The popularity of Wolt food-ordering application in the Helsinki areas: recommendations for a marketing strategy

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The main objective of this research was to explore the reasons for the unpopularity of the Wolt food-pick up application in the Helsinki metropolitan areas. The study examines the factors affecting the popularity of the Wolt application and finally suggests a marketing strategy for the company to improve sales and gain more visibility.

The thesis report is divided into seven sections. The introduction introduces the Wolt application in order to reveal the research motivations and thesis topic. Then, overview information provides detailed information about the case company, Wolt Oy, and their application. Thirdly, the theoretical background and knowledge base focus on relevant marketing communications theories. The empirical section presents research approaches, as well as empirical data collection. Next, the data is analysed through statistical techniques. The theories and research results are utilized to support a recommended marketing strategy. The entire thesis project was made in cooperation with Wolt Oy, and all information was discussed with a key account manager in order to make the thesis as beneficial for the company as possible.

The reliability of the study is examined through qualitative and quantitative methodology. The author used inductive reasoning to derive data from interviews and surveys with Wolt’s staff and target customers. The research focuses on determining consumer buying behavior and customer interest toward the application.

The recommended marketing strategy is heavily based on the use of marketing communications tools. According to the company, these marketing channels need to be designed in a way to suit the company intentions which seek maximum efficiency at minimal cost.

Keywords marketing, brand awareness, Finnish start-up company, mobile application
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The thesis will act as recommendations on marketing strategy for a start-up company in Southern Finland. The case company is Wolt Oy. The company launched a new application called Wolt, which enable customers to pre-order and pre-pay for food and drinks. It helps customers to cut down the queuing time in restaurant’s counter. Although Wolt’s application brings convenience for users, only a few people are aware of the application.

1.1 Objectives of the thesis

The main objective of this thesis is to research about the popularity of using the Wolt application in Helsinki areas and create a functional marketing strategy, which can be utilized by the case company in the future. A good marketing strategy helps Wolt raise customers' awareness, strengthen their brand and improve sales. The central focus of this study is to analyse reasons for the unpopularity of the Wolt application. In addition, improvements for the current marketing channels and suggestions for new marketing activities are presented.

1.2 Delimitations

Due to the fact that the company is newly founded, available information about the company in publicity is still limited. Therefore, in order to gain reliable information about the case company sufficiently, an interview with the manager of company was conducted in October 2015 at their office in Helsinki. Unfortunately, the name of interviewee will not be published because of confidentiality issue.

The survey questionnaire in this study was expected to spread in Helsinki, Espoo and Vantaa. Nevertheless, in reality, the survey was only conducted in Helsinki and Espoo because of the restriction in time limitation. In addition, the target number of the questionnaire was fifty responses. However, some participants did not complete the survey. Therefore, the author had to eliminate those questionnaires in order to reduce inconsistency and incompleteness in the results. The total final of questionnaires was forty-eight.

2 Case company

2.1 Wolt Enterprises Oy

Wolt is a Finnish start-up company, established in October 2014 by six co-founders Mika Matikainen, Lauri Andler, Oskari Pétas, Juhani Mykkänen, Miki Kuusi and Elias Pietilä. The company focuses on developing mobile payment software. Currently, the company employs
eleven people. At the beginning stage of launching, the application is only available for iPhone users (O’Sullivan, 2015).

In June 2015, Wolt announced partnering with the Finnish pizza chain Kotipizza, launching Wolt application for Android and providing home delivery service. Nowadays, Wolt is available in over 200 restaurants in Helsinki. According to Juhani Mykkänen, one of six co-founders of Wolt, the company estimates that launching Wolt for iPhone and Android widens the reach of the service to over 80% of Finnish mobile phone users (Kopola, 2015).

Launching Wolt application is considered as a potential project for investors. Wolt raised 400,000 euros in November 2014 from Life Ventures, Pii Ketvel, Supercell co-founder, Visa Forsen and Risto Siilasmaa who is known as founders of F-Secure and Chairman of Nokia. Impressively, one of Wolt’s investment team members is investor Poju Zabludowicz, Finland’s second richest man (Kopola, 2015).

2.2 Target market and company strategy

Currently, Finnish market is the main target. The company aims to use Finland as a test region before expanding the software to other European countries. Comparing to big cities in another continents such as Shanghai and San Francisco, consumers prefer to order groceries home. Take Shanghai as an example, customers can get everything delivered to their doorstep. In big cities in the US, almost everything is possible to get delivered. Therefore, the company chose Finland as the first place to launch the application because there is not much of competition in the market. Due to the fact that there are already many players in the United States and Asia, the company’s strategy is to expand the market through Europe (Anderson 2015).

In addition, the company is planning to expand their product line. Wolt is the application mainly for restaurants, food and drinks. Nevertheless it can be used for purchase any physical things such as tickets, flowers, clothes in the future. (Anderson 2015).

2.3 Wolt application

The idea of creating Wolt application came from a co-founder Miki Kuusi. He observed and realized a new trend that credit cards were facing redundancy because of the development of near field communication payment. Therefore, he came up with the idea using mobile phone application to make payment instead of using the credit card. That is the main idea how Wolt is created (O’Sullivan, 2015).
Wolt is the Finnish food pick-up application, which enables customers to pre-order and pre-pay for food and drink from restaurants in Helsinki. All orders and payments are processed through the application. At the moment, when using the application, there are three options for customers eat-in, take-out and delivery service. Therefore, customers only need to pick up the food, enjoy their purchase on the spot or home. Wolt provides fast and simple way to handle payment on their mobile phone. The application enables eat-in customers to skip queues and waiting time in restaurants. By using Wolt, the take-away customers are also informed by restaurants about the food waiting-time estimation. When the portion is ready to pick up, a notification will be sent to customer’s phone. Wolt is now available on Google play for Samsung, Sony, HTC and other Android phones and on App Store for iPhone.
3 Theoretical background

In this section, the author will present fundamental theories, used as a basis for the marketing strategy. The marketing mix 4Ps is chosen as the basic of marketing with four elements product, price, place and promotion. The primary focus in 4Ps model theory is marketing communications mix which covers following parts: sales promotion, advertising, personal selling, direct and database marketing, public relations and publicity, exhibition and trade events. These particular theories will help author to justify for the use of marketing communication tools in the actual marketing plan.

3.1 Definition of marketing

The days are long gone when people think that marketing only focuses about selling and advertising. Marketing, today, is broadly defined as understanding and satisfying customer needs. It is crucial to recognize the difference between the traditional and new marketing point of view. Basically, the old way to view marketing relates to idea of selling concept, which focuses on product-centered. The aim is to sell what they make rather than understand what the market wants; by contrast the new way of marketing emphasizes on customer-oriented (Koter et al. 2009). Customer focus and value are a contributing factor to achieve customer satisfaction, sales and profit. The aim of marketing is to make selling unnecessary. Selling and advertising are only considered as a small part in marketing mix involving attracting customer’s attention. Therefore, it is necessary for a company to be aware of their own
customer needs so the company can develop products, set appropriate prices, build distribution channels and launch promotion effectively. Generally, marketing is known as a process in which the company creates value to customers and builds customer relationship in order to achieve value from customers in return (Kotler & Armstrong, 2011).

![Figure 1: Selling and marketing concepts contrasted (Koter et al. 2009)](image)

### 3.2 Marketing mix

James Culliton initially introduced the term of marketing mix in 1948. He developed a concept of a marketing executive as a “mixer of ingredients” who engages necessary ingredients to create an own unique marketing recipe in order to reach customers. In modern marketing, a Four P framework in 1960 was proposed by marketer, E. Jerome MC Carthy, are widely used (Milligan 2012). The “Four P’s” is incorporation of four elements product, price, place and promotion, which need to be constructed into an integrated marketing program for the selected target market. It is important to make consistency and flexibility among all elements in 4Ps. Marketing mix decisions should be consistent with the business strategies in order to achieve the organization’s goal. Flexibility, in addition, helps the organization to adjust strategy in response to changes of environmental conditions (Pride et al. 2012).

