

Saimaa University of Applied Sciences
Faculty of Business Administration, Lappeenranta
Degree Program in International Business

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Successful Instagram Marketing for Coworking Businesses

Thesis 2017

Abstract

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Successful Instagram Marketing for Coworking Businesses, 55 pages, 3 appendices

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Degree Program in International Business

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The study aimed to acquire a deeper understanding of Instagram marketing and its connection to coworking businesses and their users, as well as to test and examine the implementation of suggested strategy on the case company's example.

The data for the theoretical part of this thesis were gathered from secondary data resources, including literature, articles, and the Internet. The primary data were collected via survey as well as from the experiment with the case company's profile and insights from the analytics.

The results of the study demonstrate the importance of Instagram presence for coworking businesses as well as presents some insight on the target user behavior on Instagram. Current Instagram trends and latest additions to the platform are described, as well as the general B2B Instagram strategy is drawn in the study.

Keywords: digital marketing, social media, Instagram, Instagram marketing, coworking, HUB13

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1 Introduction

1 The purpose of the thesis

The purpose of this thesis is to research the two topics that are currently on the rise: coworking model and Instagram marketing. The study aims to discover whether there is any correlation between the users of those two services as well as to provide actionable guidelines on how to best utilize Instagram platform in marketing coworking spaces.

1.2 Case company information

HUB13 is a business innovation accelerator located in Helsinki, Finland, that provides individuals, startups, and corporations with coworking, meeting, and event spaces. The company was started in 2014 by co-founders Ola Sundell and Mohammad Shabbir. Previously, Ola Sundell had started another coworking place that was part of the Impact Hub – a global network of coworking spaces. However, that business was not successful: after the co-founders have discovered that the international model needs quite many alterations to suit the Finnish market, a decision to branch out and to create an independent coworking space was made.

At the moment, the company provides acceleration services for startups and corporations, as well as students. The business model is divided into space business, event business, and growth services business. (Sundell 2016.)

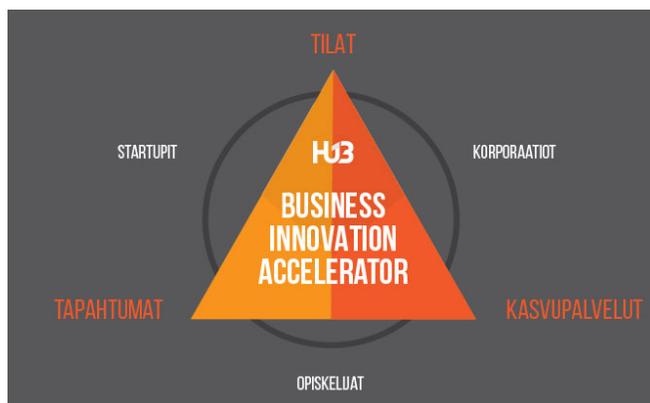


Figure 1. HUB13's Business Model

The space business concerns the physical space in Kaisaniemi, which consists of the coworking space (hot desks), lounge space (desks rented by companies/individuals), event space for 70-100 people, as well as office spaces. Currently, HUB13 hosts about 40 companies in its premises.

Event business, the second cornerstone of HUB13's business model, is targeted mostly at corporations, SMEs, and startup companies. Currently, three yearly events are being run by HUB13: Rework 'Future of Work' Forum, Future Digital Finance Forum, as well as SCALED'17 Future Digital Sales Forum. In 2017, a new event was introduced: Nordic Smart Building Convention, that will take place on June 23-25, 2017. The aforementioned events target the 'industry pioneers', as HUB13 calls them: CEOs and top management of the organizations working in the relevant industries, as well as professionals, specialists, and futurists. All the events also aim to provide a connection between the corporations and startups, thus helping both operate in disrupting industries.

The growth services business is targeted at all three audiences: startup companies, students, as well as corporations. One of the student programs, Startup Cup Finland, has been run by HUB13 from the very beginning in various formats. It embodies LEAN startup methodology, entrepreneurship skills' development, as well as talent program for students. Another program, 'Hackathons with HUB13' was started in 2016. The program aims to boost corporations' innovativeness by bringing in the teams of students and startups to work on the corporations' challenges. So far, two hackathons were organized as part of the program: Hack the Office with Caverion and Granlund as well as VarmaHack with Varma. HUB13 also offers a similar model to corporations to run internally, with own human resources, and it is called LEAP (Lean Enterprise Acceleration Program).

Currently, ten people are working for the company; four of them are full-time employees and the rest are contract workers or freelancers. The company is located on Kaisaniemenkatu 13A, and currently takes up two floors of the building.

Coworking space, lounge, as well as the event space are located on the second floor, and offices spaces are located on the eight floor.

1.3 Thesis structure

The study first describes coworking spaces and their origin, as well as the current situation and trends of coworking globally. After that, the relevant marketing theories are described, mostly from the perspective of branding, digital marketing, and social media marketing. The next part describes Instagram as a platform as well as generic recommendations for Instagram marketing for businesses. Part 5 of the thesis focuses on the research analysis as well as implementation of the Instagram strategies for HUB13's case. In the latter parts, the findings are discussed as well as some suggestions for future research are provided.

1.4 Key concepts

Coworking means the use of an office or other working environment by people who are self-employed or working for different employers, typically so as to share equipment, ideas, and knowledge. (Oxford Dictionary 2017)

Instagram (trademark) – the name of a social networking service for taking, changing, and sharing photographs and video. (Cambridge English Dictionary 2017)

1.5 Research problem, objectives, and questions

The goal of the study is to answer the following main research question:

What principles and guidelines does a coworking business need to follow to successfully establish its presence on Instagram?

Some sub-questions include:

- 1) How to plan and implement Instagram marketing for coworking businesses?

- 2) What Instagram content is the most appealing?
- 3) Which strategies and software is it better to use in order to build a strong following?

2 Coworking spaces

Coworking “is directly related to Neuberger’s original concept and had since evolved into a decentralized movement centered around a core set of shared values: Community, Openness, Collaboration, Accessibility, and Sustainability. While the exact set of values that comprise coworking vary somewhat by interpretation, it is commonly accepted that Coworking represents something far more than simply that of people working in the same place. It represents a fundamentally new way of thinking about how we work and share with one another.” (Bacigalupo 2017.)

Coworking spaces “represent a critical foundation of infrastructure for a new and growing workforce of people who work where, when, how, and why they want.”

2.1 The history of coworking

C-base hackerspace, founded in Berlin in 1995, can be considered as some of the first pre-models of coworking spaces. In 1999, DeKoven launched the word "coworking" to indicate a method that would improve collaboration at work and during the meetings. His realization was that people and businesses had a stricter hierarchy and were too individualistic to be “working together as equals”.

Supporting collaborative work and the ability to work on own projects through an approach that is not based on competition was the main aim of his method. The first coworking space that emerged during the same year was 42 West 24 in New York City. (Cagnol & Foertsch 2013.)

2.2 Current state of coworking

Nowadays, there are about 7800 coworking spaces worldwide (Coworkworldwide 2016.) and it is projected to reach 13800 in 2017 (Deskmag 2017). There are about 8 coworking spaces in Finland (Coworkies 2016), and HUB13 was the first such space in the market and is still the only independent coworking space. It was also named as the best coworking space in Helsinki by ContriBER in 2016. (Kudu 2016.)

As Steve King said in a recent interview, “The most recent survey research shows that the social side of coworking spaces is a key reason people are members”. (Gray 2016.) However, in Finland the number one reason for people to join is the work-oriented and comfortable environment enabled by the coworking spaces. (Sundell 2016.)

In 2016, “62% of coworking spaces planned for at least one additional expansion, which has gone up to 67% in 2017 projections. 42% of those spaces are planning to open an additional location, while 25% plan to expand within their current space.” (CoworkingEurope 2016)

Several cases were defined as successful Instagram marketing examples for coworking spaces: Microsoft Flux, Alley, East Room, WELD, and MAKERS.

