A tool for digital communication implementation in the marketing funnel

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Abstract:
Applying digital communication to marketing is not just an innovative trend to follow but a necessity to keep up with in the business environment nowadays. The objectives of this thesis focus on how digital communication can be applied to the marketing funnel of a company. Company X, a leading firm in marketing venture is analysed as an example for using digital communication as their key business model. The thesis also discusses the importance of digital communication, its advantages, challenges to businesses as well as its current trends. The research method used is an exploratory-descriptive case study approach. The author collected data from an in-depth interview with the sales director of company X's office in the European region in combination with secondary data from reliable sources through both written and electronic forms. By contrasting the literature review and case study analysis of a real successful company, the author concludes thesis with the answers to the main research question and suggests a model for applying digital communication in specific stages of marketing funnel for further application in the future.

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1. INTRODUCTION

Communication is considered one of the most important interactivities among human beings. Due to the development of technology, many more types of communication have been introduced to satisfy the increasing contact needs of people. Together with the traditional media which everybody has been familiar with for a long time like television, newspapers, books etc., the whole world has experienced a considerable rise of digital communication. Digital communication, which refers to any form of communication taking place through technology and electronic mediums, has marked a tidal wave of revolution in the 21st century. Taking this opportunity, lots of companies have tried to apply it into many aspects of business such as marketing, information collection, logistics, innovation and so on. From the fact that a large proportion of businesses using digital channels like Facebook, Twitter, Instagram etc., no one could doubt the role of these communication tools. Nowadays, digital communication is a must for enterprises that want to strengthen their competitive advantages.

In terms of marketing, the digital communication has changed the nature of the marketing funnel into a more iterative process than the traditional one. This thesis concentrates on the research of Company X, a leading company in the field of marketing and sales, and their uses of digital communication as the key business model. Specifically, the author studies how Company X builds up and develops it ideas of the marketing funnel based on the traditional marketing funnel thanks to the use of digital communication. Moreover, in the process, the importance and drawbacks of digital communication as well as its current trends are discussed to gain a deeper insight into the topic.

1.1 Research aim

The main objective of the research is to investigate the role of digital communication and its implementation in specific stages of the marketing funnel by examining its use in a specific company. By assessing the advantages and disadvantages of digital communication tools in the marketing environment, the thesis reveals the case company's experience of applying the current trends of online interaction. Combining the theoretical knowledge and practical performance of a real company, the research provides a model of marketing funnel that is up-to-date.

1.2 Research questions

The thesis gives answer for the main questions:

- How can digital communication be implemented in company X's tool for the marketing funnel?

At the same time, these following questions are answered:

- What are the benefits and barriers to applying digital communication in marketing?
- What are the current trends of digital communications and how is the case company associated with it?

1.3 Focus and Limitations

The focus of this research is on the marketing part of a company using digital communication. Consequently, the author only conducts information and metrics about the relevant tools of communication. Moreover, the thesis looks at the impact of digital communication brought to the online websites and stores only not the physical ones. Additionally, because of the scope of the research, the data, which is gathered through interview, is focus mainly on the implementation of company X in using digital communication to gain competitive edges in marketing, other information such as detail marketing plan and financial improvement are not presented in this thesis. In addition,

because of the study limitation in specific company with certain qualifications, the outcome results might not be generalizable for other firms in the same industry.

1.4 Research Methodology

Research Approach

This thesis uses an exploratory- descriptive case study as the research approach. Gillham (Gillham, 2000) describes a case study as a method to investigate a specific individual or group with the aim of answering the research questions by looking for different kinds of evidence lying in the case settings. Case study has been widely used as a research strategy thanks to its contribution of unique knowledge from individuals and organisations. According to Yin (Yin, 1994), a case study can be descriptive, exploratory, explanatory or combined. The exploratory- descriptive approach is suitable for this research because it tries to gain insight knowledge and describes how the digital communication can be used as a tool for a company in the field of marketing. In addition, regarding case study design, the single-case study is chosen for the thesis. The author demonstrates the theory of marketing funnel and literature review relating digital communication in clear and formulated circumstances and use the single case to extent and explore those propositions.

Research method

Since quantitative methods emphasize more on the statistic, this thesis finds qualitative methods a more appropriate one to use. Qualitative method concentrates on the information to understand the nature of happening events. It helps to come up with a possible exploration of hypothesis which is a suitable one for an exploratory-descriptive case study. With the model in the literature review, this method allows findings of modification drawn from theoretical framework and develops new model and explanation as the results for the case study.

Data collection

After defining the research approach and method, the next step involves collecting information to address the research questions. To answer the research questions, the author uses both primary and secondary data in this thesis.

The primary data is gathered through a face-to-face interview with the sales director in the European office of company X. Interview is a popular form of information collection. The interview took place in the European office of company X in Dublin, Ireland in December 2015 with a list of open-ended questions and other chances for further discussions.

Together with the primary data from interview, secondary data is also collected to serve the purpose of this thesis. The author discusses and analyse information in documents from many sources. Major sources of printed book for literature reviews includes:

- Kolter, Amstrong, Wong & Saunders 2008, *Principles of marketing*, 5th Edn, Prentice Hall, Harlow, England
- Fill 2011, *Essential of marketing communication*, Prentice Hall, Harlow, England

Other documents supporting this thesis come from electronic sources such as some marketing blogs based on company X's academy sites and online newspapers. Annual reports in the last five years, guiding instructions and other published documents of the case company in the main websites also play important role in answering the research question.

Data Analysis

All the primary and secondary data after collecting go through interpretation and classification process. The author organises and transfers notes from interview to text form. Since this thesis focuses on the digital communication tools in the marketing fields, raw data are screened to opts out irrelevant information. Due to the focus and limitation of this thesis, only data which relates to the research questions are presented to avoid the confusion in other operation parts of company X. Furthermore, the author organizes information in a logical order which is corresponded with literature materials. Then, the author analyses these data to understand the relationship between digital communication and the marketing strategy. Next, in order to investigate the problem, a model is proposed for further exploratory analysis in a unified structure.

1.5 Structure of study

The thesis is divided into six chapter including Introduction, Theoretical Frameworks, Model of marketing funnel, Tool analysis, Discussion and Conclusion.

In the first chapter, the author gives an introduction about the aim, objective questions, methodology and the theoretical framework of the research to offer readers the basic concept of the study.

In the next part, the research concentrates on the literature theories of digital communication. Information about general concept, definitions, the rapid spread of digital communication as well as the opportunities and challenges of applying these tools into business are discussed in this chapter. In addition, the thesis also highlights the current trends regarding the digital tools for enterprises.

Then, since the case study contains rich and detailed information, the author provides readers a model of marketing funnel to focus on for the tool analysis. After reviewing some models for the implementation of digital communication in the marketing funnel, a combination model is provided to offer the fundamental base to follow in the next part of the thesis.

Followed by, the case study analyses the digital communication use in marketing funnel of a specific company, Company X. Primary data gathering through interview and secondary data are presented and studied in detail for answering the main research question. The author illustrates the discussed company's marketing funnel with the support of digital tools as their key concepts in contrast to the model in the literature review. Besides, the research figured out solutions to deal with challenges of this application and how the case company catches and follows the trends to take advantages for their operation.

The discussions reveal the main findings of a modified model after comparing the literature review and case study in the previous chapter. The author also assesses the correlation of primary and secondary data to serve the research objectives. Finally, the

conclusion puts emphasis on the implication of research project and proposed further discussions in the future.

2. THEORETICAL FRAMEWORK

2.1 Communication and digital communication forms

2.1.1 Overview and definition

Communication can be defined as "transmission of information, ideas, attitudes, or emotion from one person or group to another (or others), primarily through symbols" (Theodorson & Theodorson, 1969). The message which holds the core value of the process refers to information illustrated in words, signs and signals (Nordquist, 2017). There are other important components includes source, encoding and decoding process, receivers and others contribute elements, which are demonstrated in figure 1. Despite the straightforward components of the model, the success of the communications depends on the links of these factors.

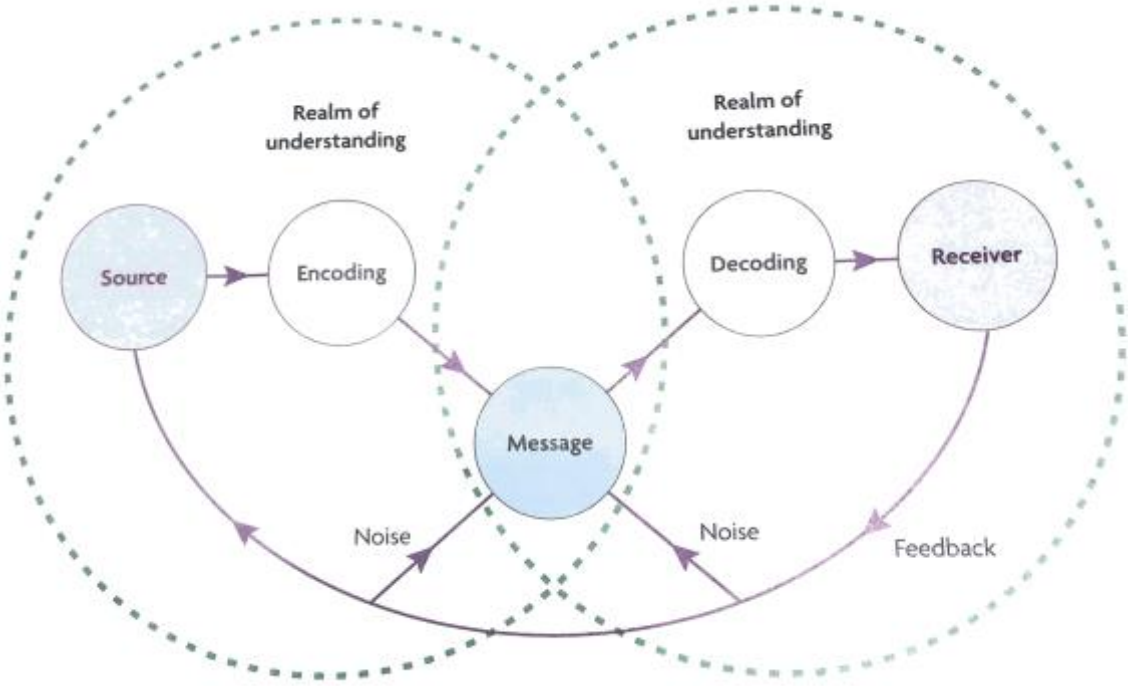

Figure 1. A linear model of communication (Fill, 2011)

The rapid development of digital technologies especially the Internet and its application, mobile device technology has enabled communication to take place in the new forms and channels besides familiar ones like newspaper, television, books etc. which are also be known as traditional communication. The term digital communication refers to any type of communication happening within the sphere of a digital environment through the electronic medium. It means when having any conversation or information exchange on Internet or telecom, people are digitally communicating.

2.1.2. Forms of digital communications

Due to the development of high technology, numerous forms of communications have been used for digital transmission in variety media types and vehicles. When mentioning digital communication, people usually think of Internet as the most popular instance. However, the digital age has brought society more tools than just the Internet. The following part lists out some main forms of digital communication that take a prominent role in business environment nowadays. (Sarokin, 2015)

- **Internet and Emails**

The Internet, which is known as the network connecting different computers worldwide, is a huge communication channel with estimation of 972 million online population in 2007 (Philip Kotler, 2008). Email, on the other hand, ever since its first introduction in the 1960s, has been considered the prominent tool of digital communication in both public and private environment.

- **Mobiles phones**

In the past, mobiles phones only had call and text messaging (SMS) as communication methods. Thanks to the breakthrough of smartphone with 3G and Wi-Fi in the mid-2000s and 4G in recent years, cellular phones have transformed itself into digital transmission devices with multiple practical communication types. Multimedia messages, voice and video calls are now available through this electronic medium.

- **High-definition Television**

Television is usually viewed as conventional media and a form of broadcast media. This device receives signals for visual and sound to show messages from marketers to

customers. However, recent technology innovations allow televisions to stream Internet, play games, do shopping etc. As a result, high- definition television becomes a true involving interactivity digital communication media.

