Franchisee	• Follow-up
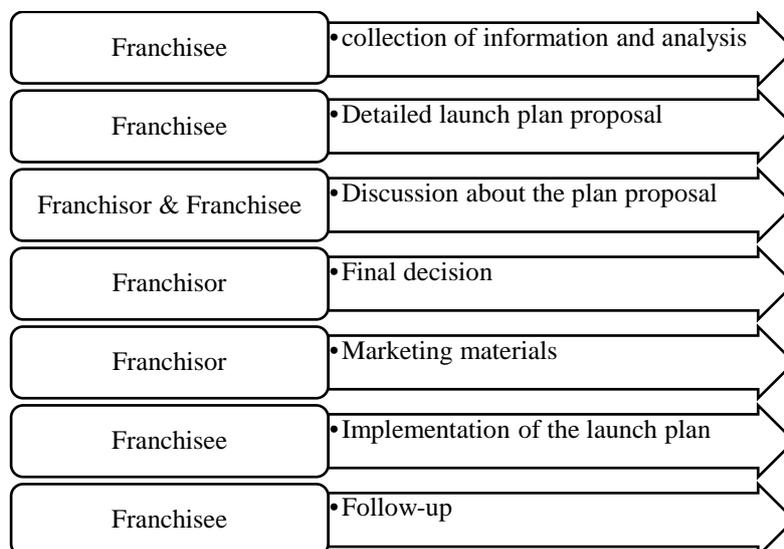
Visual guidelines and brand identity are defined by the franchisor. The specific instructions that can be found in the franchise manual include for example logo, graphic guidelines and marketing materials; all external materials must be approved by the franchisor. The opening marketing campaign materials are provided by the franchisor.

4. Place

Geographical target region around the store is small, and therefore the location of the shop is essential. The shop location requirements are defined by the franchisor, and the template is used by franchisees when making a shop location proposal before signing the contract.

5. People

Includes all humans who play a part in service delivery and therefore influence the buyer's perception; Company X handbook includes detailed guidelines related to training, employees' appearance, working clothes, and behavior according to the franchise service concept. The franchisee's employees have their own handbook in addition.

6. Physical evidence

Includes the environment in which the service is delivered as well as all the tangible items that facilitate performance or communication of the service such as physical products and marketing materials in the space. All items are defined by the franchisor and the Company X handbook includes space definition and graphical guidelines.

7. Process

Includes all the elements i.e. the actual procedures, mechanisms and flow of activities by which the service is delivered. The Company X service concept is described in details in the handbook.

Appendix 8. Sample of a launch marketing process schedule

6 Months **5 Months** **4 Months** **3 Months**

Analysis
- market
- competitor
- environment
- company
- brand
- investment and prof itability calculations

Target setting

Marketing communications
- core messages
- target groups
- tools & channels
- roles & responsibilities

Marketing plan
- budget
- schedule
- roles & responsibilities

Briefings

Internal communications

Marketing materials

Word of mouth

2 Months **1 Month** **2 weeks**

Facebook and website launch

Online marketing
- teasing
- social media
- website

Nationwide marketing
- radio
- tv
- newspapers
- newsletters

Local marketing
- radio
- newspapers
- partners

Direct marketing
- loyal customers
- partners

External communications
- press release
- press conference
- local media

Outdoor communications
- window tapes
- posters
- street advertising
- banderols

Cross marketing

2 weeks **1-2 weeks** **1 day**

Opening invitations

Direct marketing

Online marketing
- teasing
- social media
- website

External marketing
- outdoor
- local media
- online marketing
- cross marketing

Test opening
- by invitation only
- press conference

Online marketing

2 weeks **3-4 months** **5-6 months** **1 year**

OPENING

Launch campaigns

"Reminder marketing"
- cross marketing
- social media
- local media

Follow-up
- coupons
- sales figures
- feedback
- customer satisfaction survey

Fresh up

Ensuring continuation of the visibility
- online marketing
- local & nationwide marketing
- direct marketing
- external & internal communications
- campaigns

(Haapala 2013, 53, translated)

Appendix 9. Company X launch planning guide

Note: CONFIDENTIAL

Launch Marketing Communications
Plan: [City]

[Name]

17 April 2016

1

SLOGAN

Company in Brief:

Strategic Framework

Mission

[____] makes happy and handsome men

Vision

[____] is everyman's right

Results to Achieve TBD

10-3-1	20% market share within X months	Growth X € / X% within X months	Break even by X