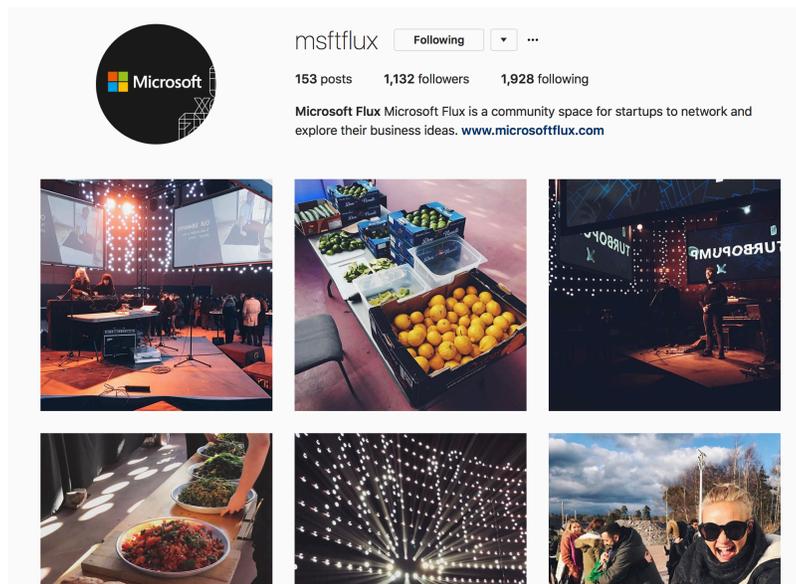


Figure 2. Instagram account of Microsoft Flux

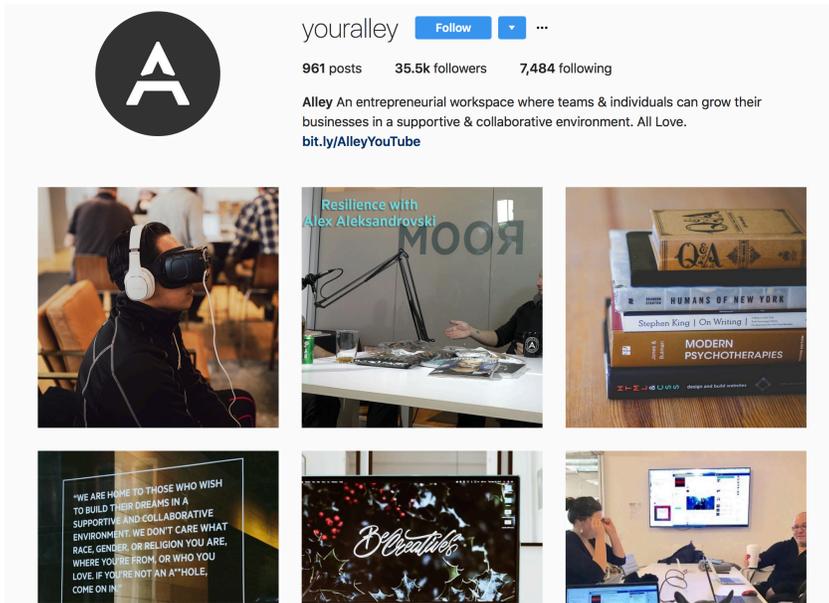


Figure 3. Instagram account of Alley NYC

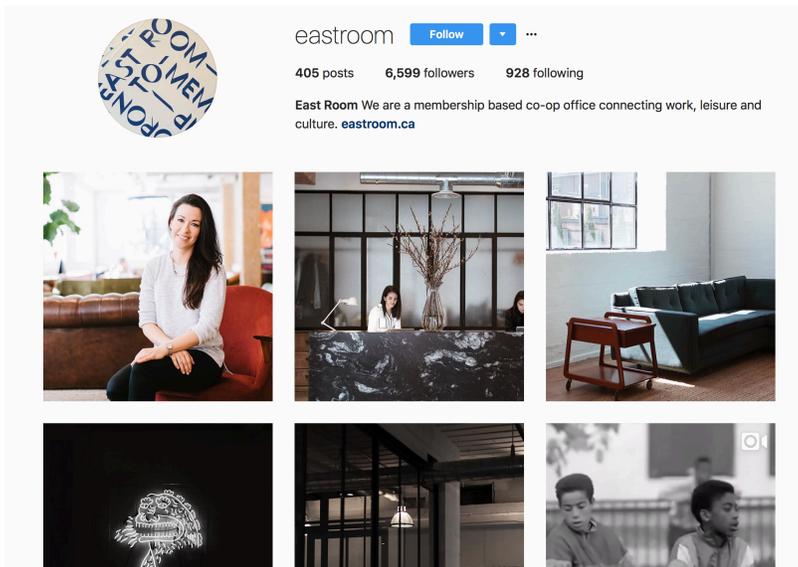


Figure 4. Instagram account of EastRoom

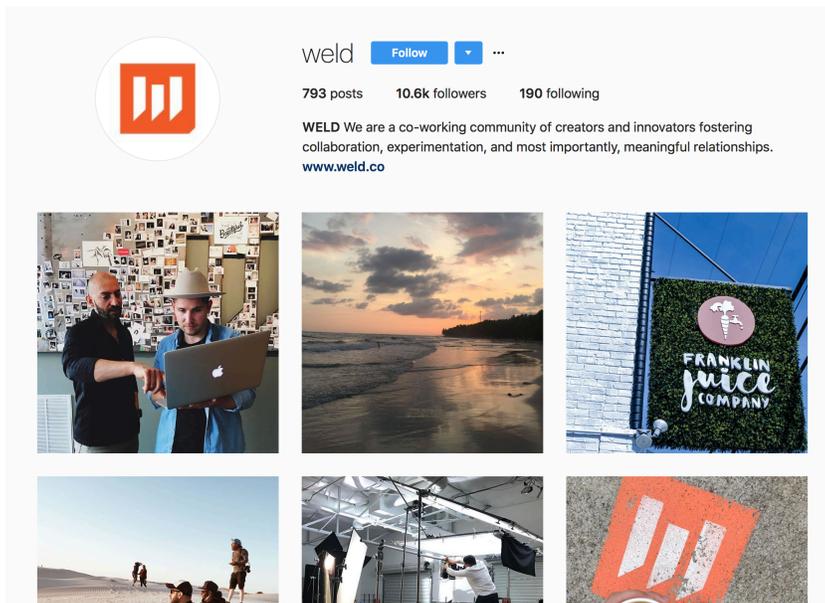


Figure 5. Instagram account of WELD

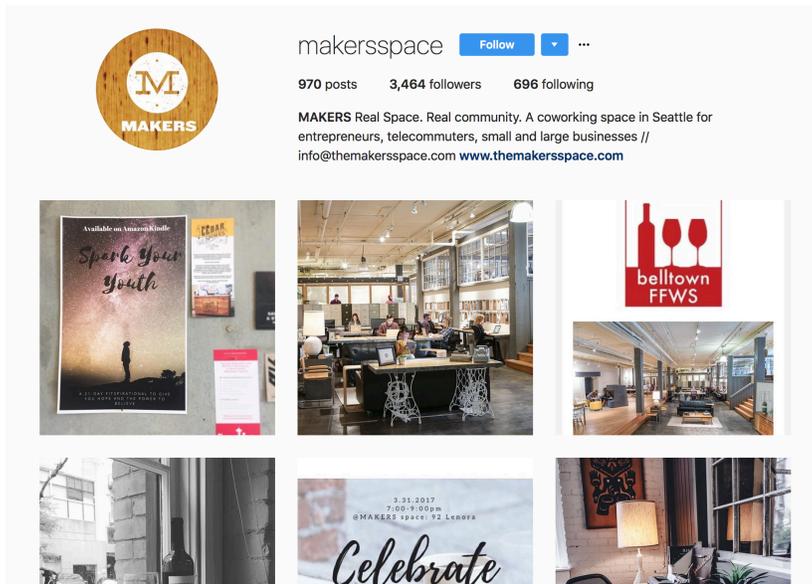


Figure 6. Instagram account of TheMakersSpace

2.3 Target audience and the users of coworking spaces

The amount of professionals working in coworking spaces has been increasing. In 2017, more than one million people will work in a coworking space. (Global Coworking Survey 2017) The other alternatives to coworking are working from home, a café, or a library. While for many working from home seems convenient, it is quite often so that the environment does not allow to focus (e.g. kids, animals, family) or is too relaxing to do productive work. That is why the second popular choice for remote work is a café or a library. Compared to those environments, coworking space offer better focusing opportunities and facilities to do work, as well as the relevant community to discuss work with. That is why several types of people prefer using coworking to everything else: remote workers, travelers, students, freelancers, as well as conventional office workers. (Goodwyn 2016)

2.4 Instagram as a marketing tool for coworking spaces

In the operations targeted at acquiring new membership, most coworking spaces (80%) site social media, specifically Facebook, and online presence as the channels bringing the most results. The second activity bringing the most results (78%) was community building, followed by events, free trials, with coworking associations bringing the least results. (CoworkingEurope 2016)

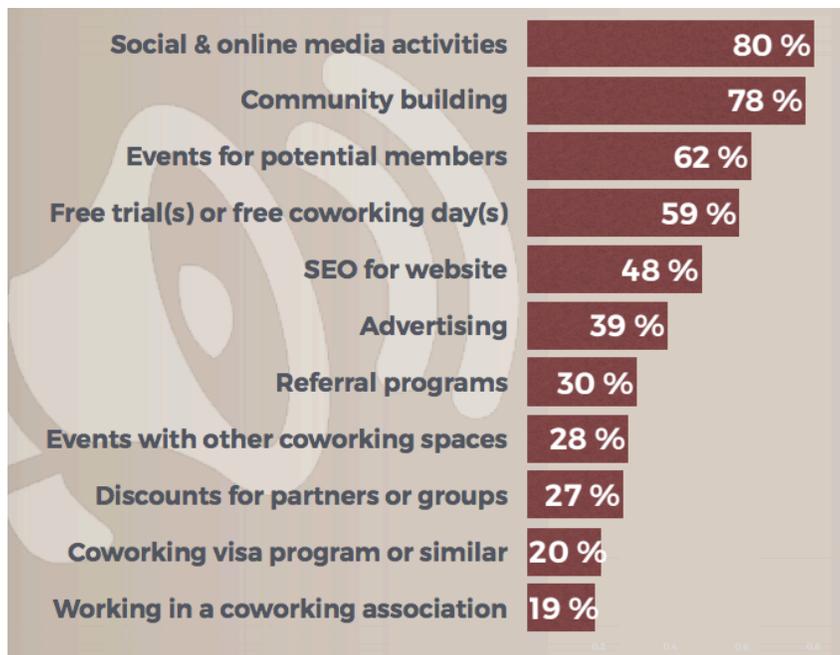


Figure 7. Coworking Spaces' Main Activities to Attract New Members (Global Coworking Survey 2017)

In the list of social media channels, Instagram brings more than half of the results, overcoming blog & guest posts, LinkedIn, and Google Adwords, among the others. It is possible to observe the correlation between the community factor and the social networks bringing the most results; therefore, it is a smart choice for coworking spaces to focus heavily on the first four channels. Unfortunately, quite often those activities (especially Instagram marketing) are considered as unprofitable in an independent and resource-scarce coworking space, and are not perceived as something worth focusing on compared to more traditional selling.

