

How a Lean Agile Business Model Can Help Company A Provide Better Digital Marketing Service for SMEs

Eeva-Lotta Viinikka

Master's Thesis Degree Programme in International Business 2019

Abstract



15.2.2019

Author

Eeva-Lotta Viinikka

Degree programme

International Business Management

Report/thesis title

How a Lean Agile Business Model Can Help Company A Provide Better Digital Marketing Service for SMEs Number of pages and appendix pages 75 + 4

In this study, the author wished to find out the benefits a Lean agile organizational model, which is a combination of Lean and Agile organisational models, could offer to Company A especially in the way they serve their small and medium sized enterprise customers and how could this model provide solutions in the most visible challenges a SME is facing in their marketing endeavours. The research question for this study is; "How could digital marketing service provider's Lean agile business model bring value to the SME customers?".

In the first part of the study the author has gathered theoretical background information to support the study and which provides insight on the perspective the author is approaching the study question from. The aspects theoretical information is provided from are digital marketing, SMEs, Lean organisational model and Agile organisational model, and what it means to combine these models together.

This study is conducted with phenomenographic qualitative research methodology, as the author's focus is to understand a phenomenon, rather than to measure it. The findings are concentrating on the relativism of the study content, which has been gathered through semi-structured theme interviews.

In the study, the author finds that Lean agile organization model can provide Company A a better grounding in serving their small and medium sized customers in their upmost important need, growth. Through this model Company A can create even deeper customer relationships through better communication and teamwork that extends outside the borders of their own inhouse teams. The Lean agile organisation model can also improve one of the most important customer relationship values, trust, as it can not only make reaction time more efficient but enable better service through active participation in the customer company's operation. Moreover, the model would not only increase the service and work quality of Company A but also teamwork orientation, and operational efficiency.

Keywords

Lean Agile, SME, Digital marketing service, Growth-oriented digital marketing

Table of contents

1	Intro	oduction1			
2	Theoretical framework				
	2.1	Digita	I marketing as a core source of marketing success	3	
		2.1.1	Data-driven marketing and organisation	5	
		2.1.2	Traditional marketing and its issues in current market environment	8	
	2.2	Small	and medium sized enterprises	9	
		2.2.1	Digital marketing as an opportunity and a challenge for SMEs	10	
		2.2.2	Driving growth through customer understanding	12	
	2.3	The c	oncept of Lean	13	
	2.4	Agile	as an organisational philosophy and strategy	16	
		2.4.1	Agile marketing	18	
		2.4.2	An example of an Agile marketing framework: Scrum	21	
		2.4.3	Growth hacking	23	
	2.5	Comb	oining Lean and Agile	23	
		2.5.1	The core of soft values in Lean agile	24	
		2.5.2	Lean and Agile in service environment	26	
3	Research methodology and methods				
	3.1	Needs and objectives			
	3.2	Research methodology			
	3.3	Research strategy			
	3.4	Research analysis			
	3.5	Restr	ictions and possible biases	34	
4	Research				
	4.1	Introduction of interviewees			
	4.2	The general overlook on how SMEs succeed in digital marketing40			
	4.3	How well is digital marketing data analysed by SMEs43			
	4.4	Drivin	g SME company growth through digital marketing data	46	
		4.4.1	The main enablers and challenges	49	
	4.5	The description of a good service provider5			
	4.6	Digita	l marketing agencies as tactical partners	53	
		4.6.1	Difference in benefits of inhouse skills and outsourcing	56	
	4.7	Digita	I marketing service that SMEs' consider fitting their needs	57	
	4.8	Famil	iarity with the concepts Lean and Agile	58	
	4.9	Lean	and Agile digital marketing agencies	61	
	4.10 Benefits of developing digital marketing in a Lean Agile way				
5	Discussion				
	5 1	Resea	arch summary	64	

5.2 Research validity and reliability67	7				
5.3 Conclusion and suggestions for further research68	3				
5.4 Implementation plan and follow-up71	1				
5.5 Evaluation of the thesis process and own learning72	2				
References74					
Appendices77					
Appendix 1. Interview form for the SME decision makers77					
Appendix 2. Interview form for the digital marketing agencies79					
Appendix 3: Study follow-up and implementation plan for Company A80	Э				

1 Introduction

The marketing environment has changed radically within the past decade and it is already widely known that we are living the "age of consumers" (Olajiga 2017,77) which is mainly enabled by digitalization. This forces companies to be more adaptive and dynamic in their marketing and to reach their customers in the right channel, with the right message, at the right time. Digital marketing platforms are offering vast amounts of data and opportunities for companies to target and reach their audiences in. However, during my career in digital marketing, I have noticed that the companies struggling the most in doing this are the small and medium sized enterprises. Another notion I have made is that the traditional model many digital marketing agencies are still built upon is not serving the SME customers enough.

In this study, I wished to find out the benefits a Lean agile organizational model, which is a combination of Lean and Agile models, could offer to Company A especially in the way they serve their small and medium sized enterprise customers. Also, I wished to find out how this model could provide solutions to the biggest challenge SMEs are facing in their digital marketing endeavours. My research question for this study is; "How could digital marketing service provider's Lean agile business model bring value to the SME customers?". Taking into consideration that the Lean agile model might not be familiar to many, I decided to build my study around themes that are vital in Lean agile, but which could be observed separately from this model.

In the first part of my study I have gathered theoretical background information to support my study and which offer insight to my perspective from which I am approaching the study question from. Also, I consider it is vital for the reader to receive information on all aspects included in the study, which are digital marketing, SMEs, Lean organisational model, Agile organisational model, and what it means to combine these models together.

In the second part I will present my study methodologies. This study is conducted with phenomenographic qualitative research methodology, as my focus is to understand a phenomenon, rather than to measure it (Saaranen-Kauppinen & Puusniekka 2006). In my findings I am concentrating on the relativism of the study content which I gather through semi-structured theme interviews. My study objectives are; 1) the efficiency and level SMEs can utilize digital marketing, 2) whether SMEs are driving company growth with digital marketing, 3) what is the status of digital marketing service for a SME and should it be different, and 4) how is Lean Agile organization model currently seen and understood by the SMEs and digital marketing agencies.

In the third part, I present the findings of ten semi-structured interviews from which I identify the current challenges and emerging issues of the SMEs in regards of digital marketing and driving company growth, as well as analyse an overview on how they are managing this at the moment. To ensure I have a multi-dimensional perspective on the issue, I interviewed seven small and medium sized enterprises and three digital marketing agencies who already operate in a somewhat Lean agile way. My research part is themed differently than my theory part and observes the digital marketing efficiency and know-how within SMEs, growth-orientation through digital marketing of SMEs, and what are the digital marketing agencies providing for SMEs and what are the services missing.

In the final and concluding part of my study, I will reflect my findings and my research material and compare the results into the Lean agile model and present how this model can provide solutions into the emerging issues from the study. I also provide suggestions for future studies as well as follow-up plan for Company A at the end of this study.

2 Theoretical framework

In the first part of my study, I will present my theoretical background for my study. In this part, I aim to provide information on aspects that need to be understood by the reader, in order to fully comprehend the study and its results. Also, as the studied phenomenon and concepts are relatively unknown and can have many definitions, I whished to provide information for the readers from which perspective I am approaching my study from.

The theory part is themed to explain five different topics that all are relevant and present on my research part. These topics are digital marketing, SMEs, Lean organisational model, Agile organisational model, and what it means to combine these models together

2.1 Digital marketing as a core source of marketing success

Digital marketing has affirmed its position in today's marketing and in its necessity. It is known that in order to stay competitive and healthy, the company needs to have successful marketing campaigns that either increase or maintain their market share (Olajiga 2017, 110). Social media platforms and cloud media have made it possible for any company, even a startup, to gain visibility and create success stories without a significant upfront investment (Croll & Yoskovitz 2013, 353). They have brought significant opportunities for SMEs to find and target their potential audience and through that have the possibility to increase their performance, efficiency, growth and competitiveness (Taiminen & Karjaluoto 2014, 634). Digital marketing enables to follow your customer's every step, whether it is a click, share, comment, check-in, or purchase and that is why we are living a gold age of knowing your own market and react to its changes (Croll & Yoskovitz 2013, 392; Olajiga 2017, 12). It also provides an amazing pricing laboratory, as every discount and promotion, or pricing decision can be tested beforehand (Croll & Yoskovitz 2013, 279).

Even though digital marketing is a relatively new phenomenon, it has already experienced a radical change in its function. As the Web emerged, transactional websites were fairly simple, and they did not have to offer much more than a navigation menu and a possibility for the customer to select the product they wished to purchase. Now, however, the digital world has changed so drastically that the company needs to offer touch points and aim to serve their customers way beyond their website as the customer may have several visits before the purchase decision. (Croll & Yoskovitz 2013, 51.) With technology itself rapidly developing, even the advertising is changing its form as action-based advertising is spreading from Google AdWords to other media platforms, which even more increases

the pressure for companies to change their views on how to reach and serve their customers (Hendrix 2014, 149). The rapid change and development of digital presence has surprised some of the companies in how labor-intensive digital marketing now is, and how much continuous attention and participation it needs in order to be effective (Taiminen & Karjaluoto 2014, 638).

Due to social media and the rapid growth of digitalization, word-of-mouth has become even more valuable asset, as customers are able to share and interact with each other and with companies in real-time basis. This has created the "age of the consumer" and it has become highly important for companies to follow and interact with them in online presence, as customer comments and discussions (both positive and negative) provide valuable assets that can have a clear impact on the company performance. (Olajiga 2017, 77; Hendix 2014, 149.) Due to the changing environment on the markets, creating individualized marketing has become a focus of interest to companies, in order for them to build customer and brand engagement (PRNewswire 2016a, 4). Of course, a rapidly shape shifting and dynamic environment with different marketing channels and customer segments make strategies that have worked well in previous occasions not work as well on the next, and this is why individualization can be very challenging (Olajiga 2017, 157). As the digital world changes its shape rapidly and the customers are becoming even more empowered, the marketing planning and execution must be flexible and able to adapt quickly according to the trends and emerging market opportunities, as well as their customer's behavior (Olajiga 2017,8-9&110; PRNewswire 2016a, 2).

Through technological and digital development, not only the platforms but also the devices available have changed the way customers behave and make purchase decisions. It has been shown that consumers interact differently within different devices as creation happens usually with a computer, interaction happens usually with a phone, and consumption usually on a tablet. (Croll & Yoskovitz 2013, 293.) Also, when a consumer searches through their mobile, they have greater possibility to initiate action. Already in 2013, 9 out of 10 mobile searches lead to action and over half of them lead to a purchase. (Croll & Yoskovitz 2013, 298.) Therefore, handling your customers the same way no matter which device they are using can be a mistake. The era of smartphones is also a reason why the power has shifted from companies to consumers in current markets. (Hendrix 2014, 149.) Due to the environment of multi-platform and multi-device, enabling a seamless movement for the customer between them has a great effect on customer experience (Olajiga 2017, 91).

Digitality has offered an amazing possibility to gather data which you can use to improve your understanding on the market and your customers. This has also created a great pressure for companies to not only gather, but also master the vast amounts of data they receive from various platforms in order to survive. (Hendrix 2014, 149.) However, in this era of data, one must not forget to value other sources of information as well, as the customer purchase decision is not solely affected by reason (Olajiga 2017, 74). For example, by combining web analytics and feedback collected from customers together, companies are able to have a better chance in capturing actual customer behaviors (Olajiga 2017, 156). Luckily, technology has not only improved the way quantitative data is collected but also how qualitative data can be collected directly from customers. Investing in tools to gather customer feedback is therefore equally important than investing in tools to collect hard numbered data. (Croll & Yoskovitz 2013, 186.) Through properly analyzed and utilized data, the company is also more able to successfully create individualized marketing communication, which is interesting and engaging to the customer (Tredata & Forbes 2016a, 2).

To keep digital marketing effective, it needs to be optimized and developed. It is fairly easy to get blinded by the vast amounts of data provided by several platforms in the digital field and ending up focusing only on a restricted area of what is important to company success. Therefore, it is important to also take a step back and look at the bigger picture in a regular basis. (Croll & Yoskovitz 2013, 37&40.) Another challenge for marketing teams is to understand the difference of each digital marketing channel, and how each of these channels should be approached in order to convert visitors into customers (Olajiga 2017, 154). To this day, machine learning and optimization has increased its presence and bring aid to many functions, however, it still is not completely independent as it is constrained by the knowledge it has been given. Therefore, it cannot replace human perception. (Cross & Yoskovitz 2013, 38.) As the marketing technology and digital presence is constantly changing, having a marketing strategy based on short sprints can give marketing teams the necessary adaptability it needs to be more efficient and to reduce risks, and above all, bring value to their customers. These sprints provide regular checkpoints where the performance and efficiency of the marketing can be analyzed. (Olajiga 2017, 13 & 148.)

2.1.1 Data-driven marketing and organisation

The goal of analysing is to understand large amounts of information and data, and to determine how to react into it (Croll & Yoskovitz 2013, 354-355). It is impossible to simply guess what the future brings, as today's world changes in such a rapid speed. Therefore,

measuring and understanding everything that is happening and how things are progressing is at the core of being able to stay competitive for SMEs (Carter 2018,19; Croll & Yoskovitz 2013, 23). Through an efficient data-gathering and investing in tools to analyse this data, SMEs can create clear competitive advantage for themselves even without third-party analysing (Carter 2018, 19).

Measuring marketing performance is still at its infancy in small and medium sized enterprises, which is partially due to the way marketing activities are seen by SME management (Izvercianu & Buciuman 2012, 324). However, SME managers are clearly aware of the need to understand data in their operation, as it shows in a research published by Forbes and Tredata (2016, 2) in which 40% of participated companies had integrated both online and offline data to improve their customer connections and 43% state their infrastructure allows transparent data flow within different organisational functions. Yet, It seems there is a split in the way SMEs are approaching data, as there are clear far-end approaches from the ones that compulsively follow data and tend to over-analyse it, to the ones that only believe in the data if it supports their own point of views and beliefs (Croll & Yoskovitz 2013, 40). Ultimately, even if there are companies that can utilize digital marketing technology and measure it, the technology which could enhance marketing performance is underused as most of the times only web analytics is followed, and qualitative data is left aside (Olajiga 2017, 80-97).

Understanding data does not only offer the possibility to make better decisions, but it can improve efficiency through offering factual knowledge that does not have to be validated before implementing the necessary actions (Croll & Yoskovitz 2013, 390). Although, this is not as simple as it sounds, as the data is pouring out from multiple channels and it is challenging to determine which are the metrics the company should be looking at. When diving into the vast amounts of data the digital channels provide, it is also a challenge not to get lost and see patterns where there are none, but to stay objective and keep track of the bigger picture as well. (Croll & Yoskovitz 2013, 40.) It is important to understand the difference between occasional success caused by the increase of sales efforts, and long-term stable growth caused by an organized and systematic marketing activities (Izvercianu et al. 2015, 384). It is common that companies only follow the increases of sales and profit and through this determine the efficiency of their marketing actions. However, this might be misleading as the amount of sales can be affected by so many things on top of marketing actions. (Izvercianu & Buciuman 2012, 324.)

Even though it is a common tripping stone to get lost and follow the wrong data or even too much data simultaneously, it is also important to collect and capture as much as possible as the metrics that needs to be followed will change and multiply over time. In Lean Analytics, finding the right metrics is determined by the stage the company is in. (Croll & Yoskovitz 2013, 265.) Then, through experimentation the metric is further improved, until eventually a sustainable and scalable business model is found (Croll & Yoskovitz 2013, 27-28). To help the company to determine which metric should be followed, the companies should identify the one that will directly affect the company's way to operate and behave. The metric should also be easily understood by people other than the ones closely working with the data as it is vital that the metrics the company is focusing on are clear to everyone and misunderstanding in where the company is going is minimized. (Croll & Yoskovitz 2013, 392.)

It is important to remember that meaningful and useful data is not always numerical, and they need to follow both quantitative and qualitative data in order for the company to get a complete image of what their customers are doing and expecting. Quantitative data can answer to the questions "what" and "how much", but the qualitative data answers to an important question of "why". (Croll & Yoskovitz 2013, 13.) It needs to be kept in mind that the customers themselves are not all logical and systematic, but emotional beings which must be understood by the companies as well. Therefore, relying solely on quantitative data, the company can get side-tracked from bringing value to their customers as the quantitative data cannot tell you if the customer is having a bad experience or whether they have changed their expectations. (Olajiga 2017, 74.) Data should not only be collected through web analytics, but also through verbal and present data collection that is done through actual customer contact (Croll & Yoskovitz 2013, 23). Some of the world's most successful companies such as Google, Spotify and Amazon are continuously collecting qualitative data and listening to their customers for example through customer feedbacks (Olajiga 2017, 113-114). Focusing on solely quantitative data provided by web analytics, the company is at risk to create strategies around assumptions which can cause inefficiency in their marketing in the long run. Many times, managers and marketing people make assumptions of the customers and what they want according to their personal experience and behaviour. (Olajiga 2017, 21&97.)

It is good to keep in mind that metrics usually come in pairs and correlate with each other. By using a variety of metrics to follow the company increases their possibility to understand the key metrics themselves. Running tests and experimenting is also an important part of analysing as this is how you can collect data in where to guide and develop the business towards to. (Croll & Yoskovitz 2013, 8-12.) In a study conducted by O'Sullivan

and Abela (2007), measuring multiple marketing activities and their performance has a positive impact on company performance and overall marketing (Izvercianu & Buciuman 2012, 325). For a company to be data-driven, it needs to understand the metrics it follows and identify the actions each metrics is going to affect to (Croll & Yoskovitz 2013, 13-14).

2.1.2 Traditional marketing and its issues in current market environment

Many companies still rely on a traditional model of marketing strategy planning, which consists of highly constricted concept of time, cost, and set of campaigns that are fixed at the beginning of the fiscal year. This type of planning is of course suitable for campaigns that are predictable, such as events and universal occasions like Christmas, but campaigns run in more unpredictable channels like search engines, need constant change and adaptation to stay effective. (Olajiga 2017, 154.)

Before the digital era, and the "age of the customers", companies advertised on billboards, newspapers, radio and television, which allowed them to plan their marketing calendars statically without much understanding on who their customers are and why do they buy in the first place. One can characterize that traditional marketing planning often to consists more of assumptions about the customers, rather than data. These assumptions are usually made to support the decisions of management team of the company. Most of all, traditional marketing model lacks flexibility and adaptiveness which are vital for the company to meet the constantly changing expectations and interests of their customers. (Olajiga 2017, 9-19.)