- **Physical digital media**

The increasing needs of digital transmissions require people to store data electronically. Digital files are exchanging daily in the online environment. It is also a form of engaging digital communication among human beings.

- **Social media**

It is necessary to mention the revolutionary impact of social media platforms to digital communications. Since this form of communication has a critical role to the research study, it is discussed thoroughly in the next part with adequate information.

2.1.3 Social media and its widespread

"The term social media technology (SMT) refers to web based and mobile applications that allow individuals and organizations to create, engage, and share new user-generated or existing content, in digital environments through multi-way communication."

(Davis, Deil, Rios & Canche, 2014)

Social media is considered one type of digital transmission where people share, exchange and discuss information in the online environment. Through these platforms, individuals and organizations can create and share their information about themselves freely. Social media can be seen in a variety of forms in Internet forums, Web logs, social blogs, microblogs, wikis, podcasts, pictures, videos, ratings, and bookmarkings. Besides, there are other technologies that are also a part of it like blogs, picture-sharings, vlogs, wall-postings, emails, instant messages, music-sharing, crowdsourcing, and voice over IP and so on. Organizations and people are able to make communications such as sending and receiving messages through various digital channels thanks to social media. Some noticeable instances of social media platforms are Facebook, Twitter, LinkedIn and Youtube. These applications allow people to share content on a global scale and engage real-time conversation on specific topics. In the age when Internet and telecoms industry are at their merging stage, Social media has become the magnet of this revolution.

Figure 2. Social media Users Statistics (Stanley, 2016)

According to the figure 2, the number of social media users in major platforms has reached significant statistics. Facebook is the leading company in terms of social sites with the whole population of 1.6 billion while Youtube comes in the second place with more than 1 billion users. Moreover, Statista (Statista, 2017) predicts that the social media users can surpass 2.95 billion in 2020, which accounts for a third of the world's population.

In addition, not only the number of participant experiences an increase but also the time that people spends on these sites captures large figures.

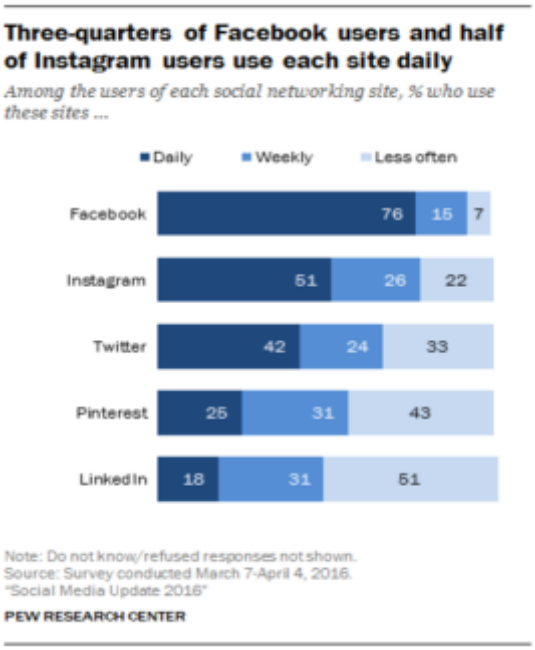

Figure 3.Percent of social media users checking site daily (Allen, 2016)

Figure 3 states that Facebook also dominates regarding the active daily use of social media with 76% of its users log in daily. Meanwhile, Twitter manages to have 42% of the account being active every day. People log on to the social network from everywhere such as at work, at school, in the cars and ongoing street. It is undeniable that this form of communication has played an essential role in people's daily lives.

Thanks to all the statistics that has been mentioned, it is obvious to recognize the high development of social media nowadays. In the era of modern technology, social media has marked itself as one of the dominant positions in contributing both individual's lives and organization's activities. The global revolution of this digital transmission form has turned it into a magnet for current application of digital communication in the marketing fields. Consequently, this research puts emphasis on the impact and application of social media, the emerging and empirical digital communication, in marketing funnel of a specific company, Company X to satisfy the research objectives.

2.2 Benefits of digital communication in marketing

As people are getting familiar and depending more on digital communication especially social media in both their work and private lives, there are opportunities for astute digital media for business purposes. The digital transmissions innovations have enabled companies to enhance their productivity in marketing. The potential of these communication forms can be exploited if marketers acknowledge their key characteristics to get the advantages as follows.

- **Approaching new customers**

Using online communication contributes to the success of an enterprise by approaching new customers. Evaluating, choosing market segments and targeting the right customers are always troublesome problems for businesses. Thanks to keywords and hashtags on Twitter as well as Search Engine Optimization (SEO), a business can get to know people who are interested in their products or services and lead them to the website later. An example of this is the campaign Fly2Miami of KLM airline (Drimmelen, 2011). Noticing the disappointment from filmmaker's tweet on Twitter because of no direct flight from Amsterdam to Miami, KLM had responded to establish one if he could buy all the 351 seats. Amazingly, the tickets run out in just 5 hours. Working with digital communications, the airline had found out the new customers for a non-existing route and gained super success. Without the help of Twitter, the company might not be aware of the existence of some promising customer groups in the business environment.

- **High interactivity**

One of the fundamental differences between traditional and digital communication is the interactive property. While the nature of conventional media is monologue, digital transmission obtains dialogue as two-way interaction with its receivers, which has multiples benefits for firms.

Pushing the right messages to target customers is one of the key successes of marketing. However, as has been mentioned in figure 1, the linkage among factors of communications has a substantial impact on its results. Companies may choose the suitable message and encoding method to send to buyers but the receivers can get the wrong interpretation by decoding process or noise. That is the reason why feedback is extremely vital to evaluate and fix the mistakes of marketing communication.

Nevertheless, advertisements delivering through traditional media like magazines, newspapers or television holds limitations because of the one-way conversation nature in contrast to digital transmission data.

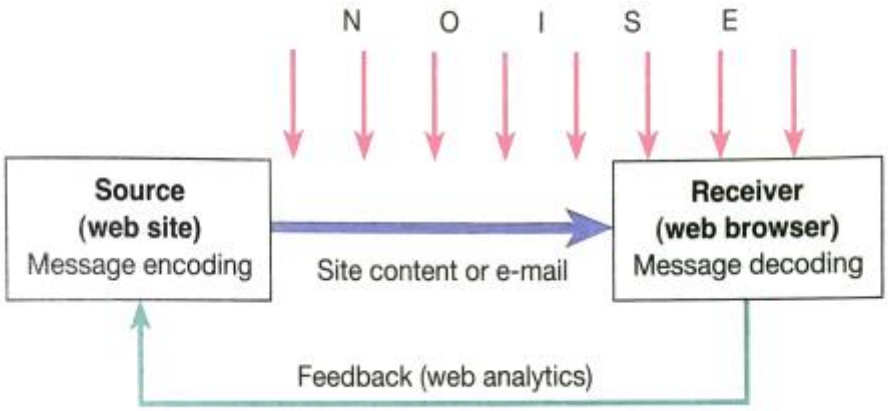

Figure 4.The communication model of Schramm (1955) applied to the Internet

Digital transmission such as email, website, click-through from advertisement and social media allows chat instead of monologue to collect feedbacks as been shown in figure 4. Users of digital-based technologies are enabled to engage with the firms, express their opinions and attitudes as well as propose improvements rather than being passive receivers. On the other hand, in terms of companies, they can determine whether communication acquires success and makes proper change.

Secondly, the high interactivity of digital media gives companies not only database for product development but also provides better chance to build up the long-term relationship with customers and create loyalty. Figure 4 shows that companies can receive web analytics, which is critical for seeking customer preference to design suitable products. Additionally, the interactive characteristic of digital dialogue lets enterprises keep in touch with their buyers frequently and easily to carry out loyal scheme effectively. For that reason, these forms of communication are useful tools for maintaining customer's relationship and loyalty.

- **Personalisation, from one-to-many to one-to-some and one-to-one:**

The term "Personalisation" refers to providing customised content to a specific person in a web-based environment thanks to the contribution of sites, emails and other digital technology.

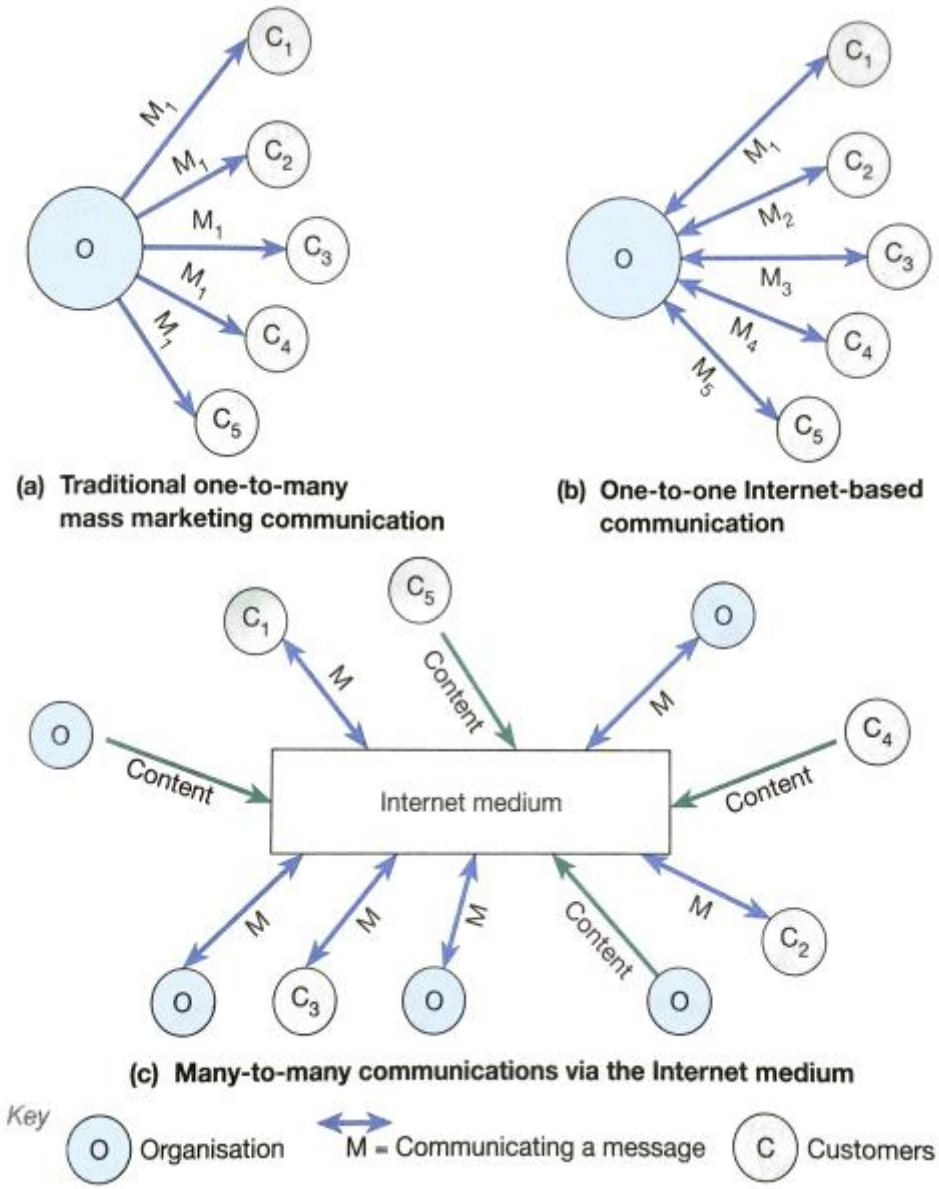

Figure 5.The difference between one-to-many and one-to-one communication using the Internet (Organisation (O), communicating a message (M) to customers (C)) *(Fill, 2011)*

According to figure 5a, traditional communication is a process of pushing the same messages (M1) to different customers (from C1 to C5). Obviously, the one-to-many method wastes resources since it obtains ineffective targeting and therefore cannot bring desired goals. Digital communication, on the other hand, provides opportunities to reach concentrated segmentation. Customised emails and sites are prepared for different audiences through personalisation method. Consequently, organisations push various messages (from M1 to M5) to appropriate micro-segment groups or even individuals (from C1 to C5) (figure 5b) and take feedbacks in return instead of one-way flow like the ones using traditional communication. The one-to-some and one-to-one is a considerable advantage of digital technologies to both Business to Customer (B2C) and Business-to-Business (B2B) marketing.