#### 3.2.1 Product

This element refers to a tangible good or an intangible service, which the company offers to customers. In order to satisfy customer, not only the product’s design meets customer’s needs and wants, but also it is essential to create brand names, packaging and combing ad-
ditional services in order to gain competitive advantage. Milligan (2012) stated product differentiation is one of requirements to retain the competitiveness in the market. (Milligan 2012)

3.2.2 Price

Pricing plays an important role in marketing mix variable because it has an enormous effect on demand and sales. According to Kotler & Armstrong (2011), price is the most flexible marketing mix element because the price can change more fluidly than product features and distribution channels. At the same time, price is one of components determining the value of product. A high price, for instance, is often used to create a product’s premium image- high quality, which targeted for high- class customers. Moreover, offering discounts in order to boost dramatic sales may decrease the company’s profit and brand image. Therefore, it is essential to establish pricing model for a company to seek maximum profit at minimum potential loss. Major consideration factors in pricing are the cost of product, marketing expenses, price fluctuation and distribution cost.

There are two types of pricing: competitive pricing and non- competitive pricing. Price which is established based on competitors, is called pricing competitive. In order to attain the largest market share, price of a product needs to be substantially lower than competitors. Non-competitive pricing relates to brand equity, which is built base on customer loyalty (Pride et al. 2012).

3.2.3 Place

Place represents for the distribution channels of a product, involving to market coverage, inventory management, warehousing, transportation and logistics. The purpose of this element is to make product available to customers at the right place and try to improve existing distribution channels to increase sales. Place could be defined as a physical store as well as an Internet virtual store (Milligan 2012)

3.2.4 Promotion

Promotion regards to all communications method used to approach and persuade customers. As reported by Mastersin and Pickton (2010), the most basic promotion tools are advertising, public relations, personal selling and sales promotion. Promotion is greatly dependent on a distinct budget for marketing and advertising of each organization. Therefore, depending on the marketing strategy of each company, marketers will choose the most appropriate channels to reach target customers with considering differentiation from competitors.
3.3 Marketing communications mix

Marketing communications are tools which are used to inform customers about a specific brand. Thanks to marketing communications, a firm can connect its brand to customers through places, events and experiences. There are eight types of communication tools: sales promotion, advertising, events and experiences, public relations and publicity, direct marketing, interactive marketing, word of mouth marketing and personal selling (Koter et al. 2009).

![Five Finger Story](image)

Figure 2: Marketing communications (Kaushik 2011)

3.3.1 Sales promotion

Advertising has an important effect on customer’s awareness, interest and design on a particular product in a long term; sales promotions, on the other hand, focus on communication and buying process with the purpose of quickly boosting sales in a short-term. Guises of sales
promotion are easily recognized as price reductions, samples, free gifts, cash refund offers, prizes, warranties and special demonstration (Smith & Taylor 2002).

Some factors need to be taken into consideration when carrying out sales promotions. Some promotions increase sale immediately, followed by a remarkable drop; due to the fact that customers bought and stocked up a large amount of products at once, then they will stop purchasing until products are consumed. Moreover, other promotions may cause damages in branding, sales and cash flow. Discounting price too often, for instance, loses brand values (Smith & Taylor 2002).

Sales promotion has various objectives such as increase sales, move excess stock, block competitors, attract new customers and launch new products. Additional, sales promotion is a common strategy, which can be used from manufacturer to intermediary, from retailer to consumer or from direct manufacture to the consumer. Therefore, basing on the goal, each organization will build a proper sales promotion campaign (Blythe 2006).

3.3.2 Advertising

Advertising is seen as any paid form of marketing communication, which is used to present and promote ideas, products or services. It is a feasible solution to build brand, raise awareness and maintain customer relationship. Nevertheless, advertising is considered as less persuasive tool than other marketing communication tools. Since the main purpose is to reach as much as audience as possible, there is no orientation of targeting to the right potential customers. Additional, another drawback of advertising is one-way type of communication. Customers, for example, cannot respond to TV, newspaper, magazine, radio or brochures (Koter et al. 2009).

The aim of advertising is to inform, persuade, remind and reinforce people to buy a specific product. Therefore, advertising goals are also divided into four categories in order to match with company marketing strategy. Informative advertising focuses on building brand image, raising awareness of customers towards new products; whilst persuasive advertising is used with the purpose of creating liking, preference and purchase of products. Reminder advertising, on the other hand, stimulates customers to purchase the products more and more. Reinforcement advertisement is created in an attempt to convince people that their current purchase is a right choice. (Koter et al. 2009).

As a rapid growth of technology, mass media are fragmented. Thus, nowadays there is more difficult to attract audiences (Balnaves et al. 2009). To be outstanding from other competitors, advertisements need to have a mix of these characteristics: creativity, uniqueness, rep-
etition and relevance. Creativity and uniqueness are key factors to attract and hold customer’s attention, while repetition and relevance play important roles about influence of brand image in a customer’s mind (Egan 2007).

Regards to social and legal norm, advertisement should not be overly exaggerated. Exaggeration in advertising can be considered as deception. It will badly damage the brand image if customers started to disbelieve the advertisement (Trehan & Trehan 2010). Therefore, advertisers should give truthful information about the product when advertising. Additionally, offending general public, ethic groups or racial minorities should be avoided (Koter et al. 2009).

As Egan (2007) points out “advertising was the communications tool of choice for most of twentieth century”. However, as a rapid growing trend in recent years, budget spending for advertising is decreasing due to the difficulty of measuring effectiveness. Hence, firms tend to invest in direct marketing and sales promotion where outcome is easily identified (Egan 2007).

3.3.3 Personal selling

Personal selling is a two-way interaction between a customer and a salesman. It is known as a powerful instrument in marketing communications because it enables the company to understand and respond quickly to customer’s need and want through a conversation. An effective salesman is a person who knows to listen and identify customer’s problems then approach customers by engaging the products or services in problem solving. According to Blythe (2006), recently salespeople uses NASA model as guidance for their sales presentation. N represents for needs, A is for acceptance, S means solution and A is for acceptance again. The main idea of NASA model is to focus on seeking solutions for customer’s problem after understanding their needs and wants (Blythe, 2006). Although personal selling is regarded as the most effective marketing communications tool, it can be expensive and time-consuming method due to the requirement of constant sales training programs (Koter et al. 2009).

3.3.4 Direct and database marketing

People tend to think that the term of ‘direct marketing’ and ‘database marketing’ has the same meaning. Contrary to what might be thought, database marketing is only a part in direct marketing which data is processed by computers while other forms of direct marketing do not relate to computer problem solving. Unlike junk mail, the purpose of database marketing is to create relevance between leaflets and recipients. In other words, database marketing makes a certain that leaflets are only sent to customers when they show interest toward the products or services and they are willing to receive more information through email (Blythe 2006).
The UK Direct Marketing Association (DMA) defines direct marketing as an interactive marketing communication tool which uses advertising media to achieve response from customers. (Egan 2007). While advertising aims to build a company’s brand image; direct marketing, by contrast, gives customer incentives to buy products. In direct marketing, it is important to note that developing one-to-one customer relationships is focused continually. Direct marketing media consists of direct mail, telemarketing, catalogues, Internet marketing, door-to-door selling, posters, newspapers, TV and radio. Recently, integration between direct marketing and other marketing communication tools is surely worthwhile. It helps the company to gain competitive advantage and increase the effectiveness of communications with customers. (Smith & Taylor 2002)

3.3.5 Public relations and publicity

The idea of public relations- PR- is to create favourable company’s image in minds of customers. PR method aims to build a long-term reputation of the company in a positive perspective rather than achieving high sales by short-term marketing activities. Public relations are commonly known through word of mouth, press, TV news stories and personal recommendation. Based on those channels, the company’s story is mentioned in a good way, which encourages people to talk about the company in a positive way (Blythe 2006).

Internal and external public relations are described as two main kinds of public relations in business. Internal public relation uses staff newsletters, training programmes and social events in order to create a positive image about a company. This type of PR not only builds a great reputation for the firm, but also it encourages employees to take interest to their work. Turning to the other type of PR, it reflects company’s communication through news media. It requires expenditure for newspapers and magazines by paid advertising. However, external public relation brings positive returns because customers get interest with the company through stimulating articles (Blythe 2006).

3.3.6 Exhibition and trade events

According to Beier and Damböck (2010), exhibitions and trade fairs are collections of interesting objects brought together at a certain place and time in order to achieve certain specified results. In other words, exhibitions and trade shows are the places where sellers exhibit, demonstrate and test their products to prospective buyers. There are two main purposes of using exhibition and fair as a way of marketing: activities directly leading to making sales and activities relating to product promotion. This partly explains why in some exhibitions visitors expect to be able to buy products from exhibitors while other exhibitions visitors wish to see
new technologies and latest development in particular industry. Exhibitions and trade fairs are seen as a powerful marketing communication tool to promote products or services to a large number of potential customers face-to-face. Nevertheless, participating in exhibition and trade fair is considerably expensive which is higher cost than some other types of marketing tools (Blythe, 2006).