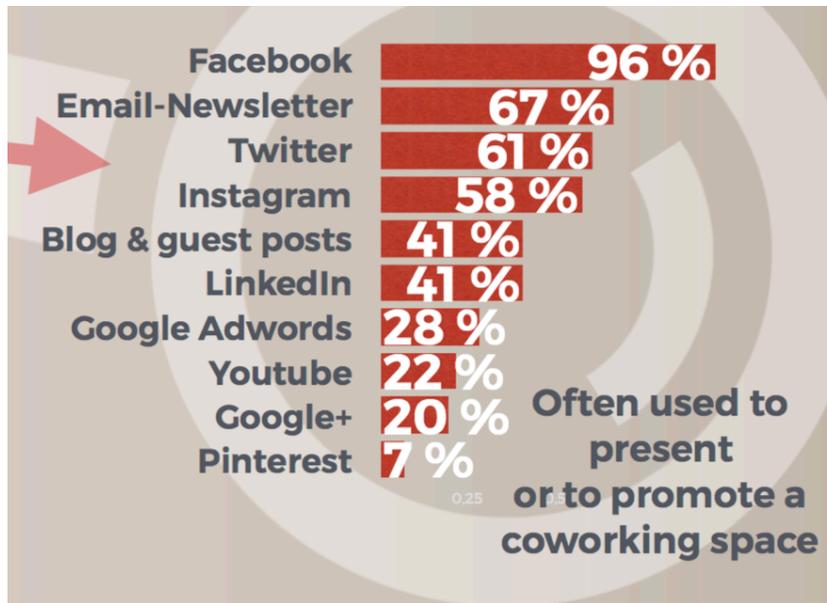


Figure 8. Coworking Spaces' Social Channels Attracting New Members (Global Coworking Survey 2017)

3 Marketing theories

Since the topic of this study is directly related to marketing and branding, it is vital to have a strong theoretical base supporting it. Although the digital marketing has been introduced relatively recently, many basic postulates of marketing theory can be applied to it.

3.1 Brand and Integrated Marketing Communications

The modern world is built on brands. In the expanding world of similar products and services, consumers no longer only consider the product they need but also the brand they want to choose. Brands often have specific meanings to consumers. These meanings partially come from past experiences, but mostly depend on how a brand is positioned and depicted through marketing communication and IMC. The word "brand" itself is derived from the Old Norse word "brandr" meaning "to burn." (Percy 2008, p. 33)

Brands often represent social meaning to the customers or can be used to create it (Elliott and Percy, 2007). Within a social context, brands can act as a catalyst for social differentiation and integration. They can also catalyse and boost brand communities. This follows from the personal meaning that brands can have. (Percy 2008, p. 34)

Already in 1979, Douglas and Isherwood stated that *“the idea of social integration and brands ... reflects the notion that in the everyday use of brands their meaning can help create and maintain social relationships”*.

The term Integrated Marketing Communications, also known as IMC, refers to the planning and implementation of all messages selected for a brand or company that can be considered as advertising or promotion, in order to fulfil a pre-defined set of communication objectives. The key requirements for successful IMC are detailed planning and consistency. (Percy 2008, p. 5) Percy also states, *“the concept of a brand transcends its ‘particular name or trademark’, providing information about itself, meaning. And this meaning develops over time, as a result of the brand’s marketing communication.”* (Percy 2008, pp. 33-34.)

Altogether, IMC is the bridge between marketing and branding. With growing use of digital platforms and tools, a company can interact with a customer in a growing number of ways. IMC connects all communication distributed through the different channels and means to create a unified message that will be delivered to the consumers. (London School of Marketing 2017)

Marketing communication encompasses all types of contact between the brand and its market. It means much more than merely advertising and promotion. (Percy 2008, p. 33)

In marketing communication, the concept of positioning refers to how a brand is to be positioned within message executions to the target audience. In order to ensure an effective positioning, two main questions must be answered: First, from the consumer’s perspective, to what need should the brand be linked? The second question is what benefits should be focused on in order to best communicate the

brand's offerings? The answer to the first question will help position the brand to optimize brand awareness and the answer to the second question will help build a strong and positive brand attitude. (Percy 2008, p. 35)

A centrally-positioned brand should be seen as conveying all the fundamental benefits usually associated with the product category. The ultimate central positioning is when the brand name becomes a generic term for its category. With all other brands in that category, a differentiated positioning must be used. Unlike central positioning, a differentiated positioning seeks ways to differentiate the brand from its competitors. This is done by looking for a specific benefit or, in case there is high-involvement purchase decision, a small set of benefits that would be important to the target audience. The target audience should either believe, or be persuaded to believe, that thanks to these unique benefits the brand will deliver better than any of its competitors. (Percy 2008, p. 36)

One can also investigate how consumers view a certain market using hierarchical positioning. The logic behind this approach is that consumers always think of a certain set of product attributes when defining a market, and they further sub-divide the market into smaller and smaller segments using that set of attributes. The smaller the market segment becomes, the more similar to each other the products and brands will become and the actual purchase decision is made once the market segment is small enough. (Percy 2008, p. 37)

There are also other ways to define what a company's brand could look like: *"Aaker (1998), like Keller (2008), talks about this in terms of brand associations, which he broadly defines as anything that is directly or indirectly linked to the brand in memory. He discusses product attributes and consumer brands and details such associations as: organizational, where the focus is more on corporate than product attributes; brand personality, where the brand-as-person is used as a metaphor; symbols to represent the brand; emotional benefits; and something he calls 'self-expressive' benefits, where the brand offers a way for personal expression by the consumer."* (Rosenbaum-Elliott et al. 2011, p. 96)

3.2 Customer discovery and brand awareness

There are two types of brand awareness: brand recognition and brand recall. The brand decides which one should be used based on which thought occurs first in the mind of the target audience. (Percy 2008, p. 93)

Brand recognition most commonly occurs when a customer is making a purchasing decision in store. They look at the set of available products and choose the brand they know the most, be it the recognition of its logo or visual elements, its name, or product packaging.

Recall awareness is more difficult especially for purchasing decisions outside the store: first, the need occurs, and after that the consumer is trying to think of potential solutions. Consumers need to think of a certain brand when they think about the category, without a visual of an object in front of them to remind them of it. The brand should not only be already stored in the consumer's memory, but also linked to the category need. (Percy 2008, p. 94)

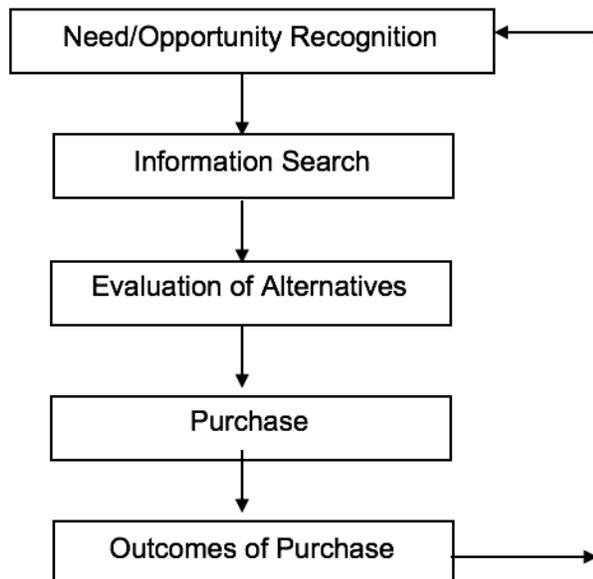


Figure 9. Classical model of consumer choice ." (Rosenbaum-Elliott et al., 2011, pp. 5-6)

Figure 9 shows which psychological states the consumer is moving through before reaching a choice decision.

3.3 Digital marketing

Towards the end of 2010, social media started to raise interest among brand marketers. It started to be used by marketing and sales, research and development, customer service, and other departments. (Patel, 2010)

The digital media changed the marketing game. It was relatively easier to figure out how to use the different new channels compared to how to stay on par and attract the consumers that are always online and are ready to interact with a brand 24/7. Such consumer would be proficient in using search tools and a set of digital platforms and devices to make an informed decision about a brand or a company and how it compares against its competition. Such consumer would also not be shy to tell their opinion about a company to the world in real time. (Garner 2013)

Garner (2013) names the following basic elements are the base of digital marketing:

- seeking and finding behaviors;
- real-time interaction and active participation;
- consideration for both audiences and individuals;
- social-network distribution;
- instantaneous information-sharing, collaboration, and engagement;
- content promotion.

In order to be successful in one's digital marketing activities, Garner recommends acting 'in the moment' and being effortless in the online presence, acting as a media platform in order to provide connection via content, feeling the audience and letting its spirit show in the business's own online content and tone of voice. He also states that "*a company's real-time search and social identity is both 'what it says' about itself and 'what others say' about the company*". Listening to what

others say can also be done in a way of collecting the data and interpreting it into new meaningful content that provides value. (Garner 2013, pp. 7-8)

The Web and networks in general were first considered to be in the process of becoming inherently 'social' during the O'Reilly Media Web 2.0 Conference in 2004. Users continued more directly associating their online identities via content sharing; there was a flow of information through one's own network of connections and that information in turn could be shared more quickly across networks and users, creating the effect of networks of networks. In a one-to-many scenario, the content creator can publish their work to a certain network, which would trigger a chain reaction from one like-minded individual in a network to cross over into another network, thereby extending the concept of one-to-many to many-to-many. (Garner 2013, p. 12)

At a high level, one's digital content must be understood by both human readers and search algorithms in order to get the most benefit out of one's online publishing efforts. The content must inherently be able to be distributed by both people and algorithms in order to further extend its reach beyond the initial online publishing efforts. (Garner 2013, p. 13)

The quality of being "active" and "alive" on the online scene means going out and searching for questions and conversations wherever they may exist in online communities, studying the written and unwritten rules of those communities, and getting involved in the relevant conversations when possible. (Garner 2013, p. 61) "Recency is the new relevancy." Seeking the best answer over the best period of time is part of relevancy. (Garner p. 34) While others use social media in a more start-and-stop manner, they allow their marketing conversation to be controlled by the social networks by ignoring that conversation altogether. (Garner 2013, p. 2) Thanks to social media, today all customers – happy and unhappy ones – can tell about their feelings about a company, its services or products to everyone with just a few clicks. (Kerpen 2011, p. 2) The digital age has made word-of-mouth marketing and human interaction even more important than ever. People like sharing what they like and what they don't like, at the same time feeling more

connected to each other as well as other companies, brands, and even governments based on what they like and trust. (Kerpen 2011, p. 4) The reasons above have led to the rise of sales strategies based on referrals as well as influencer marketing.