What is more, the new media makes the many-to-many communication possible in the business field nowadays. It means that customers can interact with others through emails, social media platforms etc. One of the major interactions of customers that affects business is the review, which can be viewed as both positive and negative impact for firms. Statistics states that 90% of buyers' trust peer recommendations and reviews (Qualman, 2015). It offers an opportunity to boost sales and enhance marketing productivity due to good reputation but brings opposite results on the other side.

- **Speed**

Communication in the age of technology is conducted at a much faster rate and reach the level of intermediate communication. Companies can define customers' problems instantly and carry out solution in short time to prevent unexpected consequences that affect the brand reputation. Besides, it is easier to change content with updates through digital channels. Additionally, digital transmission is beneficial for increasing work productivity. Printing and handling paper reports and important documents can be reduced because most files are available electronically for exchanging among employees. Not only staffs save information transmission time to focus on their work performance but also enterprises can make use human and material resources more effectively.

- **Mobility**

In compared to traditional communication, the digital one obtains greater mobility properties through a wide range of facilities especially after mobile phones development in the 2000s. Statistics display that more people own a mobile device than a toothbrush (Qualman, 2015). The popularity of mobile phones has been caused by the introduction of smart phones. Smart phones not only offer regular functions such as text messages and phones calls but also allow digital communication thanks to wireless connection and 3G technology. For this reason, mobile phones have a significant impact on marketing. These wireless devices enable digital transmission in real time without limits of locations for companies as well as their customers. Connecting with customers, maintaining relationship and developing strategies based on locations are getting easier with the mobility of this form of communication.

- **Cost-efficiency**

Messages conveyed in digital form are sending to a much wider range of customer and cheaper cost than the traditional form. Print media and broadcast media only have access to a limited number of audiences. In addition, the cost of the old media increases relatively as the size of audience grows which make it expensive for a large number of demands. On the contrary, Internet and its medium let communication happen across country borders at a cheaper rate. Moreover, as has been emphasized, the one-to-one characteristic of digital communication narrows down the target audiences and achieves higher chances of return on investment.

2.3 Drawbacks and challenges of digital communication in marketing

For all of its advantages, digital communications are something of a double-edged sword. Not a small number of businesses only look at the benefits and rush to apply digital transmission without considering its other impacts. Underestimating the drawbacks and challenges of this application in marketing funnel can cause unexpected results. It is essential for enterprises to be fully aware of the disadvantages of these communication forms. In this way, firms are able to have a proper evaluation and propose appropriate use. The next part discusses in detail some concerns of digital transmission in the marketing field.

- **Lacks physical cues**

Communication is a complicated process depending on various contributing factors. Even though information containing in the message is the most principal element, physical cues coming together in the delivering messages process cannot be underrated. Research declares that non-verbal communication such as facial expression, gestures, eye contacts and so on account for 65% of any communication (McClave, 2008). Digital transmission emphasizing on information through display ads, email and social messages do not have much support from physical cues to express the messages clearly. For that reason, there are possibilities of message misunderstandings depending on an individual's interpretation. Even though the number of videos in marketing has experienced a significant rise and contributed considerable help in providing gestures and movements, much of digital communication process often lacks physical cues.

- **Digital security and privacy concern**

Although digital communication offers contribution to the smooth flow of information for marketing, the new forms of transmission has brought security concern. First of all, in terms of companies, exchanging information digitally is a convenient and rapid method but it also calls out risks due to the vulnerability of online environment. Company employees have been familiar with storing data digitally in mobiles devices, personal computers or on the Clouds. Hackers, with sufficient technology skills, are able to gain confidential data of enterprises at the aim of spreading or selling online. In addition, viruses, attacks and malwares targeting specific companies can cause huge losses in not

only data but also in other materials and money. It is recorded that cybercrime is one of the most increasing forms of crime, which has turned itself into a business reaching more than $3 trillion annually (Norton, 2012). The mentioned facts raise questions about the digital communication of businesses in the era of technology. There is no guarantee that firms have prepared themselves with firewall and others security applications against the continuous development of cyber criminals. For that reason, using digital communication is a possible drawback for marketing. Secondly, in terms of customers, they also have privacy concerns that make them hesitate in using digital communication to keep in touch with others. Taking part in online environment requires people to obligate some privacy policy, which may evade their private lives. For example, the policy change of Google in June 2016 confirmed that Google could use personal activity of users on different sites and applications for the improvement of the company (Google, 2016). The above terms enable Google to monitor users in even the smallest movement digitally which can annoy many people who want to be respected in their own privacy. Additionally, although customers have the right to choose between "Public" and "personal" mode in sharing information through social network, problems still occurred. In November 2011, Facebook automatically changed the "Private information" to "Public" without notification to their users. Despite the company's claims of "high-profile mistakes", the Federal Trade Commission (FTC) criticized Facebook as "unfair and deceptive, and violated federal law" and users felt disappointed over company promises of privacy terms (Rushe, 2011). Furthermore, together with the widespread of social media- one of the most popular digital communication, the cyber-attacks happen increasingly at individuals with more information leakage. As a result, customers are afraid and hesitate of using digital transmissions to contact with businesses.

- **Information overload and distraction**

The Internet and its medium provide infinite space for communication but on the opposite side, information presented is overload for customer to handle. Information delivered digitally appears almost everywhere from website to social media platforms. Besides, people also receive tons of spam email when accidentally proving personal email address online. The overwhelming input of posts, videos, and pictures ranging from personal connections to interest needs put customers in data overload situation. Following the information overload, some unexpected impacts can happen. Firstly, customers are not able to figure out and focus on the messages sending from organizations because there is

excessive data. Erik states that an average person only has the attention span of 7 second, which is shorter than an average gold fish's one (Qualman, 2015). If there are too much data available, people find it difficult to notice the messages in digital form. Secondly, messages can be interpreted with misunderstandings and errors due to the distraction of irrelevant information resulting to poor productivity of communication process. Thirdly, the information overload makes people tend to block out and ignore digital transmissions. An example for this is that a customer who receives too many advertisement emails marks the company's messages as spams and opts out communication with the firm. Therefore, when pursuing digital communication, it is essential for enterprises to send information in suitable frequency and appropriate channels.

- **Facilities synchronization**

The technology advancement gives a chance to communicate digitally. However, not all customers and organizations have adequate facilities for digital communication. The number of mobile devices has risen rapidly in recent years but a considerate percentage of them does not equip with online connection tools or differs in technology innovation level. Consequently, communicating digitally instead of mass media leaves out a significant group of customers. Furthermore, the differences of facilities require firms more effort in the transmission progress. When designing messages in the new form of communication, companies are in needs of considering the output of information when it appears in multiple devices to gain the best result.

2.4 Current trends in digital communication for businesses

2.4.1 Decline of Facebook in individual usage

The dominance of Facebook in social media as a digital communication tool is undeniable. Facebook ruling position exists not only in the number of active users but also in the engagement level of its participants. However, the leading position in the social landscape of this most popular platform seems to hold an uncertain future. It is because the principle of this dominant site is encouraging people to share content with the aim to create relevant interest for customers. The more stories are shared, the richer information Facebook holds and the more time people spend on the site. For this reason, Facebook can become "the walled garden" or a "micro Internet" that users interact the most in compared to anywhere else in the online environment. The individual stories sharing by users fell by 21% from mid-2014 to mid-2015 while there was a decrease of 5.5% in the overall sharing on Facebook (Efrati, 2016). After more than one decade of development from its first launch in 2006, Facebook has helped users gathering friends online continuously. These friends range from family, relatives, and colleagues to some acquaintances that users may not completely be aware of. The open space of Facebook lets these disparate groups access to users' data and information easily. As a result, it is understandable that Facebook users do not want to share intimate information with someone who is unnecessary. The consequence of the decrease in personal updates makes Facebook face threat in keeping customers stay in the platform.

2.4.2 Rise of video sharing

The last few year experience the rise in the number of videos for both businesses and private purposes thanks to digital communication. Major forms of digital transmission such as email, social media platforms, and mobile phones generate a high volume of video sharing. A major example of this is the sustainable increase of videos on Facebook, the most popular social media platform, since its introduction of the live stream function in 2016. Statistics point out that Facebook users watch 8 billion videos per day and the live videos have been watched three times more than non-live ones. Additionally, it is predicted that video content will account for 74% of all Internet traffic by 2017. (Insivia, 2016)

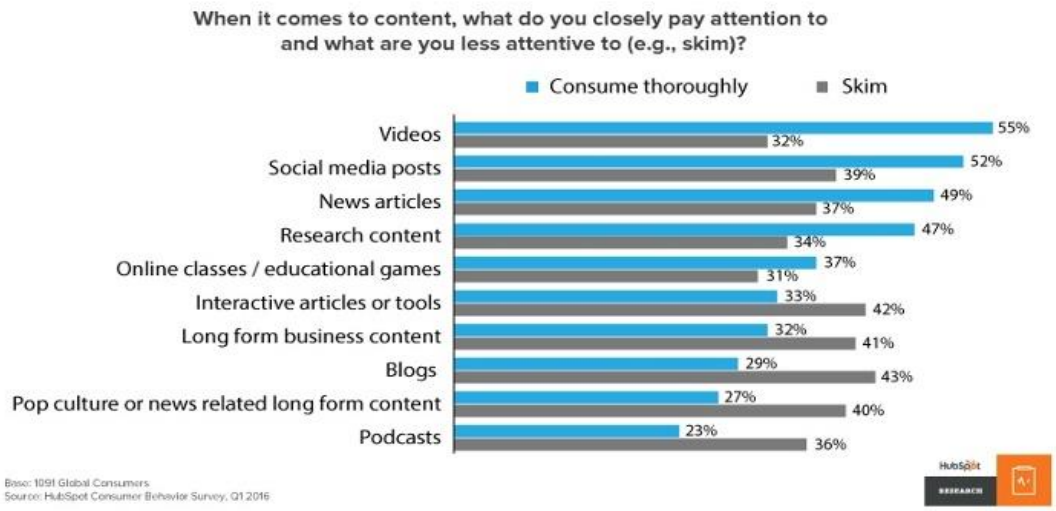

Figure 6.Consumer behaviour survey (Mawhinney, HubSpot marketing, 2017)

Figure 6 addresses that customer is likely to consume video content the most with 55% in comparison to other types such as social media posts, articles. The reason for this fact is that with video, the communication process is carried out with physical cues leading to reduce misinterpretation and better result. For customers, it is obviously easier to watch a video instruction than to read a manual book. About one-third of activity taking place in online environment is watching a video and 90% of users indicate that video about a product is helpful for the decision-making process (Mawhinney, HubSpot Marketing, 2017). On the other hand, Implix recorded that email containing video content gets 96% increase in click through rate (Insivia, 2016). As a result, the number of video using for marketing purposes is increasing due to the demand of customers. The trend of video sharing is believed to continue forward which leads many companies to have suitable adaption in their marketing campaign to gain customer satisfaction.

2.4.3 Mobile content

The dawn of smart phones in the mid-2000s has encouraged the digital growth of communication in mobile usage. The portable device was first launched in 1973 and has been developed since then together with the technology innovations. In the 21st century, these tools are able not only to do traditional communication such as calls, text messages but also carry out digital signal thanks to 3G and 4G connections which transform them into the convenient devices for both organizations and individuals. The facts and figures below prove the importance of mobile content as the trend in digital communication for any firm to achieve success in the era of technology.