3.4 Benchmarking

Benchmarking is known as a process of collecting information from an organization and beneficially applying that information to another organization. The purpose of this method is to improve performance by identifying, analyzing, understanding and adapting best practices (Kelessidis 2000). Benchmarking helps managers discover needed innovation and make changes in the organization so that the business can run more efficiently. As reported by Kelessidis (2000), the method describes “the practice of being humble enough to admit that someone else is better at something and wise enough to learn how to match and even surpass them at it”.

Since benchmarking is a comparative analysis, it is essential to establish categorical variables as the basis for comparison. When variables are set, data analysis is conducted in order to identify factors, caused the superior performance of the competitor. Benchmarking has both advantage and disadvantage. It is substantially easy to compare companies’ performance which variables are affected from the same source since companies operate in the same sector. On the other hand, collecting information from competitors may become difficult because of the competitive nature. For example, the published data can be limited or the data recuperation is not straightforward. There are two types of benchmarking: internal and external. Internal benchmarking is utilized for multinational companies with the purpose of comparing the performances of one department to another departments within the organization. The best practice will be analyzed and adopted to all departments with a view of improvements. By contrast, external benchmarking is used to comparing statistical data of organizations within the same industry (Kelessidis 2000).

Concerning to the expected results from benchmarking, this method can offer many benefits to the organization. Firstly, it will highlight areas, which require attention and improvements. Hence, a manager can react to the situation by making adjustments. Common improvements, which can be revealed by benchmarking projects, are reduced costs, increased productivity and reduced cycled time of operations. Secondly, benchmarking helps organization to recognize their strengths and weakness comparing to other competitors in order to make new innovation at the right time. Thirdly, the method is beneficial for measuring the efficiency of the current performances in the organization (Kelessidis 2000).
Research and developing methods

This chapter focuses on two main parts. The first part gives the reader the idea of what market research is and describes the role of market research in decision-making. The second part mentions about two methods of market research: qualitative and quantitative research.

4.1 Market research and the purpose of market research

International Chamber of Commerce (ICC) defined ‘market research’ as “the systematic gathering and interpretation of information about individuals or organizations using the statistical and analytical methods and techniques of the applied sciences to gain insight or support decision making”. Information collected from market research is mainly used for developments in the future. Qualitative and quantitative methods are two main types of market research (Saunders et al. 2009).

Market research helps companies to make better decisions and reduce risks by directly approaching customers and analyzing customers’ needs, market trends as well as competitors. Moreover, research provides information for anticipating how the market may change. This is essential for a company to adjust their strategy, identify new market segments and develop new products in order to strengthen their brand and compete with other competitors (The marketing donut).

Saunders et al. (2009) classified market research into three categories: exploratory, descriptive and causal. Each type of research design reflects a specific purpose of research. According to Burns and Bush (2003), exploratory research is considered as the most commonly unstructured and informal research, which emphasizes on gaining insights in order to get better understanding of a situation. The main goal of the research is not problem-solving. It does not provide the final answer or solution for a situation but it helps the researcher to define the issue more precisely. Exploratory research is usually conducted when a researcher has little knowledge about the problem and needs to gather additional information about the topic. This type of research is used for numerous purposes such as to gain background information, to define terms, to clarify issue and to establish research priorities. Several methods of conducting exploratory research are secondary data analysis, surveys, focus group and projective techniques (Burns & Bush 2003).

Turning to the second category, descriptive research is designed to determine the characteristics of certain groups in order to make specific predictions to solve the problem. Researcher usually uses descriptive research to answer questions, related to who, what, when, where, how. “Who” concerns about people who directly influence every aspect of the business such
as customers, competitors, partners and suppliers. “What” can mention about products, services and brands. “Where” refers to the location of the business, stores and manufactures. “When” considers to time and frequency of purchasing. “How” describes the process how a company approaches their customers. These basic questions help companies to create effective marketing strategies. Descriptive research has two types: cross-sectional and longitudinal. The distinction between these cases is that cross-sectional study investigates a selected sample of the population at a single point of time, while longitudinal study repeatedly investigates a same sample of population over the period of time (Burns & Bush 2003).

Causal research is used to prove that a particular action will lead to a particular outcome. In other words, this research type illustrates the cause and effect relationship between variables. Researchers use an experiment to identify the influence of one variable on another variable. There are two kinds of variables: independent and dependent. Burns and Bush (2003) defined independent variables as those factors which the researcher can control such as advertising expenditure, price of products, type of marketing and location of retailer stores. On the other hand, dependent variables are those elements that the researcher has no direct control. Sales revenue, customer satisfaction and market position are good examples of dependent variables. Those factors are concerned as results that businesses want to achieve. Since marketers are not able to directly control over dependent variables, they attempt to change them through the manipulation of independent variables (Burns & Bush 2003).

In this thesis report, descriptive research has been applied in order to answer for the question “How people get to know the Wolt application in Helsinki metropolitan areas”. The result of the research will be beneficial for the company to improve their marketing channels and to raise new ideas for their marketing campaigns in the future. Cross-sectional study has been chosen as a type of the research because it is only conducted at one point of time.

4.2 Methods

There is variety of empirical methods to collect data. According to methodology textbooks, empirical data is divided into two main categories: primary data and secondary data. Primary data reflects the method of collecting data by researchers themselves. Interviewing, questionnaire and observation belong to primary data collection. By contrast, secondary data is known as 'naturally occurring materials' which researchers use already existing empirical data from numerous data centres instead of involving themselves in data collecting activities. (Eriksson & Kovalainen 2008)
As reported by Kumar (2011), none of methods of data collection provides 100 per cent perfect and accurate information. Both methods have their own advantages and disadvantages. The quality of research result depends on numerous factors. Therefore, before choosing the method to collect data, researcher should take into account several factors such as purpose of the research, current available resources and the number of participants in the study.

4.2.1 Qualitative method

Wyse (2011) stated “Qualitative research is primarily exploratory research”. The aim of qualitative approaches is to understand of underlying reasons, opinions and motivations. Diving deeper into the problems helps entrepreneurs to develop ideas to improve their business. (Wyse 2011). In social science and business research, qualitative research is commonly used as the first phrase of study, then followed by a quantitative phrase because qualitative methods provide better understanding of vague issues comparing to quantitative studies (Eriksson & Kovalainen 2008).

Qualitative interview is a planned conversation between two or more people where questions are asked first from interviewers and interviewees follow by providing answers. Interviews mostly occur face- to- face. Besides that, it is also conducted through telephone, Skype or other types of computer- mediated technologies. Interviews are most often made by two individuals, but in business studies it is common for interviews in group of more than two par-
In practice, qualitative research interviews are used immensely by professional services, universities and by the mass media. In order to become truly efficient in this method, it needs practice and professional attitude (Eriksson & Kovalainen 2008).

Contrary to what most people think, qualitative interviews are considerably difficult. There are many factors that can hinder the interview’s quality such as improper research questions and dishonest from the interviewees. Therefore, in order to gain the most effective results, interview questions should be well prepared before the interview. In addition, interviewers need to be aware of dishonesty in an interview (Eriksson & Kovalainen 2008).

As stated by Silverman (2005), due to the fact that different types of research questions require different types of interview questions. Therefore, interview study is categorized into three main types, which are called positivist, emotionalist and constructionist. Positivist interview research approach focuses on facts so they have a lot of information questions. Researchers use this type of interview with the purpose of collecting as much accurate information as possible in order to figure out what the ‘true’ overall picture of the situation is. Unlike positivist, emotionalist interview research approach emphasizes on participants’ experiences. The focus of interview questions is not on information but on interviewees’ perceptions, understanding, emotions towards the situation, which bring up by interviewers. Turning to the last type, constructionist interview research approach indicates how meanings are produced through the interaction between interviewee and interviewer. For this kind of interview, researchers use pre- prepared questions to flow conversation into different directions. It is suggested that positivist and emotionalist approaches usually associate with ‘what’ questions while constructionist often goes with ‘how’ questions (Eriksson & Kovalainen 2008). Holstein and Gubrium (2004) recommended the combination of both ‘what’ and ‘how’ questions in interview research in order to achieve the most effective data collection.