Key Success Factors

Values	Service concept	Professional staff	Brand	Quality guarantee
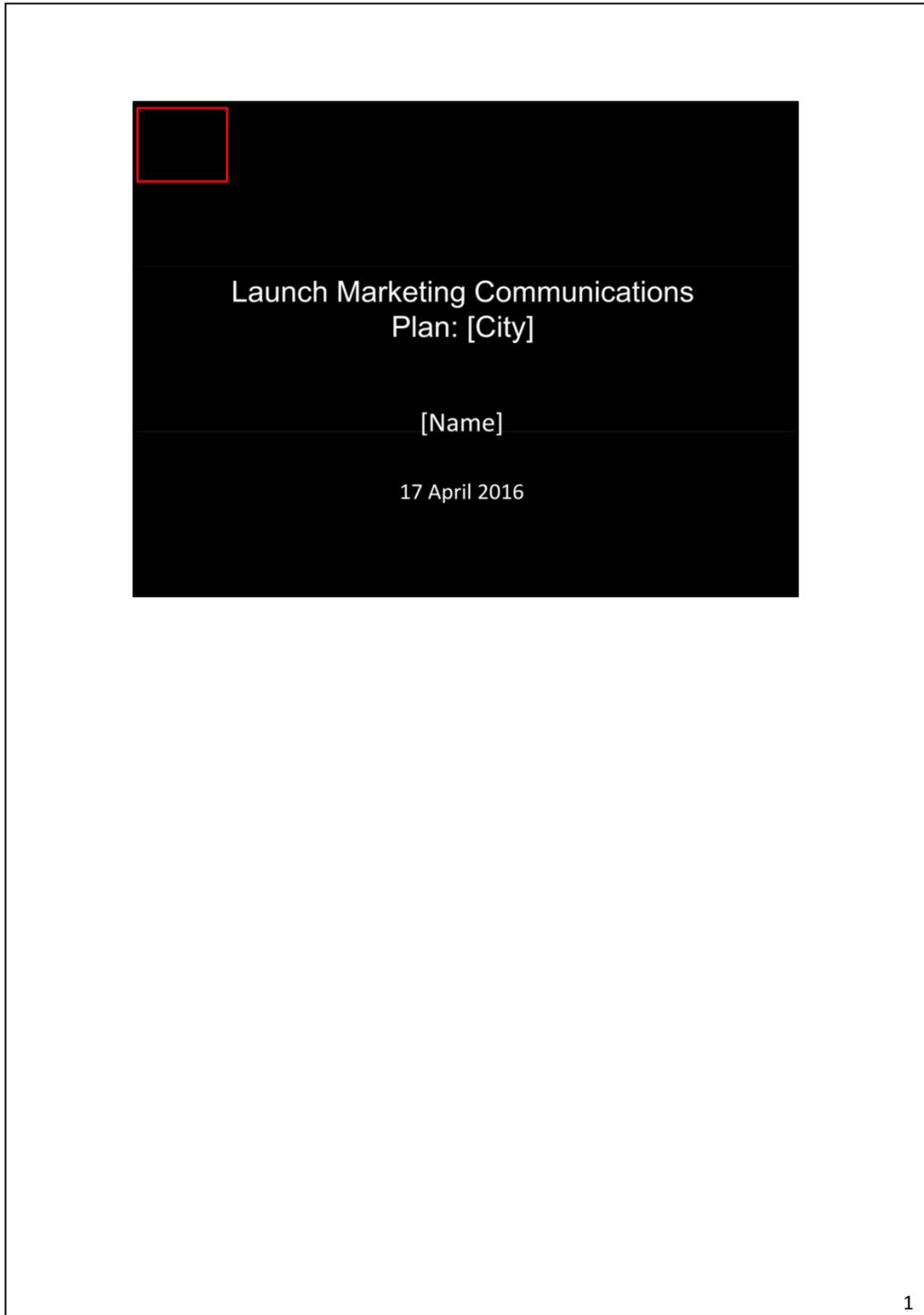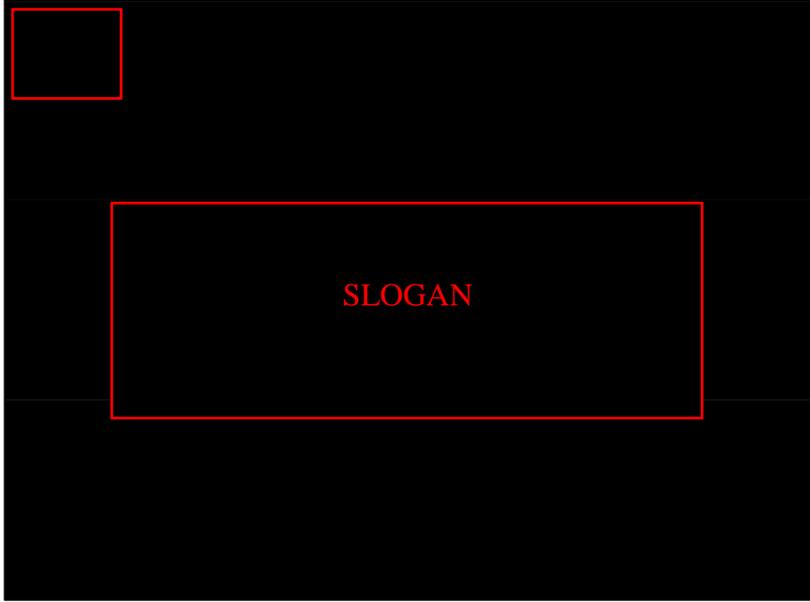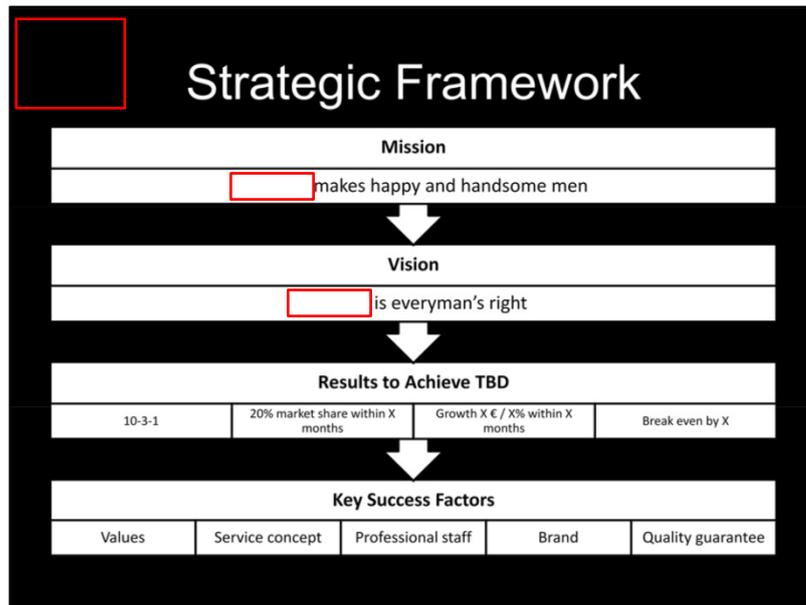
All launch marketing activities must be inline and according to the corporate strategy.