At an individual level, Smart Insights states that there are more than 3 billion people in the online environment and 80% of them access the Internet from smartphones (Steinberg, 2016). Besides, in 2015 only, there were more than 1 billion connections of 4G mobile internet established and the number is expected to rise to 2.6 billion in the next four years (App Annie, 2016). For communication purposes, statistics show that mobile phones and its messaging apps help 2.8 billion people to make connections (App Annie, 2016). In addition to the rise of mobiles phones number and connection, the time spending on these devices also marks sizeable figures. An average user spends 1.8 hours of their online times on a smart phone per day and one in every two people checks this device immediately after waking up (Stanley, 2016).

For businesses, mobile phone is considered the important support for marketing by more than 60% of marketers (Stanley, 2016) and more than 68% of companies have included mobile marketing in their campaign (Mcginnis, 2015) due to the increasing influences of these devices. It is stated that the conversion rate on smartphones is 64% higher than one on the desktops (Ruby, 2015). An instance for the importance of mobile content is Facebook. The platform depends heavily on these portals with 84% of its advertisement revenue coming from mobiles (Facebook, 2016).

2.4.4. Customer E-focus and engaging content

Another noticeable trend of digital communication for businesses is the customer-focused. Although people interact digitally to a high extent, it does not mean that any digital content can deliver the best productivity of communication. Customers only pay attention to relevant information and products because there are too many marketing content available in digital media. Most of the websites available now, especially B2C ones, have been designed on the model of customer-centric which refers to provide customer positive experiences before and after sales (Rouse, 2015) and engaging content. Moreover, personalize emails is on the rise to encourage interactivity with individuals who usually skip one-to-many email content. One application of customer-focused and engaging content is the location-based advertisement offers which works on the mobile, GPS or cookies data. For example, Google Adwords allow location targeting for enterprise to meet their appropriate audiences. Companies take benefit of this because

figures show that percentage of customers that go to the local businesses after searching online mark more than 88% (Stanley, 2016).

In summary, as digital communication plays an essential role in people's daily lives, businesses that would like to achieve more efficient marketing productivity are encouraged to apply these tools. However, the online communication obtains both advantages and disadvantaged when using for business purposes in the marketing field. For that reason, digital transmission should be applied in a proper structure with suitable tools in different part of the strategy to help marketers gain the potential benefits and over challenges. With that fundamental base, the author chooses to investigate the application of digital tools at the aim of increasing marketing efficiency through the model of marketing funnel.

3. MODEL OF MARKETING FUNNEL

The term "Marketing funnel" refers to the process of a company in turning strangers to purchasing customers from a marketing view. It helps to visualize the buyer's journey through several steps like an actual funnel. Following down the funnel, marketers put effort to capture, guide and transform potential leads to buyers. The funnel is getting smaller after each stage due to the marketing productivity of each company because not all leads can stay until the end of the funnel and generate revenue. For an instance, in 1000 visitors of your website, there are only 10 actual customers who complete buying process (White, 2015). The "Marketing funnel" term has not been totally unified with a single model during years. There are several models illustrating the marketing funnel with a different number of stages and names using for various types of businesses. Serving the aim of this thesis, the author takes into consideration some diagrams as the following part is presented.

The first model is AIDA model. This model is one of the most classic ones for marketing and was introduced by Elias Lewis in the 19th century after some evolution from the first idea. AIDA stands for awareness (or attention), interest, desire, and action respectively (see figure 7).

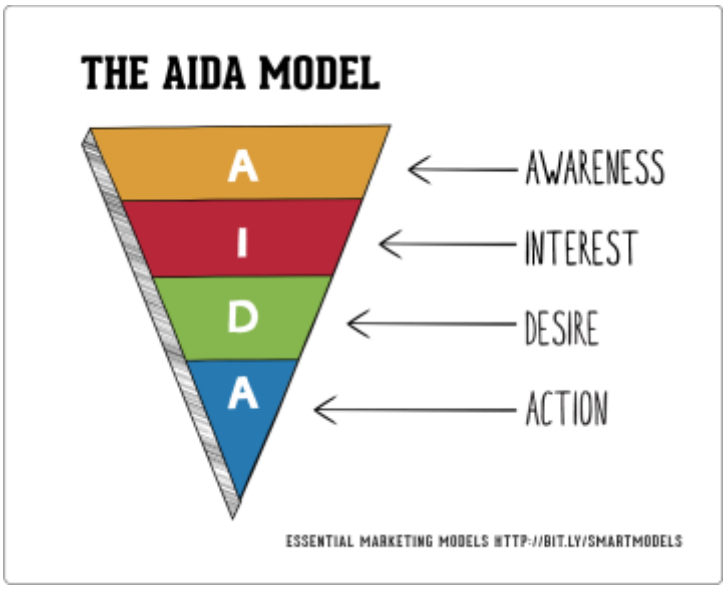

Figure 7. Aida Model (Halon, 2013)

Awareness is the first stage of the funnel when leads are attracted to the websites by advertising or marketing tool. In this stage, marketers provide information to create an impression and gain customer attention. After leading the customers to the site, the marketing funnel moves to the next step as known as Interest. During this part, customers have opportunities to get a better understanding about the products or services to form certain buying interests. Then, the model continues with Desire stage where buyers have favouritism toward the brand and attempt to fulfil the desire. Finally, coming to the last stage of the model, Action is when the customers are decisive to go through the buying transaction. AIDA model is an ideal one for illustrating the marketing funnel. It is the fundamental one for marketers to begin with. However, there are not many evidences about the Desire stage existence. Moreover, due to the increasing popularity of digital communication and its innovation, the marketing funnel nowadays does not just stop at the Action stage but continues forwards.

Another model to look at for this thesis is the one suggested by Kevan Lee (Lee, 2014). This model adapts to the use of digital communication in the marketing fields. Therefore, it is a beneficial source for marketing funnel visualization with the help of digital transmission for the study analysis.

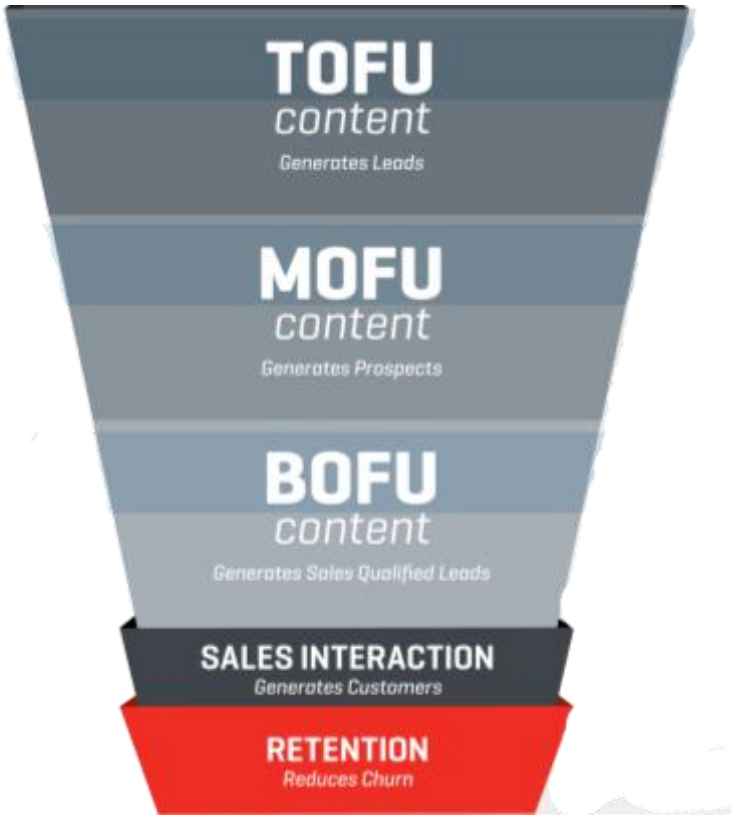

Figure 8. Marketing funnel by Kevan Lee

As can be seen from figure 8, the marketing funnel by Kevan Lee focuses on internet businesses with different stages. The funnel is divided into five stages with the main funnel of tofu, mofu and bofu together with the sales interactions and retention afterward. Firstly, Tofu which stands for the top of the funnel plays similar roles as awareness stage in AIDA model but from a marketing view by getting attention to generate leads in the beginning. Next, this model has mofu as known as middle of the funnel to gather prospects and drive people to the website which shares same characteristics as Interest stage. Then, the businesses make effort to turn potential customers into buyers in Bofu which means the bottom of the funnel. Leads make buying decisions in the Sales Interaction stage. Lastly, the Retention part of this marketing funnel shows how buying experiences have impacts on the whole funnel.

In summary, the two models model mentioned obtains common points and different characteristic in scientific view of the marketing funnel. However, both contributes for the analysis framework of the case study. Therefore, to investigate the case company with a suitable marketing funnel, there is a combined model developed based on the foundation of two models and the understanding of the author as below.

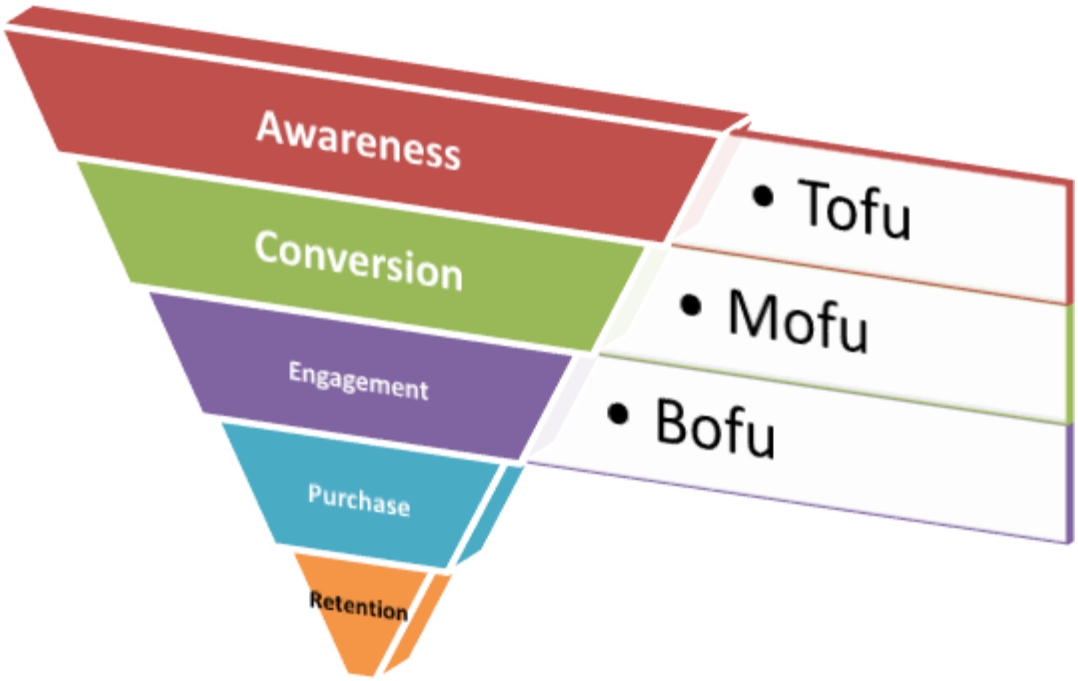

Figure 9. Marketing funnel for analysing case company

Based on this model, information about how company X builds up their software products based on the contribution of digital communication is analyzed. In each stage, the author lists out the main tools of the case company and describe the roles of these communication tools in corresponding with the function of the stage. In addition, this thesis also emphasizes on how company X develops their digital tools to take advantages of the online communication, minimize the drawbacks and associate with current trends.

4. TOOL ANALYSIS

4.1 Company X's background

Founded in 2006, Company X is a company providing developer and marketers software products in marketing and sales. Two graduate students in MIT established the company with the aim of helping firms "achieve business goals in a more personal, empathic way". The company offers a wide range of tools such as blogging, email, marketing automation, search engine optimization software and so on. Company X also has consulting services and online resources including case studies, marketing library and marketing and sales training focusing on the Inbound marketing theme for marketers. Company X currently provides jobs for more than 1000 people worldwide. The revenue of the case company in 2016 was 270.97 million USD and experienced a steady increase from 2012 with a figure of 51.6 million USD (MarketWatch). Together with the headquarter located in Cambridge (Massachusetts), the enterprise has other global officers operating in Ireland, Australia, Singapore, and Japan. As Dublin is viewed as the technology heart of Europe, the office there plays a crucial role in overseeing the European market, supplying the firm with numerous potential customers.