According to Eriksson & Kovalainen (2008), there are three types of qualitative interview: structured and standardized interviews, unstructured interviews and semi-structured interviews. Based on the purpose of the research project and type of interview questions, the researcher will decide the type of the interview. For the structured and standardized interview, interviews often go with a positivist question, which focuses on collecting information about facts. This type of interview requires a pre-planned script. There is also little of flexibility in wording and order of questions. Moreover, the interviewers have a limit response to specific topic of the interviewees. Structured and standardized interviews are suitable for inexperienced interviewers. By contrast, unstructured interviews are highly recommended for skillful researchers because this type of interview does not follow any structure. Therefore, the interviewers need to know how to interact with the interviewees. Participants in this interview can control the direction of the conversation. It means that they can freely move from one
topic to another topics based on their interest. Therefore, the unstructured interviews are used for collecting enormous amounts of data by exploring topics from interviewers intensively (Eriksson & Kovalainen 2008).

Nowadays, semi-structured interview is popularly adopted in business research. This type of interview contains both ‘what’ and ‘how’ questions. Semi-structured interview is more flexible than structured and standardized methods. Although it is important to preplan and outline topic questions before conducting the interview, interviewers still have possibility to bring up new ideas during the interview. In addition, semi-structured interview is also literally flexible in wording and order of questions. This is considered as the most advantage of this type of interview. Questions are comprehensive; at the same time the interview is moderately informal and conversational. The most challenging issue for this interview is that the interviewers need to balance between outlined topics and new topics, raised by the participants (Eriksson & Kovalainen 2008).

4.2.2 Quantitative method

Whereas qualitative approaches are concerned about providing better understanding about an issues, quantitative approaches emphasize on explanation, testing and statistical analysis. (Eriksson & Kovalainen 2008). As reported by Wyse (2011), ‘quantitative research is used to quantify the problem by a way of generating numerical data that can be transformed into useable statistics’. In other words, researchers use qualitative approaches to assume facts through measurable data. Comparing to qualitative research methods, quantitative data collection methods are more structured (Wyse 2011).

Madrigal and McClain (2012) stated that quantitative studies provide data in a numeric form which researcher uses statistical analysis to derive important facts about preference trends, difference between groups and demographics. According to Sukamolson (2016) quantitative research is classified into different types such as survey research, correlational research, experimental research and causal-comparative research. Each type of research is used with specific purpose. In this thesis, the author chose survey questionnaire as the type of quantitative research. Therefore, only survey research is examined deeply in this section. A questionnaire is defined as a list of questions which respondents will be expected to write down their answers. Unlike an interview, no one asks and explains the questions to respondents in the questionnaire. Thus, it is important to create coherent questions which are clear and easy to understand. Moreover, the layout of questionnaire and the order of questions should be designed in the way that respondents can easy read and follow. (Kumar 2011)
The purpose of survey questionnaire is to reflect the trend of the population toward the particular situation. Since difference groups are asked to answer the questionnaire, this type of research enables the researcher to make comparisons about certain characteristics between groups. Respondents are randomly chosen from the population. Therefore, “each person has a known probability of being sampled” (Sukamolson 2016)

There are many forms of survey questionnaires. Depending on the purpose of the research and expected number of participants, researcher will administer their questionnaire in different ways. As claimed by Kumar (2011), three common ways of administering a questionnaire are mailed questionnaire, collective administration and administration in a public place. The mailed questionnaire is considered as the most popular method to collect information. The researcher directly sends questionnaire to respondents in an electronic form. The advantage of this approach is that the questionnaire can be reached to many people as the same time. However, this method has a major problem in low response rate. Regards to collective administration, questionnaires are sent to participants who assembled in one place such as in a classroom, in an office or in a programme. This type of survey guarantees the high rate of response. Nevertheless, in order to conduct collective administration survey, it requires the researcher to have a personal contact with the study population. Administration in a public place is the survey form which is carried out in public spaces such as market square, shopping centre, subway station and library. The researcher will decide the place to conduct the survey based on the potential respondents who need to be approached. For example, when doing research about buying behaviour of students toward school stationery, school will be a perfect place to spread the survey. By contrast, if the researcher wishes to know about the purchase behaviour of working people toward organic products, shopping mall is the right choice to send questionnaires. Time consuming is considered as a disadvantage of this survey type (Kumar 2011).

When conducting questionnaire, the researcher needs to carefully consider the form and words of questions because these factors have directly effect on the quality of information, which achieved from participants. An open-ended question requires respondents to write down detailed answers with the purpose of seeking their opinions. This type of question is utilized to provide in-depth information or solution toward a specific situation. In a close question, all possible answers are shown along with a question. Respondents just need to tick to categories which represent to the their answer. A categorical scale question is used to observe the difference of participants’ attitude towards an issue. A ranking question enables respondents to compare different statements with each other by placing them in order of preference. Finally, a matrix question presents multiple items in a one question. Regards to the questionnaire’s layout, it is important to state the purpose of the survey and explain what respondents should do at the beginning. Moreover, there should be thank you message at the
Quantitative method has both strengths and weaknesses. The great strength of this research is that data can be collected from different communities within different locations. Quantitative studies capture a snapshot of a user population so that it gives the researcher an overall picture of the situation (Madrigal & McClain 2012). In addition, it offers greater anonymity than qualitative research. Since there is no interaction face to face, the respondents are more comfortable when answering sensitive questions. As the result, collected information is more accurate. Besides strengths, quantitative research has several disadvantages. Comparing to qualitative interview, quantitative method has a lower response rate. The researcher has inability to control how respondents provide the answers. In some cases, the participants tend not to return or complete the questionnaires. In addition, due to the non-interaction between researcher and the participants, it is difficult to get expected outcomes from complex questions. It is important to note that quantitative method can produce gaps in information because respondents only answer questions in the survey. Further problems, which need deep understanding, require the qualitative research.

4.2.3 Analysing data

As stated by Taylor-Powell (1996), there are four common mathematical techniques which were used to process raw data. These methods are numerical counts, percentages, measures of central tendency and measure of variability. Concerning to the first technique, numeric counts describes how many times something happened. For example, twenty-two of the respondents were under 18 years old. This method is usually used as the base for other calculation. Percentages is a common approach which shows information as the proportion in the relation to a whole. This technique is utilized when the researcher wants to display the relationships or comparisons between variables. Comparing to numeric counts, percentages seems to be easier to interpret. With the same example of numeric counts, in percentages calculation it will be written as “Ten per cent of the respondents were under 18 years old” (Taylor-Powell 1996).

Measure of central tendency is applied when the purpose of the research is to illustrate the essential characteristic of a certain group. Mean, mode and median are the most popular measures. All methods have both advantages and disadvantages. Depending on purpose of the analysis, a researcher will choose calculations to process data. It is advised that all calculations should be measured first, and then the researcher will choose methods which help summarize the data in order to make the most sense to the audience. Mean refers to “average” which is obtained when the sum of values divided by the total number of all values in
the sample. Although the mean is very useful when comparing sets of data, results from mean calculation may inaccurate since the gap between smallest and highest variable is high. The mode is the method of choosing the most popular value. Unlike the mean, the mode is not affected by extreme values. Therefore, when large number of value is available, using mode calculation is beneficial. However, it is important to note that the mode will become useless if no values repeat in the data set. The median describes the middle value where “half of the cases fall below and half fall above the value”. This calculation is effective for comparing sets of data without being affected from extreme values (Taylor-Powell 1996).

The last mathematical technique used in statistical analysis is the measure of variability. This method indicates the amount of variability in responses. The most common measures of variability are range, standard deviation and variance. The range is the distance between the highest value and the lowest value, which shows the spread of responses. Although this measure is a useful descriptor, the result may be unstable because it depends on only two values. The standard deviation demonstrates “The degree to which individual values vary from the mean”. It is useful to show how the responses vary from the mean. Variance simply is the square of the standard deviation (Taylor-Powell 1996).

4.3 Empirical study

The empirical study gives the readers information related to the purpose and implementations of research methods. Qualitative and quantitative approaches are both used as research methods in this thesis. The qualitative interview is chosen for Wolt company and the quantitative survey is applied for Helsinki citizens. The reason why interview and survey are adopted for the thesis explained detailed further in qualitative interview and quantitative sections.