Mission – The Purpose

Vision – Objectives/Where?

Company Strategy – What?
Precise recruiting, following the concept, developing the brand constantly, developing partner relations, active training and inspection, targeted marketing

Results to Achieve:
Franchisee's business targets TBD (to be defined) by franchisor and franchisee. The launch marketing specific targets are defined separately on the 'Launch Marketing Targets' slide. Sample of results:
- 10-3-1
- 20% market share within X months
- Growth X€ or X% within X months
- Breakeven by X

Key Success Factors:
-
-
-
-
-

Service Marketing Mix

1. Products and services
2. Price
3. Promotion
4. Place
5. People
6. Physical evidence
7. Process

The service marketing mix elements should be double checked, and potentially partly adapted and defined according to the target country.

1. Products and services

Main products and services
-
-

Additional services
- Special treatments for
- Enables tailoring each visit a personal and unique service entity

Own product lines
- Two own product lines, strength, opportunity to respond to customer's needs in a flexible and fast manner
- Enables advertising at customer's home

Membership
- Annual membership fee includes an unlimited number of   and other benefits. three service levels
- Provides easy and effortless service for customers, customer loyalty
- Added value for customers via partner network (companies with same target group, city specific)

Brand image elements
- Classic masculinity – Essentially classic is the ethos of   with a nod to modern day style. Masculinity and respect for taking care of our customer's as individuals and in a personal manner are firmly held values.
- High quality services for men – A complete and accurate service concept ensures compliance with the customer's highest expectations, and guarantees a consistent quality service experience in all   ;   's attitude is dedication to the concept and the brand.
- Friendly and casual ambiance –   is the place for men who value the individuality of being a man. Service availability, simplicity and ease of use are key parts in each service and customer contact

2. Price

The local price level will be defined by the franchisor case by case. Franchisee needs to do the situation analysis on the competitors' pricing in the area; the selected price level needs to be justified.

3. Promotion
The launch marketing communications plan process and responsibilities are divided as illustrated on the next slide. The launch marketing operations that may vary locally will be determined case by case. Visual guidelines and brand identity is defined by the franchisor. The specific instructions that can be found in the franchise manual include for example logo, graphic guidelines and marketing materials; all external materials must be approved by the franchisor. The opening marketing campaign materials are provided by the franchisor.

4. Place
Geographical target region around the store is small and therefore the location of the shop is essential. The shop location requirements are defined by the franchisor and the template is used by franchisees when making a shop location proposal before signing the contract.

5. People
Includes all humans who play a part in service delivery and therefore influence the buyer's perception; _____ handbook includes detailed guidelines related to training, employees' appearance, working clothes and behavior according to the franchise service concept. The franchisee's employees have their own handbook in addition.

6. Physical evidence
Includes the environment in which the service is delivered as well as all the tangible items that facilitate performance or communication of the service such as physical products and marketing materials in the space. All items are defined by the franchisor and the _____ handbook includes space definition and graphical guidelines.

7. Process
Includes all the elements i.e. the actual procedures, mechanisms and flow of activities by which the service is delivered. The _____ service concept is described in details in the handbook.
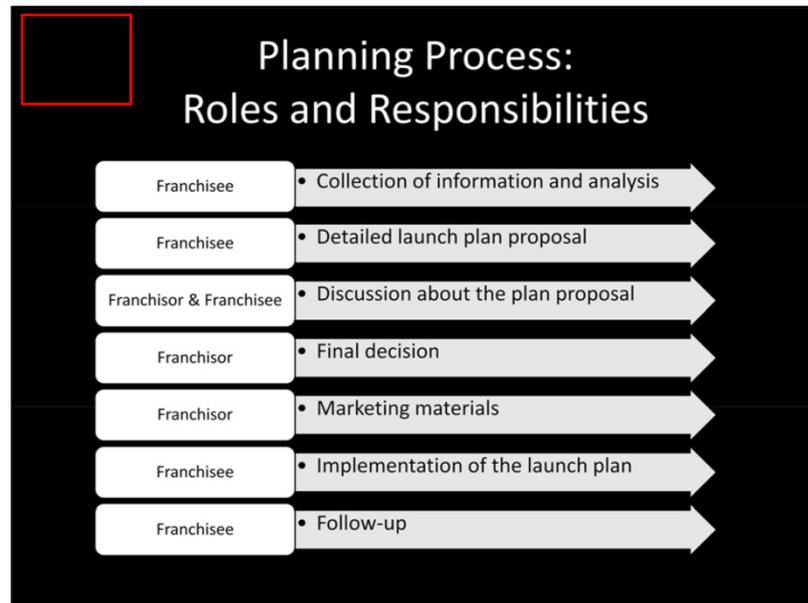
Planning Process:
Roles and Responsibilities

Franchisee	• Collection of information and analysis
Franchisee	• Detailed launch plan proposal
Franchisor & Franchisee	• Discussion about the plan proposal
Franchisor	• Final decision
Franchisor	• Marketing materials
Franchisee	• Implementation of the launch plan
Franchisee	• Follow-up

Starting a business is always the most critical phase as it defines the direction of the success in the future; therefore it must be prepared well.

Analysis: Market

- Location :
- Market size:
- Market saturation:
- Structure:
- Consumer purchasing behavior:
- Future development:

Situational analysis – Where are we now?
The analysis must be done in a totally different depth when marketing a company in new markets; planning a launch requires fundamental information about the company and its environment.