4.2 Company X' marketing funnel tool for digital communication

4.2.1. Awareness stage- Attract strangers

Tools: Website, Blogging (Keyword), Social media

Attracting customer in the first impression is the principle step that decides the success of marketing funnel overall. The case company keyword's tools aim at calling strangers' impression and then transform them into visitors to the desired page and website. To do this, company X tries to create relevant content that customers are interested in through their search keywords. Next, it is essential to keep customers stay until the end and make actions to connect to the website like click through for example. The firm views the awareness stage as "Tofu"- which means the top of the funnel in their marketing funnel. "Tofu" is illustrated by gain customer's attention in the beginning by digitally communicate with customers thanks to engaging content or Google search promoting. In their strategy, company X obviously relies heavily on digital communication at this stage

to gain customer's awareness. Therefore, they develop features based on digital communication tool to serve the purpose of this step as listed below.

- **Website**

The case company offers website hosting tool not only for building a beautiful webpage but also for having an optimized site for customers. Firstly, the software is designed to provide marketer who may not be an expert in IT knowledge simple template builder to create layouts. Moreover, as has been mentioned before, company X focuses on engaging content with personalization feature to fit visitor's interests and increase the traffic rate.

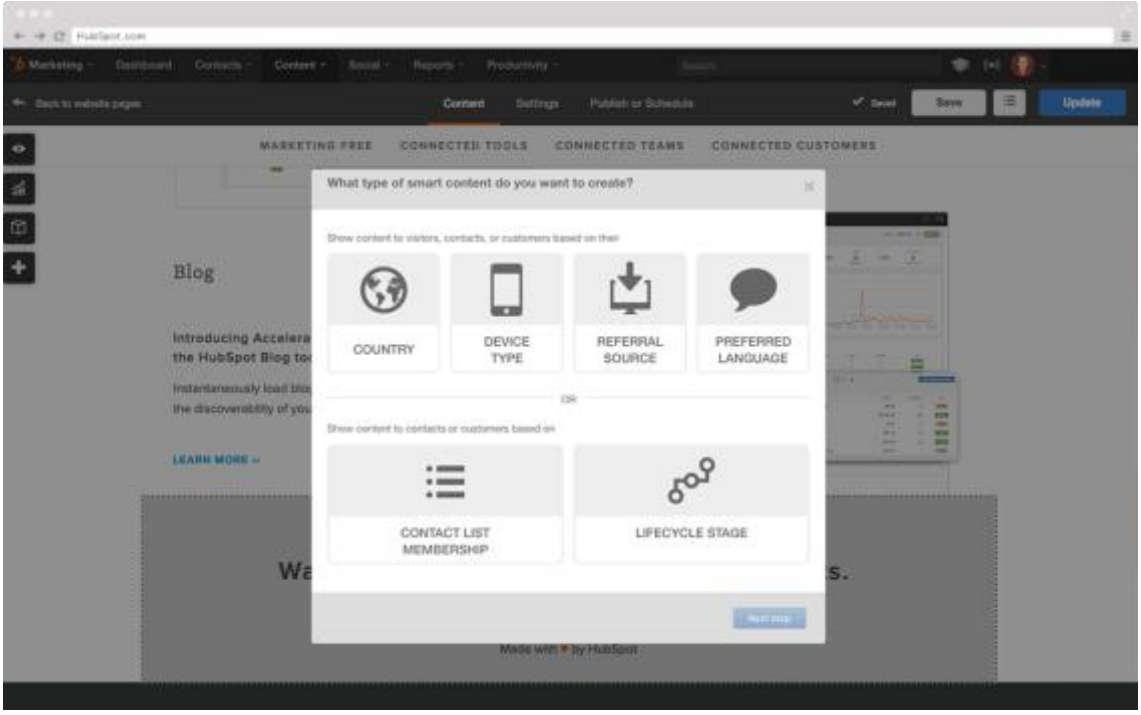

Figure 10. Website hosting tool of Company X

The hosting tool in figure 10 shows that the case company software allows their customers to personalize the website in different categories like country, preferred language or type of audiences. The tool also offers a chance to optimize content to fit device type such as mobile, tablet, laptop. In this tool, organizations are able to monitor analytics statistic about the number of visitors transformed from strangers for better measuring website performances in the future.

- **Blogging**

To increase presence rate in search, the case company's blogging tool helps their customers to publish quality content. For example, the Keywords tool of company X let marketers find out keyword strategy for their blogging content. By clicking the **Keyword** feature, marketers can enter a list of potential keywords, have suggestions for the best one to add to their blogging post thanks to increasing ranking position in search. On the other hand, there is also calendar feature to have publishing plan in advanced for best timing posts.

- **Social media**

These social platforms play a significant support to get to the customer in the first place. Consequently, the software company builds up feature that links content directly from sites, blog to popular social media like LinkedIn, Facebook, Twitter and so on. The tool allows monitoring any mentions, keywords or hashtags relating to your company. Besides, it suggests an appropriate time for the social post to attract a higher number of followers. Although Facebook has a dominant position in the social platforms, company X itself believes that this social media not very useful for customer decision-making process. Twitter is considered one of the case company's favourite one together with LinkedIn because of its professional purposes.

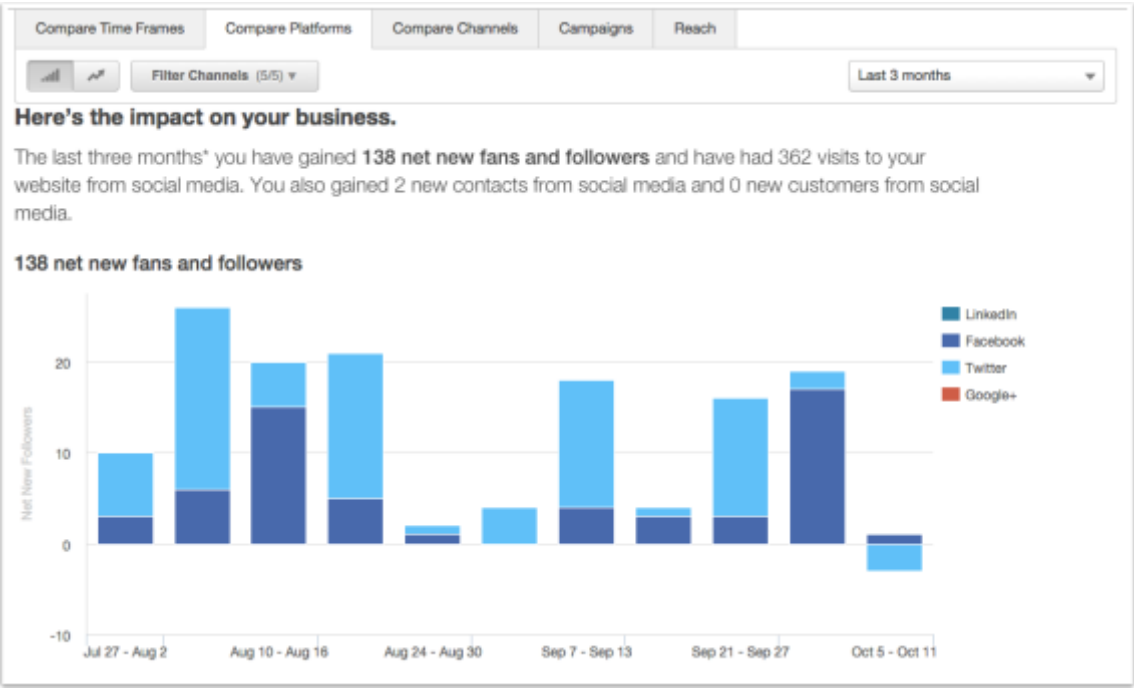

Figure 11.Social Reports tool example

However, depending on the target customer group, companies can use a suitable platform. Company X has Social Media Reports tool to analyse and measure the social media campaigns based on different criteria such as time frame, platform and channel to have adaption and changes. Figure 11 is an example of a company using Social media tool of the case company and getting reports. The report of this company shows that Twitter brought considerable impact to the firm rather than Facebook which leads to favour use of the monologue platform in the future.

4.2.2 Conversion stage- Convert visitors

Tool: Call-to-action

The stage is known as "Mofu"- middle of the funnel in company X' marketing funnel. It attempts to answer the question about how to process potential clients when engaging with the company to leads. The firm encourages tailoring marketing messages with relevant content in landing page and offers various call-to-actions tool (CTAs). CTAs is defined as an image or a line that encourage customers to take actions such as signing up for newsletters, clicking to the main webpage etc. (Mineo, 2013). Marketers who are used to struggle when making the click through, pops-up in their digital content can easily handle their difficulties thanks to CTAs tool without any specialize IT knowledge. Clearly, all the CTAs tool that the case company offers in their software supports mostly the digital form of communications such as emails, social media sites, websites, live chat and so on. Company X uses IT skills to build up their tool on the base of applying digital transmission in the marketing funnel. However, this stage emphasizes more on the technology advantages of the firm rather than the application of new forms of communication so it is not studied in depth in this thesis.

4.2.3 Engagement stage- Close leads

Tools: Email (Personalization Token) , Customer relationship, Marketing Automation (Workflow)

In this stage, customers consider whether the product or service is a match to their needs and take purchase action in the next step or not. This is a critical stage that decides the success of the whole marketing process. Company X is aware of the importance of engagement and has proper strategy in sending contextual relevant information. And again, digital communication marks its essential role in company X's marketing and customer relationship management tool (CRM tool) in the engagement stage. There are four main applications of digital transmission that the discussed company put emphasis on in this stage: email marketing, CRM tool, and marketing automation.

- **Email**

"Each email subscriber is a real person. It's time to treat them like one"

Company X

One of the huge benefits of digital communication is personalization as has been studied in the literature review. The case company takes advantage of this when designing their software products to form competitive advantages. Company X's email tool does not send many emails to customers but instead, it aims at delivering the messages to the specific person. The all-in-one email dashboard enables marketers to create, design and modify emails as well as measure their performances. Company X's email tool contains some features that turn it to considerable contribution for the engagement stage to persuade potential customers. First of all, emails creating with the company X are integrated with other tools of the company and the main database. It provides benefits when designing one-to-one messages to a specific person leading to enhance personal interests and buying opportunities. Secondly, a wide range of templates and designs is available in this tool. Businesses have access to easy-customized templates and can also buy more from Template Marketplace depending on business purposes. Thirdly, like other application of digital communication, the email feature includes mobile optimization characteristics in adoption to customer's changing method of reading emails.