4.3.1 Qualitative interview with Wolt Oy

As Wolt Oy has established since October 2015, there is not much published information about the company from official website as well as the Internet. In addition, in order to understand deeply about actual strengths and weaknesses of Wolt, semi-structured interview with the key account manager had been conducted. As a result, insightful explanations about the strategy and current market situation as well as existing competitors were collected and analyzed.

Positivist interview research approach is selected because the main aim of the interview is to collect as much accurate information as possible about Wolt company such as factual market situation, competitors, marketing strategy and current marketing channels. Therefore, most of interview questions belong to “what” type question. Additionally, in order to understand
precise overall picture of the company's portfolio, existing data from the Internet is also collected.

The purpose of choosing semi-structured interview for Wolt Oy is that the interviewer has time to prepare a list of questions and topics before the discussion. Therefore, needed information for the research is surely covered. Moreover, thanks to the flexibility of semi-structured interview, the interviewer can vary wording and change order of questions depending on the situation. Moreover, an informal and friendly atmosphere can be created during the interview, which facilitates a natural flow of the conversation. This allows new ideas to be brought up to discuss.

4.3.2 Quantitative survey

The survey was conducted in March 2016 in Helsinki City Center and in Espoo. Respondents were chosen randomly in Kamppi and Iso Omena shopping mall. The goals of the questionnaire were to examine the popularity of Wolt application in metropolitan areas and investigate consumer purchase behaviour in order to determine the most effective marketing channels for the case company. The result of this study was predictably collected in one week.

The survey had totally 12 questions and they were divided into three primary parts: customer information, customer behavior and customer’s opinion about Wolt. This questionnaire began with customer background, which was used to segment the customer. Therefore, questions related to age, gender, occupation and location. The purpose of this part was to identify the most profitable customers and focus marketing on these customers. The most potential customers are people who are interested in the application. In addition, customer’s personal data is also useful to analyse the popularity of Wolt application. According to age, gender and location of the respondents, the case company can examine whether the current marketing strategy has reached to right people at the right place. Further actions can be envisaged in the future to catch attention of potential customers in a better way. Regards to the questionnaire form, open-ended questions, closed questions and categorical scale questions are used in the survey. The detailed of survey’s question can be found in appendixes part at the end of this thesis.

According to Wolt staff, the company would like to have information about user download behaviour. Therefore, in the second part of the survey, questions were designed to investigate consumer purchase behaviour. Customers were asked to choose among several options, which revealed the most significant marketing channels impact on them. In addition, questions related to brand and motivation factors for downloading an application were including
in this survey. Data from these questions helps the case company to understand customer wants in order to improve the current marketing channels.

The last part of the survey regarded to specific information about Wolt. Respondents need to give their opinions about their satisfaction as well as problems toward the application. Marketing channels of the company were also asked in this section with the purpose of revealing the best and the least effective channels. Based on this information, Wolt company can be able to reach the customers in the most efficient way. It is essential to know how people get to know the application.

5 Analysing and result

5.1 Result of the interview

According to the interview conducted on October 9th 2015, Wolt staff stated that the company’s objective is to develop an efficient marketing strategy in order to increase brand awareness of Helsinki citizens towards their new application. He emphasized that the budget for marketing campaign is relatively low due to the fact that Wolt is a software start-up company which requires a huge amount of investments in different perspectives, especially research and development. The company constantly improves and updates new features the application in order to bring the best experience to customers. This partly explains why Wolt has not done much on marketing.

Wolt application is currently advertised in local newspapers (Helsingin Sanomat, Kauppalehti and Metro-lehti), radio Helsinki and social media Facebook, Twitter and Instagram. In addition, for the mutual sake of increasing sales between the company and restaurant partners, Wolt’s brochures are enabled to place on restaurant’s tables. Wolt also contacted Posti for helping them delivery fliers along with newspapers to residential areas. However, the company is still struggling to find out the most effective strategy to catch people’s attention with affordable budget.
Concerning to the target group, restaurants and customers are two main targets. According to Wolt staff, the company has recently reached to 20,000 users and the number of users has dramatically grown in Helsinki areas. The application is designed for both men and woman. There is no statically significant difference between the number of male and female users. Nevertheless, based on the personal data collected from Wolt, their main customers are male from 20 to 40 years old. Considering restaurants as the target, the application is launched to over 200 restaurants in Helsinki. In 2015, Wolt had a half-year project with Kotipizza chain to install their own system to all Kotipizza’s restaurants in Helsinki. The company is planning to expand the market to other big cities in Finland such as Turku and Tampere.

5.2 Result of the survey

There are total fifty people participated in the questionnaire survey from 29th March to 5th April, 2016. However, two surveys had to removed before analysing data due to their incompleteness. The target respondent aims to people who live in metropolitan areas: Helsinki, Espoo and Vantaa. 52% of respondents described their gender as female and 47% as male. The figure below shows the detailed about the age of participants.
As can be seen clearly from the graph, the mode age of respondents was from 18 to 25 (39.6%), followed by people aged from 26 to 33 (31.3%). Altogether these two groups represents for 71% of the whole amount of participants. This number is actually relevant to Wolt’s target customers, who are male from 20 to 40. To be more specific, the corresponding figures for respondents from 34 to 40 and from 41 to 51 were 10.4% and 8.3%. 10% respondents reported being over 51 years old.

Since Wolt Oy would like to know whether the respondents are working or not in order to create a proper strategy to approach potential customers in the future, a question about occupation was created. According to the result, 53.3% people are working, 22.3% are students and 24.4% are both working and studying. Regards to the location of participations, 90% of people were asked living in Helsinki, Espoo and Vantaa.

After personal information part, the first research question concerns about consumer behaviours. As stated by Wolt staff, the company is still struggling to find out the most effective marketing channels. Therefore, it is important to know from which channels customer would like to hear about a brand. The figure seven will illustrate the answer for this question.
The overall picture presented by the graph is that people tend to be approached by social media with 70.8%. While 45.8% of respondents would rather hear about the brand by word of mouth, 25% of them want to receive sales promotion such as promotional code and discount card. 25% of people would like to see the brand on advertisements from Internet, TV and newspapers. 20.8% of participants want to see public signs. It is important to note that there is a high correlation between marketing channels and customer groups. The age of the participants has impact on the marketing channels, which they would like to be approached. In fact, the result explained that people had different responses according to their age. Most respondents aged from 18 to 33 chose social media, whereas participants aged from 34 to 50 chose word of mouth as the marketing channels. Recognising this difference helps Wolt reach their potential customers more efficiently.

In addition, Wolt would like to collect information about factors, which has the most influence on people when they first see an advertisement. The data will be beneficial for developing Wolt advertisement in the future. The result showed that most people are impressed by eye-catching advertisement with interesting visual design. Some people suggested that the advertisement should be made in the funny way. According to them, funny messages are easily memorable which helps audiences keep the product in mind. Therefore, whenever they see the brand, their memory recalls what advertisement exactly was about. Other factors have influence on people are product’s benefit (35.4%), brand name (16.7), slogan (4.2%).
According to the survey, although 35 out of 48 respondents were reported to use applications on smart phone every day, only 6 of them had used Wolt. In addition, the research also shows the significant fact about the popularity of the application. Surprisingly, over 50% of participants answered that they have never ever heard about the application. This raises the question of how actually effective of company’s current marketing strategy when half of respondents have no idea about the application.

As presented in the figure 8 and figure 9, around 36% people have known about Wolt but they are not interested to download and use the application. In addition, nearly 50% people who did not know about Wolt, are not interested to download the application. An open-ended question was used to reveal the specific reason regards to this problem. Most of people answered that they do not need the application for order food. Some people prefer to go straight to the restaurants and order food. Others are already using services from other companies such as Foodora and Pizza Online. This reflects the fact that value proposition of Wolt is not strong enough to convince people to try the application. Product’s value plays an important role in the success of a business. The previous question showed how influence of product’s benefit on audience when they first saw a new advertisement. Therefore, Wolt needs to create superior value to the products and make them different from other competitors.
The graph above describes channels, through which people learnt to know about Wolt. Word of mouth and social media are the two most used channels. Facebook by far remains as the most popular social media site with 86.2% respondents using. The people who use Twitter, Instagram and Youtube, only represent in few percent. The result surprisingly shows ineffective of taxi advertising. Wolt places advertising on taxi in Helsinki areas. Unfortunately, no respondent reported about this marketing channel. Concerning to the last question of the survey about problem when using Wolt, one person stated that she tried to register for the application but Wolt kept sending her error messages about registration. Consequently, she decided not to use the company’s service.