One of the major issues that makes traditional marketing model unfit for today's world is the lack of wiggle room in decision making, preventing the company to react fast into emerging trends and changes that are happening in their markets (Olajiga 2017, 8). One major aspect that today's marketers need to focus on in order to create functional and effective marketing, is customer segmentation and the recognition of customer audiences being homogeneous within, but heterogeneous between each other. This means that there are customers that have a same interest the company can appeal to, but that they are in segments that should be targeted and approached with a different message. (Croll & Yoskovitz 2013, 161.) This cannot be achieved only by assumptions but with actual and consistent research of the customers themselves (Olajiga 2017, 21).

The digital era has empowered the customers by providing them unlimited access to information where they can not only compare the products to the competitor's, but to share their experiences in both good and bad with each other in real-time (Olajiga 2017, 19;

Hendix 2014, 149). This has altered and redefined the boundaries and roles of consumers, businesses and society (Hendix 2014, 149) and companies that are not able to adapt to the current environment, will fail to meet their customers' changing expectations (Olajiga 2017, 8).

When observing traditional marketing in the context of small and medium sized enterprises, one must recognize that the realities and resources of SMEs are far from larger
companies' and that they can rarely implement marketing actions with equal measures
(Taiminen & Karjaluoto 2014, 634; Poolton & Arokiam 2006, 689). Therefore, traditional
marketing has been argued not to even be applicable to SME operation as their marketing
needs to be informal, reactive and spontaneous (Taiminen & Karjaluoto 2014, 634). For
instance, in the traditional model where the budget is fixed to each channel in the beginning of the year and it is not reallocated even if some channels are having too much and
others too little, it is seen only as bad planning rather than lack of adaptability during the
year (Olajiga 2017, 7-8). In her book "Lean Agile Marketing", Femi Olajiga stress the importance of moving from a rigid marketing planning approach to a model that focuses on
listening and understanding the customers. According to her, through understanding the
customer journey, the company can better understand the customer experience and ensure the survival on the market. (Olajiga 2017 84-91.)

2.2 Small and medium sized enterprises

The definition of a small and medium sized enterprise differs between countries, but the European definition is that it has no more than 250 employees and have no more than 50M euro turnover on a yearly basis (Mason, Williams & Found 2015, 984; European Comission). There is some continuous conversation around SME's and how they adapt the current trends and especially digitality into their operation, and also how very important it is for them to do so. On one hand, SMEs are praised to be more flexible in adapting new technologies and being more agile in their operation than larger companies (Croll & Yoskovitz 2013, 355; Carter 2018, 19), still, there seems to be a constant worry that SMEs fail to understand all the benefits digitalization can offer them, or that they are unable to properly apply them into their operation (Taiminen & Karjaluoto 2014, 633-634; Poolton, Ismail, Reid & Arokiam 2006, 682).

One benefit presented by Croll and Yoskovitz (2013, 355) in why SMEs have the capability to adapt new concepts easier than larger companies is the fact that they do not have same significant capital and political investments they have made in their past, and which they need to move past before jumping into something new. In a smaller company, digital platforms can be a great asset to improve communication internally and externally, to stay

competitive and even to grow as a business. (Carter 2018, 19; Taiminen & Karjaluoto 2014, 634.) Karjaluoto and Huhtamäki (2010, 637) have presented main driving categories in why SMEs tend to adapt digital channels into their operation, which are firm-specific and owner-manager factors, resource-related factors, and environmental factors. Surprisingly, many SMEs do not consider increasing sales to their existing customers to be a primary reason to adapt digital channels to their operation, which indicates there is still some ignorance on what digital platforms can actually offer to the smaller companies (Taiminen & Karjaluoto 2014, 643).

It is already generally known that in order to stay competitive and survive in the current markets, the company must adapt to the unpredictable and constantly changing market demands and gain competitive advantage. Also, the ability to stay dynamic and agile with their operation, will lead to results in both adapting digital platforms as well as market success (Izvercianu, Serban, Sabina & Larisa 2015, 384). For an SME, learning is at the core of success in everything, even in utilizing digital platforms to their advantage. However, the limited resources of a small company can make this as a challenge. This is why the SMEs would need is a clear and easy way to adapt and use tools such as digital platforms in their operation. (Poolton et al. 2006, 682-685.)

2.2.1 Digital marketing as an opportunity and a challenge for SMEs

No matter which industry the company is operating in, because of today's market environment and technological and digital development, new comers will be flooding into the market causing constant pressure in market competition (Olajiga 2017, 109). A rather common focus point for SME managers is sales, and this is what they aim to support in everything they do, also in marketing. It is often noticed that when SMEs drive marketing by themselves, they tend to determine the success of the campaign through short-term goals, which usually is the revenue it brings in. Also, as sales is the main focus for the company, marketing activities are often activated only when there is a clear threat or opportunity. (Izvercianu et al. 2015, 385.) Unfortunately, this indicates that the SMEs do not recognize the benefits and opportunities digital channels could provide beyond the short-term objectives and that they are unable to utilize the digital marketing to create long-term competitive advantage and to communicate to their customers (Izvercianu et al. 2015, 384; Taiminen & Karjaluoto 2014, 633).

As SMEs are extremely sales oriented, the marketing activities that are closer to the sales itself, such as distribution, promotional communication and sales communication, are the ones that get higher rank in value than the top of the funnel ones. However, SME managers are badly underestimating the effects and benefits the long-term marketing activities

bring to the company, concepts like market research and increasing awareness through branding. (Izvercianu et al. 2015, 385.) Another problem is that as the marketing activities themselves are not kept in high regard or valuable, the company does not invest much resources in it. Marketing activities "gets done" if the everyday operations allow it and if someone can invest a couple of hours into it. The mindset that focuses solely in pushing products out the door and not thinking in how to maintain the business tomorrow, is a problematic one. (Poolton et al. 2006, 691.)

The most common reason given by the SMEs themselves of why they are unable to adapt digital channels into their operation more effectively, is the lack of resources in time and money, as well as the lack of know-how (Poolton et al 2006, 689; Taiminen & Karjaluoto 2014, 637). Even though the importance of digital marketing and its affect to any brand and its performance should be well known by now, by failing to invest in market planning and in bringing new customers through marketing, the SMEs are directly affecting their competitiveness and their ability to grow (Poolton et al. 2006, 682; Taiminen & Karjaloto 2014, 633). In case, however, the SME is in fact willing and interested in utilizing and developing the digital channels and digital marketing in their operation, the same limitations mentioned above present another obstacle for them; the inability to learn (Poolton et al. 2006, 682). As there is no proper time to focus on the digital platforms and their function, the knowledge the SMEs gain by doing will be limited especially in technical know-how in how each platform works (Poolton et al. 2006, 682). Also, the size of the company has shown to have a direct influence on how the company will adapt digital marketing into its operation; the smaller the company, the slower they tend to be in adapting new digital channels (Taiminen & Karjaluoto 2014, 636). Even though the resources and know-how are limited within SMEs, the digital marketing channels offer the possibility to create effective marketing even with a low budget. This is one reason the low-cost channels such as social media are more focused on and more expensive ones such as pay-per-click search advertising is left aside (Carter 2018, 19). Outsourcing can also offer SMEs a solution in how to maintain and develop their marketing effectively and increase flexibility, and to help them brake out from fixed approaches in each marketing platform by increasing know-how within the company itself (Carter 2018, 19; Taiminen & Karjaluoto 2014,643-644).

As the market environment is highly competitive and the customers have the ability to search information and compare products between companies before the final purchase decision, the importance of communicating and offering true value to one's customer has skyrocketed (Izvercianu et al. 2015, 383). In their research, Izvercianu, Serban, Sabina and Larisa (2015, 384) present that an agile approach to SME marketing could also pro-

vide solutions on how they could create better and more successful marketing. They believe that through continuous collection and analyzing of data and the customer needs SMEs are able to succeed (Izvercianu et al. 2015, 384). Currently, the term of Agile marketing is more utilized in bigger, international corporations and not SMEs, as the sales-oriented focus on marketing and lack of marketing know-how prevents the SME managers to see the benefits in such approach. Agility can be the key for the SMEs as they are in a desperate need for simple guidelines and concepts that help them set strategical and operational objectives. (Izvercianu et al. 2015, 383.)

The model suggested to SMEs links all the operational departments together and makes marketing as an integrated function in which every department is involved in. The benefit this brings to the SME is that it enables better information flow within the company, which improves the marketing itself and have more flexible resources that can be better allocated to reach the company objectives. The new approach should initially offer the company an ability to better react and respond to the ever-changing environment and enable structured long-term business success. (Izvercianu et al. 2015, 386-387.)

2.2.2 Driving growth through customer understanding

For many SMEs growth is extremely important but there is a risk if trying to scale up the operation too early, or when it is not actually sustainable. Especially in the early phases of the company, scaling the business and seeking for growth even if there is not enough information and knowledge about the market situation, customer needs, or even internal operation, pushing towards growth might harm the company just as it is getting started. For example, if the company operates in B2B area, pushing the company to premature growth by fishing for new customers might alienate its first customers, who have enabled the company's growth in the first place. The careful identification of what brings sustainable growth for the company needs to be the driver in selecting the metrics it follows. (Croll & Yoskovitz 2013, 277-278.)

Especially within Lean Startups, there are something called the "three Engines of Growth" that companies focus on to ensure its sustainability and its means to seek growth; 1) payment (have an investment in customer acquisition), 2) stickiness (have a product that the customers are interested in), and 3) virality (spreading the word within customers). These aspects should also be measured and followed even after the company starts growing. Quite logically, in order for a company to grow, it needs to have identified a problem to solve and managed to create a solution that the customers are interested in. This needs a lot of analysing and research on the customers themselves. (Croll & Yoskovitz 2013, 154-156.) By identifying why customers are or might be interested in the company's product,

implementing this knowledge into the company operation and in develop the product itself can not only help increase the company growth organically, but also to create more effective marketing (Olajiga 2017, 79).

Companies should keep in mind that the customers are ultimately the ones that determine the markets the company aims to grow in (Poolton et al. 2006, 681). However, it is important to recognise that not all customers are equal and that the company needs to identify the valuable ones from the customers that are not going to help the company grow in the long run (Croll & Yoskovitz 2013, 65). Through analytics, the company is able to create customer segments which can be optimised and developed to drive more sustainable growth for the company (Croll & Yoskovitz 2013, 27-28). By truly understanding the market and customer needs, the company has a better chance to create a product that has stickiness and which can gather organic virality on top of invested customer acquisition and lead to sustainable scaling and right product pricing (Croll & Yoskovitz 2013, 277).

An effective and flexible marketing operation is what enables and offers tools for customer understanding. Marketing agility can make marketing more efficient and able to react to changes effectively through following the Objectives – Key Results (OKR) framework and maintaining sufficient Return of Investment (ROI) by cutting down wastage of activities and strategies that are not functionable or other ways performing for the company's benefit. (Olajiga 2017, 132.) In the core of agile marketing, is the focus on creating revenue and growth for the company through fast and effective task completion. Marketing agility can also help reduce costs and support growth through better communication with external agencies they rely on. Many times, outside marketing agencies are not able to provide sufficient ROI to their customers, even though their fees perform as a huge expense to them. (Olajiga 2017, 112-120.) Through marketing analytics and optimising the key metrics, the company can determine its place on the markets and how it performs compared to its competitors (Croll & Yoskovitz 2013, 8).

2.3 The concept of Lean

In the 1980s, Lean's main objective was described to increase efficiency through minimizing non-value-adding activities, but in a way that maintains customer-perceived value (Calborg, Kindström & Kowalkowski 2013, 291-292; Haque & Chaudhuri 2015-16, 43). Today, explaining the term "lean" is not so simple, as it has evolved and gained different forms throughout the years from cutting down waste on a production line to company philosophy that stretches into each individual value stream in the company's operation. The concept of "waste" is defined as the unnecessary and excess parts of the operation (and production), such as overproduction, waiting, excess inventory, and excess motion

caused by variability in the way of working. (Haque & Chaudhuri 2015-16, 43-44.) Lean challenges the accustomed approach where companies aim to gain competitive advantage through mass production but who are in fact creating inefficiency within the operation and functions, by providing customer value through optimising the processes and cutting down costs by speeding and "leaning up" the processes themselves (Mason, Williams & Found 2015, 982).

As much as Lean is a model to optimise processes themselves, it also needs to be considered as a company culture and included in selected technical and tactical tools, strategical perspective and in management philosophy and methods (Carlborg et al. 2013, 300; Hague & Chaudhuri 2015-16, 42). After the millennium, the focus of Lean has tilted itself more from reducing costs towards the increase of value. This has made the modern definition of Lean to be more of a strategic than tactical approach in company operation, even though both descriptions still remain, making Lean as an abstract and context-dependent concept that can be applied into any field or industry, even services. (Carlborg et al. 2013, 292; Haque & Chaudhuri 2015-16, 43.) To clarify the modern structure and concept of Lean, Mason et al. (2015, 983) presented four descriptive Lean approaches in the way companies can adapt lean processes into their organisation; 1) operational philosophy ("leanness"), 2) strategic philosophy ("lean thinking"), 3) operational practice ("tool box lean"), and 4) strategic practise ("becoming lean"). They also identified fixed characteristics that Lean holds, no matter the form it is applied in; continuous focus on customer value, aligning all processes around these customer values, ensuring the entire organisation is involved and focused in reducing waste and process optimisation, constant improvement and development of both foundations and systems (Mason et al. 2015, 983).

As the markets are constantly changing and require fast changes and the ability to adapt, companies need to have a model that supports this and makes it possible through delegating decision power also to the ones holding responsibility of the execution as well (Croll & Yoskovitz 2013, 356). No matter in which form Lean is adapted to the organisation, it needs a clear and consistent philosophy in leadership, teamwork and problem solving so that result-orientation and improvement comes from empowering the employees in doing so (Haque & Chaudhuri 2015-16, 42). Successful Lean operation requires implementation and management commitment in creating a company culture, where individual and team skills are harnessed and supported (Mason et al. 2015, 993-995). The tool-set the company must gather in order to successfully drive the Lean processes in are guiding tools, practical lean tools, and lean training programs for each individual involved. Company management need to keep in mind that the most valuable asset is the workforce itself and

the way it is trained and prepared to the process is directly linked to the success of Lean implementation. (Hague & Chadhuri 2015-16, 46.)

It is recommended that the Lean implementation process is started with education and training of the individuals involved, both employees and managers, before even thinking about implementing the lean tools into the company operation (Mason et al. 2015, 995). No matter the size of the company, engaging people involved in the journey is essential (Mason et al. 2015, 994). By involving individuals equally no matter which role and job description they are in, the company is more likely to have the mentality and philosophy of Lean spreading within the organisation (Croll & Yoskovitz 2013, 392). Especially in a small and medium sized enterprise, the importance of well-structured management strategy, employee expertise and skills, and organisational culture on top of financial capability are stressed as critical factors in the success of Lean implementation. For a SME, it has been shown that through Lean processes, they can improve their external communication and information flow as well as collaboration with both customers and external partners. (Mason et al. 2015, 990-993.)

As Lean has become such a broad and adaptable concept, it can be applied into any industry or size of a business and help them become more efficient and competitive in their operation. However, there are only few SMEs that have taken Lean as an operational philosophy and majority of companies adapting Lean are larger enterprises, even though Lean is heavily discussed within Startup circles. The concept Lean Startup processes were created by Eric Ries when he combined customer development, agile software development methods and Lean manufacturing together. (Mason et al. 2015, 981; Croll & Yoskovitz 2013, 47-48.) Due to the small size of an SME, it can be also more natural for them to adapt Lean processes, as their operation is more flexible and production smaller which might have already made to support customer requirements. As a smaller company, when adapting Lean processes and philosophies, the communication within the company tends to already be fluent and this makes it easier for all individuals involved in the process to work closely together. Still, even though small businesses have their benefits in being able to adapt to change more effectively, their limited resources can prevent them from building a successful Lean implementation strategy as they might not be able to hire a Lean specialist to get them started. (Mason et al. 2015, 997.)

The Lean Startup focuses on learning, exploration, and experimentation by encouraging out-of-the-box thinking. In its core is the aim to truly understand what is happening within the company through data and analysing, rather than just implementing the model of "build, measure, learn", that is characteristic to Lean processes. Especially for a Startup

(and why not to a SME as well) the importance of not only implementing Lean practises to its operation but to be analytical as well, ensures they build something that has also a market for it. (Croll Yoskovitz 2013, 41.) The fact that this model focuses on learning, it empowers the Startup with the information it gathers and can use to its benefit. The current markets are affected by macro-forces such as globalisation and changed its nature in both supply and demand. By identifying issues that lay in the core of customer needs and the ability to solve those problems through learning iteratively, is the way smaller companies can compete in the heavily changing markets, regardless of their size and amount of resources. (Croll & Yoskovitz 2013, 356; Mason et al. 2015, 980.)

By focusing on collecting data, companies improve operations like quality control and improvement, reducing service costs and maintain customer satisfaction (Mason et al. 2015, 992). Lean analytics is a way company can learn iteratively and get closer to the reality of what is happening within the company and outside it. Lean, analytical way of thinking mean asking the right questions and following the right metrics that will enable the operational goals the company has set for itself. When used correctly, Lean analytics enable the company to stay on the "right track" and prevents it falling into a bubble created by the beliefs of its own members. By setting and focusing on clear and meaningful metrics, the company also helps individuals to understand and work towards the goals the company has communicated to them and helps to measure the actions taken to achieve them. (Croll & Yoskovitz 2013, 3-8.)

2.4 Agile as an organisational philosophy and strategy

Agile is a model which concentrates on learning through experimenting and in reusing best practises that help the company adapt and react quickly and cost effectively into the changes within its market. It can be described as an interaction process of individuals and teams, which can positively affect not only the effectiveness of teams, but the company revenue as well. (Olajiga 2017, 1-2; Izvercianu, Serban, Sabina & Larisa 2015, 383.) In a software development industry, where Agile operation is somewhat more familiar, Agile enables flexible product development through the ability to change the development process and the product itself without being destructive (Izvercianu & Buciuman 2012, 325). In its core, agility aims to create flexibility and this is why it is defined by each company culture it is applied onto and has no universally proved definition of processes and characteristics (Izvercianu et al. 2015, 384).