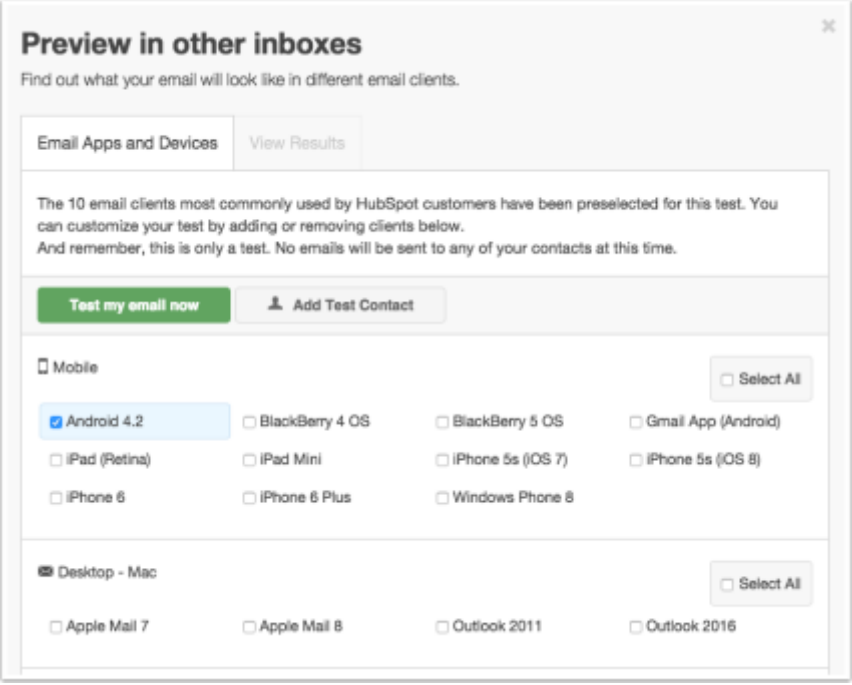

Figure 12. Mobile Optimization of Company X's Email tool

Figure 12 presents look on how the firm optimizes their emails on mobile devices. The company does not just enable seeing content appearance on cell phones but gives a variety of those devices' model. Company X uses the most popular model of devices to fit different preferences of customers. There are also other options for desktops and macs as well. Finally, the main feature that forms competitive advantages in company X's email tool is the segmentation and the personalization keys. The **Personalization token** is created to highlight this advance point in the case company's email tool. With this function, marketers can add customer data like first name, last name, email or phone number for individual emails to emphasize on the one-to-one message values. Additionally, it allows targeting different groups which are classified by some standards such as email send and open dates or conversion date. The data is collected from company X's main database for a particular business so it saves time and increases efficiency.

- **CRM**

Without a doubt, customer relationship management holds essential impact in driving leads to customers. The discussed company's CRM tools are developed mainly to keep interaction through digital communication. The CRM software keeps contact database and follows thoroughly the whole process. No matter what forms of communication customers used from emails to social media, this feature lets the firm access to all

interactions with customers. It helps businesses to deliver suitable content to customer preferred channels and adjusts the amount of data sending in an appropriate schedule.

The CRM software of company X is offered without cost and the firm itself guarantees this tool will remain free forever. Although being provided independently, it syncs up with all the marketing tools of the case company to track down every interaction happening in the funnel.

- **Marketing automation**

Marketing automation is defined as software in the aim of helping marketing department automate tasks on various channels such as social media, emails, website etc (HubSpot, 2017). Human resources can be saved and reduced from doing repetitive works. The case company develops their marketing automation software to nurture leads automatically with online interactions. **Workflow** is the main tool in this aspects that the case company puts emphasis on to prevent their customers from wasting time in repeating tasks with the help of automation. It is a set of marketing actions that are perform automatically based on starting criteria. **Workflow** can be created easily without much IT knowledge. Each workflow is set up with enrolment criteria which enhances the level of personalization for marketing messages. After choosing contact condition, marketers add action to the flow such as sending email etc.… Depending on how customers react to the marketing messages, company can design further actions to move them to the next step of marketing funnel as presented in figure 13.

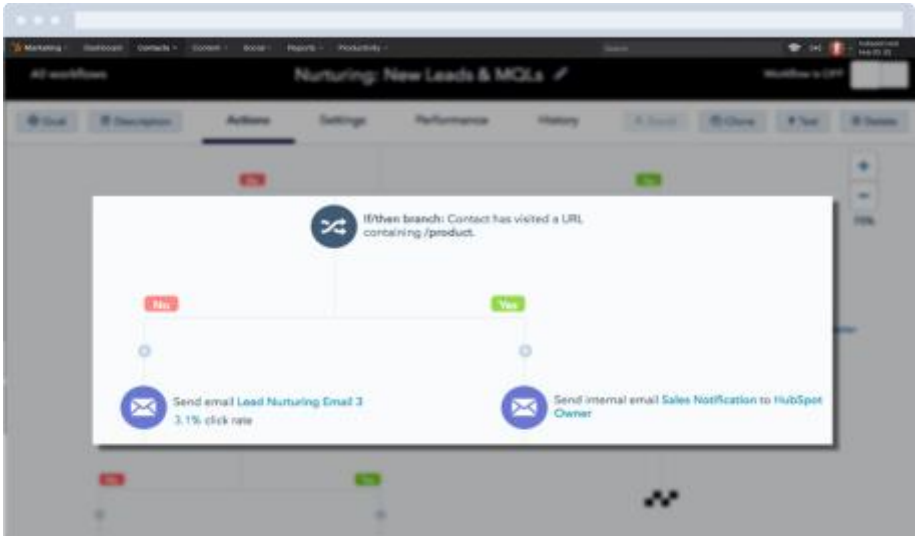

Figure 13. Workflow of Marketing Automation tool

When the whole workflow setting is finished, this tool allows marketers to test the flow and activate it later. It is also possible to edit or turn it on due to schedule of the marketing campaign. The **Workflow** engages digital communication tools such as emails and social media with automation to reduce marketers' effort in doing repetitive works. It is one of the advance development of the case company in the marketing fields.

4.2.4 Purchase stage

Tool: Analytics (Sources Reports, Trends and Suggestions)

In company X's marketing funnel, the purchase stage generates profit eventually. It shares most of the same characteristics with the model mentioned in the literature review because customers have decided to purchase the products or services. The case company offers CRM tools and sales alerts through emails or website accounts to keep customer notify about their order status to gain customer's satisfaction at the high level.

Nonetheless, there is one difference that highlight company X from the other marketing firms. Coming to this stage, businesses using company X's software can understand specifically which leads generate revenues and the content delivering associated with that results. The case company's software does not only apply digital communication to get to customers but also collect and analyse data from those forms. The feature that performs this task is called **Sources Reports.** This tool is a dashboard that displays information about the site's traffic and other necessary metrics. It gives enterprise an analytical view about the traffic driving to the websites with details in different channels.

Source	Visits	%	Contacts	%	Customers	%
Organic Search Google, Bing, Yahoo, etc.	9,625	0.2%	17	0.0%	0	0.0%
Referrals Links on other sites	17,136	0.2%	31	0.0%	0	0.0%
Social Media Facebook, Twitter, LinkedI...	1,022	0.2%	2	0.0%	0	0.0%
Email Marketing Email links	700	0.7%	5	0.0%	0	0.0%
Paid Search Paid search advertisements	1	0.0%	0	0.0%	0	0.0%
Direct Traffic Manually entered URLs	44,815	0.3%	115	0.0%	0	0.0%
Other Campaigns Other sources	21	0.0%	0	0.0%	0	0.0%
Total	73,320	0.2%	170	0.0%	0	0.0%

Data last updated 2 hours ago

Figure 14. Sources bucket list

As can be seen from figure 14, company X lists out several channels using for marketing and some important statistics associated with marketing campaign. From the report, information about the visitors, contacts as well as customers coming from the specific sources are shown thoroughly. The report also gives details about the updated time.

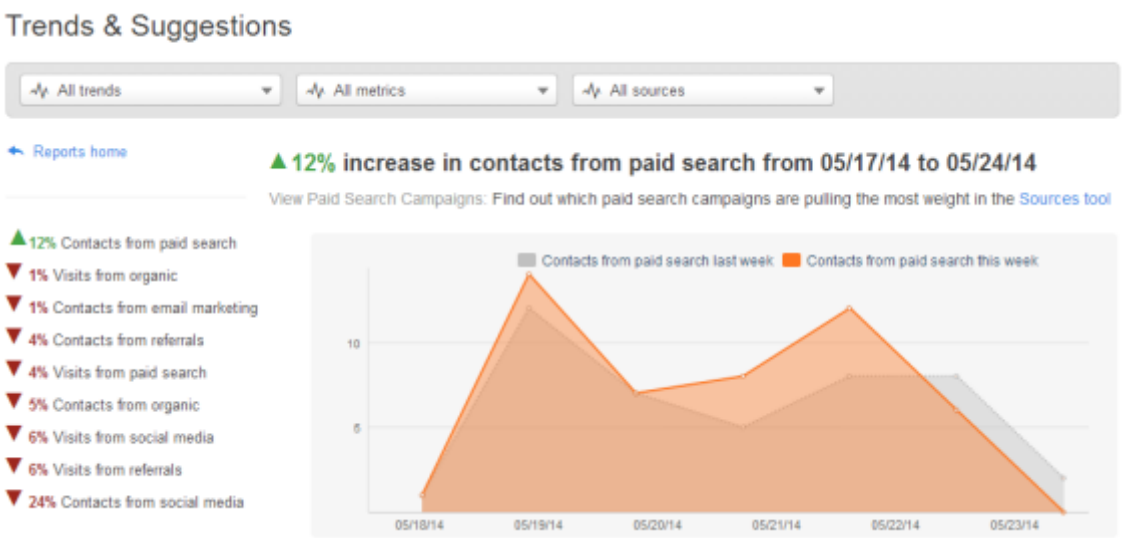

Figure 15. Trends and Suggestions report

Moreover, the case company equips their customers with **Trends and Suggestions** (Figure 15) in **Reports Home** dashboard. It compares marketing effort in a period to show the increase and decrease in the number of visitors, leads or customers which leading to identify the trends of marketing and suggest the preference sources. Figure 15 lists out the changes in the number of contacts from different sources such as paid search, email marketing, social media. Then it calculates the percentages rate and compares the relevant statistics from last period to find out the new trend. In this example, the **Trends and Suggestions** states that paid search is trending in the period with 12% increase.

Businesses using Company X's software get the opportunities to assess their marketing productivity and propose changes for upcoming strategy. The previous stages of the marketing funnel have covered the application of digital communication of the case company in pulling customers to the sites. This stage, in addition, proves that the case company implements digital transmission not only in the surface like others marketing provider but also in depth about which contents and channels affect customers' decisions by analytics software.

4.2.5 Retention stage- Delight customers

Tools: Social media, Email, Marketing automation (Workflow)

In the traditional marketing funnel, there is no retention stage (like AIDA model) or the stage does not have much effect to the funnel. The rapid development of technology especially digital communication has increase the impact of retention stage. In this stage, customers who gain satisfactory experiences from the companies can stay, return and form loyalty later but most importantly, they can become promoters for strangers as well. The firm calls the activities in this stage as delighting customers process. After-sale services are monitored frequently to make buyers become advocates. Some company X's digital communication applications as mentioned before like CRM tool, email marketing keep doing their job to assist customers' questions and deal with complaints or problems. It helps to ensure brand reputation overall. Moreover, social media and blogging of Company X's software guarantee businesses to have eyes on any reviews and hashtags mentioned. Companies can encourage customers to share products and buying experiences on their personal social sites for attracting more strangers to come to the brand. In the end, existing customers become promoters in Company X's marketing

funnel for new customers. It is an effective marketing method since most customers tend to believe in other buyers' reviews than the company itself.

In summary, digital communication plays a huge part in the marketing funnel of Company X. While the traditional marketing tries to push people forward, Company X develops their marketing funnel based on the concept of "invite people to come forward" with relevant digital content. After discussing in depth in the previous parts, the whole marketing process of Company X can be illustrated as the following model.