6 Suggested marketing strategy

6.1 Wolt benchmarking

As stated by Wolt’s staff, currently the company has one competitor, namely Foodora. Like Wolt, Foodora offers to customers an application which used to make food orders. After all payments are processed, the food is delivery straight to customer’s home by bicycles. A big difference between Wolt and Foodora is that Foodora does not provide food pick-up service. All orders will be directly delivered to customer’s home. Foodora application is highly developed and many people know about them. Regards the result of the survey questionnaire, one respondent wrote that “He does not download Wolt application because he has used Foodora application”. Therefore, it is important to conduct a benchmarking about two companies in order to identify their own strengths and weaknesses. This information is beneficial for Wolt to highlight areas requiring improvements. The benchmarking above only shows the comparative analysis between Foodora in Finland and Wolt. Global Foodora information will not be examined in this benchmarking.

Before conducting the benchmarking, it is important to understand about Foodora and how they are doing. Therefore, this section briefly provides information about the company. Foodora was launched in Munich, Germany in October 2014. It offers to customers the appli-
cation which is used to order and delivery food to home. All payments between the restaurants and customers are processed through the application. Nowadays, the company is available in eight countries in Europe. It has partnered with over 4000 restaurants. In Finland, Foodora provides the service in three big cities Helsinki, Turku and Tampere. The company focuses on quality food, friendly drivers and fast delivery. Foodora is recognized as one of the best applications of 2015 (Foodora, 2016).

![Foodora map](image)

Figure 11: Foodora has operated in ten countries in the world

Benchmarking

<table>
<thead>
<tr>
<th></th>
<th>Foodora</th>
<th>Wolt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service offerings</td>
<td>• Food delivery service for individual customers.</td>
<td>• Food pick-up/ delivery service for individual customers</td>
</tr>
<tr>
<td></td>
<td>• Offer catering service to companies. Food delivery service included.</td>
<td>• All services require customers to download the application.</td>
</tr>
<tr>
<td></td>
<td>• Customers can order the food either through official website or phone’s application as long as they create an account.</td>
<td></td>
</tr>
</tbody>
</table>
| Official website | • Only in Finnish.  
• A video explained how Foodora works.  
• Layout of the main page: attractive with full of food pictures. | • In three languages: Finnish, Swedish and English.  
• No video, too much text.  
• Layout of the main page: simple, no food picture. |
| Application | • The application is mainly used to order food in Helsinki areas.  
• All of information about food and delivery service is clear. | • The application is used to order food in three cities Helsinki, Espoo, Vantaa.  
• Unclear information about delivery service in some restaurants. |
| Marketing channels | • Newspapers and radio.  
• Bus stop advertising.  
• Social media marketing.  
• Pink bicycles with Foodora logo.  
• Promo code | • Newspaper and radio.  
• Metro advertising.  
• Social media marketing.  
• Taxi advertising with Wolt logo.  
• Promo code |
| Facebook page | • Full of colorful food pictures.  
• No event.  
• Customers can give feedbacks through facebook.  
• All videos related to the application instructions, delivery service and partnered restaurants  
• Daily updating. | • Not many food pictures.  
• Running events on facebook.  
• Customers cannot give feedback through facebook.  
• Few videos. Most of videos are self-recording. Videos are not professional.  
• Weekly updating/ Monthly updating |

Table 1: Benchmarking for Wolt

The table above shows the benchmarking of two companies in five areas: services offerings, official website, the application, marketing channels and Facebook page. Regards to the services offerings, the target customers of Foodora are wider than Wolt. While Wolt only provides the service for individual customers; Foodora’s targets are both company and individual customers. Offering catering and delivering service to companies are a good idea because it brings benefits for both Foodora and their partnered restaurants. Since the restaurants can sell more, Foodora earns more based on the amount of commission. In addition, Foodora provides convenient and user-friendly services. Customers can directly order food through either their web page or application. On the contrary, in order to use Wolt, customers have to download the application.
Regards to the official websites, Foodora website seems to be more attractive and professional than Wolt. As can be clearly seen from the pictures above, Foodora’s main page is full of colorful pictures. A food picture at the beginning of the page informs readers about the company’s operation (food services). In addition, there is a video showing how Foodora works. Using the video can be considered as the simplest and effective way to explain for customers. Although Foodora has impressive design, it is only available in Finnish. This somehow may limit the number of international customers from using the application.

A successful website is considered as a website can catch readers’ attention. As stated by a web graphic design Bnonn, “Images are attention-grabbing. It is known as the main visual hook of the website”. Therefore, a site with good images seems to be more attractive for readers. Moreover, an eye-catching headline plays important role to the success of the webpage. Turning to Wolt case, the website is simply designed with blue color. It is lack of
food pictures on the main page. In addition, Wolt uses a lot of texts to describe the instructions for using the application. This explanation way is not effective as the instruction video of Foodora. Readers tend to be more interested with visual explanation than boring texts. Furthermore, the headline of Wolt is not eye-catching (“Nälkä? Wolt”). According to the result of the questionnaire, one respondent wrote “Wolt’s advertisement does not give a hint about food delivery service. Logo is only text Wolt”. The company should make changes in web design in order to get more attention from customers in the future.

Concerning to the application in Helsinki areas, Wolt and Foodora have both strengths and weakness. The strength of this company is the weakness of the other. While Wolt application can be used in three cities Helsinki, Espoo and Vantaa, Foodora application is mainly developed in Helsinki. Co-operation with partnered restaurants in Espoo and Vantaa helps Wolt to increase revenue because the more customers orders, the more commissions Wolt can get from the restaurants. It is important to point out that the delivery information of some restaurants in Wolt application is unclear and incoherent. For example, although in the same Koti pizza chain, Koti pizza in Matinkylä has different delivery cost, delivery date and minimum delivery size with Koti pizza in Tapiola. If Wolt handles all of the delivery, all of information should be consistent with each other. By contrast, all information in Foodora application is totally clear.

Wolt and Foodora use the same marketing channels. Both of them have placed advertisements on mass media such as newspapers, radio and social media. While Wolt puts advertisements on metro and taxi, Foodora utilizes advertisements from bus stop and pink delivery bicycles. Bright pink bicycle nowadays is considered as Foodora’s distinctive asset.

Figure 14: Bright pink bicycles of Foodora
The last area mentioned in this benchmarking is Facebook page. It seems that Foodora is more dominant than Wolt in this social media network. Today, 155,678 people like and follow Foodora’s Facebook, while this number in Wolt’s Facebook is only 6,775 people. Although two companies were established as the same time, there is a big gap about the number of people in Facebook page between those companies. There is no denying that Foodora has used social media to raise customer awareness successfully. The reason behind the success is that Foodora’s page is much more attractive and user friendly than Wolt’s page. A large number of delicious food images from partnered restaurant have placed on Foodora’s page. Therefore, the album photo looks impressive by colorfulness. By contrast, there are a few pictures on Wolt’s page. Along with food pictures, the company uploaded many funny images on their wall. This makes the Facebook page look messy and unprofessional. Another important difference is that Foodora updates daily information in their page, while Wolt only updates information weekly or monthly. Indeed, Facebook by far is the most cost-effective channel for businesses. Updating Facebook page everyday helps the business to stay in touch with customers and build a long-term relationship with them. This fact somehow explains the reason why Foodora has much more followers than Wolt. Moreover, it is important to note that all of videos of Foodora are regarded to their services, the application and partnered restaurants. The videos are carefully recorded and edited before posted to Facebook. On the contrary, most of Wolt videos are self-recorded. Nearly half of posted video are funny videos, which do not relate to the company services.

6.2 Recommendations

6.2.1 Branded delivery vehicles

Vehicle branding is known as graphics or decals are applied to vehicles to generate and strengthen public awareness about the brand, product or service. It is also used to build the brand and reinforce the corporate image. Comparing to other marketing channels, vehicle branding has a high-impact on target audience. A delivery vehicle on the road can reach thousands of people every day. Moreover, vehicle branding is considered as a cost-effective marketing tool. Indeed, an average van delivery lasts for five years. A full-coverage vehicle wrap costs around 1500€ to 2000€. Therefore, advertising expenditure for vehicle branding will be approximately one euro per day. In this way, vehicle branding is a fairly cheap marketing channel comparing to thirty seconds of television advertising or one time magazine advertising.