4 Instagram marketing

4.1 Instagram in a nutshell

Instagram is a photo/sharing service that was created by Kevin Systrom and Mike Krieger, and launched in October 2010 as a free mobile app exclusively for the iOS operating system. Two years later, it also became available on Android devices.

The users of Instagram are able to share photos and videos through the service either privately or publicly. They are provided with various digital filters by the application, thus giving the image a distinct look. In 2016/17, Instagram has also introduced business profile option, Instagram stories, live videos, and carousels. Instagram allows its users to use hashtags in the photos, use geolocation tags, as well as tag and mention other users in the photos and videos.

4.1.1 Instagram marketing

Currently, Instagram is the third most popular social platform with 600 million users. (Kallas 2017) 48.8% of brands are on Instagram. By 2017, this is predicted to rise to 70.7%. Engagement with brands on Instagram is 15 times higher than on Facebook, 54 times higher than on Pinterest, and 20 times higher than on Twitter. Over a third of Instagram users have used their mobile to purchase a product online— making them 70% more likely to do so than non-users. (Smith 2016.)

Using images and videos, a business which brand strategy is to portray the space, the people, and the atmosphere, can reach their target customers in an even easier manner.

All the facts mentioned above make Instagram one of the best platforms for a coworking business to market itself.

4.1.2 Branding on Instagram

When thinking about its Instagram presence, a business needs to keep in mind that no matter how modern and different Instagram is, it is still another social channel for their content and should be treated as such. A business must ensure that their Instagram marketing fits organically into their overall branding and business strategy and makes their brand recognizable to their customers that discover their channel. Instagram is a great tool to showcase something that the business is, and not something that it is not.

If, for example, a company's overall visual branding is clean and minimal then it should be reflected in their Instagram content feed. If a brand generally uses many colors, so should its Instagram photos. (Liu 2016.)

4.1.3 Visual communication

Consistency is the key to visual marketing. The brand needs to understand their target audience and decide whether they would like to come across as e.g. funny, down-to-earth, inspirational, or more formal, luxurious, classy. Filters can be used to help the audience become submerged into the feeling a brand wants to transmit. It is also useful to decide on a brand position (paragraph 3.1.).

“Young and free-spirited brand would want to use light and bright colors with unconventional fonts that remind of handwriting. Cool and hip brands would want toned-down colors with modern minimal fonts. Elegant and timeless brands might consider pastel colors in addition to colors from the basic palette with classic fonts. Finally, companies that want to show their high level of professionalism would lean towards simple palette of basic, timeless colors and traditional fonts.” (Liu, 2016)

It is important to pay attention to content order and positioning on the Instagram profile grid. Best profiles make sure the content tells a story, the images complement each other, and the cohesion between the images is logical and aesthetically pleasant.

4.1.4 Setting up a profile

A company's Instagram profile is where the link to its landing page is placed. That is why it the profile has to be optimized to convert. The first step to setting it up is creating an appealing bio. It needs to emphasize what a company is doing for its customers, how the customers' problems are fixed and their lives are improved. In general, it is always more beneficial to talk about how a company's products or services benefit its customers, and not just about what it sells.

A professional profile photo is another factor that might influence how customers perceive a company's profile. It is quite often a company's logo, or the owner's photo (a more popular option for smaller companies located in the US).

A reason to click on the profile link should be also given. The click rate could be improved by providing a discount or a benefit, as well as having a clear call to action. (Lincoln 2017.)

In order to switch a normal Instagram profile to a business profile, a user must enable this feature in Settings. A Facebook page has to exist in order for a profile to switch into business mode. The main difference of business profile is the possibility of viewing the posts' analytics, buttons "Call" and "Email" in the profile description, as well as ability to run ads from within the Instagram application.

4.1.5 Instagram Stories

Instagram Stories is the photo and video sharing application's disappearing content offering, which allows users to share photos and videos in slideshow, boomerang, hands-free, and live video format. Besides the usual filter options, stories offer text, drawing, stickers, and other creative additions.

Stories was introduced in August 2016, but it has already made a significant impression on Instagram users globally. Walters (2017) states that

"in less than six months, the feature had 150 million daily active users, while it took Snapchat six years to reach the same number. One-third of the most viewed Stories come from businesses."

The platform also boasts some impressive engagement numbers. One in five Instagram Stories gets a direct message from its viewers and roughly 70 percent are watched with the sound on—a clear divergence from the prevalence of silent video on platforms like Facebook.”

Instagram offers businesses insights on their Stories posts in a similar manner as the usual content. Brands using a business profile on Instagram have access to reach, impressions, replies, and exits for individual Stories. It is important to enable this feature in the analytics session, since the analytics for Stories shared before the function is enabled are not recorded.

Some Instagram Stories also have links. Instagram is also testing the ability to run full screen ads in Stories. The ads will offer targeting, reach, and measurement capabilities. (Walters 2017.)

Walters suggests the following points on using Instagram in a company’s marketing:

1. sharing how-tos and tutorials;
2. going behind the scenes;
3. sharing an interesting list;
4. providing value with Q&As;
5. getting follower feedback;
6. hosting a takeover;
7. giving shout-outs to your followers;
8. providing special offers and coupons;
9. announcing news.

4.1.6 Instagram carousel

On February 22, 2017, Instagram launched its carousel feature. It allows the users to share a mix of up to 10 photos or videos as a single carousel post that can be swiped through. Instagram first launched photo ad carousel posts back in 2015 and expanded those to include video last year. Now they can share up to 10 images,

not just 5. “You no longer have to choose the single best photo or video from an experience you want to remember” Instagram writes. (Constine 2017.)

This feature allows businesses to share step-by-step tutorials, rankings, and event photos.

4.1.7 Instagram analytics

Instagram analytics are in-built within Instagram (for business profiles), as well as provided by various third-party apps (more in paragraph 4.3). Post analytics are displayed under every post, and include likes, comments, saves, impressions, reach, and engagement. It is also possible to access the in-app analytics from the ‘Insights’ tab. There, the upper part shows the impressions, reach, profile views, website clicks, and email clicks during the week compared to the previous week.

The next part shows the top posts during the week, and by clicking on ‘See more’ it is possible to see and sort the top posts by post type, timeframe, and user activity. The part below provides similar analytics on stories.

The next part allows the user to analyze followers and see when most of them are active during the current weekday. By clicking ‘See more’, it is possible to see the total amount of follower and follower count change for the current week, as well as the follower demographics: Gender, age range, top locations, as well as activity hours and days.

The lowest part shows promotions and statistics on them.

4.2 Instagram posts

An Instagram post consists of a picture or a video (or a carousel of pictures and videos), a caption, hashtags, a geo location tag, and photo tags. In this part of the study, the best case practices of Instagram posting are described. Being diverse and consistent at the same time will benefit the Instagram thread of a company or an individual.

4.2.1 Instagram captions

While many focus mainly on images while creating Instagram content, only a few are also aiming at creating a great caption. However, in some cases, a well-written caption might not only enhance a shared photo or video, but even make all the difference.

A good Instagram caption is telling a story. Instagram started as a social network, and not a network for professional photographers. Sorokina (2015) explains, *“whether you use Instagram for personal branding, a behind-the-scenes look at workplace culture or as an online catalogue of your products, any photo can benefit from some context. Plus, if your caption text has storytelling value, then any hashtags or emoji you add don’t look quite so distracting.”*

A caption could also be about asking a question, which will help an account to drive engagement. In a recent study by Facebook it has been discovered that the posts asking for help or recommendations engage more than the standard posts.

It is recommended to avoid links in an Instagram caption. Instagram supports only one possibility to share a link, and that is on top of a user’s profile. If a company would like to share a call to action in your caption to drive conversion on their website, it is recommended to insert a call to click on the profile link, as well as make sure that the link has been updated and is correct.

If a company’s Instagram post sharing on other social networks is automatically enabled, it is beneficial to keep in mind that in that case the caption should correspond to the rules of other networks (i.e. character count, mentions, hashtags). However, it is also possible to share the Instagram content later on and edit the caption in the app.

Tagging other users in a post caption helps a company to increase the visibility of that post, but it is important to remember that if there are too many stakeholders involved in one photo, it is recommended to tag them on the photo and not the caption to avoid the main message getting lost. In general, tagging, when done

right, is a great way to attract attention of a potential partner / customer or give credit. (Sorokina 2015.)