- **Location:** Location of the store, neighboring areas, special features of the city/area, number of apartments/houses vs number of companies in the area (name biggest corporations)

- **Market size:** Number of potential customers i.e. total population and number of men, how is the number developing in the future

- **Market saturation:** How broadly the use of similar services has spread i.e. how the customers' needs are satisfied at the moment and how much demand there will be in the future

- **Market structure:** Who makes the final purchasing decision, age structure, education levels, occupational groups, income levels or average income, average amount of money they use for equivalent services, family stage, and lifestyle factors

- **Consumer purchasing behavior:** Purchasing habits i.e. from where and how often products/services are normally bought, when, is there purchase loyalty in the market, are some customers willing to change the service provider

- **Future development:** Potential changes and direction of the development, what could be the company's market share, in which direction is the purchasing power going (more or less money to be used), which direction the market development is in general going (growing, regressive or stable), future trends affecting the field of business

Analysis: Competitors

Competitors	Strengths	Weaknesses	Other comments
Company A			
Company B			

Potential future competitors

Competitors	Strenghts	Weaknesses	Other comments
Phenomena C			

How the competition develops in future	Conclusions: How to react
Example: Competition will increase, new companies will be formed	Example: Do marketing, maintain quality level, offer good service, keep an eye on the competition situation

Identification of competitors
Number and quality of competitors in the area, named main competitors
Note: The competitors can also be something else than actual companies, it is good to keep an open mind and use imagination when doing the analysis. What is the customer's need or a problem the company's service satisfies or solves, how the needs are fulfilled now?

Analysis
- Strengths and weaknesses, success factors, opportunities and threads
- Product or service features, advantages and benefits for customers, image, price level
- Status and position in the market
- Marketing and competitive strategies and their influences
- Future prospects and plans
- Assumed reactions towards a new competitor entering the market
- Threat of potential new competitors

Analysis: Business Environment

- Political factors:
- Economic factors:
- Social factors:
- Technological factors:

Marketing communications are constantly affected directly or indirectly by the business environment and its many uncontrollable factors. This analysis provides lots of important information on the needs of the changing world and the most remarkable future trends.

Possible factors affecting the business:
- Political: laws, regulations etc.
- Economic: recession, boom etc.
- Social: values, attitudes, culture etc.
- Technological: development of technical devices, instruments, platforms, media etc.

Analysis: Company

Strengths	Weaknesses
Opportunities	**Threats**
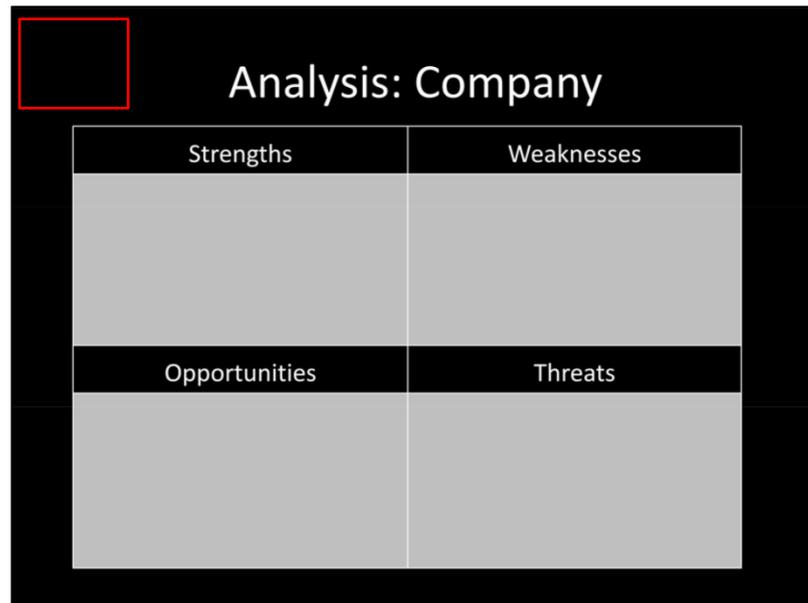
SWOT analysis (company and/or service or product level)

Identify
company's strengths, weaknesses, opportunities and threads; focus on things relevant to launch marketing planning and reflect on the specific market area, can include items such as marketing knowledge level, economical situation, amount and skills of human resources, company's brand and image, values, vision, strategy, brand targets, market positioning etc.

Analyze i.e. crisscross examination:
- How to exploit the opportunities by taking advantage of the strengths
- How to prevent the threads by taking advantage of the strengths
- How to decrease the weaknesses and prevent their effects with the help of strengths
- How to further strengthen the strengths
- How to decrease or eliminate the weaknesses
- How the SWOT elements are related to the competitors

Launch Marketing Communications Plan Process

1. Marketing objective – why
2. Target group(s) – who
3. Main message – what
4. Which media to use – how and where
5. Schedule – when
6. Budget / cost estimate – how much
7. Measurement – how to measure impact and performance
8. Roles and responsibilities – who
9. Testing and risk analysis

1. Marketing objectives/targets – why (Note: different targets may require different media)
2. Target group(s) – who
3. Main message – what
4. Which media to use – how and where (Note: each target group may require different media)
5. Schedule – when
6. Budget / cost estimate – how much
7. Measurement – how to measure impact and performance
8. Roles and responsibilities (main responsible person and potential core team for the planned activities)
9. Testing and risk analysis