Being Agile has become more and more relevant in any industry, especially with the ones that are flooding in with competition. However, before starting to apply Agile processes into the company's operation, it needs to be aware of the issue it is trying to fix with the

model. This is why an Agile coach is a recommended way to start the Agile process, who recognises the situation and frames in which the agile model is to be fitted into. More than a framework, Agile is a process to grow the minds, hearts and physical practises into being Agile. (Olajiga 2017, 128-130.) In Agile model, the company needs to focus on the individuals and be aware of the skill set each employee has and to ensure an open culture of collaboration both internally and externally (Olajiga 2017, 26). For SMEs, Agility especially provide benefits and possibilities for growth as it focuses on moving the company philosophy and strategy from thinking to doing as well as it involves them with the mindset of constant improvement (Poolton et al. 2006, 692). Agility involves a high level of emotional intelligence within the company as it requires a proper atmosphere, where free information flow, transparency, and collaborative mindset is spread throughout the organisation. By engaging individuals, the company can benefit from their contribution, shared insights and experiences more and these should be used to build the strategy itself. (Olajiga 2017, 4&14.)

As the Agile model is built around individual and organisational collaboration, information flow and learning (Olajiga 2017, 14; Izvercianu et al. 2015, 388), its leadership and hierarchical model must differ from the current style of "command and control" leadership as it does not support the Agile innovativeness (Olajiga 2017, 112). Also, a traditional HIPPO (highest paid person's opinion) model is destructive to an Agile philosophy as the model is based on engaging each individual from the junior-level to the senior in the entire organisation (Olajiga 2017, 9). The traditional model of considering strategy building as a top-down approach, might prevent flexible change and without engagement tie the company from acting strategically to only thinking strategically (Poolton et al. 2006, 691). This is also an important notion as the newest generation, the "millennials", seem to respond very differently onto traditional leadership style and need to be constantly engaged and motivated, which also pushes the horizontal leadership model into the markets by force (Olajiga 2017, 112).

However, Agile does not have to be adapted into the entire organisation in order for it to bring benefit to the organisation. Agile model can be implemented into a smaller team within the company that works as an independent unit. (Olajiga 2017, 3.) The team must be built of highly performing individuals that are not afraid of risks and who are action-oriented (Croll & Yoskovitz 2013, 374). Each of the team members should possess what is called a T-shaped skill set, which means that each individual has multiple skills in different areas, which enables them to work not only independently, but also prevent the situation that the team has only one person with a particular skill. The T-shaped expertise also promotes a collaborative and creative atmosphere which can operate independently and

without senior management. A team that is constructed with T-shaped professionals also pull the individuals out of their own siloed point of view, which can be the case in a single-skilled professional and help the team work more jointly towards the common goal. (Olajiga 2017, 20.)

For the team to operate successfully, there is an unquestionable need for transparency and all individuals should be aware of what is happening within the team and how their own work aligns with the team's and company's objectives and mission. This helps the teams to align and collaborate as they have a strong understanding in their function as a team. Transparency also reduces anxiety within individuals, as misunderstandings are less present through open communication and understanding of what they are working towards to and who has which role in making that happen. (Olajiga 2017, 14&102.) The Agile model work with sprints lasting maximum of one month. The sprints help teams to align and clarify the goals and objectives they need to work towards to and to follow up the processes and success of each task completed during the individual sprint. The sprint follow-up is constructed with a particular set of meetings. (Izvercianu & Buciuman 2012, 326; Olajiga 2017, 144-145.)

One of the most important characteristics of a successful Agile philosophy and process is the way it handles distress and conflict. The idea of transparency is not only to share information itself, but also the disagreements, inconsistences between opinions and perspectives, as well as presenting all their ideas no matter how vague or different from the status quo they might be. In constructive conflict the matters are discussed thoroughly, and can even be disagreed with, but never silenced no matter who is the person presenting the matter at hand. This is why Agile is a model that can be full of noise, passion and full of emotions and involvement, but in which nobody is hurt. The constructive conflicts are managed and controlled through particular set of meetings that create a space that are psychologically safe and where each individual feels free to open their mind and hearts in. The ability to communicate this freely enables the Agile team to detect improvements that bring value to the operation in a way or the other. The openness and emotional intensiveness are also why the Agile team needs to be protected from outside influence as much as possible as the atmosphere can be easily disturbed by negative approaches or criticism of unfinished projects. (Olajiga 2017, 165.)

2.4.1 Agile marketing

Agile marketing is an effective way to respond and adapt into the ever-changing market environment and customer demand through aligning people, processes and tools to support different way of marketing planning and execution (Olajiga 2017, 148; PRNewswire

2016a, 4). In comparison to the traditional marketing strategy and execution, Agile marketing focuses on flexibility and ability to respond to market trends through constant modifications and optimization of marketing targets and strategies. Agile marketing highlights datadriven marketing decisions and bringing value to the customers themselves. (Olajiga 2017, 8-9.) Agile marketing approach gives companies the tools to react more effectively and in short notice to changes in the market, which gives them a definite advantage in emerging new opportunities and challenges (Poolton et al. 2006, 692). The approach promotes learning through short-term sprints, small and continuous experimentation, and constant readjustment, rather than long-term campaign planning and focus on a few bigger guidelines (De La Fuente 2018; Olajiga 2017, 13). The origins of the term "agile" come from IT software development industry, even though its meaning in marketing is very different from IT, as in marketing context, the term indicates a continuous development of processes, team members' themselves, and technology to create better customer experience and through that increase in revenue (Olajiga 2017, 13).

Agile marketing aims to understand the customer needs and expectations through identifying their behaviour and input and integrating this knowledge into the marketing processes with Scrum, Kanban or Waterfall methodology (Olajiga 2017, 155). As the customer behaviour and expectations are constantly changing, companies need a marketing approach that can reflect and keep up with them. The need for companies to make rapid decisions in how to respond in direct and indirect competition is key if they wish to increase or at least maintain their market share. (Olajiga 2017, 11&157.) The agility and quick response time to change provided by Agile marketing approach can lead to better marketing performance as through connected interaction, marketing can be more individualized into the customer needs (Izvercianu & Buciuman 2012, 324; Tredata & Forbes 2016b, 4-5).

The approach can even be used before the company is operating, as it gives an opportunity to look at the existing companies and create a customer journey map that will reveal what the company needs to focus on in order to be competitive. Therefore, the Agile marketing approach works well for smaller companies such as Startups. (Olajiga 2017, 83.) Agile marketing holds few core functions that make it successful; an iterative marketing process, increased productivity, transparency and measurability (Izvercianu & Buciuman 2012, 326-327). Transparency is highly important for an agile operation as it ensures each team member is aware of what others are doing and shares the responsibilities and contribution on the marketing campaign outcomes evenly between the team members (Olajiga 2017, 136). In a successful Agile marketing approach, the company can measure campaign performance in real-time and even make changes according to the data and other

insight. This helps them to engage their customers more and improve campaign results. (Tredata & Forbes 2016a, 4.) The marketing operation can be characterized as a somewhat uncertain field. However, digital marketing agility and its measurability on marketing investments can bring clear value and prevents marketing activities act just as an expense. Also, continuous measuring can not only tell the agile marketing team when to act but also how to act, as it provides factual knowledge of the issue at hand. (Izvercianu & Buciuman 2012, 324.)

Agile marketing is based on creating the customer value and improving the overall customer experience. Rather than trusting on assumptions and opinions of senior management, Agile marketing the team also collects its insight from the customers themselves through feedback. (Olajiga 2017, 101-102.) The goal in marketing agility is to find when, where and how does the customers want to engage in and meet those expectations (Tredata & Forbes 2016a, 4). According to a study on PRNewswire (2016c, 4), 41% of the participated company managers described Agile marketing to be applied into their marketing actions specifically to strengthen their interaction with the customers. Thereby, compared to the traditional marketing approach, agility enables faster adaptation to customer needs and therefore it can increases the customer satisfaction (Izvercianu & Buciuman 2012, 327).

Agile marketing teams are constructed from individuals (known as generalizing-specialists or T-shaped marketers) with various areas of expertise and skills, who are emotionally intelligent and who have a strong sense of soft skills. The Agile team members need to be self-organizing who will take responsibility and actively part into the planning and executing, led by their team leader. As the team members are highly self-organizing, the team leader is merely a coach for the team individuals, that helps team members to develop their skills and empowers them to make decisions themselves. The agile marketing teams use visual boards such as Kanban board to keep on track on the tasks at hand and to better communicate when each task is done in case another team member needs to react to it. Ultimately, the Agile marketing team's strength is to get out of the company silos and interact closely with company departments that are creating the products they need to market. The Agile marketing teams are not too focused on frameworks as their mindset needs to be change-oriented. Individuals in an Agile marketing team should embrace a growth mindset as it will help them reach their full potential and increase their value to the company itself. Effective and transparent communication is vital to a successful Agile marketing team and therefore face-to-face communication is prioritized over virtual platforms as they present a bigger risk for misunderstandings created by text-based communication. Most importantly, the agile marketing team must share the same vision, goals and values when creating a marketing plan. (Olajiga 2017, 27&121-150.)

The world has moved from the time when traditional marketing planning was efficient enough. Agile marketing planning does not focus on long marketing plans lasting one year or longer, but it divides the year into four quarters and vaguely plans the budget, channels and tactics used within that quarter leaving room for constant modifications if necessary. A fixed marketing plan and execution also slows down the marketing team's reaction time to change by approving and checking everything by senior management. The Agile approach of marketing planning can reduce waste in budget significantly as it recognises and eliminates channels that are not efficient enough faster. (Olajiga 2017, 20&154.) In a study conducted by Tredata and Forbes (2016a, 4) 45% of marketers participating to the survey considered technology to be the most critical contributor in a successful Agile marketing approach. Staying connected and listening to the customer is key in Agile marketing and in creating a successful Agile marketing plan. Therefore, the customer journey map needs to be updated frequently for it to truly reflect the current customer needs. (Olajiga 2017, 97.)

2.4.2 An example of an Agile marketing framework: Scrum

Scrum is a framework that has been created to manage and deliver complex product development and production. It constructs of a set of rules and some predefined roles, which each have a particular purpose that will make Scrum successful. Scrum approach can give marketing operation flexibility in project management and decrease financial risk as it is grounded upon transparency, inspection and adaptation. (Izvercianu & Buciuman 2012, 324-325; Shwaber & Sutherland 2018, 4.) Through transparency, Scrum framework allows noticing possible problems quickly and managing it with minimal possible losses (Izvercianu & Buciuman 2012, 324). Transparency also makes optimising and risk decision making more reliable as it aims to optimise the predictability and control risk. Scrum is particularly effective on transferring knowledge iteratively and incrementally and is therefore used in many levels of company operations. (Shwaber & Sutherland 2018, 4&17.)

In the beginning of the Scrum process, project objectives need to be defined into a Product Backlog. The difference in Product Backlog and traditional project management is that the prioritized list of product qualities and features determined in the beginning are not considered the final ones, but something that can be changed and reprioritized along the way. (Izvercianu & Buciuman 2012, 325.) The Scrum framework is constructed with care-

fully time-boxed sprints that are measured through the definition of "Done". As "Done" determines when the team considers the product to be ready and usable, the definition of "Done" needs to be clear and united within each member involved in the process. (Shwaber & Sutherland 2018, 5.) Marketing operation can utilize most of the elements used for Srum in software development, however it has its difficulties (Izvercianu & Buciuman 2012, 327; Olajiga 2017, 16).

In Scrum framework, scheduled and precisely time-boxed events are important as they create regularity. All event durations are fixed and cannot be shortened or lengthened. For example, the Daily Scrum meeting is time-boxed to fifteen minutes during which the team members answer three particular questions; What did they do the day before? What are they going to do that day? and What are the possible risks in doing this? The Sprint Retrospective is another event where the team can inspect any issues and create a plan of improvements that are going to take place at the next Sprint. (Shwaber & Sutherland 2018, 328.) The Sprint Goal is a set of objectives set for a particular Sprint to implement the objectives from the Product backlog. Sprint Planning aims to prepare the Development Team to explain how they are going to self-organize and meet the Sprint Goals to the Scrum master and Product Owner. (Shwaber & Sutherland 2018, 11.)

In marketing, Scrum framework can be divided into four sprints. On the first Sprint, the team should implement preliminary actions such as marketing research, defining marketing objectives, reviewing market data and selecting KPIs. The second sprint should consist of identifying data collection sources, documenting KPIs and setting targets for these KPIs. At the third sprint the team should already start collecting data for the KPIs and activate them, and the final and fourth sprint consists of updating the KPIs and creating the final performance report. (Izvercianu & Buciuman 2012, 328.)

The Scrum team is a highly flexible and adaptive team, that consists of small group of individuals. A self-organizing team that is also cross-functional, will choose their own work and none of the tasks are assigned to anyone. (Izvercianu & Buciuman 2012, 326; Shwaber & Sutherland 2018, 5.) The Scrum Team consists of individuals with different roles such as Scrum Master, who works as a servant-leader for the Scrum Team and handles the communication outside of the Scrum Team, the Product Owner who makes final decisions, and the Development Team who have all the skills needed to complete and succeed in creating the product increment without outside assistance (Shwaber & Sutherland 2018, 7; Izvercianu & Buciuman 2012, 326). For the Scrum framework to be successful, each participating team member must commit to achieve set objectives and goals and work their way through possible problems (Shwaber & Sutherland 2018, 5).

2.4.3 Growth hacking

Growth hacking has similar characteristics in its mindset than Agile, as the mentality of a growth hacker is to constantly test and find new ways to achieve growth. However, as the mindset of a growth hacker is so fixed on finding new ways to grow with any means possible, they might actually lose the sight of the bigger picture. (Croll & Yoskovitz 2013, 277.) Growth hackers rely heavily on data and run experiments according to this data to find the most cost efficient and functionable tactics that bring the best results in driving growth. The process is usually very cost and time efficient, as the best practises and strategies are automated. Growth hacking has also received a somewhat negative tone to it, as many times the tactics that have been used by growth hackers have included actions such as e-mail spamming and buying social media likes and followers, which is cheap but ultimately unmeaningful for the company. This type of tactics can also lead to conflicts, especially if the company is caught violating the terms and policies of other sites and marketing platforms. (Needleman & Khadeela 2014.)

2.5 Combining Lean and Agile

Discussion over Lean and Agile models is constant and clear guide lines has not yet been set for them either separately, let alone together, or on their relations in other concepts. One structured definition is that Agile as a concept has succeeded from Lean and Agile itself has been succeeded by a concept called learning organization, which has also been succeeded by other terms already. Even though Lean and Agile are separate terms, they are both described as concepts that will create a base for organizational sustainability. (Putnik 2012, 177.)

The Lean concept as itself aims to cut down waste from the company's operation in any form, such as in time and money consumption, which leads to inefficiency. The Agile concept and its way of aligning teams helps companies to recognise these wastages and enables them to react and make modifications more effectively. (Olajiga 2017, 120&150; Putnik 2012, 179.) One of the clearest differences between Lean and Agile is that Agile concept does not have the same focus on repetition that Lean does. Also, as Agile promotes collaboration, it tends to reduce competitive set up and atmosphere, where Lean as its most extreme can actually be the cause of hyper-competitive company atmosphere. Therefore, Lean and Agile can be claimed to be not only inseparable, but also interdependent of one another. (Putnik 2012, 180.)

In both Agile and Lean concepts, it is considered that the people and especially their potential is the resource that will enable growth and success in an unpredictable market environment (Putnik 2012, 180). Transparency and openness within Lean agile teams is vital and therefore it needs to be maintained and cared for. Carefully scheduled and time-boxed sprints give the teams a good structure in which to uphold and promote behaviours such as active learning and adaptation to the strategy itself. For the sprint to be successful, the entire team has to take responsibility and participate in its planning. Each team member is also accountable of the outcome of each sprint, which only increases the participation and concentration on the sprint at hand. (Olajiga 2017, 144-145.)

Managing the diversity of demand varies within industries and that is why applying especially Lean model into different businesses such as services is not as straightforward than into manufacturing. Also, the participation of the customers makes service field much more dynamic, which fights against strict Lean concept. (Carlborg, Kindström & Kowalkoski 2013, 294.) Therefore, it is important that Lean and Agile concepts are fused together to enhance sustainability, complexity management and active learning (Putnik 2012, 179).

2.5.1 The core of soft values in Lean agile

Lean agile team is a self-organized team that can respond effectively even to complex issues and changes within its environment, without the lead of senior management. Its core purpose is to reduce waste in both cost and time consumption through prioritizing and planning carefully the tasks each team member is going to perform during the sprint. By using Objectives - Key Results framework, the team can organize itself in a way that they have clear view on each team member's tasks and how they are linked to each other and especially how they are linked to the objectives of the entire organization. Having a transparent and structured framework also helps to decrease work-related stress within team members. (Olajiga 2017, 132-149.)

One major factor in enabling Lean agile teams to be so self-organised and reactive to its environment, is its cross-functionality and the way each team member does not only focus their skills on one line of abilities but has wider skill-set in various fields of expertise. This is how teams can increase their flexibility and performance through teamwork orientation and independency within individuals themselves, without being reliant on a single member of the team. For example, in Agile marketing teams, adapting skills that have used to be considered as IT skills, such as web analytics, is considered valuable and therefore it is important for marketing people to understand the technical skills they need to get the most out of digital marketing tools. The team members are also encouraged to update their skill

set in regular basis, especially if they see opportunity to create value to the customer through these skills. (Olajiga 2017, 4&115.)

In the core of a functionable Lean agile team is an empowered individual and in order to achieve this the team needs to leave aside the roles and titles and focus on keeping each individual proactive and personally contributing to the team's and company's objectives. However, a flat hierarchy is not enough to empower the team members and the team needs to have an open and safe atmosphere where each member feels comfortable in expressing their opinions, ideas, or even concerns, without the fear of being judged or punished for it. Agile approach understands that the team includes individuals that have different ways of thinking and often different career goals. In fact, a research by Google shows that psychological safety is one of the key factors affecting the team performance. (Olajiga 2017, 125.) In the end of each sprint it is also important to go through notions gathered during the sprint that can provide an overview of and feedback on each team member and their performance, as well as any issues and conflicts that might have arisen during the sprint that needs to be resolved (Olajiga 2017, 164).

As an individual in a Lean agile team, on top of wide skill-set on many fields, the team member needs to possess qualities such as a growth mindset, emotional intelligence, and confidence (Olajiga 2017, 4). People with a growth mindset are aware of the level of their existing skills and which they wish to have in the future, and are willing to put effort in improving those skills and abilities constantly. People with a growth mindset tend to thrive during difficulties and in challenging situations as they take responsibility of their own actions and aim to find a solution from within rather than pointing fingers. As a comparison, people with the fixed mindset are usually struggling to adapt to change and especially to an Agile mindset. (Olajiga 2017, 28.) A working environment with high emotional intelligence has been proven to play an important role in productivity and individual output and as Lean agile team's environment is delicate with its supportive and unjudgmental atmosphere, emotional intelligence is crucial for it to work (Olajiga 2017, 42). This reaches itself even into the behaviour and used language within the team and it is vital that each team member understands and accepts the rules of engagement in how to address their colleagues and which sort of language is appropriate at the work place (Olajiga 2017, 137). Finally, confidence is defined as a certainty on one's abilities and having trust in oneself, other people and in the future itself which is exactly what is needed in a real Agile mindset (Olajiga 2017, 36).