4.2.2 Hashtags

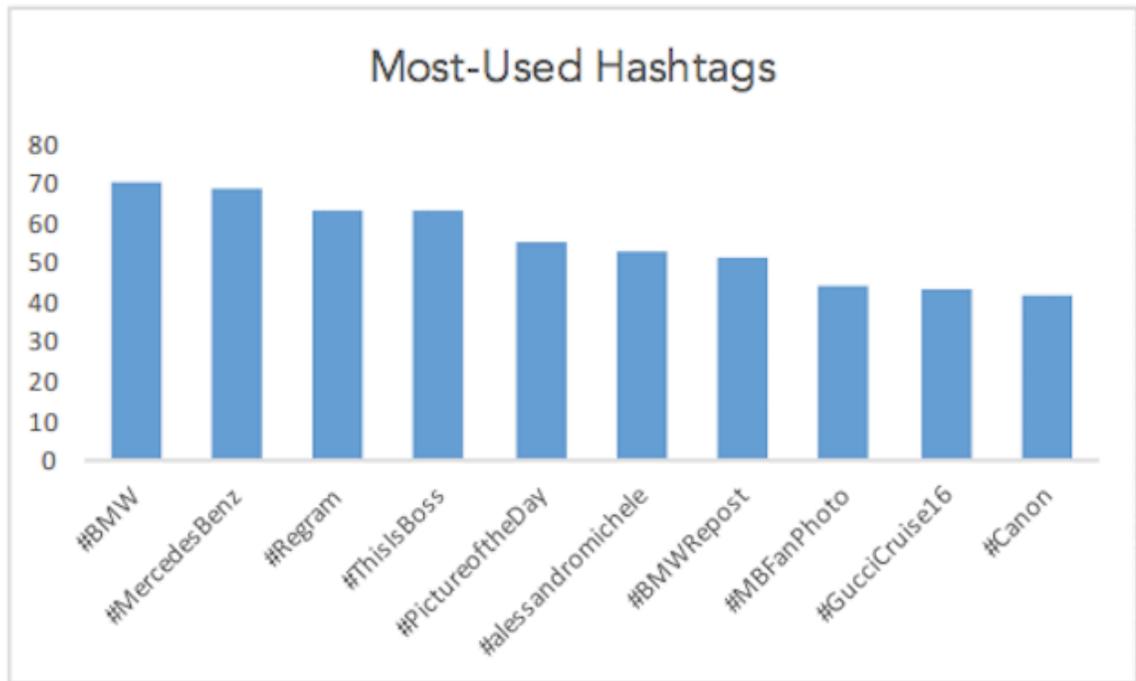
Hashtags add visibility to a company's Instagram posts. The 'Explore' function allows other users to successfully find a business if the hashtags are used correctly. However, it is important to remember that hashtags need to be relevant: it is relatively easy to be seen as a 'spammer' if there are hashtags under the post that are completely irrelevant to the post content, or the hashtags such as "like4like", "follow4follow", and others. Many businesses create their own company hashtag or campaign hashtags; that is a great way to keep all posts related to that company or campaign in one place and easily searchable. A hashtag needs to be easy to memorize; an additional benefit would be if the hashtag is inspiring or relatable to the target audience. A good example of that would be the #justdoit hashtag from Nike's 2014 FIFA World Cup campaign.



Figure 10. Nike Instagram post

One of the more creative ways of using hashtag is emoji hashtags. Emojis have already become a part of the modern culture, and they have been taken even further by Instagram when the company decided to enable the Emoji hashtags. Sorokina (2015) mentions, that despite initially sounding fairly useless, the idea can actually be applied well: *“you can also utilize new emoji flags to indicate locations, show off things you love with the heart emoji, and show your support for important causes with the thumbs-up.”* She also mentions that *“Using emoji in Instagram captions is a good way to take advantage of something you most likely already place in your Instagram posts (according to Instagram, over 50 percent of text on the network is made up of emoji), while also increasing the visibility of your photos.”* (Sorokina 2015)

According to a Simply Measured study, last year brand captions on Instagram included 5,596 hashtags, which equaled 2.5 hashtags per brand post. Of the most-used hashtags, 7 out of 10 were branded. (Beese 2016)



Branded hashtags are the norm on Instagram, and are seven of the top ten most-used hashtags.

Figure 11. Most-used Instagram Hashtags 2015

4.2.3 Followers and engagement

One indicator of a profile’s overall popularity is the number of followers it has and the amount of people it follows. Profiles followed by a higher amount of users are generally seen as more popular, the high follower number also creates a sense of credibility thus making it even easier to get more followers after the number of an account’s followers is already high. However, if at the same time a profile follows a similar or higher amount of profiles, the credibility decreases – such profiles are commonly seen as either “spam profiles” or profiles that increase the amount of people they follow in order to increase their own following out of reciprocity.

4.2.4 Optimal posting schedule

When posting on Instagram and scheduling posts, it is recommended to keep in mind the audience a business targets. For example, if the target audience is predominantly people who work from 9 to 5, then the posts have better chances of being viewed when posted before 9, during the lunch break, or after 5 (except Fridays). It is also possible to check the analytics from within the Instagram application to see on which time of the day the account's followers are mostly active and adjust to that.

4.3 Useful third-party tools for Instagram

In this chapter, some of the useful third party tools, both paid and unpaid are described. There are other tools a business could use in order to improve the different aspects of their Instagram marketing; the tools listed above have been tested by the author.

Planoly is a digital tool for planning Instagram content. It is currently the most convenient and advanced tool in the market, available both for iOS, Android (beta version), and web. This tool allows the user to load existing Instagram content and plan new posts by dragging and dropping them on the grid. It is possible to edit the post caption and add hashtags and mentions within the app; scheduling is also possible – the application sends a reminder based on a set schedule. However, it is important to remember that no third-party applications are able to post to Instagram, so the user needs to share the post manually after receiving the reminder. Planoly also provides advanced analytics as well as the ability to plan and manage several accounts and have access for several people.

Canva is a web application that contains several paid and unpaid templates that are fully customizable, thus allowing users who have little or no graphic design experience to create visually appealing posts. The application also offers filters, as well as the opportunity for a user to create their own custom filters.

VSCO is a photo editing application that is available both on iOS and Android. It offers filters that are not currently available on Instagram as well as more advanced image editing options.

InsTrack is an application that allows its user to track their account statistics, and specifically, which accounts are not following the user back, have just started following them, or have just stopped following. The application also offers the possibility to see which accounts like or comment on the user's posts the most, which people have blocked a user's account etc.

4.4 Summary

Overall, it is important to keep in mind the business's target audience when creating an Instagram strategy. There are some guidelines available, but it all comes down to where the target audience is located, what demographic group it belongs to, and how it normally behaves.

5 Implementing Instagram strategy for the case of HUB13

5.1 Research target

The goal of the study is to answer the following main research question: What principles and guidelines does a coworking business need to follow to successfully establish its presence on Instagram?

Some sub-questions include:

- 1) How to plan and implement Instagram marketing for coworking businesses?
- 2) What Instagram content is the most appealing?
- 3) Which strategies and software is it better to use in order to build a strong following?

5.2 Methodology

As the research aim is to discover the principles and guidelines that a coworking business need to follow to successfully establish its presence on Instagram, the research focused mainly on effectiveness of different strategies for the case company' s account. The indicators that were analyzed are, e.g., website conversions, the number of followers acquired, as well as the amount of likes and comments received.

5.3 Research process

The study was conducted in parallel with the case company Instagram marketing development. Therefore, the case study research method is used. In the end, conclusions are drawn and suggestions are made based on the outcomes of the study. To acquire the primary research data, qualitative research methods were used. The study includes a survey of people who are profiled as existent and/or typical coworking space users on their Instagram activity to figure out whether the target group has any significant differences compared to their demographic peers. In addition to that, secondary data sources (i.e. articles on Instagram marketing, Instagram performance history, and other companies' performance on Instagram) are utilized. Both types of data are combined and described to present a comprehensive report on Instagram best practices for coworking spaces.

5.4 Validity and reliability

Reliability is defined as *“the extent to which results are consistent over time and an accurate representation of the total population under study is referred to as reliability and if the results of a study can be reproduced under a similar methodology, then the research instrument is considered to be reliable.”* (Golafshani 2003)

This research is based on carefully selected literature by well-known authors in the field of marketing and branded, and supported by the most reliable online sources on Instagram marketing. The arguments and recommendations discussed in this thesis can be supported by similar studies.

“Validity determines whether the research truly measures that which it was intended to measure or how truthful the research results are. In other words, does the research instrument allow you to hit “the bull’s eye” of your research object? Researchers generally determine validity by asking a series of questions, and will often look for the answers in the research of others.” (Golafshani 2003)

This study is based on both primary and secondary data, where primary data was collected both online and offline via channel unrelated to Instagram. The findings of the study can be implemented in the study case; therefore, they are valid. Both advantages and disadvantages of the recommendations in this study are taken into consideration.

5.5 Analysis of HUB13’s Instagram account

The recommendations mentioned in Part 4 have been taken into consideration and some of them were tested on the HUB13’s Instagram account, @hub13_helsinki.

5.1.1 Statistics

12 pieces of content have been posted during the experimentation phase. Overall, in 18 days the number of followers has increased from 418 to 453.