Miscellaneous items that may be needed – brand alignment, creativity, content, translation needs, proof reading, approvals by franchisor, printing etc.
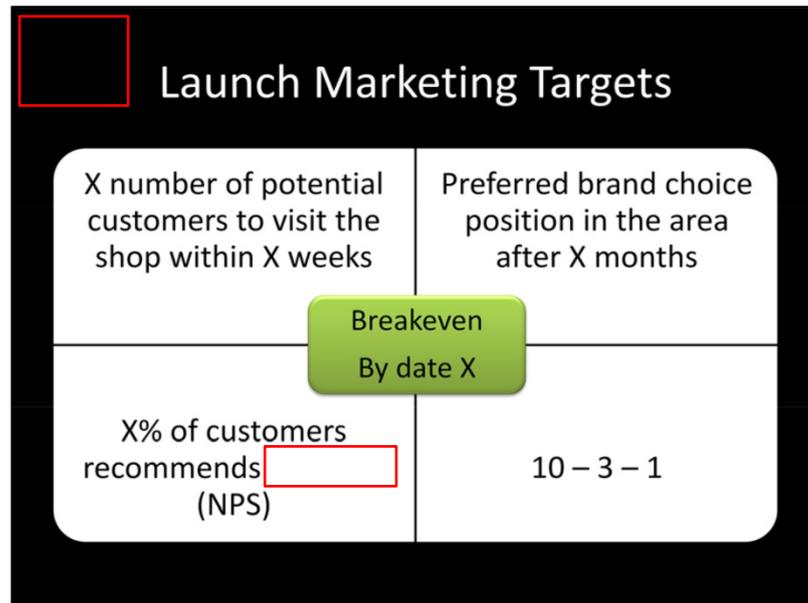
Results to Achieve:
TBD (to be defined) by franchisor and franchisee. Targets include awareness & image targets and financial targets, and they need to be in line with the corporate strategy and targets. More detailed targets will be defined per marketing tool.

Good targets are SMART:
Specific
Measurable
Actionable
Realistic
Time-specific

Sample targets are such as
- X number of potential customers to visit the shop within X weeks
- X% market share in the area after first year
- Breakeven within X months
- Growth % or € within X months
- 10-3-1 (3 products and 1 membership sold per every 10 customers, number 1 key figure to be followed)
- Preferred brand choice position in the area after X months
- X% of customers recommends (NPS i.e. Net Promoter Score)
- X contacts in customer database

Target groups together with the corporate strategy and targets are the most important elements when starting to plan marketing communication. Target group(s) need to be defined (TBD) in order to be able to select the right marketing channels to reach them. Main focus group(s) are the selected customer segment(s) worth spending resources (human/money) and to be defined by franchisee. The number of main focus groups is not fixed.

Factors:
- Demographic: age, gender, race, nationality, income, education, size of the family, stage of life, civility, profession, language, and living conditions (easily found in existing statistics and registers)
- Geographic: zip code, city, country, do the people live in city or countryside (relatively easy to find in existing statistics and registers)
- Situational: is the service consumed during work hours or free time, what time, where the consumption happens (requires often marketing research)
- Psychographic: personality, lifestyle, values, attitudes, culture

Sample elements to be considered:
- Characteristics of the target groups (for example description of the most typical customer or common nominators of the customers)
- Purchasing/consumer behavior
- What are the needs the   products/services solve (are they looking for effortless and easy service, special service by professionals, or something else?)
- Cultural features that affect
- Who buys the products/services within the business category
- Why they by the products/services
- Who affects the purchasing decision
- Where the products/services are bought now
- How often the potential customers buy the products/services
- What elements/characteristics etc. the target group(s) value within the product/service category, what are the selection criteria
- How the potential customers will relate to   products and services vs. competing products and service
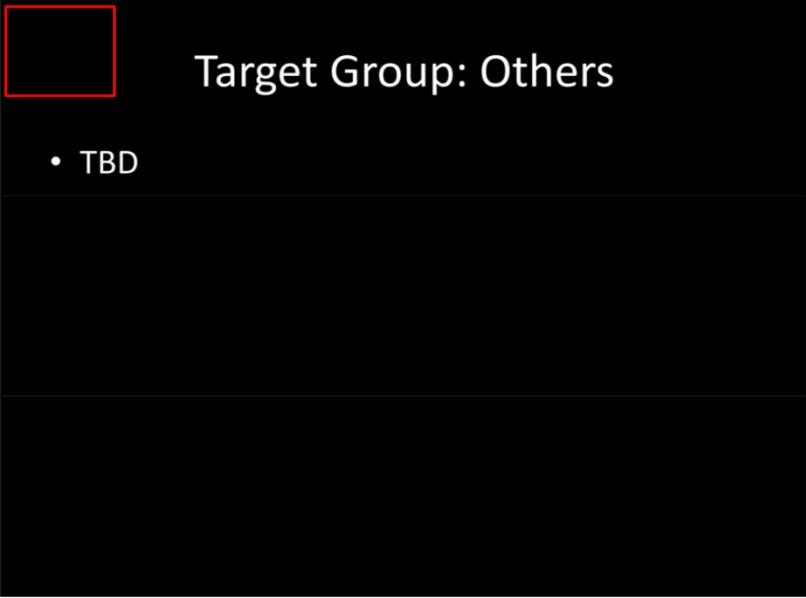
Other target groups of the launch marketing to be identified and described.