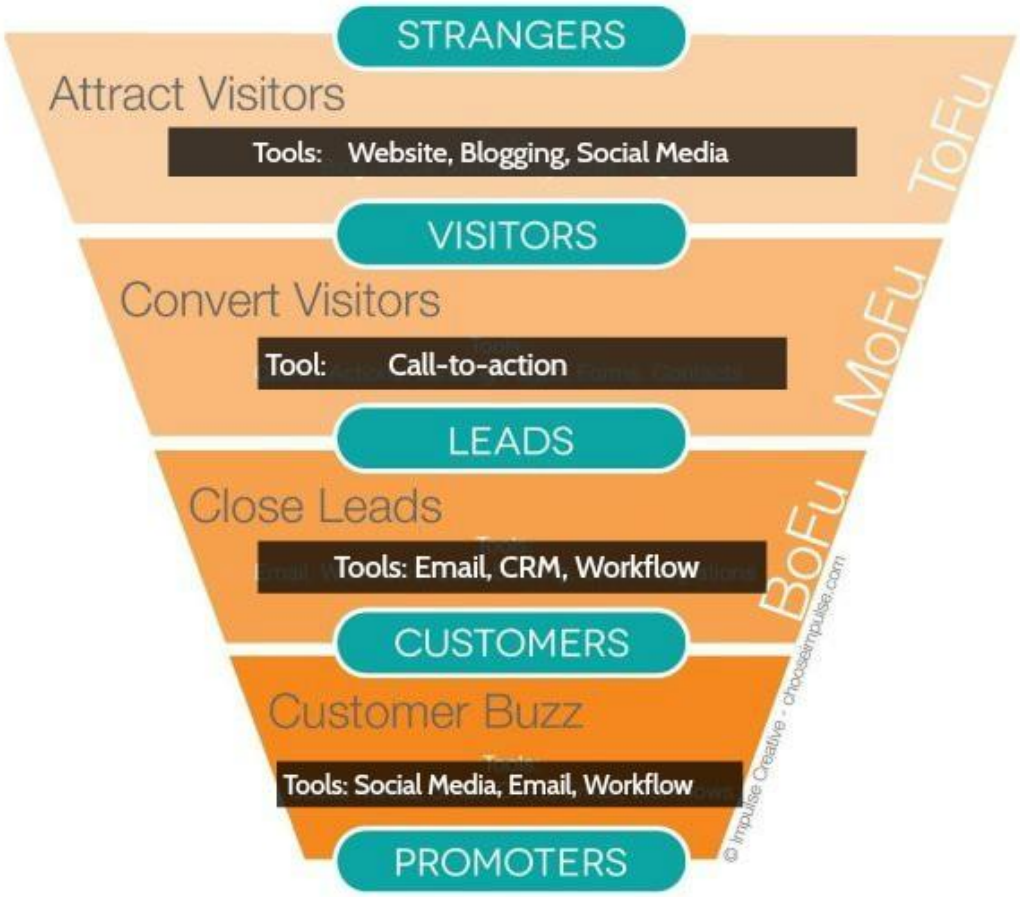

Figure 16. Company X's marketing funnel

4.3 Company X's strategy in dealing with challenges of digital communication

As stated in the theoretical framework, any company that would like to apply digital communication in marketing needs to consider and deal with its challenges. Company X is not an exception. The case company builds up their marketing funnel with sustainable contribution from digital communication. Therefore, the case company also foresees the possible drawbacks of the online communication application. There are some concerns that the case company deals with when designing their software products to prevent unexpected marketing results.

Firstly, regarding to physical cues, company X's tool make effort to increase non-verbal communication in the marketing campaign. Company X's customers are encouraged to add more visual information especially videos to enhance the number of physical cues when interacting with their customers. Many advertising and instruction vide are tailored on the main website in the aim of reducing the misinterpretation of verbal communication only. Moreover, the case company also allows video chat with customers which helps to increase communication productivity. Although touches and other direct body interactions cannot be performed through digital environment, the case company has tried to add more physical cues to their digital communication tools with videos and visual information in its ability.

Besides, in terms of privacy issues and data protection, the case company attempts to guarantee their customers with the trustworthy policy. Since the obsession of security in the online environment seems increasing, the case company which is a USA firm doing businesses in the Europe certified itself with the EU-US Privacy Shield program. It is a policy that requires sufficient data protection, securities practice when dealing with customer resources. Company X commits to handling customer information complying with EU privacy laws.

Additionally, the firm deals with information overload and distraction thoroughly in the whole marketing funnel. For example, in awareness stage, company X concentrates on giving relevant content rather than pushing many messages to their customers. With **Keyword** or **Personalization Token** feature, the case company's software prioritizes rich content to the right customers rather than one-to-many messages that cause information overload and distraction. Company X's products work on the principle of helping customers to buy something instead of trying to sell something to them.

Furthermore, synchronization facility is taken into consideration as well. Looking back to figure 9, it shows that company X's software is designed to fit many types of devices from mobiles phone to tablet and desktop. The case company makes effort to minimize the facility differences to ensure the same digital content and marketing messages appearance on various electronic mediums.

4.4 Company X's strategy in associated with current digital communication trends

The previous analysis about company X points out the importance of digital communication in the company marketing funnel. As a technological company that provides marketing software, the case company should be aware of current trends in digital communication and have strategy associated with them to bring their clients the best practices. The first one is the case company adoption to the rising of mobile marketing. The thesis already emphasizes many times that mobile optimization is company X's priority. The firm includes mobile features in most of the software tool ranging from social media, blogging, website to email to guarantee mobile content. Company X even develops their tools for multiple types of devices.

Another trend that the case company prioritise is the customer focused. Obviously, the association of this trend can be found in a wide range of features that the case company obtains such as **Personalisation Token** in email marketing and CRM tool. However, the main customer focused lies on the software products offering for the specific type of businesses. As has been mentioned before, digital communication is a great tool for company's sites to gets targeted more. Company X with more than ten-year experiences in marketing has categorised their customer characteristics and personality traits into

three main groups which are “Owner Ollie”, “Marketing Mary” and “Cooperate Cathy”. Each business group differs in the interests and has variations in product and service’s requirements. “Owner Ollie” refers to owners of small businesses running everything on his or her own. This person is responsible for most of the business aspects ranging from marketing, sales to after sales services. “Marketing Mary” are two or three marketers in charge of marketing strategy in a company with size up to 200 employees. The last category as known as “Cooperate Cathay” is the head of the marketing department or Chief Marketing Officer (CMO) of big enterprises. Therefore, to approach and carry out strategy based on different marketing needs, the case company offers **Marketing Personas** tool. **Personas** which is available in Company X’s marketing product are “Personas are fictional, generalized characters that encompass the various needs, goals, and observed behaviour patterns among your real and potential customers” (Vaughan, 2015). The tool plays research role to get to know target customers and form segmentation contacts. In setting **Personas**, information about the roles, goals, challenges as well as personal backgrounds are required to gather data for company’s marketing personas. Understanding customer personal goals, interests and needs are essential for communicating with them. The personas are not just about what their job is about, it also includes a detailed description of what kind of person they are, their ages and marriage statuses. All this makes tailor messages and deliver personalize content possible.

4.5 Company X and its competitors

The playing field of marketing has always been under tension especially in the era of modern technology. Obviously, the case company must face many existing and upcoming competitors. This part of the research outlines and discusses the comparison between the case company and its competitors to understand more about company X’s strengths and weakness.

The major competitor of company X is analysed in this part is Marketo. Marketo is also a software provider for businesses in the digital marketing fields. Their products include digital communication application like marketing automation, email, social application to drive traffic and close engagement for the sites. Moreover, Marketo shares the same characteristics with company X in having analysis tool for traffic and sites in the aim of serving marketers (Marketo). However, each company obtains distinct traits which form

their competitive advantages. Firstly, the internet marketing field has levelled up in the market segments. Marketo concentrates on big enterprises (Business to Business marketing) while the case company's main target customers are smaller ones with Business to Customers strategy. Frankly, these two companies are not directly competitors. Secondly, Marketo systems comprise of four parts to be purchased individually or in combination providing powerful tools. Company X, on the other hand, offers all-in-one software product. Therefore, depending on the use of the marketers, they can choose company X for a unified system or go with Marketo for deep focus and variability. Thirdly, a large company like Marketo has many departments such as Marketing, Sales and so on. This can cause some overlaps when operating because each department does not use the same database. In comparison, there is only one database that using for company X's software ranging from marketing, sales to CRM tool which creates smooth transfer information. Besides, as a big enterprise, Marketo can face difficulties in responding quickly to the market changes since it takes time for a decision to be passed through Chief Marketing Officer, Chief Sales Officer and so on. Last but not least, it is important to mention about the information technology aspects of both companies. Company X designs their products based on the principle "By marketers for marketers". Therefore, the software tools of the case company are easy to use for marketers who may not have information technology background. In contrast, Marketo obtains complicated tools that require marketers with sustainable technology knowledge to operate. In summary, both companies have advantages and disadvantages for marketers in their offers. Statistics shows that Company X provides its products for 13000 businesses while Marketo serves more than 3300 customers worldwide (Peterson, 2015). Nonetheless, their market segments are different. Small and mid-sized companies can go with company X for all-in-one offer whereas Marketo is an ideal choice for large enterprises with advanced tools.

The other competitors that company X faces are the new start-ups sharing the same market. They can attract customers with cheaper prices or even free versions of similar software products. Although customers can be drifted away for price strategy at first, the quality of the product is the most influential factor for the long-term development of a company. Company X with good reputation in marketing software for more than ten years is a huge advantage in compared to the start-ups. However, due to the quick changes of

the online marketing environment, only continuous adoptions and rapid responses can guarantee the success of company X against the new start-ups.

5. DISCUSSION

This part of the thesis concentrates on the relevance of literature reviews and case study analysis with the aim of answering the research questions

Firstly, in terms of the main research question, information about digital communication tools in the marketing funnel of the case has been presented thoroughly. In compared to the model of the marketing funnel in Figure 9, the case company's funnel shares similar characteristics in the number of stages and their functions. Company X obtains awareness, conversion, engagement, purchase and retention stage with different acts of attracting visitors, converting visitors, closing deals and delighting customers respectively like it has been shown in Figure 16. Moreover, from the analysis of digital communication in each phase of the marketing funnel of company X, the case company depends heavily on the digital transmission to build up their business model and form competitive advantage in the field of marketing.

Going from the top of the funnel- Tofu, the software of company X in awareness stage implements social media, website, and blogging as the main tools to impress customers. The next stage as known as conversion has various types of CTA tools to attach links to any forms of digital communication. Then, coming to engagement stage of the funnel- Bofu, company X has developed their software to support emails marketing and CRM tools in many digital platforms to nurture potential leads. Especially, marketing automation with **Workflow** tool can be considered an advance in applying digital communication combining with automation software. Following down the funnel to purchase stage, it proves that company X uses online communication not only like a selling platform but also like a customer research tool. The analytic tool providing by the firms enables the business to understand deeply about the marketing productivity. The number of leads that are converted from the specific platform, the content that attracts, drives customers to the sites and to buying decision are covered in the **Sources Reports**. Marketers can rely on these data to make proper changes in the marketing campaigns and design new ones in the future. Additionally, company X also predicts trends and gives suggestions of customers' preferences for marketers. In the last stage of the funnel, company X's product emphasizes on the use of CRM tools, social media, email and

Workflow again to delight customers. The purpose of this is turning customers into promoters for strangers which contribute the top of the funnel in awareness stage again. Overall, digital communication application plays important role in the marketing funnel of case company when it exists in all stage of the funnel and does the essential job. Suitable tools of digital communication are applied in different stages with solutions to overcome their challenges and adoptions to current trends from the marketing view. The whole tool study in combination with the model in figure 9 has led to a modified model of digital communications applied in each phase of a company's marketing funnel in specific as bellow.