2.5.2 Lean and Agile in service environment

Implementing the Lean model to a manufacturing operation is relatively easy, but to implement it to the service field is another story. It has been argued that Lean principles cannot be implemented into service operation the same way and needs to be adjusted and tailored on its particular needs. One thing, however, that stays the same in both manufacturing and service environment, is the need to engage everyone involved to cut down waste and committing to all Lean processes. This can be ensured through proper Lean training. (Haque & Chaudhuri 2015-16, 43.) Of course, the characteristics of the service itself affects how the Lean principles fit into it and how much does its operation reflect the manufacturing logic. Therefore, on top applying just technical tools to the service operation, they need to be fitted and modified into the service industry logic first. It also needs to be kept in mind that along with new technologies, the applicability of certain Lean principles may change in time. (Haque & Chaudhuri 2015-16, 43; Carlborg et al. 2013, 300.)

Similarly, the value-added steps need to be separated from the non-value-added ones in service environment and aim to optimise the processes so that every step will add value and eliminates waste. The different forms of wastages determined in Lean concept for the more fixed manufacturing industry can be also translated into more service industry friendly definitions and for example overproduction can be defined as situations where the customers are asked for unnecessary proof of claim or to call back later. Waiting can be defined with any situation where the start of the next activity is delayed due to a need of verifications or queues, even if the previous activity has ended. The unnecessary motion can be situations where the employee needs to hunt for answers and information from other employees. Inappropriate processing can be the inefficient usage or wrong usage of technology, manual errors, double checking, and even adding too much value to a service from which the customer is not prepared to pay for. Unnecessary inventories indicate the pending requests, queues or unnecessary e-mails that only holds and postpones the closure or the work task that bringing actual value. Transporting is defined with the unnecessary motion of materials, products or other information for example between departments. Defects are wastage produced by delivering wrong information to the customer, doing same task multiple times, or any aspect that does not meet customer needs. On top of these more common wastages service environment wastages should be added the wastage in human potential, natural resources and inappropriate systems. (Hague & Chaudhuri 2015-16, 44-45.)

In marketing service context, many agencies still operate with traditional models that does not adapt and reposition their activities to fit client needs and the competitive environment.

In today's markets it is impossible to determine whether the marketing mix that has been set in the beginning of the cooperation with the customer, would still be valid the next. Therefore, an Agile approach to marketing will help agencies to analyse these channels and ultimately help their client determine the best marketing mix. Through Agile model, agencies have been able to bring several benefits to their customers including identifying efficient and non-efficient channels sooner and reach better results in both short and long-term goals. As the agile marketing enables smaller goals that fit into sprints, it has also given the agencies a better way to communicate their progress to the stakeholders more effectively. (De La Fuente 2018.) The Agile marketing agencies should see themselves as servants to their customers (Olajiga 2017, 126). The Agile model has brought agencies more velocity, better collaboration and better way to serve their clients to meet their own audiences where needed (De La Fuente 2018).

Determining what adds value to the operation is where the service environment differs from the manufacturing as the value is dependent on customers and customer perceived value is not stable. In Lean, the value is provided by the service company, but defined by the customer. Therefore, increases in efficiency cannot be assumed to automatically increase company revenue, as the customer satisfaction might be affected by these changes and lower the company profitability. Traditional Lean principles do not take into consideration the customers' actions and therefore the concept needs to be adapted and changed to fit service environment's needs through customer processes. (Carlborg et al. 2013, 294.) Also, it is important to focus on adding value to both quality and productivity, in order to make Lean processes successful in service operation (Mason et al. 2015, 993). It has been indicated that increased efficiency in service operation can cause lower customer satisfaction, and as traditional concept of Lean emphasizes the internal efficiency rather than customer satisfaction, some Lean principles are not applicable in service environment. Still, leaning up processes can provide great benefit to the service development and execution. (Carlborg et al. 2013, 299.)

In order to successfully define value and reduce activities that are non-valuable, the service company needs to understand the way their customers define it. Through understanding the customer definition of value, the company can increase both service efficiency and customer satisfaction simultaneously. Certain type of process flows can be utilised in pooled services, but in services that have high diversity in demand and high customer participation, fixed processes will only lower the customer satisfaction. The Lean concept of perfection is not something achievable in service environment, but it can be utilized to search for improvements on both efficiency and customer satisfaction although the definition of perfection needs to vary according to the aspect measured. (Carlborg et al.

2013, 296-299.) Also, including external elements to the processes in service environment can be valuable, as they may add value through unravelling new opportunities (Carlborg et al. 2013, 300). Agile processes are considered to add both efficiency and customer value through decreasing reaction and decision-making time to release functions handled in the sprint (Izvercianu & Buciuman 2012, 325).

3 Research methodology and methods

In this part, I will explain my needs and objectives for the study and explain what the preliminary reason for me were to choose this topic and why do I consider it to serve Company A's needs. I will also describe my research methodology as well as my research strategy and analysing methods. In the end of the third part, I will also discuss the possible limitations and biases of this study, that I wish the readers to take into consideration when reading the study results.

3.1 Needs and objectives

Digital marketing has been actively researched for its possibilities and many challenges have been stated, no matter the size of the company or operation. However, according to the study of Lipiäinen, Karjaluoto and Hakola the small and medium enterprises face more challenges in marketing digitalization than bigger companies, for their marketing realities differ from bigger companies. The smaller the company, the slower it most likely is to adapt new technologies and trends (Lipiäinen, Karjaluoto & Hakola, 2013, 17).

During the time I have worked closely with small and medium sized companies and their digital marketing strategies, I have noticed that the biggest overall factor keeping the SMEs utilizing the digital marketing channels is the feeling of uncertainty and lack of resources. This finding was also supported by previous studies. For example, a study by Lipiäinen et al. stated that the lack own know-how (in 6/13 companies) and lack of personnel (in 7/13 companies) were mentioned as major obstacles by the participated companies in their study (2013, 18). Also, Martin (2015) presented in his article "The State of Digital Marketing" research percentages of the Demand Metric study, that state one of the biggest considered challenge in successful digital marketing to be the lack of staff, technology or other resources (42% of participants).

Along with digital marketing and its problems, the companies that aim to provide services to help companies within digital marketing channels have arisen. In the beginning, these companies concentrated to provide services within certain channels, but as the digital marketing continued to grow, it forced the companies to take wider selection of channels as their provided services. The necessity of existing services remains especially for the small and medium sized companies, as they might not have resources for a marketing manager or department themselves. Therefore, they rely on outside providers to take care of the digital marketing. The issue was also stated by Jelfs and Thompson, the founders of The Two Lizards; "While bigger companies can afford a marketing manager, with

smaller companies you (the digital marketing agency) are usually sitting down with the actual business owner" (2016, 4-7).

However, the cooperation between SMEs and companies who provide digital marketing services has not started without negative reflections. Despite the seemingly reasonable solution of transferring the responsibility of SME digital marketing to digital marketing professionals, in several cases the SMEs do not consider their digital marketing to be handled with the efficiency, or with the care they had expected and in worst cases companies feel as if they have been deceived and fooled for their money. Sadly, according to my own experience, in some cases this is what is happening. The key to effective marketing is to reach the right audience with the right message, at the right time and the most secure way to do this is through constant analysing and marketing optimization. Also, the world of digital marketing channels is constantly changing, and that is why they need constant supervision and reactivity. In a digital marketing company that takes care of hundreds of different digital marketing accounts, the attention towards an individual account might get affected. Also, the personalized message requires active participation and insight from the SME itself, which is often challenging due to limited resources or inefficient communication between customer and service provider.

Through this study, I hoped to recognise and understand the possibilities and benefits a Lean Agile organisation model could offer to Company A so they can provide solutions for this pressing issue of the SME clients. I wish to observe the mentalities and needs of both regular SMEs and digital marketing service providers which have already made changes in their operation to fit the mentioned model. From these results, I hope to give out clear values that the model will bring to the SME customers and through that clarify the focus points Company A should pay attention to in order to factualize these benefits especially for their SME customers.

Due to these observations and factors, in my research objectives I aim to;

- understand better the pressing issues of SMEs on utilizing digital marketing effectively
- understand what SMEs expect and require from their service providers in regards of growing through digital marketing
- identify whether there is a difference in point of views between the SMEs and Lean
 Service providers in how to fix the issues
- find benefits of how a Lean agile organization model of the digital marketing service provider brings value to their SME customers

3.2 Research methodology

As the research methodology for my study, I chose the phenomenographic qualitative research methodology, as my focus is to understand a phenomenon, rather than to measure it (Saaranen-Kauppinen & Puusniekka 2006). Also, as the phenomenon itself is relatively new, I felt there is no previous studies I could directly compare my topic and its results to. Even though there are multiple previous studies on Lean Agile marketing, they tend to focus on more of the performance and benefit it brings to in-house groups and departments, rather than how such operation model could work in a service provider – customer situation.

I selected the phenomenographic approach to my research methodology, as I wanted to understand the phenomenon better by comparing ideas and opinions of parties on both sides of the resting issue; the small and medium enterprises and the digital marketing service providers. As for the digital marketing service providers, I considered it to bring more relatable value if I select agencies that have already implemented some of the characteristics and processes of Lean Agile into their operation. I wished to gather a study that can enlighten the opposite ideas and point of views on the phenomenon and through that bring value to both parties in my conclusions. Also, as I was studying a phenomenon such as this, it would require a research method that gives more liberty and freedom into what is been said and how of the experiences by the interviewees. As phenomenographic approach is explained by Saaranen-Kauppinen and Puusniekka (2006), the methodology focuses on studying the phenomenon through studying each interviewees' point of views not as individual separate ones, but as point of views that are joint together by a common theme. Each interviewee selected to the study is therefore somehow in touch with the pressing issue. Seven of my interviewees are marketing decision makers in a small or medium sized company in Finland, and three of my interviewees are decision makers in a digital marketing service provider company, that has already somehow adapted the Lean and agile organization models to their operation.

3.3 Research strategy

As I wanted to study the phenomenon through comparing existing ideas and point of views on it, conducting the research through interviews was a logical choice. I also realized that to fully understand the phenomenon, I needed to look at it through certain themes it builds up from and therefore, I ended up conducting my study through semi-structured theme interviews. According to Saaranen-Kauppinen & Puusniekka (2006), the semi-structured interview suits situations where the interview is built around certain

themes and holds specific questions which give more freedom for the interviewee to answer than a structured interview, but still aims to keep the answer within wanted limits.

The themes I selected and built my question forms to, were mainly inspired by the themes that rose from my theory studies and observational pain points. The themes that I wanted to cover in my interviews were; 1) the efficiency and level SMEs can utilize digital marketing, 2) whether SMEs are driving company growth with digital marketing, 3) what is the current status of digital marketing service for a SME and what it is considered it should be, and 4) what way is Lean Agile organization model seen and understood by the SMEs and digital marketing agencies.

As there were two types of interviewees, I needed to create two separate interview forms, that still could provide me comparable answers within these themes. I conducted the interviews with two separate interview forms built for the marketing decision makers of small and medium sized businesses, and to the decision makers in the Lean or Agile digital marketing service providers. Both of these interview forms followed the four themes even though I needed to reorganize and modify some of the interview questions to better fit the different viewpoints of my interviewees in SMEs and in digital marketing agencies, without guiding the answers into too different paths.

As the research was conducted through semi-structured interviews, the questions needed to support the themes and be clear enough for the interviewees to understand them but still not too specific so that they felt free to answer to the questions as the answer came into their heads most naturally. One challenge I needed to consider on the SMEs' question forms was the clear difference in the level digital marketing was used and understood both by the SME decision makers themselves and within the company in general. Therefore, I had to create questions which could be answered no matter the interviewee's level, but so that it would not affect the content they provide too much. In the final versions of my question forms, there were 18 questions for SME marketing decision makers and 15 questions for marketers in a digital marketing agency.

I wished the interviews to be conducted face-to-face, but quite soon after I started contacting possible interviewees, I noticed that many decision makers were too busy to sit down at the end of the year for an hour, so many of the interviews were conducted through the phone. All interviews were recorded, so I could ensure I did not misunderstand or bypass any information I received from the interviews. All in all, I conducted ten interviews, each lasting between 40-50 minutes.

3.4 Research analysis

As my research strategy was thematic, it is only natural that my approach in analyzing the results would be thematic too. Even though I constructed my interviews around certain themes, the answers themselves presented different set of themes in which the results made more sense to be presented. Therefore, I studied the results with thematic analyzing, and focus on the relativism on the content of my interviews as the themes came naturally from the study content, however, many of the topics were described in different words by my interviewees (Saaranen-Kauppinen & Puusniekka 2006). As my interviews were built around clear themes to begin with, a thematic analysis helped me to maintain my way of presenting the issue through certain topics and areas of interest throughout the study, even though the themes themselves changed in the analysis part. Also, as the themes are present on the answers of my interviews already, thematic analyzing made it easier to gather and combine the answers in an understandable and conclusive manner (Saaranen-Kauppinen & Puusniekka 2006). As my study aims to perceive the phenomenon through mind sets and point of views, it is the what my interviewees' say rather than how they say it what interests me. Therefore, relativism is what I concentrate on and analyze in my study.

The way I structure my study and how I theme them in the research follows very carefully the four themes I have selected in my research strategy; 1) the efficiency and level SMEs can utilize digital marketing, 2) whether SMEs are driving company growth with digital marketing, 3) what is the current status of digital marketing service for a SME and what it is considered it should be, and 4) what way is Lean Agile organization model seen and understood by the SMEs and digital marketing agencies. As more general themes I wish to support in my research part is comparison of point of views of SMEs and digital marketing agencies and understand if there are clear similarities and differences in the way the pressing issue is seen within these groups.

The research topics are constructed by comparing the SME decision markers' answers together and highlighting possible themes rising from their answers, after which I go more into detail on the individual point of views of the interviewees to give more thorough understanding on the way my interviewees answered and felt towards the question and theme. Usually in the end of each chapter, I have also combined the answers of the digital marketing agencies which I compare both together and to the answers of the SME decision makers, aiming to highlight the similarities and/or differences the point of views might have between each other. As for a reader of the study, I recommend getting acquainted with all of the interviewees through introductions I start my research with, to get a more in

depth understanding on where the answers might be coming from and what is the situation that affects their point of views.

In the conclusion part, I have looked at the overall results and selected the biggest issues and themes that has risen from all the interviews, and though comparison to the thematic part of this study as well as my own perceptions, I discuss each theme in depth. The conclusion part is not to give out direct strategy or guidelines into how to address the issues, but rather bring light and awareness on them so that the issues can be acknowledged by Company A and taken into consideration when creating their future operation and service structures.

3.5 Restrictions and possible biases

The clearest restrictions of my study are that the interviewees I had on my study are mostly e-commerce companies, that has a very clear image of digital marketing and its benefits. However, the semi-structured interviews limited the amount it was reasonable to interview people, as the gathered insight might have been overwhelming for a master level thesis and caused it to grow too wide if not limited. Therefore, in order not to break the point of views into too many different variables, I decided to concentrate on SMEs that were already have good level of awareness of digital marketing and how it is to work with digital marketing agencies. Also, all but one of my interviewees are from the Helsinki region from Finland, which might mean that the results are not equally applicable within the other regions or globally. The other restrictions I need to consider is the small amount of service providers, which limits the presented point of view of digital marketing agencies as they are also agencies. Another issue on the agency level interviewees is that the concepts Lean and Agile might not be similar with each other, even though they are visible in their operation. The Lean and Agile concepts were also clearly somewhat new or unclear to the interviewees, which required my own input in giving some of the interviewees a clarifying description on the topics, in order to have a comparable answer from them in some of the questions in the interview. Therefore, it should be taken into consideration that the answers regarding Lean and Agile are based only by the description the interviewer has given them.

One of the biggest bias that I have needed to concentrate on throughout my study is my own point of view and closeness to the topic. As the topic is close to my heart in general and what lead me to the topic in the first place is my optimism and trust on the model and its benefits. Therefore, I have needed to be considerate not to bring my own enthusiasm towards the topic to affect my interviewees or lead their answers in the direction of my own beliefs. Also, in the analysing part of my study, I have needed to pay close attention

to not to let my own point of view could my judgement and force out answers that support my own ideologies. This said, I have kept my own bias towards the topic in mind in interview creation and execution phases, as well as in the analysis of the study results.

4 Research

In the research part, I present the findings I have gathered through the semi-structured interviews held between 8.6.2018-21.12.2018. Interviewee Z's Interviewee Y's, Interviewee X's, Interviewee W's, and Interviewee T's interviewees were held in Finnish, and Interviewee V's, Interviewee U's, Interviewee S's, Interviewee R's and Interviewee Q's in English. The study's semi-structured interview forms can be found as appendixes 1 and 2.

The results are themed by the existing themes on the interview, however, they have been modified slightly to better support the most visible themes which emerged from the answers of the interviewees. These themes are; the general overlook on how SMEs are succeeding in digital marketing, how it is analysed by SMEs, is it connected to drive company growth, the digital marketing service environment and its lacking, Lean agile organisational model and would it be applicable to the service concept to SMEs. In the beginning, however, I will introduce all of my interviewed companies to give the readers a better understanding on where their answers are coming from.

4.1 Introduction of interviewees

Interviewee Z, Marketing and Customer Care, Company B – Company B is an online store which operation officially started in 2013 and which currently has four full-time employees. Its billed through revenue was €2,5M in 2017, but as it is a market place for different brands, its own revenue was 500K. When it comes to digital marketing, Interviewee Z describes herself to be the only one in charge of making marketing decisions, and all her skills are learned while working at Company B as she has no previous experience on it. However, according to Interviewee Z, the company is still so small that everybody needs to take on tasks and responsibility where it is needed. The company has been working closely with one digital marketing agency called Company K, which founder also has sat on their company board since 2017. On top of Company K, Company B has also utilized other service providers in affiliate marketing (Interviewee Z 2018).