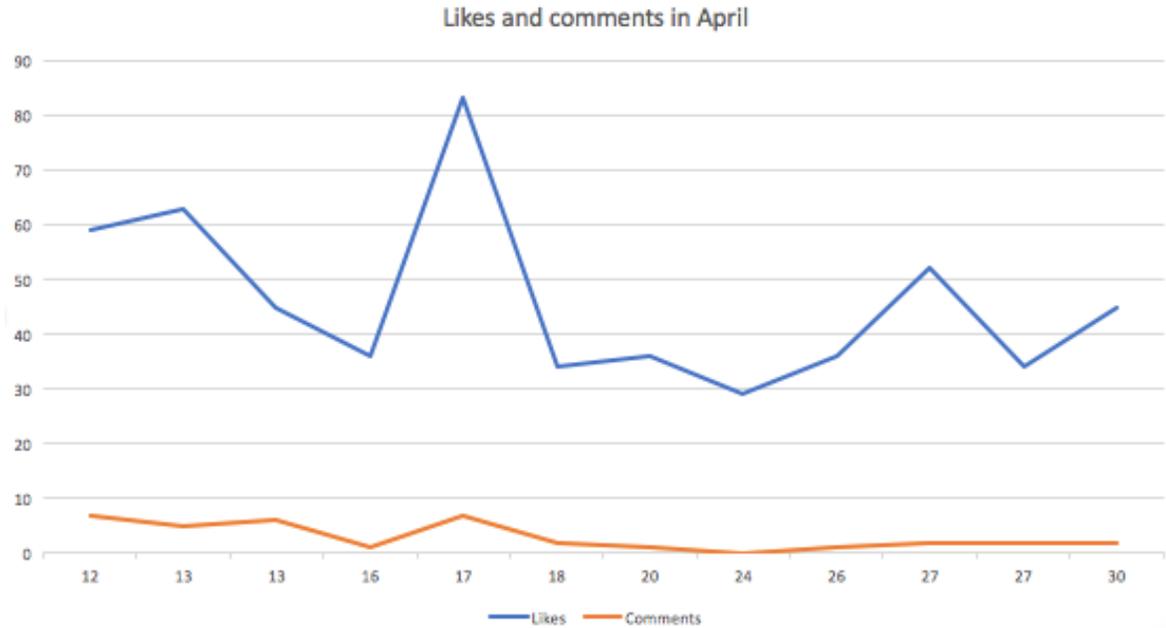


Figure 12. Likes and comments on @hub13_helsinki account in April, by post

Figure 11 shows the amount of likes and comments per post during the experimentation. The graph displays a high engagement rate in the beginning (Instagram notifies all followers when account starts posting again after a while), as well as high engagement on piece of content #5 (posted on the 17th of April) and #2 (posted on 13th of April).

Besides the fact that both are the types of images that generally perform well (Instagram users like seeing people, colors, symmetry), there are also some factors that might have made the difference. First, some extra hashtags were utilized in the captions that are not otherwise utilized in other posts, #healthy and #organic in the post #2 and #technology, #vr, #events, and #digital in the post #5. Second, the event hashtag (#SCALED17) was utilized in the post #5 as well as the speakers and their company was tagged. Post #2 was also the only saved post, and #5 got the most engagement.

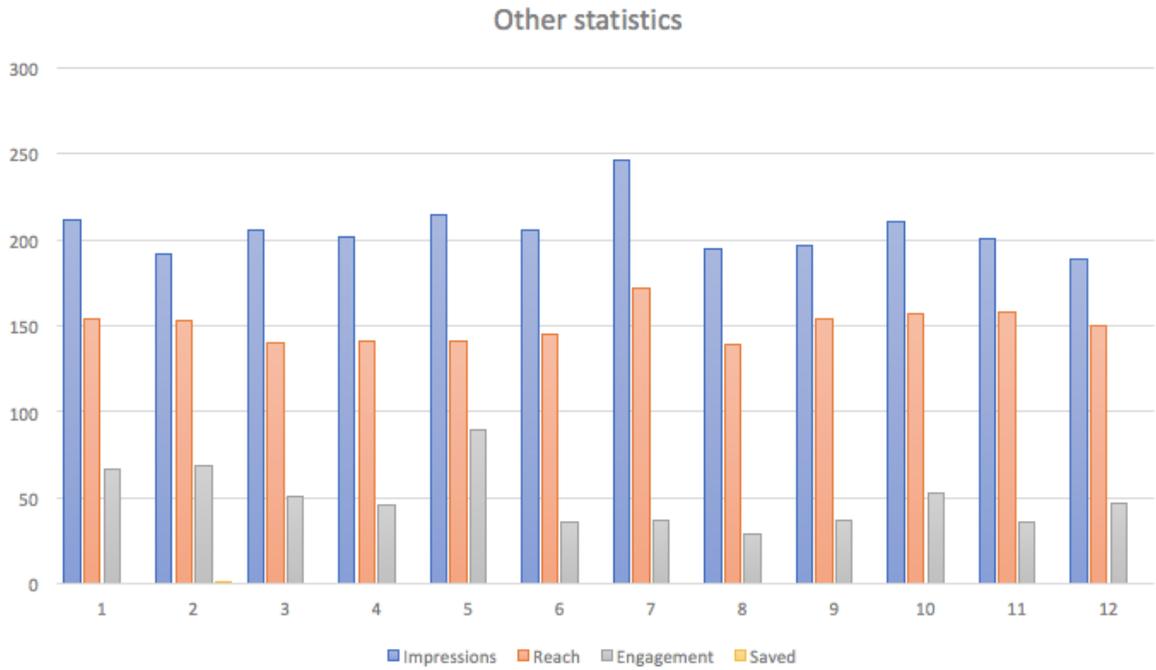


Figure 13. Impressions, Reach, Engagement, Saves



Figure 14. Piece of content #2



Figure 15. Piece of content #5

According to Google Analytics (Figure 15), the Instagram activity throughout the testing period has resulted in two website clicks: on 12th and 26th of April. The post on April 12th features a photo of people at a HUB13's event, and the post on April 26th is a carousel of photos from the Future Digital Finance Forum'17 event produced by HUB13.

Interestingly, the most conversions on Instagram have happened during the time when nothing at all was posted by the HUB13's account. Figure 16 shows that most of the website clicks in 2017 happened in March (12) with the peaks on 8th and 15th of March as indicated in the Figure 17. While searching for posts around that time by HUB13's location tag, it was discovered, that Tiistai-klubi, a network for sales and marketing female professionals, has taken two photos at HUB13 before the 8th of March, and an Instagram influencer has made a post about her

work at HUB13 on the 15th of March (the latter has resulted in 209 likes and 675 impressions).