Sample of other stakeholders:
- Personnel
- Local media (newspapers, magazines, radio, local social media groups etc.)
- Local communities (sports clubs, motor clubs, associations etc.)
- Potential partners (coffee shops and pubs nearby, gyms, spas, golf companies, men's clothing shops, online shops – important to include in the launch marketing even if the actual partnerships would be formed at a later stage)
- Suppliers
- Authorities
- Professional groups (city employees, policemen, firemen etc.)
- Hotels (reception personnel and concierge)
- Etc.
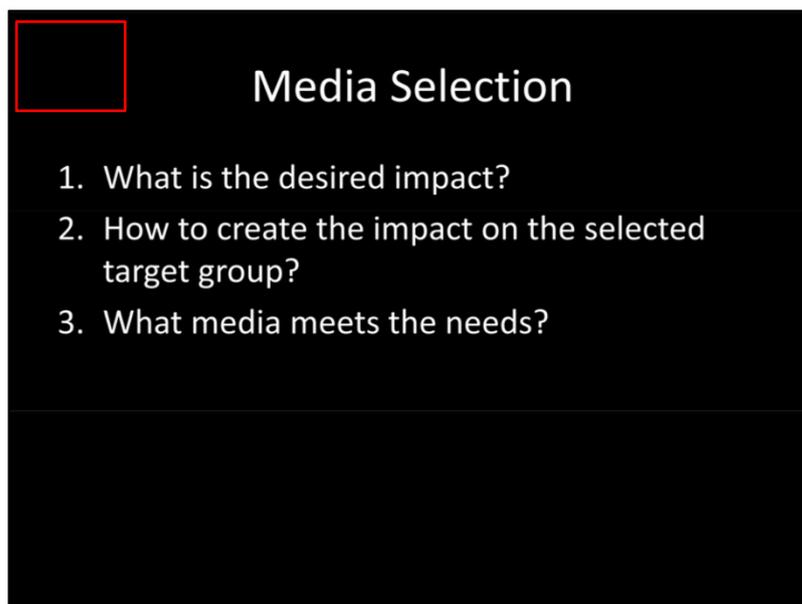
Media Selection

1. What is the desired impact?
2. How to create the impact on the selected target group?
3. What media meets the needs?

The most important thing when selecting media is its ability to deliver the planned communications message to the target group. Desired impact or target can be for example: to inform, create attention/awareness, create brand image, trigger try-out etc. The media must fit the target group, service of the company, marketing message, objectives of the campaign, media mix, competition situation, budget, and corporate strategy i.e. where the company wants to be seen.

Basic questions to be considered when selecting media

- What media is available in the region
- What are the roles of different channels/tools in the area
- Where the target group looks for information when forming an opinion of the product/service category
- Where, when and how a certain customer can be reached; what kind of media/ad interests him; how should he be approached and what type of consumer he is
- Where and when the company wants to reach the target group
- What is the desired impact, and how to create the impact on the selected target group
- What is the media's ability to deliver the planned message to the target group – coverage/circulation (how many percentage of target group is reached), selectivity (how well a certain target group is reached) & frequency (how many times the target group will be exposed to the ad)
- How easy it is to stand out in the media
- How much it costs (total costs include media space, planning and production), how much is the cost per contact
- How the media's effectiveness can be measured
- Which media meets the needs the best
- Are there any permission needed (laws and regulations)
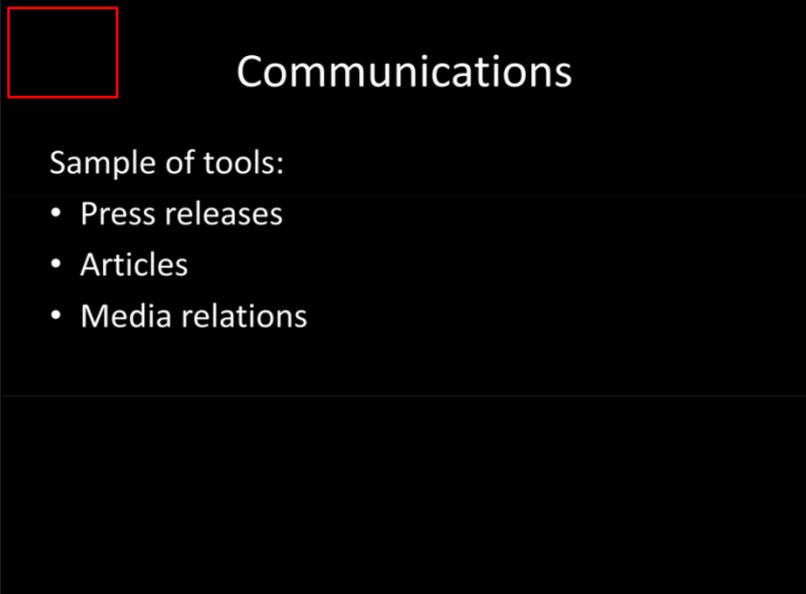
Communications

Sample of tools:
- Press releases
- Articles
- Media relations

Sample of information needed for decision making
- What are the focus media and publications (print/online)?
- Who are the right contact person / journalist within each media?
- Is support advertising required?

Marketing Communications

Sample of tools:
- Personal selling (street fishing, nearby hotels, service situations)
- Print advertising (local newspapers, magazines, coupons, posters)
- TV, radio (local stations or geographical targeting)
- Outdoor (window tapes, A-stands, billboards, banners in squares, train stations etc.)
- Sales promotions (free week, service/product/membership discount coupons and flyers, competitions)
- Direct marketing (mail, email)
- Promotional events (own events in the shop, promotional stands in partners' or other companies' premises, or in exhibitions or happenings targeted/related to men such as cigar club, Movember and fashion)
- Partner network
- Word of mouth, spokes persons, personal networks
- Sponsorship
- optional extras such as music, sports games on a screen, magazines, games and drinks in the waiting area
- Others (street painter etc.)

Sample of information needed for decision making
- Print advertising: identification of focus media, media kit including publisher and contact person, circulation, target group (demographics of the readers), editorial calendar (main topics, ad material deadlines, publication dates), advertising specifications (available sizes and material requirements), advertising rates, follow-up or measurement options
- TV/Radio: target group demographics, geographical targeting option, available related programs and number of viewers/listeners, advertising rates
- Outdoor: contact details for company renting outdoor media space, target group and estimated reach, available media locations, sizes and costs
- Direct mail: with or without address, mail/email, specifications of a possible distribution list (number and quality of contacts, possible costs)
- Events: local event calendar and identification of potential events, schedules (the event dates, booking deadlines etc.), target group profile, number of visitors and exhibitors, available stand sizes, locations, costs and details in case they offer for example shell scheme packages
- Partner network: identification and brief description of the potential partner companies

Online Communications

Sample of tools:
- Website (SEO and SEM) / franchisor
- Online advertising (Google AdWords, social media advertising, online banner ads)
- Online market places and apps (Groupon, Let's Deal, Amazon Local, Living Social)
- Social media (Facebook, Google+, Twitter, Instagram, LinkedIn, Pinterest etc.)
- Others: videos, social review sites (Yelp), apps, bloggers, mobile advertising

Website
Website and Search Engine Optimization (SEO) is the franchisor's responsibility, Search Engine Marketing (SEM) can be done also by the franchisee.