Interviewee Y, CMO, Company C – Company C is a Finnish mobile operator which operation was launched in 2016. The company revenue was approximately €6M in 2017 and the company has currently seven full-time employees. According to Interviewee Y, digital marketing is what the company's operation is based on as their product is sold solely online. Interviewee Y says the company's level of utilizing digital marketing can be described as excellent, when taking into consideration their size. The company does not have a separate marketing team in-house, except Interviewee Y herself and a Marketing

coordinator, that handles offline marketing materials and logistics, and creates social media content. The company is working closely with a company called Company K, which is also invested in Company C, and the service provider team is working as an outsourced digital marketing team of three to four people. According to Interviewee Y, the service provider team work as if they would be part of the company. Company C is also utilizing advertising agencies to create visual content and bigger campaigns, PR offices for content creation, and service design even though these services are used very little. The company has used services throughout its lifetime, however some of the services have joined slightly later than others (Interviewee Y 2018).

Interviewee X, Entrepreneur, Company D – Company D was founded in 2011 and is mainly an interior online store but it also has a physical store in central Tampere in Finland. The company's revenue is €800K and it has three full-time employees on top of Interviewee X herself. The company has no marketing team and Interviewee X is the only one making decisions. According to Interviewee X, her own skills could be a lot better in digital marketing even though she has been able to learn some things as she has worked with service providers. However, she states that compared to many other SMEs, the company's level of utilizing digital marketing is pretty good. The company has utilized four different service providers during its lifetime, and all of these collaborations have been terminated after the trial period. The previous service providers offered the company services mainly in advertising, but also in web shop optimizing (Interviewee X 2018).

Interviewee W, Founder, Marketing and Sales, Company E - Company E was founded in 2015 but its operation was fully activated in 2016. The company operates in wellness and beauty industry, but its operation has been in its current form only for the past two years. The company revenue was around€ 350K to €400K in 2018 and it has four full time employees including the three founders of the company. The company does not have a separate marketing team on top of Interviewee W, however, decision making and content creation is done together with the company CEO. Interviewee W herself has a long history in marketing and sales as well as working with digital marketing, however, Company E is the first company she has done hands-on digital marketing herself and according to her, this is something she has learned by doing. At the moment, all of the company's marketing excluding a couple of events are done through digital marketing. The company has been utilizing outside service providers for different channels and the main reason to do so has been the lack of time resources inhouse. Currently, the company has a partner in Google and Bing, with whom they have worked for a year. They have also had some short trial periods in Social media marketing, but they still consider this to stay more effective if done inhouse. (Interviewee W 2018)

Interviewee V, CEO, Company F – Company F is an e-commerse company founded seven years ago, which provides delivery services to their customers for the products they have ordered. The company revenue is around €3M and they have five full-time employees. Interviewee V herself is not the one who handles digital marketing in their company, however, she is involved with the decision making. According to Interviewee V, she also thinks a lot about the digital channels and how they can be utilized and measured, as she considers this to be highly important for their company. During the lifetime of the company, they have worked with several service providers in digital marketing. In the beginning, the services were purchased separately and only for certain channels but for the last three years the company has been working with a growth-oriented service provider that takes care of everything on digital marketing field. This partnership is also the longest they have worked with as other partnerships were terminated after six months. The current partner operates as an outsourced digital marketing team for the company and works closely with the company's Marketing Manager (Interviewee V 2018).

Interviewee U, Sales and Marketing Director, Company G - Company G is a hygiene product company, which produces goods such as baby diapers and female hygiene products. The most commonly known brands of the company are Product 1 and Product 2. The company is turning 40-years in 2019 and its total revenue is around €20M. The company has two production sites, administration, and marketing and sale departments, and has around 70 people working directly to the company. Interviewee U has a long experience in international marketing and branding and describes to be familiar with the basics of digital marketing. The expertise within the company Interviewee U describes to consist of marketing professionals, but none of them are a clear digital marketing professional. However, they do have a person who is in charge of the digital marketing field. The company's marketing team consists of three people on top of Interviewee U herself. One person is focusing on in-store marketing, one on customer service and importers, and one person works with digital marketing. As for the level of utilizing digital marketing, Interviewee U describes them to use it a lot as a company and aims to learn from it constantly. The company has had several partners in digital presence and they are currently outsourcing some digital services such as Google marketing and optimization. Still, they do not have a continuous contract with any digital marketing agency (Interviewee U 2018).

Interviewee T, COO, Company H – Company H is an online store that is specialized in design products and which turns 15-years in 2019. The company revenue was €20M in 2018 and they have approximately 60 employees in the company. All of the company's marketing and customer communication is digital. The company has a long partnership

with one digital marketing agency called Company K, which has also invested in Company H. Interviewee T describes the agency as an outsourced marketing team that she also considers to be their media agency. On top of the digital marketing agency, the company utilizes occasionally creative agencies for visual content and web shop coding. The digital marketing agency works with them in many channels both in advertising and optimization. The company has also their own marketing team in-house that consists of a marketing coordinator, two copywriters, visual content coordinator, editor, Italian design specialist, and Interviewee T herself (Interviewee T 2018).

Interviewee S, Head of paid Seach and Media, Company A – Company A is a digital marketing agency that has 35 employees and approximately 60 customers both in continuous and project basis. The company is 10-years-old and its yearly revenue was €4M in 2017. The company is widely specialized in services within the field of digital marketing such as advertising on search engines, social media and programmatic, marketing automation, web analytics, conversion and search engine optimization, customer journey mapping, and business consulting. Interviewee S describes the general organization model as flat, as it constructs from teams of specialists lead by team leaders accompanied by the executive team and the CEO. According to Interviewee S the company's way of working is relatively Lean and on December 2016 they launched a Lean test team in which they moved members of the specialized teams to a joint customer team who collaborate together by structuring and sharing their daily work through Kanban board and daily meetings. Interviewee S herself is leading this team (Interviewee S 2018).

Interviewee R, CEO, Company I – Company I is a digital marketing agency that has 3 full-time employees and 15 customers in total. The company is 6-years-old and its revenue was €140K in 2017. Company I offers digital marketing consulting services ranging from advisory services to the tactical implementation of campaigns and working as an outsourced digital marketing team for their customers. The company's expertise is in business-driven digital marketing as they construct their digital marketing funnels according to the customer company's strategy and operative KPIs. The company's organization structure is flat, and all of the employees are experts that can each perform as project lead. Currently the company consists of paid employees and entrepreneurs, but they are planning to open their operation for contractors. According to Interviewee R, the company's operation has some characteristics of an agile organization model, as they are very self-driven and each employee set their own performance goals on how they are going to support the company rather than them being appointed by the company itself. From these self-set goals, the company then makes vague general performance goals, which they follow up in daily, weekly, and quarterly meetings. They also aim to Lean up their processes

by cutting down unnecessary things for example through automatization (Interviewee R 2018).

Interviewee Q, CEO, Company K – Company K is a sibling company of Company A which operates as a venture-oriented digital marketing agency. The company has been in operation approximately for two years and has five employees. Its yearly revenue in 2018 was €500K and it has 10 customers. The company provides wide range of services in digital marketing and specialises in growth-oriented marketing and web analytics, especially in international e-commerce. According to Interviewee Q, the company does not have a clear organisational structure as they are a small team of five, but he would describe themselves as a flat, Lean organisation, in which everyone has basically the same title and work description. Interviewee Q describes the company has both Lean and Agile operational models in it, even though they are still a work in progress as neither of the models are fully structured in a formal way (Interviewee Q 2018).

4.2 The general overlook on how SMEs succeed in digital marketing

I wished to get an overview of the interviewees' opinions on the general situation of SMEs in the field of digital marketing, so in the SME decision makers' interview question no.5, the interviewees were asked to describe the way they considered SMEs succeeding in meeting their set targets through digital marketing and what they considered as the biggest challenges or enablers in doing so. The interviewees gave out answers both based on their experience within their own company, as well as what they felt is generally happening within the SMEs in Finland. Interviewee T did not wish to comment the question on a general scale but provided answers based on Company H's own performance. All interviewees considered there to be more difficulty than success in the way SMEs can utilize digital marketing (Interviewee Z; Interviewee X; Interviewee W; Interviewee V; Interviewee U). Three most repeated and noticeable themes raising from the answers in why it is such a challenge for the SMEs, were the lack of resources and know-how, and the digital marketing service providers.

The digital marketing agencies were also asked to share their point of view on the matter on their interview question no.6, and at least Interviewee R and Interviewee Q shared the SME decision makers' point of view on how the SMEs could do a lot better in reaching their targets with digital marketing, although Interviewee Q wished to add the SMEs are not doing completely bad either. Interviewee S was unable to fully answer the question as their team does not receive their customer company's targets. However, she considered setting proper targets in the first place to be a challenge for the SMEs, as they often end

up being too vague, constantly changing, or the SMEs are struggling to break the targets down into more approachable metrics.

The lack of resources either on people, time, money, or knowledge was one of the clearest themes raising from the interviews (Interviewee Z; Interviewee Y; Interviewee X; Interviewee W; Interviewee U; Interviewee T). Especially the lack of skills was considered as a big issue, as it prevents the SMEs to understand all the possibilities digital marketing channels could offer. Because of this, the SMEs were considered making wrong decisions that bring no results, which might sadly lead them to think digital marketing is not worth investing in (Interviewee Y; Interviewee X; Interviewee W; Interviewee T). Interviewee W and Interviewee Z also considered that the lack of consistency in digital marketing activities is what creates an illusion for the SMEs that digital marketing does not work. This prevents the SMEs to be brave enough to jump into the digital marketing and invest in it efficiently enough (Interviewee Z; Interviewee W).

The lack of knowledge on the digital marketing field was described to cause several problems for the SMEs. For example, Interviewee Y considered that the digital presence of most Finnish mid-sized companies is in a poor state and one of the problems was that Facebook seems to be the only channel they utilize, leaving other channels such as search engines completely neglected. Another point of view was that because of the lack of knowledge and skills, digital marketing world is seen as such a huge and complex field by the SMEs, that it feels impossible to handle or gain enough visibility in it (Interviewee Z; Interviewee U). The lack of knowledge was described to make the digital marketing seem like a bogger that the SME feels unable to tackle and therefore makes it easier to bypass all together (Interviewee Z; Interviewee U). The limited budget was mentioned to create challenges, as it was considered hard to break even with the investments it requires to bring actual results (Interviewee Z; Interviewee W; Interviewee U). However, Interviewee V and Interviewee T state digital marketing platforms to be an effective tool for SMEs to market themselves especially as they can be measured and followed.

Another theme that emerged from the answers was the service providers themselves. The service providers were linked to create challenges not only because of the lack of knowhow in the SMEs, but also within themselves (Interviewee Y; Interviewee X; Interviewee W; Interviewee V). Interviewee W considered the lack of knowledge within the SMEs to directly prevent them to demand and ask for certain services and results from the digital marketing service providers. Interviewee X agreed on this by stating that the lack on both knowledge and time to keep up with the changes within digital marketing platforms prevents the SMEs to understand what the service provider is actually offering to them. She

also criticised that some of the service providers seem to take advantage of this and offer low quality services for this reason. Interviewee V also seemed to agree with this by stating that some of the service providers are unable to provide the promises they give the SME in their sales pitch and are creating inefficient digital marketing for the SMEs. Both Interviewee X and Interviewee V stated that the digital marketing industry has been stained and that service providers cannot be trusted with the results they provide or what they claim to deliver, which is very worrying to hear. Interviewee Y saw the lack in knowhow not only to be on the SMEs side, but also in many of the service providers as well. Interviewee Y agreed with Interviewee W that the lack of knowledge on SMEs side prevents them to expect and demand better quality services, but the lack of knowledge in service providers themselves prevent the efficient packaging of digital marketing services. This drives them selling small but easily sold packages for their customers rather than creating wider multi-channel approaches which is the only way to make digital marketing effective and functionable. Interviewee W considered the investment on service providers to be a challenge for the SMEs due to the limited budget they have and the need to break even with the money they invest in their digital marketing. According to her, even though the media budget would be profitable, the service provider fees tend to tip the balance making breaking even highly challenging.

Interviewee T and Interviewee U also mentioned the challenge in creating effective content to be one of the challenges SMEs are struggling with. Especially Interviewee U described the high expectations of the consumer within digital channels and the vast amount of content digital channels provide to make it very challenging for an SME to catch the attention of their targeted audience. Also, knowing how to approach the audience on a particular channel is mentioned to be important for the SMEs, but also challenging without the proper knowledge on how to do this (Interviewee T; Interviewee U). A very different point of view as challenges the SMEs are facing was coming from Interviewee U, as Company G's products are not buyable online. Interviewee U stated that it is a definite challenge for companies like them to measure and follow their impact and whether they have reached their right audience or not with their digital marketing, as the link between online data and offline sales does not exist.

The digital marketing agencies also considered the lack of knowledge and skills to be the biggest challenges for the SMEs that prevents them to meet their targets with digital marketing (Interviewee S; Interviewee R; Interviewee Q). Interviewee S considered the lack of clear and tangible KPIs to cause the unrealistic expectations of the SMEs in regards of their own resources. Interviewee R agreed with the SMEs also on the role of digital marketing service providers and criticizes the industry to be very sales oriented in which the

services have been built of small, single channel packages that are easily buyable, but which do not truly bring that much benefit or growth to the SME. According to him, this has led to a lack of trust between the service providers and the SMEs, which is also the reason cheap single channel packages feel safer to buy for the SMEs as it presents less risk taking. Interviewee Q claimed that the biggest preventing factor for the SME to succeed is not a challenge as such, but the fact that marketing is not appreciated enough to be invested in. He considers the lack of trust by the SME managers in marketing itself and what it can provide to make them expect proof before they are willing to invest in it. However, according to him the lack of know-how is an industry wide issue, as the digital marketing world is relatively new and there is not enough workforce to meet the need on the markets.

On the other hand, as for the enablers on how the SMEs can utilise digital marketing effectively, the SME decision makers considered a good service provider to be a valuable asset as well. According to the interviewees, with a good service provider the SME is able not only to reach better results, but also to learn more themselves through the service provider (Interviewee X; Interviewee W). Secondly, the knowledge on how digital marketing works and how to analyse it was mentioned as key to be able to succeed in reaching a good level of efficiency and ultimately the targets with it (Interviewee V; Interviewee T). The ability to set proper KPIs and change your actions according to the received data is key (Interviewee T; Interviewee V; Interviewee S). Interviewee T also mentioned one enabler of success to be a skillful and dedicated team which constantly tests and follows the marketing performance.

4.3 How well is digital marketing data analysed by SMEs

On the SME decision makers' interview question no.7, the Interviewees were asked to analyse how efficiently they can utilize data collected from digital marketing and improve their marketing activities with it. Three out of seven interviewees were utilizing the data systematically and seemingly with very high standard, two were utilizing it to some extent and two were utilizing it very little. Each of the interviewees were, however, clearly seeing the benefit and need in doing so, and no matter what level they felt their company was in utilizing digital marketing data in, they had willingness and motivation to develop it further.

The companies that had systematic and high level of data analysing were Company C, Company F, and Company H. According to Interviewee Y, Company C is constantly collecting data to improve their performance and product through collecting customer feedback. However, she feels the first step for the company was to collect the customer base and now it is their time to start developing it more in detail. Also, the customer insights

have been a vital part in developing the product itself into its current form and is still used in product development. According to Interviewee V, utilizing the data collected from digital marketing is key in improving it. At Company F Ltd, the data is collected from various channels and analysed through Google Analytics. Interviewee T describes that the data collected from digital marketing at Company H is used to drive their marketing and they orchestrate even immediate changes, if the data supports it. Still, she wishes that the data would be analysed even deeper, which has not been possible so far due to the lack of resources.

The two companies that utilize digital marketing data in some extent were Company D and Company E. Even though Interviewee X is the only one in Company D that handles marketing affairs, she considers she is be able to utilize the data received from digital platforms but finding the right set of data to look at might be slightly challenging and time consuming. According to Interviewee W, Company E is able to utilize digital marketing to improve their site content through key word analysing tools and utilizing their site visitors in similar audience recognition and in remarketing. All analysing except the monthly advertising report provided by their service provider is done inhouse.

The companies that were not utilizing digital marketing data that much to improve their marketing were Company B and Company G. According to Interviewee Z, Company B is not utilizing data from their digital marketing partly because of the lack of resources, even though she would personally consider it to be highly important in improving their marketing efficiency. She describes the follow-up of new and exciting projects to often fail, as the focus is more in campaign execution itself rather than analysing them. In order to have some change in the matter, she claims a change in mindset and an increase in human resources would be required. The biggest challenge why Company G is unable to utilize digital marketing data is their product not to be available online. Therefore, they can collect data only from a limited audience of their entire customer audience, as they visit their online site or other online channels. Still, she considers they can utilize the data they have to improve their digital marketing to some extent.

To have a clearer image on how sophisticated the SMEs are on their digital marketing analysing, the SME decision makers were asked to describe the metrics they focus on to measure digital marketing performance and success on the interview question no.8. To have some comparison on whether these metrics are reasonable, the digital marketing agencies were asked the same question on question no.7. All but one of the SME decision makers described at least one direct sales-oriented metrics such as ROAS, cost per conversion, and revenue to be included in their main metrics (Interviewee Z; Interviewee

Y; Interviewee X; Interviewee W; Interviewee V; Interviewee T). The companies that were more advanced in data analysing and in utilising the data collected from the digital marketing channels were also focusing on other metrics such as site visitors (Interviewee Y), customer lifetime value (Interviewee V), amount of conversions (Interviewee T) and campaign related social media metrics (Interviewee W). As for the companies that were not actively utilising digital marketing data, in Company G's case Interviewee U describes them not to focus on particular metrics other than what feels spontaneously interesting to them, such as social media followers.

The SMEs were asked for the reasons in following these metrics in the question no.8a, and the most common answers were the need to gain company growth and staying profitable (Interviewee Z; Interviewee X; Interviewee W; Interviewee T). It is known that the limited resources are a definite challenge for the SMEs and especially when the company drives towards company growth, the resources need to be used extremely efficiently. Some of the interviewees stated that by focusing on the short-term goals, the company can better ensure their succeess in this. However, it is recognised by some of the SME decision makers that long-term goals should also be set and followed (Interviewee W). Some SME decision makers that were following other than sales related metrics stated doing so in order to get a full view on their digital marketing performance and ensuring the company is staying healthy (Interviewee T; Interviewee Y; Interviewee V).