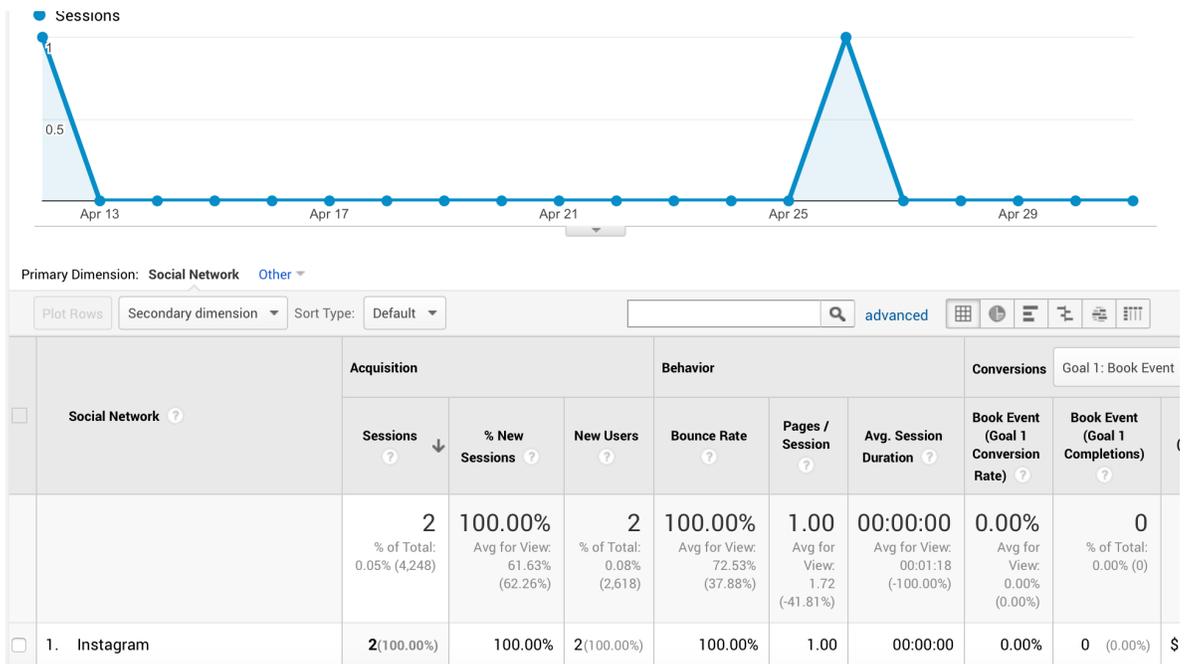


Figure 16. User acquisition through Instagram in April, Google Analytics

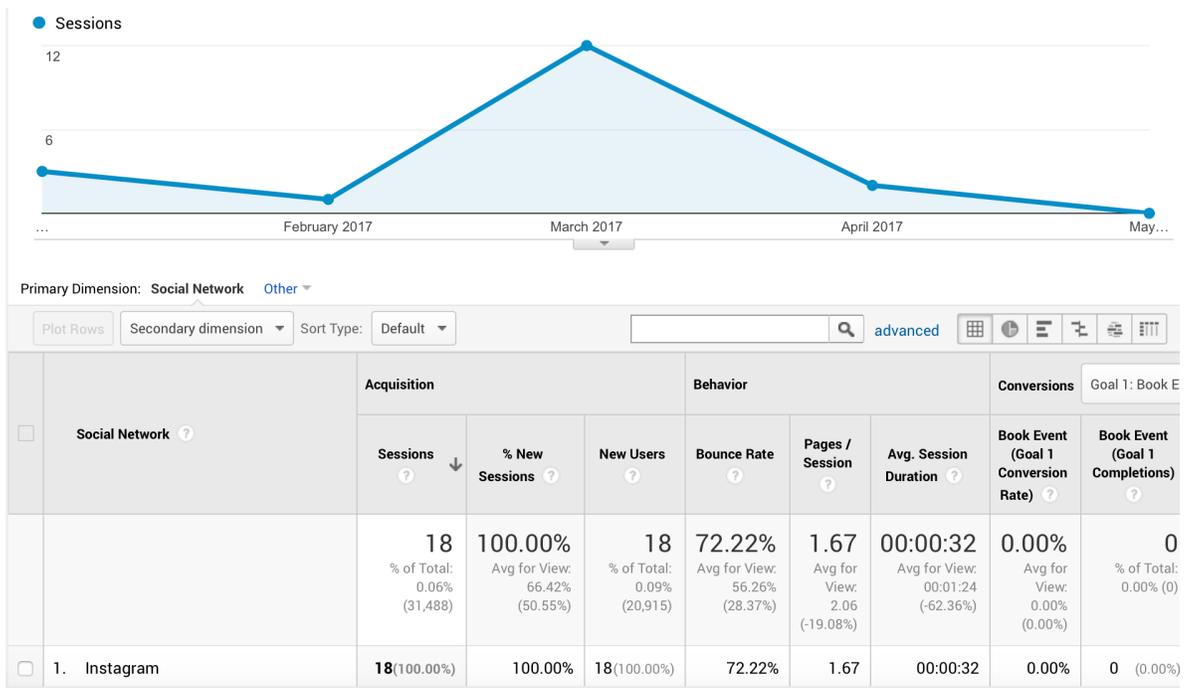


Figure 17. Website conversions through Instagram in 2017, Google Analytics

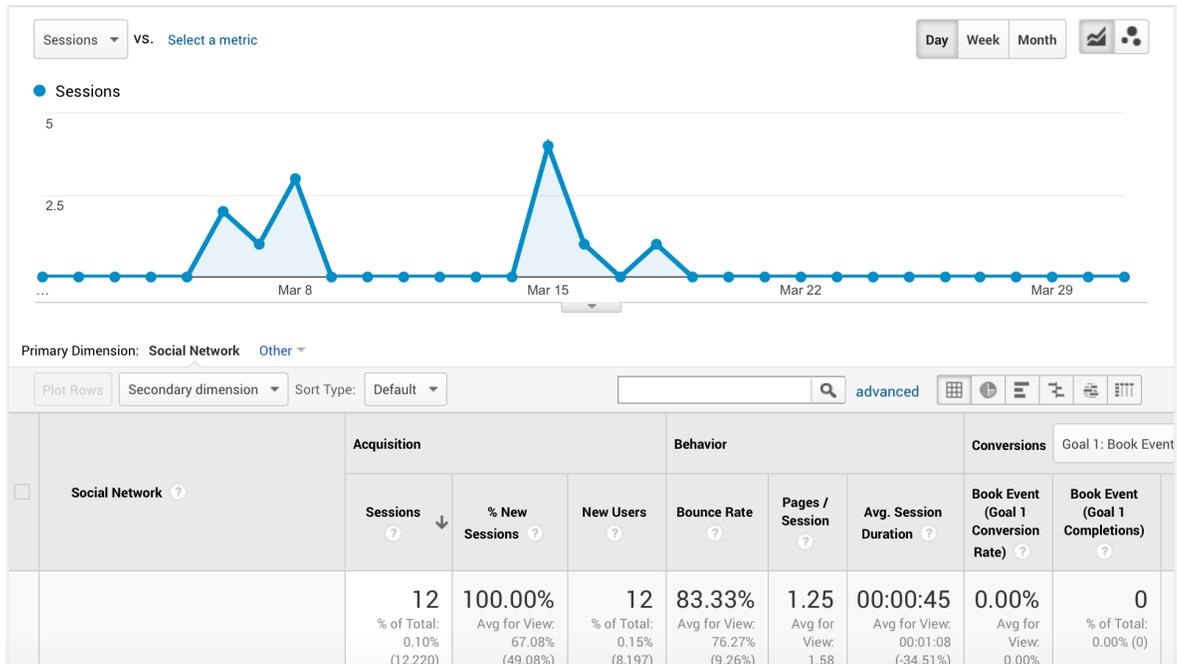


Figure 18. Conversion peaks in March, Google Analytics

5.1.2 Content

The content for the experiment was planned using a third-party app, Planoly. The images were both taken by the thesis writer as well as found using HUB13's location tag. Bright colors were emphasized and the photo quality was controlled. The plan was to create an image of a bold, fun, healthy, and entrepreneurial workplace as well as to share the ongoing activities and important announcements.

The aim was to keep the content diverse, use different angles and perspectives, as well as different cameras for a livelier look. The captions usually either described the post or asked a question, e.g. "What are you working on this week?", "What are your productivity tips?" etc. The comments received, however, were mostly about the images shared and not about the caption.

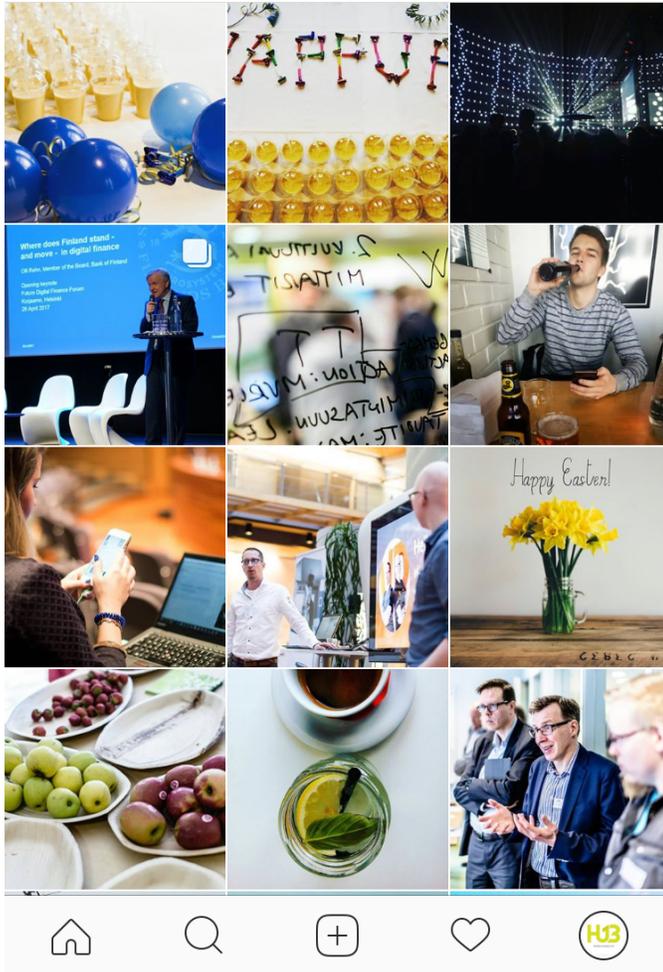


Figure 19. HUB13's content during the experiment

5.1.3 Hashtags

The hashtags that were used in the posts were in both Finnish and English languages and varied on the occasion. The most commonly used hashtags were #work, #worklife, #coworking, #entrepreneur, #coworkinglifestyle, #coworkinghelsinki, #helsinki, #vsco, and #vscocam.

5.1.4 User survey

An additional user survey was also created and distributed equally among the users of coworking spaces and open offices as well as traditional offices

worldwide. In total, 129 people were interviewed. In the first part of the survey, the respondents were asked about their demographic background, the type of office they work in, as well as whether they were using Instagram. If they response to the latter question was positive, they would proceed to the second part of the survey, in which more in-depth questions about Instagram use were asked. The full questionnaire is available in Appendix 2.

6 Conclusions

6.1 Main findings

Based on the case study, the conclusion could be drawn that Instagram is a good tool to market coworking spaces. However, the website conversions happen mostly when the business is mentioned or tagged by influencers and other Instagram users and not by the business itself. Own posts by the business are still important, since they help building a strong following base for the account.

Based on the user survey, there is a difference in the Instagram use between coworking and traditional target groups: 81% of people who work in coworking spaces were using Instagram, while only 61% of the traditional office users answered positively to the same question. People in the coworking target group were slightly more likely (57%) to visit a business, event, or a venue after seeing an Instagram post from someone they know, compared to the traditional group (52%). However, respondents from the traditional group were 5% more likely to purchase a product or service after seeing an Instagram post from someone they know (55% vs 50%).

It is interesting that while 45% of the respondents in the traditional group indicated that they have decided to visit a business, venue, or event after they saw an Instagram post by that business, the percentage of similar answers in the coworking group was 12% higher. However, the purchasing decision stayed the

same in both groups with only 36.2% of respondents willing to buy a product promoted by the business that sells it.

The survey results in charts could be found in Appendices to this study.

6.2 Suggestions for future research

This study has provided original insights on the Instagram marketing for coworking businesses. Whereas the correlation between the users and the platform, as well as the content and conversions was investigated, further research can develop this study and bring new original insights.

For the future research, it is suggested to take a closer look at the correlation between the profiles of coworking space users and Instagram users. Different types of content, especially Instagram Stories, could be analyzed, as well as the effectiveness of Instagram campaigns.

It is also beneficial to conduct the survey on a wider scale using more media, since the major part of the respondents of the survey conducted for this study was located in Finland.

It is also recommended to take a closer look at Instagram advertising and the way it affects Instagram statistics in its various formats.

Although this study was conducted on the example of a case company, due to the time constraints it was not possible to have a longer period of experimentation. Future research could investigate more in detail the optimal posting times and frequency.