Questions to be considered:
- What are the most popular online tools and social media tools/channels in the region? Notice that the channels and tools change and evolve constantly
- Are there any local groups/forums etc.?
- What are the characteristics of those channels?
- What are the target/user groups using the different platforms?
- For which purpose the target groups are using the different tools/channels?

Some online communications tips
- Create a strategy and/or plan before publishing different kinds of accounts and profiles
    - Choose your social networks, keep in mind the target group(s) and business goals
    - Find out your strengths; what kind of publications are more natural for you
    - Create a content strategy and publishing schedule
    - Allocate budget and resources, define roles and responsibilities
    - Analytics – follow-up how the channel/tool is working
- Naming policy: accounts and profiles must be named identically – details such as contact details, opening hours and business license must be uniform in order to support Google findability
- Content must be interesting, social and interactive, comments and questions should be responded to promptly, social sharing and customer engagement should be the target, see for example http://www.slideshare.net/wearesocialsg/we-are-social-presents-the-social-marketing-mix and http://www.slideshare.net/wearesocialsg/we-are-social-presents-social-brands-the-ebook
- Be prepared for crises communications, bad publicity can make huge damage quickly if not handled correctly
- Use common sense, good and ethical manners and keep in mind company values
- SEM (Search Engine Marketing), for example GoogleAdWords, www.google.com/adwords, costs often CPC i.e. cost per click

Sample of social media profiles and advertising May 2016

- Amazon Local – e-commerce marketplace connection subscribers with local service providers and other merchants, https://local.amazon.com
- Facebook – online social networking service, www.facebook.com, Facebook advertising www.facebook.com/Business
- Foursquare – local search and discovery service mobile app, https://foursquare.com
- Google+ - online social meeting place, https://plus.google.com
- Google AdWords – advertising in Google, www.google.com/adwords
- Groupon – global e-commerce marketplace connection subscribers with local service providers and other merchants, www.groupon.com
- Instagram – photo and video sharing portal, https://www.instagram.com, advertising https://business.instagram.com/advertising
- Let's Deal – e-commerce marketplace connecting subscribers with local service providers and other merchants, www.letsdeal.com
- LinkedIn – business-oriented social networking service, www.linkedin.com, LinkedIn advertising https://www.linkedin.com/ad/start
- Living Social - online marketplace that allows people to buy and share things to do in the city they live, www.livingsocial.com
- Periscope – live video streams via mobile phone (for example backroom of events, launches, interviews, announcements), www.periscopeblog.com/2015/04/09/the-periscope-official-faq
- Pinterest – photo sharing website, www.pinterest.com, advertising https://ads.pinterest.com
- Snapchat – sharing images, used by young people, www.snapchat.com, advertising www.snapchat.com/ads
- Skype – online calls and chatting, www.skype.com
- StumbleUpon – social bookmarking, discovery engine that finds and recommends web content to its users, www.stumbleupon.com, advertising http://ads.stumbleupon.com
- Tumblr – microblogging platform and social networking website, www.tumblr.com
- Twitter – short messages called tweets, www.twitter.com, advertising https://ads.twitter.com, most used hashtags https://2015.twitter.com/top-trends
- Viber – instant messaging and VoIP app, www.viber.com
- Vine – entertainment network for video materials, https://vine.co
- Yelp – social review site, www.yelp.com
- YouTube – video sharing website, www.youtube.com, advertising www.youtube.com/advertise
- WhatsApp – cross-platform mobile messaging app, www.whatsapp.com
- Wikipedia – free encyclopedia built collaboratively, www.wikipedia.org

Content of marketing is based on service or customer promises. The promises must be fully consistent with the store concept, marketing, and all operations. The promises are delivered by the personnel delivering the service experiences. Accurate, complete and consistent communications from company to the employees ensure consistent communications to customers who form their image of the company based on everything they hear or see; including for example marketing activities and personal experiences in the store. One of the key reasons for service communication problems is inadequate internal marketing communications; whereas on the other hand managing internal marketing communications is one of the strategies to match the service promises with the delivery.

Objectives of internal communications:
- Ensuring the personnel's awareness and required level of knowhow
- Making the employees to commit to the main and sub target of the launch
- Motivating them to execute the launch activities as efficiently as possible
- Making sure that the staff knows the external launch activities, and is able to connect their own tasks into them
- Creating team spirit and faith on the success
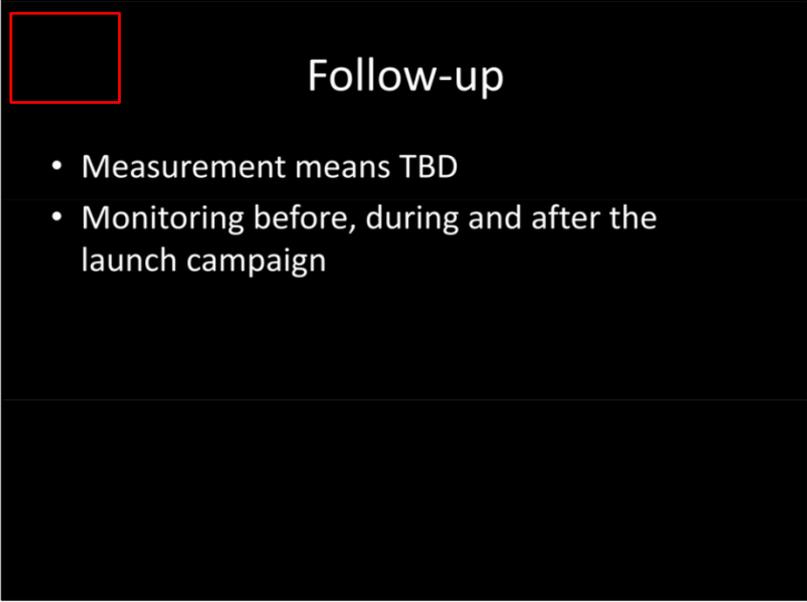
Follow-up