The answers by the digital marketing agencies on which are the main metrics they followed were very united with the answers of the SME decision makers. All the interviewees described to select and follow metrics that are tangible and business critical, such as sales and two of them stated to select other metrics according to the customer company's own operational goals (Interviewee R; Interviewee S). According to the digital marketing agencies, setting metrics and targets to the SMEs can be a tricky business as the results the agency is content with might not be considered satisfying by the SME itself (Interviewee R). Often, this can be due to the lack of knowledge from the customer company's end, even though the same effect might actually create a situation where the SME itself does not understand the figures but trusts the agency as they can see the marketing efforts have a positive impact on their company's performance (Interviewee Q). Especially Interviewee R and Interviewee Q highlight that these metrics are selected as they have most direct impact on the SMEs operation. Providing good results on these metrics the agency can improve their customer's performance as well as encourage them to invest even more into the marketing (Interviewee Q).

In question no.9, digital marketing agencies were also asked to analyze how well they consider their company can help SMEs to improve their marketing and all of them stated they can provide data to support the company's decision making and in sharing their ideas how to approach certain issues. However, only two of the agencies described doing this with their customers. Interviewee S agrees that they would have access to data that the SMEs could utilize to drive their marketing and make it more efficient, but it is rare for their customers to ask for it. This she considers to be because not many companies are interested in driving their marketing according to the existing data.

4.4 Driving SME company growth through digital marketing data

In the SME decision makers' interview question no.6 the interviewees were asked whether they consider digital marketing as an efficient tool to support company growth and their answers were unanimous in all but one interview. Digital marketing was clearly seen as an efficient tool to support company growth especially for the companies that have high online presence. It is clear, that when the company operates its business online, their ability to drive and measure growth in digital channels is far more straight forward than for the companies that does not have equally high focus on the online world. In Company G's case, Interviewee U describes that digital marketing is necessary, but whether it can lead to company growth is very hard to say as the product sales happen solely from the shelfs of the supermarkets. Of course, she indicates that the distributors would probably not take their products as willingly if there would not be any demand created through visibility but in this regard, digital marketing is as any marketing effort to them.

As majority of the interviewees show sympathy on behalf of the matter and on its importance, it is safe to say digital marketing is an important and effective tool for the SMEs to drive and seek for growth, and that the SME decision makers are well aware of this fact. However, in question no.7a, the SME decision makers were asked whether the digital marketing data is used to drive company growth, only four of the companies were doing so even to some extent. In Company C, Company F and Company H the response indicates that the data is very much attached to the operational decisions (Interviewee Y; Interviewee V; Interviewee T), and in Company E it is utilized more in the launch of their new international product, however, more than the digital marketing data they rely on sales data to drive their growth (Interviewee W). In the companies that do not utilize digital marketing data in driving growth, the reason for this seemed to be in the resources and of course in Company G's case, the difference in how digital marketing is used in their operation. Interviewee X also states she feels the data provided by the agencies she has worked with do not provide any more than unmeaningful advertising data, that is not usable in the company strategy.

On the digital marketing agencies' interview question no.5 in which the agencies were asked the same question, all of them agreed that digital marketing platforms provide important data that can be used in driving company growth. However, Interviewee S points out that advertising data itself is not able to make the company grow and it is important for other aspects such as the product itself to be in order and functionable before the company can gain growth. She also states that when done correctly, digital marketing is a relatively cost-efficient way for a SME to do this.

In question no.9, SME decision makers were asked to analyse and describe what they consider to be the biggest challenge in combining digital marketing and driving company growth and again the lack of resources and inhouse skills were a common response. According to Interviewee Z and Interviewee X, as the internal resources and digital marketing know-how within SMEs are limited, there is not enough time to gather the data or aim to learn to analyse it so that it could be utilised properly. Also, according to Interviewee V the fact that the digital marketing field is not only new but constantly changing, many SMEs are not able to keep up with it. Interviewee X and Interviewee W both mention one of the challenges to be in finding the right metrics and data to follow from the vast amount of data provided by multiple platforms. Interviewee Y also adds that due to the lack of understanding of digital marketing, a lot of SMEs are expecting quick fixes and direct results from digital marketing and fail to understand that driving growth through digital campaigns need consistency and time. She also points out the same that Interviewee S that in order for the company to grow, not only does the product need to be in order and attractive to the customers, but it needs to be presented in a way that increases its appeal to the customer audience.

The help and input received from service providers in driving growth through data was also mentioned by some of the interviewees both in a positive and a negative tone. According to Interviewee X, the data provided by the digital marketing service providers is mostly data on how they have succeeded on a particular advertising campaign, but which does not bring any additional value to the SME itself especially in regards of using this data to determine growth opportunities. However, she considers the service providers to have access to data that would. Interviewee V points out that due to the lack of understanding and skills in digital marketing field, SMEs do not always understand what they are buying from the service providers. However, Interviewee Z shares a more positive perspective as they have worked with a partner agency that has helped them in collecting

valuable data. Problem seemed to be that they still fail to utilise this data due to the severe lack of internal resources, which would be needed to adapt the data and insight into their operation and growth strategy.

Thereby, the internal resources seem to be the key in any circumstance for the SME to efficiently utilise their digital marketing data. The level of internal expertise clearly directs the efficiency the digital marketing data can be utilized within the company. This can be detected from the responses of companies that also described to use digital marketing data to improve their marketing efficiently, as they do not even recognise digital marketing and driving company growth to be separate concepts in the first place (Interviewee V; Interviewee T). Of course, in a case such as Company G, the biggest challenge is to combine the online data into the offline sales of their product (Interviewee U). Yet, this issue sadly remains unsolved.

In the digital marketing agencies' interview question no.8, the interviewees were asked to analyze the very same question and the answers were supportive to the ones provided by the SMEs themselves. According to Interviewee S and Interviewee R, the lack of understanding on digital marketing or marketing efforts in general has a huge effect on how it is approached by the SME management and how it is invested in. In fact, the lack of understanding either in the possibilities or the limits of set budgets can drive the SMEs to decrease their investments and therefore hinder their growth, rather than increase it. Interviewee Q also mention the need for the SMEs, or any companies for that matter, to recognize the change in the way marketing should be approached. According to Interviewee Q, the silos within the company that prevent information flow are the biggest challenge to combine digital marketing and company growth, and in order for the marketing to be efficient it needs data and information from other functions of the company, not just marketing performance.

In the question no.9a, the digital marketing agencies were asked whether the data they provide is used to support company growth and they all had different experience in this. Interviewee S did not think any of the data they provide is utilized by the company to drive growth as she stated in question no.9, their customers rarely ask for such data from them. Interviewee R considers the data they provide to be used somewhat on their customers operational strategy, however its usage is hindered by the lack of trust from their customer's side on the data that digital marketing provides. On the other far end is Interviewee Q, who state that driving growth is part of their service and therefore the data they provide for their customers is always utilized in driving company growth, even though the

amount might differ according to customer. From these answers a light pattern can be assumed that the more the digital marketing agency is involved in providing data that supports growth, the more likely it is also utilized by the SME itself.

4.4.1 The main enablers and challenges

When the SME decision makers were asked how they felt they were succeeding in driving growth through digital marketing, most interviewees were feeling positive on their performance on this field, even though some of them considered it to still need improvements (Interviewee Z; Interviewee Y; Interviewee W; Interviewee V; Interviewee T). The interviewees were also asked to share their point of view on how SMEs are succeeding in utilising digital marketing to drive their growth on a general level where the interviewees clearly considered to be room for improvements (Interviewee Y; Interviewee X, Interviewee W; Interviewee V). Interviewee Y and Interviewee T consider their companies have succeeded in driving growth through digital marketing extremely well and Interviewee T describes this to be enabled by a dedicated and skilful team and a big enough budget that correlates with their growth expectations. Interviewee Y describes that their growth is enabled along with good branding by the fact that their entire operation is new and built seamlessly to support digital platforms. Interviewee W gave a similar answer to Interviewee Y and described their entire product and brand to be built through digital marketing and therefore it is the main source for their growth. Interviewee V is the third one who describes digital marketing to be the key for their success in growth as they are operating in e-commerce.

The interviewees were also asked to analyse the biggest enablers and challenges they considered to either help them succeed in this, or not. Even though Interviewee Z was optimistic on their performance in driving growth through digital marketing, she states that the lack of resources prevents them driving growth through the digital marketing. She also states that without the help of a company like Company K, they would not have managed to receive even the results they have so far. Interviewee X also considered the lack of skilled personnel that would understand digital marketing better to be what is preventing them from seeking better growth through digital presence.

The clearest theme which was described by the interviewees in preventing the SMEs to seek and receive growth through digital marketing in general was the lack of skills and understanding of the digital world itself (Interviewee Z; Interviewee X; Interviewee W; Interviewee V). According to Interviewee W, the digital marketing channels are used a lot by the SMEs, however, the level of their skills in utilising them varies a lot, which reflects di-

rectly on their ability to utilise service providers and digital platforms in general. Both Interviewee X and Interviewee V consider the lack of knowledge leading to inability to receive the full potential of digital channels as they do not understand how much they require activity and financial investments in order to bring growth. For companies such as Company G, Interviewee U describes driving growth to be challenging as they cannot truly follow the effect of digital channels properly in the first place.

As for the biggest enablers for an SME to succeed in driving growth through digital marketing, is the fact that SMEs can be more agile than bigger companies and therefore can hold an advantage in succeeding in it (Interviewee W; Interviewee V). Interviewee V states that the ability to analyse the results and adapting to them quickly is a definite benefit for an SME. Interviewee W considers the agility to come from having the decision making as well as execution of the campaigns within the SME itself. Interviewee X considers a good service provider with whom communication is fluent to be a valuable asset that she sees the growth-oriented SMEs would be willing to pay for.

When asked from the digital marketing agencies to analyse how they consider SMEs are succeeding in driving growth through digital marketing, the answers varied in content, but still held the same opinion on how the SMEs are not doing so well in it due to the lack of knowledge. Interviewee S state that it is very much determined by the mindset the SME managers have towards marketing itself and whether it is invested in or not. She considers the ones who see digital channels as a growth possibility to succeed in it as well. Interviewee Q also considers that the attitudes of most Finnish entrepreneurs are not that growth marketing oriented and the possibilities digital channels could provide are not recognized and thereby not invested in. Interviewee R on the other hand consider the lack of knowledge to prevent the SMEs to set proper KPIs for their marketing. As a positive note, Interviewee S consider the myth of digital platforms offering free visibility to have passed and now it is understood that to gain visibility in digital channels, the company needs to invest in them either in labor or money vise. Interviewee R also considers the digital channels to be highly important for the SMEs as it can provide possibilities through agility in testing their unfinished ideas and develop them if necessary or even recognize if there is no demand for it.

4.5 The description of a good service provider

In the questions no.10 and no.11, I wished to learn about the way SME decision makers see digital marketing as a service and how would it should be in order to feel it is serving their needs as much as possible. The SME decision makers were asked what they considered to be the definition of a good service provider and which were the most important

skills and qualities the agency should bring to the table. The most visible themes in their answers were cooperation and operative support. In other words, they wished for the digital marketing agencies to deliver growth and keep their marketing effective. Five interviewees out of the seven of the SME decision makers stated a good service provider should aim to deliver growth for their company. Interviewee Y stated that result orientation is key for them as Company C itself is concentrating only on sales-oriented metrics, and even though brand awareness is important to have, they have not set clear metrics to follow it. Interviewee T's answer is similar to Interviewee Y's and she states that the service provider Company H is willing to work with, has to follow the ROAS and sales figures as well. Interviewee U describes that a good service provider should deliver either direct growth or brand awareness so that the SME can feel that things are truly moving forwards and that their investment has been worthwhile.

Another theme that was even more common between the interviewees was that a good service provider must understand or at least aim to understand certain aspects such as the SME industry, its strategy, and what are the challenges a small company faces (Interviewee Y; Interviewee X; Interviewee W; Interviewee V; Interviewee U). Interviewee Y mention the importance of common values between the service provider and Company C. Interviewee V states that she needs to feel that the service provider truly understands the company's strategy for her to feel comfortable in sharing certain operational KPIs with them. She also highlights a feeling of unitedness with the service provider to be an important factor in this. Cooperation and good chemistry were also mentioned to be important qualities by many other interviewees as well. Also, the word "trust" emerged with these qualities in several interviews. Especially the combination of the service provider's understanding of the SME's operation and collaboration in working together seemed to create feeling of trust towards the service provider (Interviewee X; Interviewee V; Interviewee W).

Many of the interviewees also mention activeness to be one of the most important qualities of a good service provider (Interviewee Z; Interviewee V; Interviewee U; Interviewee T). Interviewee T and Interviewee V both mention the activeness in bringing new ideas and to develop their marketing to be extremely important quality in a service provider. Interviewee U mentions she hopes for a good service provider to be someone that would not only hold the necessary skills themselves, but also for them to bring the knowledge in to the SME itself and teach them how to utilize the digital channels better. Interviewee T also highlights that she expects the service providers to have professionality within the channels they provide and ability to suggest improvements through hunches as they know

what might work and what not in these channels. Interviewee Z states she expects activeness and regularity more in the way the service provider keeps in contact with them above anything else.

Of course, possessing the technical know-how and skills that the SME does not have inhouse were considered as an important factor the service provider should bring to the table in a partnership. Especially Interviewee Z and Interviewee U also wished for clarity in the way service providers present the way they can improve the SME's business. The SME decision makers expect quite logically that the service provider company hold more knowledge on the digital marketing channels than themselves, as well as for them to have the latest tools to utilize digital marketing channels. One aspect many of the SME decision makers highlighted as well, was analytical thinking and the ability to analyze the data they provide as something they expect and hope for from their service provider (Interviewee Z; Interviewee Y; Interviewee T). However, this was considered a rare thing to find. In fact, criticism rose towards the service providers from several of the interviews, especially in the way they provide data and actual results for their customers (Interviewee Z; Interviewee Y; Interviewee X; Interviewee W). Interviewee Z states that she feels many of the service providers are not really providing enough help to analyze the data they provide, so that the SME is left alone with the responsibility to understand the data they receive. Interviewee Y and Interviewee W both mention that many times the data provided by the service provider is only nice-to-know data from the advertising campaigns, but do not offer any actual and valid data that the SME could use to improve their business, even if some cases this is exactly what they have promised to do in the beginning. Interviewee X says this is the reason many of the Company D's service provider relationships have been terminated, as they have not been able to provide data to validate their own costs. Interviewee Y also sees that there is a clear division of strategical and analytical service and creative service, but that both skills cannot be bought from the same service provider.

In question 10a, SME decision makers were also asked to determine whether they feel they are receiving the qualities they hope for in their current service provider relationships and most of the respondents state that they are, however, only in some partnerships (Interviewee Y; Interviewee W; Interviewee V; Interviewee U; Interviewee T). Interviewee Y also mentions the responsibility she feels the SME itself has in teaching the service provider what they expect of them, as the service provider might not be aware or used to this beforehand. Only Interviewee X feels she is not receiving or has not received the qualities she hopes for from her current service providers.

In comparison, the digital marketing agencies were asked to analyze their own description on what they considered to be the most important factor in creating a successful customer-service provider relationship in question no.9, and the answers supported some of the themes provided by the SMEs. According to Interviewee S, individuals and the ability to create trust are the most valuable factors in a successful relationship. She also highlights that the team function within the agency will very much determine how deadlines and promises for the customers are kept, which directly affects the level of customer trust. She also mentions becoming Lean as an asset which helps them achieve this as a team as it provides necessary tools. Currently, she considers there to be a lot of variation in how they are succeeding in this. Interviewee R also states trust as the biggest and most important factor that enables a good customer-service provider relationship. However, he feels this is something that needs to be reminded of to their customers every now and then as some of the decisions their team makes for their customers require a lot of trust from the customer's side. Interviewee Q considers working together and having a joint cooperation with the customer company to be the most important factor in a successful customer-service provider relationship. He highlights this to consist of investing time to spend and work physically together with the customer company, not just remotely. He also thinks they have succeeded in this with some of their customers.

4.6 Digital marketing agencies as tactical partners

In SME decision makers' interview question no.12, the interviewees were asked whether their current or previous service providers have been actively involved with company strategy and if so, in what way. Five out of seven interviewees had worked with a digital marketing agency that has in some ways been actively involved in the company strategy as well (Interviewee Z; Interviewee Y; Interviewee W; Interviewee V; Interviewee T). Interviewee Z, Interviewee Y and Interviewee T mention all Company K as a partner that has provided active and strategic help to them. Interviewee Y describes Company K to be an insourced partner, that has a central role in driving company growth through analysing and following the data on a weekly basis. Also, in any technical issues, Company C also turns to Company K. Interviewee T and Interviewee Z acknowledges their partnership with Company K to be somewhat unique, as one of the team members have also sat on their company board. Interviewee Z describes that Company K has been the only one from their five service providers that has been involved in the company strategy. Interviewee W describes one of their partners to provide suggestions and development ideas actively, even to the channels and tools they are not responsible of. This she feels helps them to adapt new channels and tools as well as let go of the ones that does not bring enough value. She also considers the partner helps them to use their marketing budget efficiently. Interviewee V describes they involved their previous partner already in the budgeting

phase, where they could provide predictions of the results they could have with them and plan accordingly. Interviewee X and Interviewee U had no experience on a partner that would be actively involved with the company strategy. However, Interviewee X says one of their partners organised a sparring day, where they shared ideas and brainstormed on how to grow the business. According to her, the day provided a lot of value and she would be happy to pay from such a service as many times the SME decision maker is left alone with these issues.

In the interview question no.10, the digital marketing service providers were asked whether they are involved with their customers' company strategy and in driving growth for them. Two out of three described this to be at the core of their business and services (Interviewee R; Interviewee Q). Interviewee R described that for Company I, this meant providing information on what works and what does not for their customers and even by attending into board meetings to share their insight. According to him, this is also one of the reasons they are hired. According to Interviewee Q, Company K works as a strategical partner to their customers and therefore are very closely involved with the customer's company strategy. According to him, they can provide particular services such as competitor analyses and service or product design if necessary. Only Interviewee S described that they are only somehow involved in driving growth on minority of their customer cases, as there is another team within Company A that handles customer experience who work more as a tactical partner to their customers.