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Appendices

Appendix 1. Global Coworking Survey 2017



Appendix 2. Questionnaire



Thesis survey

QUESTIONS RESPONSES **129**

Section 1 of 3  

Thesis survey

The survey should take from 1 to 4 minutes of your time. The data collected during the survey will remain anonymous, will only be used for the current research, and will only be published as a summary as a part of the current research. Two Finnkino tickets (or books/online store items with the value or 13 EUR for the participants from outside Finland) will be drawn on June 1, 2017.

Part 1. Background information

Description (optional)

Your age group: *

1. 13-17
2. 18-24
3. 25-34
4. 35-44
5. 45-54

6. 55-64

7. 65+

Your gender. *

Male

Female

Other

Your current country of residence: *

Short answer text

Are you an Instagram user? *

Yes

No

Which other social media do you use? *

Facebook

LinkedIn

Twitter

- Google+
- Pinterest
- Snapchat
- WhatsApp
- Tumblr
- WeChat
- Vk
- Foursquare

What describes your occupation best? *

- Student
- Employed
- Entrepreneur/Self-employed
- Freelancer
- Other...

What kind of environment are you currently working / studying in? *

- Traditional office
- Open office

Cafes, libraries, etc.

Coworking space

Other...

The industry you're working in: *

Short answer text

After section 1 Continue to next section

Section 2 of 3



Part 2: Instagram behavior

Please only fill in this part if you have answered "yes" to the question 4 of Part 1 ("Are you an Instagram user?")
If you have answered "no", please ignore this part.

How many accounts do you manage on Instagram?

1. 1

2. 2

3. 3

4. 4

5. 5+

Are you managing a business account on Instagram?

Yes

No

Approximately how many times a day do you usually log in to your most used account?

1. Less than 1

2. 1-2

3. 3-5

4. 5-10

5. 10+

What is the topic that best describes the content you publish from your most used account?

⌋ ...

- Lifestyle
- Travel
- Photography, design
- Fashion
- Health, fitness, and beauty
- Food
- Music
- Technology
- Entrepreneurship, business
- Inspirational
- No particular topic, just a mix of everything
- Other...

What is your usual behavior on Instagram?

1. Mostly post own content
2. Mostly view, like, and comment on others' content (post less often or never)
3. Do both equally

How many accounts does your most used account follow?

1. 0-100

2. 101-500

3. 501+

What are the topics that best describe the content published by the accounts you follow?

- Lifestyle
- Travel
- Photography, design
- Fashion
- Health, fitness, and beauty
- Food
- Music
- Technology
- Entrepreneurship, business
- Inspirational
- Interesting persona/business/celebrity
- My friends and people I know
- No particular topic, just a mix of everything
- Other...

Have you ever found a useful contact or business from Instagram?

Yes

No

Have you ever decided to visit a business, venue, or event after you saw an Instagram post from SOMEONE YOU KNOW?

Yes

No

Have you ever decided to purchase a product or service after you saw an Instagram post from SOMEONE YOU KNOW?

Yes

No

Have you ever decided to visit a business, venue, or event after you saw an Instagram post from THAT BUSINESS, VENUE, OR EVENT?

Yes

No

Have you ever decided to purchase a product or service after you saw an Instagram post from THE BUSINESS THAT SELLS IT?

Yes

No

How often are you creating Instagram stories?

Often

From time to time / rarely

Never

How often are you viewing Instagram stories created by others?

...

- Often
- From time to time / rarely
- Never

How often are you streaming live videos on Instagram?

- Often
- From time to time / rarely
- Never

How often are you viewing others' live videos on Instagram?

- Often
- From time to time / rarely
- Never

Do you prefer video or image content on Instagram?

- Video
- Images
- No preference

Have you ever participated in an Instagram contest/giveaway?

Yes

No

What usually makes you "like" a certain Instagram post?

Visual content

Text caption

The person who made the post (i.e. it's your friend)

I like everything I see on my newsfeed

Other...

What usually makes you comment on a certain Instagram post?

I find the image / video great, a "like" is just not enough

Call to action in the description (i.e. answering a question, congratulating on an event)

I find the caption inspiring

I comment on everything I see on my newsfeed

...

Other...

What usually makes you follow a certain account?

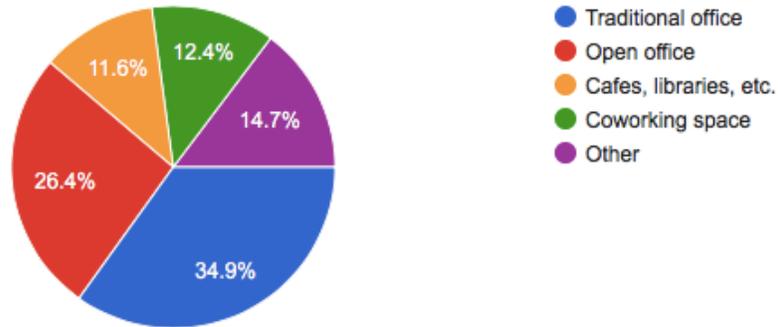
- They followed me, and I liked their account
- They liked some of my posts, and I liked their account
- They commented on my post, and I liked their account
- They popped up in my recommendations
- I know the account owner in person / I have visited the business that the account belongs to
- Other...

How do you discover new content on Instagram?

- I search content by hashtags
- I search for keywords
- I check my suggested posts in the "discover" tab
- I check the posts that the accounts I am following liked
- I search for what others posted in this location (geotags)
- Other...

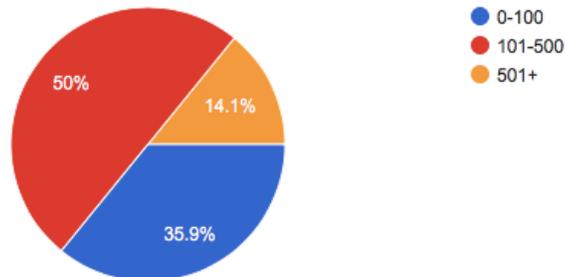
After section 2 **Continue to next section** ▼

Appendix 3. Survey results



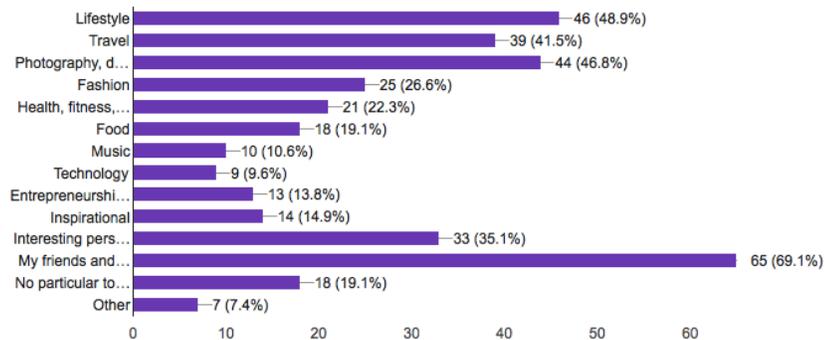
How many accounts does your most used account follow?

92 responses



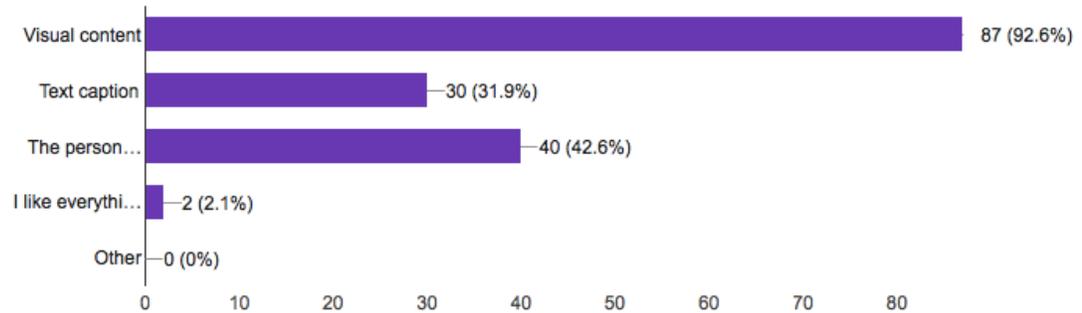
What are the topics that best describe the content published by the accounts you follow?

94 responses



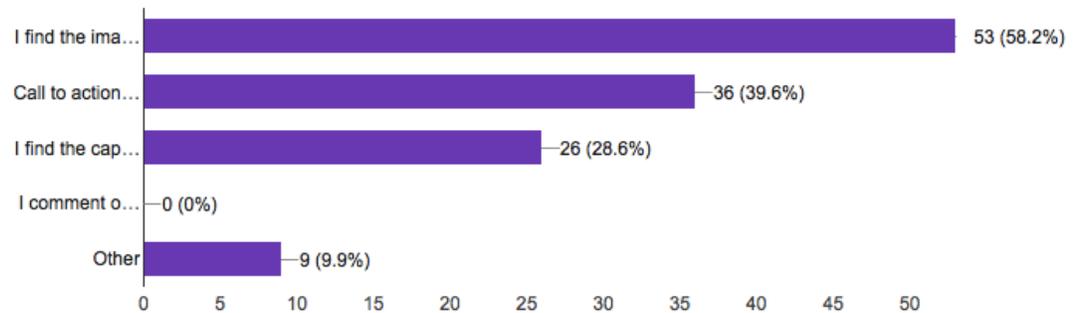
What usually makes you "like" a certain Instagram post?

94 responses



What usually makes you comment on a certain Instagram post?

91 responses



What usually makes you follow a certain account?

94 responses