Vehicle branding is not a new practice. Food and beverage companies used this method to catch people’s attention many years ago. Foodora recognized the valuable opportunity to
raise customer awareness through vehicle branding. Therefore, they have adopted a strategy to use pink delivery bicycle as their distinction.

![Figure 15: Foodora’s delivery bicycles](image)

The picture above clearly shows how attractive of Foodora delivery service is. The staffs are fully-equipped with a pink bike, a pink protective helmet, a pink jacket and a pink delivery package. In addition, the white big logo is apparently presented on each item. With a strategy of using pink as a brand identity color of the company, everything, which belongs to Foodora, has to be pink. This marketing strategy truly impresses on potential audience since bright pink is really eye-catching. Psychologically, pink is positive color, which brings inspiration, warmness and comfort. Moreover, no company has used bright pink as the company’s advertising color in Helsinki. Therefore, Foodora has a big chance to get customer attention when pink bicycles are running around the city. Overall, Foodora is successful in using vehicle branding from choosing attractive color to applying the color to all company’s assets.

Turning to Wolt case, the company has used vehicle branding as one of their marketing channels. However, instead of using delivery car, Wolt chooses taxi advertising to promote their application. A small logo namely “Nälkä? Wolt” is displayed on the sides of a taxi. According to the questionnaire research of this study, this marketing channel seems to be inefficient to catch people attention. The result unfortunately revealed that among forty-eight people were asked; no one has known Wolt through taxi advertising. Indeed, a small logo placed in big black or white taxies does not have strong impact on people. A blue identified color of Wolt has not been presented in taxi advertising.
Due to the success of Foodora in vehicle branding, a distinctive blue delivery car is one of suggestive solution to raise customer awareness for Wolt. The budget for the whole car decoration may be higher than small stickers on taxies. However, this type of marketing may have higher impact on target audience. A big blue car running on the street helps Wolt to generate and strengthen public awareness about the brand. Like Foodora’s pink bicycles, the blue color of Wolt will remind people about the brand. Besides that, logo, slogan and contact information are all displayed on the car. Therefore, people will be impressed by the brand immediately when they first see the delivery car.

![Figure 16: Idea for Wolt delivery car](image)

6.2.2 Exhibitions and trade fairs

According to the theory part of this study, participation in exhibitions and trade fairs is known as an effective marketing communication tool, which enable the company to reach a huge target market at one time. Regards to Wolt case, in order to raise people awareness about the application, exhibitions can offer a chance to present about the company, products and services to potential customer. Besides that, Wolt staffs can have face- to- face conversation with customers to know more about the customers and their needs. Participating in exhibitions also gives a great opportunity for Wolt to build the contacts and expand their network efficiently. Meeting existing customers, finding investors and potential partners are good example for this case.

Comparing to other marketing communication tools, participation in exhibitions and trade fairs is literally more expensive. This type of marketing can be seen as a big investment in a short term. However, in a long term the company can achieve a huge of benefits by building
rapport with prospects and customers. In practice, Wolt can participate in Helsinki exhibition and convention center Messukeskus. It is the biggest and best-known convention center in Finland. Therefore, it is a perfect place for the company to promote their application. According to Messukeskus’s catalogue in 2016, there are two types of stand which company can rent for an event. These are turnkey stand and stand model. Turnkey stand is simply defined as a stand without furniture. Messukeskus only provides a place for a company to promote their products. The company itself will arrange all needed furniture. The range of prices is different depending on the size of the stand. For example, if Wolt wants to have a stand with 10m², the price for a turnkey stand would be 810€ for one day. Detailed information about turnkey stand is explained clearly below.

Figure 17: Detailed information about turnkey stand in Messukeskus

On the contrary to turnkey stand, stand model offers a full price design package for a place and furniture in the exhibitions. Stand model is comparatively higher cost than turnkey stand. Nevertheless, the company does not have to stress about furniture arrangements. Price for example stand is illustrated in the picture below.
Turning to Wolt, stand model with 4x3m seems to be a perfect choice for the company. Since Wolt is a small company, it is enough that two staffs can be at the stand and present about the application. Due to the fact that the company does not want to spend a big budget for marketing, the cost for the small stand is 1,314€ which is reasonable price. All of furniture is included in the price. Thus, Wolt company does not need to worry how to arrange the furniture. In the figure 18, the design for 4x3m stand already looks professional. It is suggested that the big white stand 321 and 326 can be used to place Wolt’s brochure. The table and chair are utilized for face-to-face conversation with potential customers, investors and partners. A big screen or a projector can be put at the position 312 to show steps how to order food from the application. With the combination of face-to-face interaction and visual video in the exhibition, the opportunity to raise customer awareness toward the application is highly promising.

6.2.3 Collecting customer feedback

According to Beard (2014), customer feedback is a marketing term, which illustrates the process of collecting customer’s opinion about a business, product or service. Customer feedback plays an important role in business because it is the most valuable source of information about a products’ performance. In other words, customer feedback reveals the valuable in-
sight what people think about the products. This insight gives businesses the ideas to innovate the products which customer would like to buy. In addition, based on overall customer experience, the company will improve or develop the products in order to fulfill customer’s need.

Even though customer feedback is beneficial for the company, Wolt still has not developed the system to collect customer feedback in both Facebook page and application. According to the survey of this study, one respondent reported about registration error. As the result, she decided to use other application to order food. This partly explains why Wolt lost customers to other competitors. Customer feedback helps Wolt to identify problems occurring to customer when they use the application. In addition, feedbacks also raise ideas to improve the application performance in order to increase customer satisfaction. Therefore, it is suggested that Wolt should open the customer review in their Facebook page and all customers are welcomed to give comments. Besides that, feedback should be available in the application. The customer can either choose send feedback through Facebook page or the application. This way can made Wolt application more user-friendly to their customers.

![Figure 19: Example of customer feedback in an application](image)

6.2.4 Promotional pricing strategy

Price promotions is a sale technique which the company reduces the price of products and services in order to attract more customers and increase sales. In practice, Wolt has used a promotional pricing strategy to market the application. Promotional codes are included in brochures, which Wolt gave away to customers. With these codes, users can get free 5€ de-
livery for one order. This price promotion sounds pretty interesting, but in reality this sale technique does not work well. According to Wolt staffs, target customers are divided into two groups: take- away and eat-in. It is reported that many office people are eat- in customers because they want to have a quick lunch before going back to office. However, the promotional code is only applied for take- away customers. Therefore, potential customers who want to order food and eat- in, do not get any benefit from this code. This may lead to a result that eat-in customers may lose interest toward the application.

It is important to note that Wolt’s competitor- Foodora has used promotional code to attract users from using their application. With every order from 18€, the promotional code will give customer 8€ discount. This price promotion is applied for all customers.

Turning to Wolt case, the company should have promotional code which can be used by both take- away and eat in customers. It is suggested that the company can cooperation with their partnered restaurants. They together create a promotional pricing strategy which can attract customer more efficiently. Restaurant’s owners will be willing to co- operate with Wolt due to the fact that the cooperation will also bring benefits for the restaurants. This promotional pricing strategy is not only good for Wolt, but also restaurants can get more orders and increase sales revenue. The example of price promotion could be that if customers order food from Wolt application more than 20€, then they can get one free drink from the restaurant.

6.2.5 New target market expansion

Based on the benchmarking of Wolt and Foodora in this study, it shows that the target market of Foodora is wider than Wolt. Foodora implemented both B2C (business- to- consumer) and B2B (business- to- business) strategy. It means that services are offered for both individual customers and company customers while Wolt only provides services to individual customers. It may lead to the limitation in Wolt’s sale revenue.