In question no.15, the SME decision makers were asked their opinion on how much company data would they be willing to share with service providers and whether they saw benefits in a complete transparency. All respondents agreed that it is important to share information with the service providers that might affect their work, and five out of seven considered full transparency as something they would be willing to have with their service providers. In fact, according to some of the SME decision makers, full transparency suits their operation (Interviewee Z; Interviewee Y) and believe it can help the service provider to reach better results (Interviewee Z; Interviewee V; Interviewee U). Interviewee Y also describes that as they are so much reliant on their service provider, they wish to be as transparent as possible as they want to feel united with their partner. Interviewee V considers transparency to benefit both sides as it also enables open discussion. However, she considers this to come along with trust and to be something that the service provider needs to earn, not just handed over from day one. Interviewee X does not share Interviewee V point of view and does not considers there to be too big of a risk in miss use of the information the service providers are given. Interviewee W does not believe full transparency is necessary but agrees that in order for some of the strategical information to be shared

with the service provider, trust should be gained first. Interviewee W and Interviewee T does not see any additional benefit in having full transparency with their service providers but agree that the service providers should have the information they can utilize in their work, such as data on sales and site traffic. Interviewee T described that a nice-to-know basis should be enough, as she considers there to be no need in sharing data that would not bring any additional value to the service provider.

In question no.17, the SME decision makers were asked whether they felt comfortable in giving autonomy and decision power to their service providers and most of the interviewees considered they would be willing to give some autonomy and decision power to their partners if they trust them (Interviewee Y; Interviewee X; Interviewee W; Interviewee V; Interviewee T). Interviewee X and Interviewee V welcomes the idea that some of the decision power would be taken away from them as entrepreneurs. Interviewee V also consider this to enable the service providers also to work faster and more effectively. Interviewee W and Interviewee T consider service providers should have decision power as long as they are following the frames and goals set by the SME itself. Interviewee Z considered this also, although she would feel more comfortable if all decisions would be done together. Interviewee U was the only one who would not give any autonomy or decision power to their service providers and considered everything should be done together.

In questions no.12 and no.13, the digital marketing service providers were asked how much of the customer company's data they would consider valuable for them, and would they see benefits in a complete transparency with their customers. All of the interviewees had a positive approach to transparency and agreed that the more data the better for the service provider (Interviewee S; Interviewee R; Interviewee Q). Interviewee S said that as they work with advertising, they can also manage with a little amount of data, however, the more they can understand the end customer and the company's goals the better and she considers this to affect positively on their quality. In regards of transparency, she considers some to be beneficial, however, for example in the light of the GDPR, Company A will not accept data of their customer company's customers. Interviewee R and Interviewee Q considered it to be important for a service provider that aims to provide growth for their customers to know as much as possible. Interviewee R defined the necessary information to be everything that is presented within a company board meeting, except information on human resources. He also believes in transparency as it ensures that both parties are moving to the same direction and towards the same goals. He also considers transparency to keep the service quality high as the customer can see everything, even the mistakes. Both Interviewee S and Interviewee R consider transparency to relate to trust and a good customer relationship. Interviewee R also considers transparency to offer additional value and improving trust, as customers are able to see the possible mistakes and challenges the service provider faces and how they handle them.

4.6.1 Difference in benefits of inhouse skills and outsourcing

In question no.13, the SME decision makers were asked to share their point of view on the benefits of having either inhouse skills or outsourced in digital marketing services. Many of the interviewees shared the view that by outsourcing digital marketing services, the company can access better and more up-to-date knowledge on the platforms than when having an inhouse person (Interviewee Y; Interviewee X; Interviewee U; Interviewee T). However, at least some inhouse knowledge was considered important, as it equips the SMEs better in buying the service the agencies provide (Interviewee Y; Interviewee W; Interviewee V; Interviewee T).

Interviewee Y described that as the digital marketing field is so complex, especially as an SME hiring a single inhouse person might limit the possibilities to utilize digital marketing channels. According to her, an outsourced team will make it much easier to try out new things and channels compared in having a single person inhouse. Interviewee T agrees with Interviewee Y and states that Company H could not afford to hire such highly skilled professionals inhouse that they have in their partner company. She considers the fact that the service provider companies hold knowledge also from other industries to add into their value. Both women, however, states that the strategic thinking should exist inhouse (Interviewee Y; Interviewee T). Interviewee W and Interviewee V also consider having inhouse knowledge in digital marketing is critical, as it enables the SME to demand for certain types of services and professionality, as well as to guide them into the wanted direction.

Interviewee X describes to be reluctant in hiring digital marketing professionals inhouse, as she herself lacks the knowledge and would be unable to provide them tools and knowledge to increase their skills further. She also agrees with Interviewee Y and sees that hiring a single person inhouse would only restrict the knowhow they might gain, in case the person is not already highly skilled in digital marketing. She also considers that in a digital marketing agency the skill set of an individual will grow more naturally than within a SME. However, she considers hiring a highly skilled digital marketing professional to be somewhat impossible for an SME, as in a small company there would not be a full-time digital marketing job available, and also that these people might prefer the digital marketing agencies anyways. Interviewee W also considers the knowledge provided by the outsourced service providers to be a valuable asset for Company E and states that if they would have more financial resources, they would outsource even more operations and concentrate on other growth driving operations as entrepreneurs.

One of the marketing operations that some of the interviewees were not willing to outsource, however, was the content creation (Interviewee Z; Interviewee W; Interviewee U). These three interviewees consider content creation to be something they could not outsource, as it might risk the loss of the company's own voice and further the company itself from their customers. Interviewee Z and Interviewee U also considered inhouse skills to bring more quality and effectiveness into their marketing, even though they are still both utilizing service providers. Interviewee Z considered this to be dependent on the service provider and mentioned the quality of the service to be determined by the level and fluency of communication. Therefore, she sees inhouse skills more stable option in regards of efficiency in getting things done. Interviewee U consider inhouse to be their main focus but as digital marketing keeps evolving so rapidly, she acknowledges they will always need service providers as well.

In question no.11, the digital marketing agencies were also asked to analyse the benefits of both inhouse and outsourced digital marketing, and to share their opinion on which situation would they recommend using each one. All the interviewees considered a single inhouse person to be a risk in limiting the skills and know-how the SME can then receive in their marketing compared to utilizing a digital marketing agency (Interviewee S; Interviewee R; Interviewee Q). Still, it was also considered that inhouse skills will bring value in reaction speed and being more in touch with the business itself (Interviewee S) and that an inhouse person might be more cost efficient for the SME in some situations (Interviewee Q). Interviewee S considered there to be pros and cons in both options and would recommend hiring an inhouse person in cases where there is enough work for a full-time digital marketing professional, such as in bigger e-commerce companies, as it would get more cost-efficient. Still, she would consider outsourcing to be the best option in cases where the digital marketing is still relatively small and could not support a full-time employee. Interviewee Q considered the best option to always consist of both hiring and outsourcing, as he considers SMEs and agencies working together as a united team to be the best option. However, he describes outsourcing enabling access for the SMEs to exact skills and know-how that they might not receive through hiring a single person. He also agrees with Interviewee Z and Interviewee U, as he considers inhouse skills to be the best option in operations that are business critical and which the company would therefore not wish to outsource, such as content creation.

4.7 Digital marketing service that SMEs' consider fitting their needs

In SME decision maker's interview question no.14, the interviewees were asked to describe the service concept that would be most fitting into their needs at the moment. Four

out of seven interviewees answered analysing data (Interviewee Z; Interviewee Y; Interviewee X; Interviewee W). Three out of these four described the need to be immediate as they are struggling to analyse the data themselves for a reason or the other (Interviewee Z; Interviewee X; Interviewee W). According to Interviewee Z, their inhouse resources are enough to run marketing campaigns, but they would need help in combining the data they receive to actually drive company growth with them. Interviewee X said she would appreciate a partner that would take initiative in providing improvement ideas and which would provide multiple services. Interviewee W described their company to need a partner that analyses the customer movements and who understands what improvements should be done according to this data, as she feels this is too challenging for them to do themselves. The fourth interviewee that mentioned analysing was Interviewee Y, even though Company C's need in this is a bit different as they seemingly are already analysing their data with high standards. According to her, the company would need even deeper analysing of data and would consider a service that would utilise programmatic learning and AI to clarify the data as well as cut down human resources in certain functions. Currently, Interviewee Y feels there is too many people analysing the data and therefore too many various opinions on what it means.

Interviewee U and Interviewee V both mentioned their companies would most benefit from a service that would actually help bringing the knowledge into their companies. Interviewee V said she wishes they would have more knowledge inhouse, so they would not have to rely on their service providers completely, and for them to be more aware on what they are actually buying. Also, she states that after their operational changes they have needed to terminate their cooperation with their service provider, which means inside knowledge is needed more than before. Other single mentions from the SME decision makers were the basic digital marketing execution services (Interviewee X), and also a wish for an optional service pricing, that would be determined by the results the company provide (Interviewee W). Interviewee T was completely happy with their current service and described it to fit their needs completely, although their operation might move into a more inhouse focused model in the future and their needs might change.

4.8 Familiarity with the concepts Lean and Agile

In SME decision makers' question no.16, the interviewees were asked how familiar the Lean and Agile organization models are to them and have they or are they planning to implement either or both models into their operation. It was clear that the concepts were somewhat unfamiliar or unclear to some as even the ones that were more familiar to them, had slightly different perceptions of both of the concepts. However, this might be partially explained with both models having somewhat flexible definition. However, Lean

model was clearly more familiar to the interviewees than Agile. Due to the lack of exact knowledge on either of the models, the I had to provide short descriptions and definitions of each concept in order to continue with the interview, and this should be taken into consideration in the answers, that state the interviewee not being familiar with the concepts.

Even though the Lean concept was not clear for most of the interviewees, the common idea of what it holds seemed to be low bureaucracy and flat leadership model (Interviewee X; Interviewee Y; Interviewee W) as well as for it to enable faster response into change (Interviewee X; Interviewee W). To Interviewee X, Lean organization meant a flat organization, where everyone is easily approachable and able to give out ideas in how to improve the business as the atmosphere is very accepting. She also considers the model to be very suitable for SMEs. To Interviewee W, the Lean model was somewhat familiar, and she described it not to have a circle of approval which makes the organization stiff and unable to make quick decisions. She also considered the model to improve operational performance through making daily actions more efficient. Interviewee Y acknowledged that there are many definitions of a Lean model, but for Company C it means having only few people who make decisions inhouse, which makes decision making much more efficient. She also considered Lean to enable closer cooperation with service providers, as Company C is able to work with their partners as if they would be a part of the organization itself. Interviewee T described Lean model to be somewhat familiar through university studies and recalled it to be a model that brings more value to the customer by cutting down all tasks except the ones that the customer is prepared to pay for, making the operation more efficient. Still, she also admitted there to be many definitions of the model. To the rest of the interviewees, the Lean concept was not at all familiar, even though Interviewee Z recalled having heard of it in some concept within their organisation and for it to have something to do with being active with vast amounts of brainstorming (Interviewee Z; Interviewee V; Interviewee U).

Agile concept as an organisational model was clearly more unknown to the SME decision makers, however, as a concept it was somewhat familiar to all but two interviewees. In couple of descriptions, Agile was considered to be a model that is run in sprints and aims to finish tasks quickly and efficiently in order to move to the next (Interviewee V; Interviewee T). Interviewee X said Agile is not so familiar as an organization model but defines the concept to make a team work more efficiently and at its best, operate as smoothly as a single person because of the decision power is given to the team itself. She also considered the model to decrease the fear of failing, as perfection is not a goal in Agile but rather experimentation and developing as you go. Interviewee W did not have a clear idea of the Agile model but considered it to have similarities with the Lean model. Interviewee Y gave

no particular definition of the model other than it has been challenging to apply it into their own operation, even though they aim to do that as much as possible. Interviewee Z and Interviewee U were not at all familiar with the concepts.

What is interesting to notice from the answers of the SME decision makers, is that even though many of them had no clear understanding of one or both of these models, after a definition given to them they all considered their operation to have processes and aspects of at least one of the models (Interviewee Z; Interviewee Y; Interviewee X; Interviewee W; Interviewee V; Interviewee U; Interviewee T). Most of the interviewees stated that they have Lean or Agile processes in their operation, even though they have not really defined them officially to be so (Interviewee Z; Interviewee X; Interviewee W; Interviewee V; Interviewee U; Interviewee T). Three of the interviewees described the models to have become naturally into their operation, as they are small (Interviewee X; Interviewee W; Interviewee T). Interviewee T described the models to be visible in their operation in the way the people are able to work efficiently together, even without excessive amounts of meetings. Interviewee W described the Lean model to be visible in their operation through cutting down unnecessary tasks and being able to make quick decisions. At Company E, they have also scheduled weekly meetings to stay on track with their tasks and goals. Interviewee U recognised the Lean model to be somehow adapted in their operation in the way they control their quality system through repetition. However, she did not consider the models to be suited for their company as she saw them too formal and systematic for their flexible needs. To make a note, this might be due to a lacking description given to her which left her unaware of all aspects of the models.

In question no.4, the digital marketing agencies were also asked to give their descriptions on Lean and Agile organizational models and even within the digital marketing agencies decision makers, the Lean model was more familiar than Agile. Interviewee S knew the origin of the Lean concept to be in Japan and also for it to have changed its definition a lot in today's business world. She described the current Lean model to indicate a flat organization model and that it could be applied into many different industries. However, she considered Lean to be more of a set of guidelines that are applied into the daily routines of the workforce to make them more efficient, rather than an organizational structure. Interviewee Q also described Lean to be flat model with a team leader that rather empowers the self-organizing team than commands it. He also considered a Lean team to take more initiative. Interviewee R described Lean model to increase the input and decrease the waste of resources. At Company I, this meant also cutting down tasks their team members might not feel comfortable with, in order for them to have more enjoyable work experience. Only Interviewee Q gave out a description of Agile and described it as a model

where power is divided equally within team members and enables them to make decisions smoothly and without interruptions even though some of the team members might be temporarily missing. However, Interviewee Q also stated that he had not studied either Lean or Agile concepts deeper and might be mixing the concepts together.

4.9 Lean and Agile digital marketing agencies

In digital marketing agencies' interview question no.4, I wished to understand how Lean and/or Agile models affect the digital marketing agency's operation, and how is it visible in their day-to-day actions. The reasons to adapt the Lean and/or Agile were very different from each other in all of the agencies interviewed as in Company A it was a top down decision from the company CEO to create a Lean team from one of their teams, in Company I the models had been present throughout Interviewee R's career and were therefore naturally brought into the company, and in Company K it came through Interviewee Q's experience from a very stiff and structured organization model that lead to a need to do things differently and from noticing this type of model suiting a growth oriented company or an SME better.

What the model meant in the agency's day-to-day actions also varied slightly from each other, even though they all had very clear characteristics of the models. Interviewee S describes their team's normal day to consist of daily ten-minute meetings where they go through the Kanban board and daily tasks and aim to balance their team members' workload. Interviewee R described the operation of Company I to consist of quarterly, weekly, and daily check-ups and a very highly performing project management where the company constantly measures everything, including their own efficiency, to ensures them bringing their customer as much growth as possible with their actions. For example, internal e-mail is banned at Company I as it is considered an unnecessary time suck. At Company K, the operation's Agility can be noticed in the way they work with each other as a team and with their customers. According to Interviewee Q, a good way to describe how well their team work is that its operation and the quality of their work does not get affected even though the entire team works from abroad for a week.

When asked from the digital marketing agencies what has the Lean or Agile processes affected the most in their operation the answers were; improving and balancing the service quality (Interviewee S), adding value to the customer with everything they do (Interviewee R), and being able to detect what the customer actually needs and then provide it without separate sales case (Interviewee Q). Interviewee S also mentioned the mindsets of people to have changed as they started to use the model themselves, and that now they could not manage without it as it makes their life so much easier. Her original hope from

adapting the Lean processes was to balance workloads and cut down overtime, which has apparently been successful as she described their summer 2018 to be the best one yet in service quality and time management. For Company I and Company K, the clear difference in operation through the adaptation of these processes is not clear as they have always operated with these models, but when Interviewee R and Interviewee Q compare their operation to other not Lean or Agile agencies, they both see how they can adapt faster into emerging issues and help them to be more involved in their customer company's decision making. Interviewee R also stated that he appreciates how each member of the team can have an impact on their agency's operation.

4.10 Benefits of developing digital marketing in a Lean Agile way

In question no.15, the digital marketing agencies were asked what they considered to be the benefits in developing digital marketing in a Lean Agile way and even though their answers differed, they could all see the benefits and necessities in running digital marketing this way. Interviewee S agreed that digital marketing should be constantly changing and tested by following the data. However, she considered this to be rare as digital marketing agencies might face challenges in running marketing in an Agile way, if the customer company is not Lean or Agile itself and therefore cannot support the system. Interviewee R agreed learning to be one of the several benefits of Lean Agile digital marketing. He believes Lean Agile to bring growth and learning not only to the SME, but to the digital marketing agency as well, as it brings digital marketing to the core of the company where according to him belongs. For him, Lean Agile means that the customer will get a full circle of digital marketing services, not just limited channels sold separately, which was also mentioned by Interviewee Q to be an issue in a more traditional digital marketing agency model. Interviewee R believed through Lean Agile service, the SME will get the service they need. Interviewee Q agreed on Lean Agile model to increase efficiency and enabling faster progress, as well as better results on top of which he adds that it might also be more fun.

When asked the SME decision makers in question no.18 whether they saw benefits in digital marketing agencies developing marketing in a Lean Agile way, their answers were unanimous in behalf of this. Most of the interviewees stated it to be what would suit their operation best (Interviewee Z; Interviewee X; Interviewee U) and that it is how digital marketing should be done (Interviewee Y; Interviewee W; Interviewee V). Interviewee Y also considered it to be somewhat impossible to do digital marketing, if it is not constantly evolving and efficiently reacted to. SME decision makers additionally stated that the model would fit well to their operation as they are small, and many times decisions are made

quickly (Interviewee Z; Interviewee U). It was also stated that they would expect it to increase effectiveness and shorten the reaction time in change as the service provider would have decision power themselves (Interviewee X; Interviewee V; Interviewee W; Interviewee T).

5 Discussion

In this study, I wished to find out the benefits a Lean agile organizational model, which is a combination of Lean and Agile models, could offer to Company A especially in the way they serve their small and medium sized enterprise customers. Also, I wished to find out how this model could provide solutions to the biggest challenge SMEs are facing in their digital marketing endeavours. My research question for this study was; "How could digital marketing service provider's Lean agile business model bring value to the SME customers?". Taking into consideration that the Lean agile model might not be familiar to many, I decided to build my study around themes that are vital in Lean agile, but which could be observed separately from this model.

In this discussion, I will summarise my research findings and then present and discuss my conclusion of the study and my recommendations for future studies as well as my implementation plan for Company A. I will also evaluate my own learning and the validity and reliability of my study.