- Measurement means TBD
- Monitoring before, during and after the launch campaign

Measurement means needs to be defined for each communications channel and tool in the planning phase. Marketing communications activities should be monitored before, during and after the launch campaign, and potential corrective actions should be taken immediately. The collection of the data will improve the planning and decision making process which leads to cost savings; the risks will also be reduced and communications will be more efficient. Company's knowhow will also increase when more information is available on what works and what doesn't.

Sample of measurement means:

- X% of customers recommends
- Number of coupons/flyers returned
- Number of products/memberships sold
- Number of customers in customer database
- Quality of the publicity in social media
- Number of recommendations and reviews in Groupon, Yelp, Facebook, Google+ etc.
- Number of clicks, visitors, likes, followers, sharing
- Financials targets such as sales increase %

Risk Assessment

Sample:

Identified risks	Probability	Impact	Risk importance
Visualization risk (creative design not fitting the culture)	2	2	Medium
Name risk (name not fitting the language or culture)	1	2	Low
Marketing channel risk (target group not reached)	3	1	Low
Message risk (message not understood correctly)	3	3	high
Personnel risk (staff not delivering service promise)	2	3	medium

Probability
1. Unlikely
2. Possible
3. Very likely

Impact
1. Slightly harmful
2. Harmful
3. Extremely harmful

Testing
When a company is launched in a new area it needs to communicate about the services or organization to someone who has never heard anything about them. The selected marketing communications activities should always be pre-tested somehow but it is especially important when launching something in a new environment and culture. Marketing materials, message and visuals should be tested on a new market before the launch in order to ensure that the message is understood in the way intended.

Start from the region's/media's target group and their buying motives, what the consumers are really buying?
• Is the message understood the way it was intended?
• What service features are important in the particular culture?

Risk analysis
Risk analysis is always worth doing in order to be able to be prepared in potential risks that can put the launch in jeopardy; without any risk management the cost of damage may be high.

1. Identify potential internal/external risks – list of risks
2. Analyze risk probability, is it unlikely to happen (1), possible to happen (2), or very likely to happen (3)
3. Analyze risk's impact if it realizes, will the impact be slightly harmful (1), harmful (2), or extremely harmful (3)
4. Ranking:
    • If either (or both) probability or impact is 1, the importance of the risk will be low
    • If either (or both) probability or impact is 2, the importance of the risk will be medium
    • If both probability and impact are 3, the importance of risk is high – these risks must be reduced or eliminated

Sample of potential risks:
• Resources – which
• Timing – too soon or late in the market
• Knowhow or skills – which (professional expertise of the management and personnel
• Lack of information – which
• Service or product related risks – which
• Price related
• Investment related
• Testing
• Personnel related, or people risks
• Activities of competitors
• Failure to attract potential customers and get the message through
• Market risks

The sample template can be copied for several slides, or for example to MS Word or Excel if wanted. Separate tables can be created for communications, online communications, marketing communications, internal communications etc.

Launch marketing communications plan guide:
• Target (why it is done)
• Target group (who are we targeting)
• Message (what do we wish say to our audience)
• Media/action (what are we doing, how are we doing it, implementation plan)
• Budget (cost estimation how much, and from franchisor's or franchisee's budget)
• Responsible/resources (who will implement, the main responsible person and the potential project team)
• Schedule (when: timeline i.e. start, implementation, completed)
• Follow-up (how the action will be measured)

Option B: One slide per action including:
• Target:
• Target group:
• Message:
• Tool and media:
• Action:
• Budget €: (owner)
• Responsible person:
• Project team:
• Schedule:
• Follow-up:

Appendix 10. Company X launch marketing communications action plan template

Company X
Launch Marketing Communications Action Plan
SAMPLE

Month	Month 1				Month 2				Month 3				Opening	Month 4				Month 5				Month 6					Date/DL	Budget / Cost est.	Actual costs	Notes	Main responsible person	Core team
Week	-12	-11	-10	-9	-8	-7	-6	-5	-4	-3	-2	-1	0	1	2	3	4	5	6	7	8	9	10	11	12	13						
Main Steps																																
Agreement signed																																
Location selected																																
Internal marketing communications																																
Launch													15 May																			
External marketing communications																																
Follow-up																																
Planning process																																
Analysis & collecting info																																
Plan proposal to franchisor																																
Final decision on actions																																
Marketing materials																																
Outdoor																																
Window tapes																																
measurement																																
design																																
order																																
delivery																																
installation																																
Banners																											15.6.2016	1 100	850	content idea, design, production, material DL	[name]	[names]
Posters																																
Communications																																
Internal communications																																
Press release																																
etc.																																
Online																																
Franchise chain website																																
Online banners																																
Facebook profile																																
Facebook advertising																																
etc																																
Advertising																																
Flyers																																
Print ads																																
etc																																
Events																																
Promotional booths																																
etc																																
Marketing materials																																
Brochures																																
Posters																																
Price lists																																
Shelf talkers																																
Stationary																																
Business cards																																
etc																																
Total costs																												1 100	850			