In order to compete to the competitors and attract more customers’ interest, the company should consider expanding their target market. Since the Foodora has operated in both B2B and B2C sector, it is important to Wolt to develop services, which target to B2B customers. Besides that, nowadays café and bakery are great places to meet friends, enjoy a cup of coffee and pies. In Helsinki, many people go to the café and bakery especially at the weekend. Therefore, it is potential for Wolt to consider local coffee shop and bakery as target partners. The company can offer the service for pick- up and delivery drinks, pies and buns. This market expansion is known as a sales- boosting strategy. The more partners Wolt has, the more commission the company can earn. In addition, Foodora has not provided services for café and bakery. Therefore, Wolt has a big chance for this target market.
6.2.6 Improving social media channels

Social media plays an important role in promoting a business or a product. It enables the communication between the firms and the customers. With social media marketing, a company can increase brand awareness, maintain the customer relationship, reinforce firm’s image and spread news. Despite the importance of social media channels, Wolt has not utilized social media channels efficiently. According the benchmarking of this study, there is no consistency when Wolt uploaded videos, articles and pictures on their facebook page. In addition, Wolt is inactive in updating news on Facebook. It will lead customers to stop following the page. In order to maintain customer’s interest toward the brand, it is suggested that the company should increase post frequency and put more relevant pictures and videos to their services offering. All incoming events should be shown on Facebook page. Thus, customers can be up-to-date with the company’s activity. The information on the page should be mainly in Finnish because the application is primarily for local customers. However, some statuses or topics could be available in English so that foreign customers could able to understand. Events about contest and prizes should be launched frequently with the purpose of entertaining followers.

Comparing to Foodora’ website, there are many things which need to be improved in Wolt’s official website. It should be designed so that the customers can be immediately impressed when they first see it. The company may put more attractive pictures and videos on the website rather than long boring texts. In addition, Wolt should consider the website as a place that customer can use to order the food. At the moment, Wolt customer can only order the food through application while Foodora services offer through both website and application. The design of the website has to be user- friendly which customer can easily find the restaurants they would want to eat and order food. All price, food description and delivery information need to be presented clearly.

Communicate with customers is important to the long-term success of a business nowadays. Therefore, writing blogs and articles about the application, food and partner restaurants would be a good idea for Wolt to maintain close relationship with current customers. Customers can interact with the company by sharing their opinion, feedback and idea through comments. Blogs and articles should be written once a week and they need to be linked to Facebook page. These remain customer up-to-date with the brand and raise people interest toward the brand.

In addition to Facebook page, website, blog, Instagram are considered as a powerful social channels. In order to have impact on Instagram, the business not only posts images and videos
but also it requires engagement with other Instagram users such as commenting on others and replying to people. Nowadays, companies use Instagram for many purposes such as images of new products, employees at work, product’s usage instruction and events. Nevertheless, Wolt did not utilize this channel effectively. Many funny pictures from Wolt Instagram do not relevant to the business. It is important to note that funny images can raise customer interest but if Wolt puts too many funny pictures, it will make the Instagram be inconsistent with the service offerings.

Youtube is known as a channel of marketing. Many company nowadays use Youtube to market the business and stay in touch in customers. The focus of Youtube is to make videos which are used to stimulate the need of customers to purchase the products. Regards to Wolt case, the company has only posted three videos on Youtube. One video is one- minute advertisement about the application and two other are instructions how to use the application. The company has to put more videos on Youtube channels in order to attract customer interest and raise their awareness toward the brand. Videos could be the interview with partnered restaurants, customers and employees. Partnered restaurants can introduce about their restaurants and food products while customers can give positive feedback about the application. The process of home delivery of Wolt employees to customers’ home is also a good idea to put on Youtube channel.

6.2.7 Gift code

The idea of gift code enables a person to pay the food order to other person. Many businesses have used gift code, but it is still not popular yet. The picture below is a good example of gift code. In Wolt case, if a mom buys Wolt code and sends it to her daughter. The daughter can use the code to eat in any restaurants she wants. After eating, she just needs to show the bar code to the cashier for payment. It is a fast and convenient way to give a gift for other people.
7 Conclusions

Wolt is a potential mobile application with a dramatic increase in sales in a couple of years. The brand is still unpopular in Finland. The interview with Wolt staff showed that the company has been used various marketing channels to promote the application such as newspapers, radio, social media and taxi advertising. However, these marketing efforts do not achieve expected result. Thus, the company is struggling to find effective marketing channels to raise customer’s awareness.

The questionnaire revealed that the current marketing strategy is inefficient to get customer attention. Indeed, more than half of respondents are not aware of the existence of the brand. In addition, the company does not utilise social media to promote the brand effectively. Facebook is a worth marketing channel with over one billion users. However, Wolt’s Facebook page looks still unprofessional. Moreover, irregular updating the page causes the low number of followers.

The result of the survey indicates that the slogan “Nälkä? Wolt” does not create a consumer association with the service. Many people saw the slogan and they still have no idea what Wolt application is about. Furthermore, using taxi advertising to raise customer’s awareness is unsuccessful strategy since nobody reported to see the advertisement. Social media and word of mouth are two most common channels which people get to know about Wolt. Indeed, the result demonstrated that the marketing channels should differ according to the age of
customers. Most respondents aged from 18 to 33 chose social media, whereas participants aged from 34 to 50 chose word of mouth as the way they would want to be approached. Understanding the behaviour of target customers helps Wolt improve marketing channels more efficiently.

Competitors have influence on the number users of Wolt. One sixth of respondents do not show interest to the application since they already use the services from other competitors such as Foodora and Pizza Online. Besides that, other people stated that a value proposition of Wolt is not strong enough to make them download the application.

This thesis contains suggestions for a marketing strategy of Wolt Oy. The objective of this thesis had been reached since the purpose of this study is to find the right marketing channels to reach target customers. A logical link is established between the objective and implementation part of this thesis. All of suggestions for marketing strategy were based on the results of the qualitative interview and quantitative survey.
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Appendix 1: Survey

Wolt mobile application

Wolt is a Finnish food pick-up application, which enable customers to pre-order and pre-pay for food and drink from restaurants and coffee places in Helsinki. All ordering and payment are processed through the application. This survey is designed examine the popularity of Wolt application in metropolitan areas and investigate consumer purchase behavior in order to develop Wolt application. Please answer following questions:

1. Gender
   - Male
   - Female

2. Age
   - 18-25
   - 26-33
   - 34-40
   - 41-50
   - 51-
   - Other:

3. Occupation
   - Student
   - Working
   - Both

4. Location
   - Helsinki
   - Espoo
   - Vantaa
   - Other:

5. What is the most effective channel to catch your attention about a new product? (can choose more than 1 option)
   - Social media: Facebook, Twitter, Instagram, Youtube
   - Advertisements on the Internet, TV/ newspapers/ radio
   - Posters/ Brochures/ Leaflets/ Public signs
   - Product launch events in department stores/ trade fairs
   - Sales promotions: price reductions/ gift cards
   - Word of mouth
   - Other:

6. What is your first impression about a brand when you watch an advertisement?
   - Brand's name
   - Logo/ slogan of the brand
   - Product's benefit/ useless
Appendix 1

7. Do you use application on the phone? And how often do you use them?
- I use applications on the phone everyday for different purposes: work, music, chat with friends, games and buy stuffs
- I had downloaded applications but I rarely use them. I only use phone for calling and sending message
- I don't use them at all

8. What are factors which made you decide to buy/download an application?
- I saw/heard about the application from radio/facebook/newspapers/TV. It is quite interesting for me and I decide to try the application
- Someone (friend/colleagues/family members) recommends the application for me
- I accidentally saw the application on App store/Google play. The application's description is quite interesting for me and I decide to try the application
- Many people use the application. I also want to try it
- The application is free
- Application's benefit/usefulness. I always read application description before download/buy any application
- Other:

9. Have you ever heard about Wolt food-pick up application?
- Yes, I have used the application
- Yes, I have used the application but I stop using it. Please specify the reason why you stop using the application below
- Yes, I have heard but I haven't downloaded the application. Please specify the reason why you did not use the application below
- I have never heard about the application

Please specify the reason why you do not use Wolt application

(Only answer if you have never ever heard about the application) Wolt is a Finnish food pick-up application, which enable customers to pre-order and pre-pay for food and drink from restaurants and coffee places in Helsinki. Are you interested to the application?
- Yes
- No

10. Through which channels did you learn to know about Wolt? (can choose more than 1 option)
- Social media: Facebook, Twitter, Instagram, Youtube
- Advertisements on the Internet/TV/newspapers/radio
- Friends/Colleagues/Family members
- Posters/Brochures/Leaflets/Public signs
- Taxi advertising
11. What was your channel that you used if you learned to know Wolt via social media?

- Facebook
- Twitter
- Instagram
- Youtube
- Other:

12. What is your overall satisfaction about Wolt application?

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13. If you’ve had any problem using Wolt application, please tell us what they were. (The information will be used to improve the application in the future)