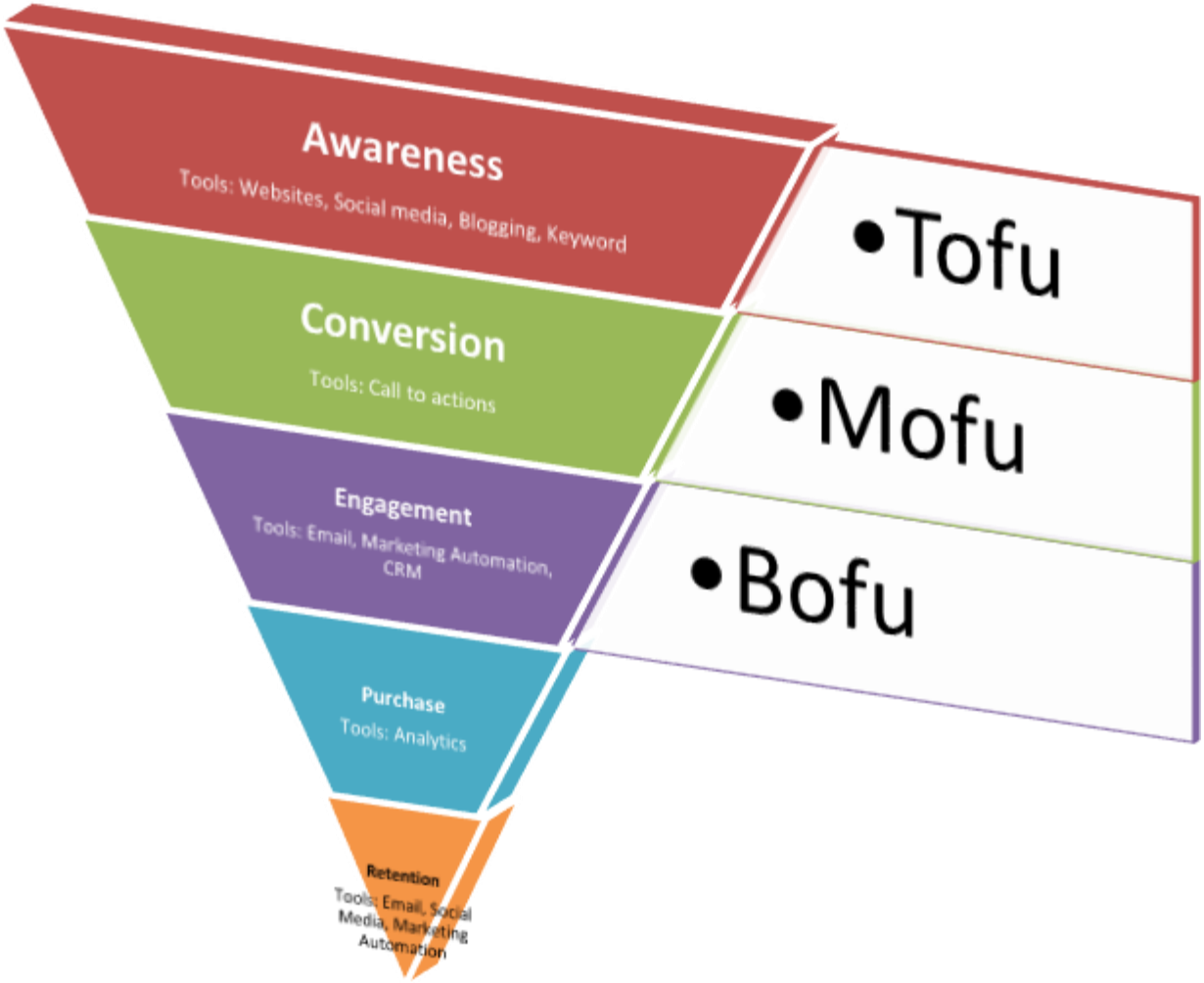

Figure 17.Modified model of marketing funnel using digital communication

Secondly, regarding the first sub-research question of this thesis, it has been outlined and discussed in depth the benefit and the challenges of applying digital communication tool into the marketing funnel in the theoretical framework. The tool analysis once again clarifies the advantages of the modern communication such as high interactivity and personalization when attract, covert and engage customers. Besides, the case company is also aware of the challenges of digital application and deals with them in their ability. Thirdly, as the second sub-question raises concerns about the rapid changes of digital communications and its trends for companies in marketing, it is shown that there are necessary associations with current trends in the tool analysis. This guarantees the success of applying modern communication in the marketing funnel to a certain extent. Also, it shows the importance of trend adoption when a company decides to use digital transmission in the marketing funnel. Additionally, the thesis highlights the competitive advantages of the case company in comparison to other businesses which consider modern communication as the key concept.

6. CONCLUSION

In conclusion, digital communication and its popularity due to the high development of technology have turned it into a beneficial tool for businesses, especially in the marketing field. The aim of the thesis is providing information about digital transmission tool in the marketing funnel together with its advantages, disadvantages and current trends. A successful case of this communication forms' application is discussed in depth based on the model conducted by the author. In each stage of the model, different tools of digital communication are applied. The author collects primary data from face-to-face interview and secondary data from reliable resources to point out the project findings.

Supporting by the theoretical framework and qualitative data from the case study, the thesis proposes a model of marketing funnel using digital communication tool to increase marketing productivity from. However, as digital communication tools evolve so fast due to the continuous development of technology, it is quite challenging to apply the model. Company should have proper adjustment to the up-to-date trends of data transmission to use suitable tools in specific stage of the marketing funnel. In addition, because information about the customers of the case company is protected with confidential issues, the author cannot get an insight view on how the online businesses achieve success with the company X's software. Nonetheless, the thesis remains helpful as a potential source for other firms in the same industry that would like to increase marketing productivity through digital channels with proper tools thanks to the deep analysis of a successful model through inside information. For future researches, more information about the performances of using the software based on the model, the influences of digital communication in enhancing marketing funnel productivity and the experiences of marketers in adopting those tools can be provided to gain a more practical look.

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APPENDIX

Interview with Sales Director of Company X

What key role does digital communication have in regards to Company X's marketing strategy?

Digital communication and marketing make up a huge part of our business. Outbound interruptive advertisement such as TV and voicemail (cold calling) is not effective any more. The potential lead can block out advertisement easily. For example, browser-blockers prevent advertisement pop-ups.

Today's success strategy is making information digitally available at all times: Turning your website into a "magnet".

One of the current trends is certainly Marketing Automation, that is, setting up personalised e-mails and personalised content on websites. In context, Company X try to figure out where you are in the customer lifecycle. When you access the website a second time, the potential customer can observe changes in the information displayed. This is the next stage of content, considering the customer's progress in the lifecycle. Hence, for each stage of the customer lifecycle, there is always different content displayed when accessing our or our client's website. This "smart" content is the future in Content Marketing. Company X offer a variety of different content such as infographics, to name just one example.

For every page we create, we keep in mind the "5 second blink test". You have to catch the customer's attention looking at the screen within 5 seconds, or the attention is drawn away again.

This all makes up Company X's idea of Inbound Marketing. Whereas the "old style" of marketing tries to "push the people forward" to purchase your product, Inbound Marketing means to "invite the people to come forward", that means helping them buying rather than just trying to sell.

Through which digital channels do you primarily engage with your customers and clients?

Twitter is one of Company X's favourite social media platforms. LinkedIn is also quite useful for an impact that is more professional. Regarding Facebook, it is less effective regarding customer decision making, profiles are mainly used to get in touch with customers only.

Google+ and Instagram are used too, however, not to a considerable extent.

What competitive edge does Company X provide its customers with in terms of digital marketing tools and social media presence?

There are different elements in the classical marketing funnel. Company X have categorized them into three funnel sections, which we call "Tofu" (top of the funnel), "Mofu" (middle of the funnel) and "Bofu" (bottom of the funnel). Tofu refers to the process of getting people to know you exist whether by digitally speaking directly with customers, promoting web traffic on Google search, or creating engaging content. The next part of the funnel is Mofu. It tries to answer the following question: When potential clients engage with you, how do you process them into a lead? Then we come to Bofu, which is referring to understand which leads are converted to create revenue and which content engaged with them? These questions are important to answer and are typically done through analytics software. Marketing Automation and automation of content also factor in. Company X is original in the sense that it provides all parts of this funnel for the marketer with one clear bill for all aspects of it. This gives organizations a competitive edge. As we are dedicated to success we only take on a customer if we feel they will use our services successfully in their marketing plans.

Does Company X have a typology regarding customer characteristics or personality traits? If so, how does Company X use this kind of information?

Company X have nine years of experience within marketing and have compiled customer characteristics into three main categories. In selling to small companies and enterprise level companies over nine years we have fine-tuned our knowledge. The three personas that have emerged are "Owner Ollie", "Marketing Mary" and "Corporate Cathy". Owner Ollie would be an owner of his company running all aspects of his business. Marketing Mary would be a company of up to 200 staff with 2-3 marketers. Corporate Cathy would be a Chief Marketing Officer in an enterprise company. Each of these personas has different levels of marketing needs and according to our approach, questioning and strategy differs for each one. Understanding their personal goals, interests and needs is essential before communicating with them. The persona is not just about what their job is about, it also includes a detailed description of what kind of person they are, including their age and marriage status. All this makes tailored messaging possible. Company X have become very good at this over time mostly because we have been founded by marketers for marketers.

What are Company X's views on the current trends in digital communication and what will be successful in the future according to you?

The biggest trend we see is that the conversation with the customer is far more relevant and successful than broadcasting advertisements and communicating generic messages to them. Company X depends heavily on Twitter which enables us to engage directly with our market and get involved in the conversation. Creation of social monitoring tools and API's, linking with Twitter for example, are the current trends and will be more prevalent in the future. Social media platforms like Facebook are great to an extent, in terms of engagement and content, but have become like "walled gardens of content" in which you need to be part of that world to have access. This becomes a sort of second private internet which people are moving away from. LinkedIn is also a big thing in terms of sharing and seeing topics which are relevant to you as you decide what you want to be involved in. Mobile will dominate the market and the big challenge will be to create content and messaging that fits onto a small screen but at the same time remains relevant to the customer. We are moving away from the generic messaging of the mail merge into understanding the customer and delivering tailored messaging to engage with them.

Does Company X put emphasis on privacy issues and data protection and if so, how?

Nowadays, people are obsessed with identities and afraid about the security of their information in the online environment. For this reason, US companies operating in Europe have to join "Safe Harbor" which is a policy agreement between the USA and the European Union to increase the privacy protection. We may bring information to the US agencies. Nonetheless, people worry about the low security standards in the USA, as recent news headlines state. The US government and its organizations, like the NSA, have more power to get information without asking, compared to organizations in Europe. Recently, an Austrian successfully sued Facebook about data protection and it was investigated. It really does not make people feel safe to transfer European information to the USA.

Company X do something else in terms of our privacy policy. We have signed up to TRUSTe Cloud, which is an additional contract with the European Union to guarantee that information is safe with us. Company X have done this voluntarily to show our commitment to protect customer privacy. Regarding this, it is known that the cloud is a global concept that encourages information to spread out. Information should be shared, but also be secure on the other hand. There is a strict guideline for our customers: "You should never use information without knowing about its origin".

What are the major competitors to Company X?

Our main competitors are Marketo and Perdot. The internet has leveled up the playing field in terms of competition in marketing. While Marketo's target customers are big enterprises, Company X focus more on small and medium-sized companies. Therefore, we are not exactly true competitors. Besides, as I mentioned about the cloud, we have one database that contains all the information for the customer to access easily. In contrast, somebody can come into the top funnel of Marketo and have difficulties with other data since they use more than one database. Another point is that Marketo is a big company with many departments like marketing, sales and so on. Some crossovers can occur in the working process with the consumer when they do not use the same database for all their data. Furthermore, being a big company like Marketo, it may not respond quickly enough to changes in the market because decisions need to go through the CMO, CIO etc. Additionally, the most important point is that we really understand marketers. Using Marketo requires some IT knowledge to do the work while our approach can be described

as “by marketers for marketers” therefore making the software usable even for people without IT background. The reason why HupSpot’s solutions are easier to handle is because they are designed to serve the marketer.

Company X also face other competitors, which are the new start-ups in the same business field. These companies may one day offer something new with cheaper prices or even free versions for people. In spite of this threat, we are still competitive because our founder is the one who invented the theory of Inbound Marketing, which generates a lot of good reputation. A new venture can attract customers by creating something new but they might not understand Inbound Marketing as well as Company X, which created the theory.

From your extensive experience within the sales sector and within Fortune 500 companies in the technological industry, how important is digital communication to a company, i.e. growth and connection to target market?

We basically run an individual CRM project for each company, giving them one database, one record. That enables customers in their target market to connect through only one single channel. There is only one place to go, whereas our competitors often have several marketing and sales databases running independently at the same time. This is not very convenient, also in terms of unsubscribing from all services at once. It is very frustrating, especially for other marketing professionals, if they still get your newsletters although they already unsubscribed on one page. For example, Marketo connects their databases to other databases of Salesforce, but there is always the same question: do they synchronize the data or not. When there are lot of different systems and people involved, it often creates communication problems. That reduces the impact of digital communication. Our approach is different, using one solution. A unified digital communication approach is very important to better connect to your target market, if you do it the right way.