5.1 Research summary

One of the challenges of this study was that both Lean and Agile, let alone the combination of them, are concepts that are only vaguely familiar to many. This is partially affected by fact that neither of these concepts have clear "one type fits all"-guidelines or definitions and especially the Lean concept has gone through a radical evolution within its lifetime (Carlborg et al. 2012, 292). Also, Lean Agile as an organization model has not been researched in digital marketing service environment before. What was interesting to learn in my study, however, was that even though SMEs are not necessarily familiar with Lean and Agile, they all considered their own operation to possess characteristics from at least one of these models. Taking into consideration the possible challenges, I decided to build my study around themes that are included in Lean Agile, but which could be observed separately from these models. The themes I selected were digital marketing efficiency and know-how within SMEs, growth-orientation through digital marketing of SMEs, and what are the digital marketing agencies providing for SMEs as well as the possible lacking in their service.

The opinions on how SMEs are managing their digital marketing efficiency and how they are meeting their set targets with digital marketing were all, both SME decision makers and in digital marketing agencies, considering that the SMEs could do a lot better. Three main reasons the interviewees considered to prevent this for SMEs were the lack of resources, lack of skills and know-how, and the digital marketing service providers. The lack

of know-how in SMEs was also seen to be directly linked with the challenge created by the service providers as the lower level of know-how prevents the SME fully understanding what they are buying and what they could ask for. Also, the currently common single channel focused service model, rather than concentrating on the bigger picture by the agencies, was considered to exist due to lack of know-how within the digital marketing agencies themselves. In other words, the lack of know-how in digital agencies prevents them providing value adding services for the SMEs.

Not so surprisingly, majority of the interviewees considered digital marketing to be an effective and relatively cost-efficient tool for SMEs and they clearly understand the importance in following and utilizing data. Five out of seven interviewed SMEs were analysing digital marketing data even into some extent to develop their performance in marketing. Three of these five SMEs were analysing their digital marketing systematically and two of them to some extent. Only two of the SMEs interviewed were not utilizing digital marketing data in their operation. However, due to the challenge in resources, both in human and financial, it was considered hard for SMEs to invest enough in digital marketing as it is hard to break even with the money they invest in it, nor was there considered to be enough time to properly analyse and follow the digital marketing data.

The SMEs' need to gain growth and to brake-even with the investments they put into their marketing was visible throughout the interviews. When it came to driving growth through digital marketing and whether the SMEs considered digital platforms and tools as important contributors in it, most of the answers were yes. Also, most of the interviewees considered they could drive growth through their digital marketing, however, no matter what level they were in in data-orientation, all saw there to be room for improvements. Again, the lack of skills and resources within the company and the lack of aid in driving growth from the service providers were mentioned by the interviewees in what they consider to be the biggest challenges in succeeding in driving growth through digital marketing. According to the digital marketing agencies, the reason why SMEs struggle to gain growth was the mentality and understanding the SME management has towards marketing and whether it is seen as a growth opportunity or not. The agencies consider the mentality to have a direct link on how much SMEs are prepared to invest in digital marketing, as their expectations might not be realistic concerning their budget. The agencies also state that they all have access to data that could support the SMEs to grow, however, only two out of the three agencies were delivering this data to their customers. To be noted, most of the interviewed SMEs in this study had a strong online presence and this should be taken into consideration in the given results. One of the interviewed companies had no online presence and all their products were sold offline. For them, the possibilities and

ways to provide growth through digital marketing is not as straight forward. Therefore, it can be stated that these results might not be as valid to companies that do not have operational focus in online presence.

The service that the SMEs consider they need is a service that provide operative support and cooperation. Five out of seven SME decision makers considered a good service provider to aim to deliver growth for their company. Also, four out of seven interviewees stated data analysing to be something they would need services in. Another repeated answer was the need to have a service provider that would teach inhouse personnel and increase the inhouse know-how during the partnership. It was acknowledged by the SME decision makers that the need of digital marketing agencies is permanent as it is highly challenging for them to actually receive inhouse professionals that could provide such a wide range of skills and up-to-date knowledge in the ever-changing digital marketing environment. In fact, it was stated in both sides that relying on skills of a single person inhouse can even be harmful for the SME, as it can limit what the company can do with their marketing. However, it was also acknowledged by both the SMEs and the digital marketing agencies that some knowledge needs to exist inhouse for the SME to be more equipped to buy the services the agencies are offering. Some more business critical marketing functions were also considered to better left inhouse, such as content creation and customer care.

The digital marketing agencies I interviewed had all adapted either Lean or Agile processes into their operation. Two of the agencies were more Agile and these processes had existed in their operation from the very beginning. The third agency had been adapted Lean processes into the operation only recently. Even though in many ways their operation differed from each other, customer centric operation was what united them. Also, the two agencies with more Agile processes stated supporting customer growth to be at the core of their operation. The agency that had Lean processes in their operation considered the model to have clearly improved the way they can serve their customers and increased their efficiency. The comments the agencies provided of their operation were that it had improved and balanced of their service quality (Interviewee S), it allows them to add value to the customer with everything they do (Interviewee R) and provide the ability to detect what the customer actually needs and then provide it without separate sales case (Interviewee Q). The necessity of shared information and data was agreed upon by all of the agencies and they all considered the amount of data they receive from their clients to affect their service quality. Full transparency was considered beneficial by two of the agencies which were also operating in a more Agile way. Also, the SMEs acknowledged that by sharing information with the service providers, they can have positive effect on their

service quality. Even full transparency was supported by five out of the seven respondents. The idea of full transparency was seen to help service providers to reach better results and even to suit their operation by two of the SMEs. When it came to giving autonomy and decision power to the service providers, the SMEs considered themselves to be willing to do this if there is a good level of trust towards the service provider. As in whether the SMEs saw benefits in a service provider developing their digital marketing in a Lean Agile way, all of the SME decision makers considered this to be beneficial. In fact, the model was stated by most of the SMEs to be a model that would suit their operation best and to be the way digital marketing should be done in the first place.

5.2 Research validity and reliability

The research validity aims to ensure that the research is thoroughly executed and its findings and conclusions "true" (Saaranen-Kauppinen & Puusniekka 2006). When observing my thesis through research validity, the ethical aspects that validate the thesis topic and the research question (Saaranen-Kauppinen & Puusniekka 2006) is that it aims to provide a solution to not only one, but two challenges. The first challenge it aims to tackle is the SME's need for help in digital marketing and in staying competitive in their markets and the second to provide Company A a solution in which they could reach new business opportunities and find competitive advantage in their own markets. The phenomenon itself is somewhat difficult to research as there are many opinions and perspectives on the matter, however, none of them know Lean agile model that well. Therefore, the semi-structured theme interview offered me an access to information that a highly structured interview, let alone quantitative methods could not have offered. To ensure the validity of my results, I carefully transcribed all my interviews from a recording and even though I present the findings with my own words, I ensured I used the same words my interviewees did on their interview. Of course, some observation and analysing had to be made for the content of the interviews, as it was clear the interviewees might have been talking about the same topic, but in different words. This is the reason why I concentrate on the realism of my study content rather than relativism (Saaranen-Kauppinen & Puusniekka 2006). One of the aspects I considered a very challenging one to myself was staying objective towards the topic, as I already had such enthusiasm towards the topic to select it as my research topic. I consider having managed in this mostly, however, I am sure on some points the interviewees must have noticed my passion towards the topic.

The research reliability can be ensured in many ways, such as staying consistent and perceiving the study materials critically (Saaranen-Kauppinen & Puusniekka 2006). To ensure my research reliability, I considered following certain, more approachable, the mes

that rose from my theoretical background rather than concentrating directly to Lean and Agile concepts themselves. To ensure I could map out an interview form in which I would get usable and realistic answers to, I had to ensure I presented questions to my interviewees that they would understand and have something to say. One of the tasks I also concentrated on was not to take a single answer as a complete truth, but to look out for themes that I could recognise in my collected material, that would give me more approvable conclusions on the realistic situation of the phenomenon.

5.3 Conclusion and suggestions for further research

The digital marketing environment is highly competitive and dynamic with newcomers entering into it constantly. The traditional agency model is built to serve an old marketing strategy model, which is still utilized mainly by bigger companies, that hold long history and which operation evolves slowly due to this history. However, in a market environment such as Finland, these bigger companies with proper marketing departments that only need certain tactical functions to support their marketing are scarce and a very competed business field for digital marketing agencies. On the other hand, the Finnish market is full of small and mid-sized companies, that are hungry to grow, but have no skills and knowledge enough to utilize digital marketing channels the way they can be utilized, nor enough money to hire someone to do it for them. These, I find, are the golden customers that Company A could grow with, if they would be able to serve them better.

In this study, I wished to find out the benefits a Lean agile organizational model could offer to Company A especially in the way they serve their small and medium sized enterprise customers. With semi-structured theme interviews, I aimed to identify the current challenges and emerging issues of the SMEs in regards of digital marketing and driving company growth, as well as have a general overview on how they are currently managing this. To have a wider view on the issue, I interviewed seven small and medium sized enterprises and three digital marketing agencies who already operated in a somewhat Lean agile way. In this conclusion, I will discuss my research findings on the phenomenon and will compare them in the Lean agile model and how it could provide solutions to the issues emerged from the study. The product of this study is to map out how a Lean agile organization model can help Company A to improve their service especially to their SME customers, as well as how it could enhance their overall operation.

The reason why I did not choose to study only one of these models was the environment I wished to bring value into. Digital marketing service environment is dynamic and constantly changing and this forces the agencies to tirelessly stay on the nerve of current market changes as well as their customers' moods. As in any service, digital marketing

service is highly people oriented and require high levels of human interaction and soft values. However, a lot of the digital marketing industry is orchestrated and based on data and numbers, which makes it highly data-oriented and straight forward as well. Therefore, I consider Company A's operation would benefit from Lean processes in the tangible processes in their daily work, but also Agile processes in the way they think and communicate.

One reason for my recommendation in combining these two models is that the Lean model has its challenges when fitted into a service environment by itself. Some of the Lean principles are not applicable into the service environment and especially the perfection Lean concept aims to fulfil is unachievable in such a dynamic and constantly moving atmosphere (Carlborg et al. 2013, 299). However, the need to cut down waste in for example time consumption is a reason why I feel Lean can provide benefits for Company A's and enable more efficient way of working. Agile is more commonly utilized in digital marketing environment due to its characteristics in constant experimentation and learning. As a model that is more concentrated on the interaction of individuals and teams, it can add important aspects to a Lean model and make it more service and marketing environment friendly. Agile processes have also been shown to add customer value through decreasing reaction and decision-making time of the service provider (De La Fuente 2018; Olajiga 2017, 8-9; Izvercianu et al. 2015, 387).

As for the challenges SMEs face in their operation and what sort of service would benefit them the most in digital marketing, the themes emerged from this study were the pressing need of gaining growth, using their limited resources efficiently and to have a partner that they can trust and work smoothly with despite their own limits in skills and know-how. Especially the limited financial resources of SMEs drive the SME decision makers to carefully select what they invest their scarce resources in. When added into this equation the limited understanding of digital marketing and what it could offer, let alone the lack of skills on how to do it, it understandably creates barriers for the SMEs trusting someone to do it for them. Even though digital marketing agencies have risen within the latest decade to aid companies in advertising and creating visibility in digital platforms, it is noticeable that the need is far deeper than this for the SMEs'. The need for a service that not only provide visibility, but which also focuses on driving growth for the SME is clear. Clearly, the traditional agency model is no longer serving the multi-dimensional needs of SMEs as it is simply too expensive for them and prevents them to utilize all the pieces required to drive growth efficiently. It is also too stiff to adapt into the quickly changing needs of a SME that aims to stay competitive in their markets. Moreover, the interviewed SMEs clearly state the need for a service provider that offer aid in data-analysing and in data understanding,

as well as which shows interest in keeping the SME's operation healthy. If Company A could enter the markets with a service concept that would focus on driving company growth and company development through digital marketing, it could open its doors for new business opportunities and especially new customers.

The Lean agile model focuses on not only cutting down waste, but also in increases efficiency through constant learning and adaptation (Mason et al. 2015, 981; Haque & Chaudhuri 2015-16, 43; Olajiga 2017, 150). In a marketing perspective, Agility can help Company A could not only detect and react faster on the efficient and non-efficient channels in the SMEs marketing mix but offer better communication of their work progress to their clients through sprint-oriented operation (De La Fuente 2018), which can help initiating more trust from the customer's side, which was stated as one of the issues by the SMEs. One of the most important characteristics of a Lean agile operation is that in this model individuals and teams are self-organized and can operate effectively without senior management as they hold decision power within themselves.

One indicator that shows that a Lean agile model could fit well in the service environment for the SMEs' is transparency and free flow of information (Olajiga 2017, 20) as all the interviewed SME decision makers considered sharing information and even full transparency in cooperation to be beneficial for the cooperation. Of course, they highlighted in this case there would need to be a good level of trust towards the service provider

Lean agile organization model can provide Company A a better grounding in serving their small and medium sized customers in their upmost important need, growth. Through this model Company A can create even deeper customer relationships through better communication and teamwork that extends outside the borders of their own inhouse teams. The Lean agile organisation model can also improve one of the most important customer relationship values, trust, as it can not only make reaction time more efficient but enable better service through active participation in the customer company's operation. Moreover, the model would not only increase the service and work quality of Company A but also teamwork orientation, and operational efficiency as Lean agile team consists of T-shaped professionals, that are not focusing their skills only one line of abilities but possess knowhow in various fields of expertise (Olajiga 2017, 4).

For further studies, I would suggest going deeper either into the possibilities of growth-oriented marketing as a service concept, or how could an outsourced-inhouse marketing team provide solutions for the SMEs. Another interesting and highly useful study subject

would be to develop and map out guidelines or a model in the way Lean agile should be implemented into the digital marketing service environment.

5.4 Implementation plan and follow-up

For Company A to adapt Lean agile model into their operation, the first step would to rethink their organizational structure and minimize unnecessary hierarchical roles that might hinder information flow, or communication flow between teams, management as well as customers. The importance in a specific form of leadership and company management is key in making the environment supportive for a successful Lean agile operation. Much like in the Scrum frame work, the Scrum master is merely a servant-leader to the self-organizing Development team, who ensures the team can work in peace and in concentration (Shwaber & Sutherland 2018, 7; Izvercianu & Buciuman 2012, 326).

Before implementing the model into the operation, Company A needs to truly consider the people within the organization to be the most important asset they have in order to grow and stay successful in the unpredictable market environment (Putnik 2012, 180). Company A should do everything they can to create an organizational environment, where there is trust and transparency between everyone, no matter what level on the organizational structure they are in or which job descriptions do they have. Transparency and openness are vital and need to be cared for (Olajiga 2017, 144-145). This of course, can evolve during the process of adapting the model into the operation as well, but it in order to make the Lean agile model implementation successful, the company needs the support and engagement of its employees (Mason et al. 2015, 994; Croll & Yoskovitz 2013, 392). It is also advised, that the teaching of the employees on the Lean agile concept would be started before the actual implementation of the processes (Mason et al. 2015, 995). In the core of Lean agile is the aim to truly understand what is happening within the company through data and analyzing, rather than just implementing the model of "build, measure, learn", that is characteristic to Lean processes (Croll Yoskovitz 2013, 41).

As for the communication environment within Company A, the company should aim to follow the Agile model's way to handle distress and conflict. The idea of transparency is not only to share information itself, but also the disagreements, inconsistences between opinions and perspectives, as well as presenting all their ideas no matter how vague or different from the status quo they might be. In constructive conflict the matters are discussed thoroughly, and can even be disagreed with, but never silenced no matter who is the person presenting the matter at hand. (Olajiga 2017, 165.) As for their service, Company A should start concentration on how they could not only provide good marketing service to their customer, but how they could become their customers' strategical partner in driving growth. The self-organization of individuals and teams are in crucial role in this, and therefore it is vital that they feel their judgement is trusted and appreciated by the company management. However, the company should still provide structures and guidelines for the teams to work with, so that the amount of waste in for example time consumption will be minimized. These issues can be for example double checking, and the usage of wrong technology and even the individuals providing too much value for the customer, that they are not actually ready to pay for (Haque & Chaudhuri 2015-16, 44-45).

When starting to implement the model into their operation, Company A should also invest in a coach who is familiar with both Lean and Agile concepts and preferably how they can be implemented into a service environment. The implementation of the model must be fitted and tailored into Company A's specific needs and organizational situation for it to be successful. It should be kept in mind that Lean agile model is not only a set of processes or restructuring the organizational model. Lean agile is a process to grow the minds, hearts and physical practices of everyone in the company and teaching them how to be agile (Olajiga 2017, 128-130).

It cannot be highlighted enough how everyone in the company should be involved in the process and how through open communication the employees should be empowered and given the feel of responsibility to build the Lean agile company model for Company A. Lean agile is built with soft values and trust. A suggested implementation plan schedule can be found as Appendix 3 in the end of this study.

To follow up of the findings and recommendations of this study, I would recommend Company A to map out aspects they would need to fix in regards of these main implementation points and to reach out to a coach that could help them in planning and executing the implementation process itself. One option is also to order another study that would focus on creating a tailored framework for Company A.

5.5 Evaluation of the thesis process and own learning

The topic I choose for my study was first and foremost originated from a personal interest but the clarified from the current operational situation of Company A and what could benefit their need as it is. Also, the Lean and Agile concepts are rising trends in the business field and their utilization is widely discussed, as are the issues small and medium sized enterprises are facing in the current markets as well. Therefore, the topic made sense in

many ways to be studied as it could benefit Company A in their operational transition as well as present more ways to stay competitive in the changing digital marketing field.

The background research and theoretical analysis of the topic was at first somewhat challenging, as Lean agile as a joint concept is not that discussed or connected to the digital marketing service environment. Therefore, I needed to find themes that could help me understand the phenomenon from multiple dimensions, without alienating me from the topic itself. Still, as the phenomenon is not so well known, I considered it to be my responsibility to explain my point of view on the phenomenon and provide information that will help my readers to understand the study I have conducted and its results. In the end, I considered that I managed to present enough information for the readers to fully understand the topic and the study objectives.

On the research execution, I held ten semi-structured theme interviews with to different interview forms; one for the SMEs and one for the digital marketing agencies. Both interviews were built on top of the themes I present in my theory section. All the interviewees were gathered from either my own LinkedIn network, or through colleagues. The interview forms were built to support the themes presented in the theory section so that they could be easily reflected into the previous studies I presented in the theory. The SME interview was tested on one person, however, the interview questions seemed to work so well from the beginning, that the rehearsal interview was also utilized in the study itself. All the interviews were recorded and later transcribed to ensure the information stayed true to the answers given by the interviewees. When putting the research material together, I utilized the themes in the theory section, but in a way that it followed the study objectives. Luckily, the result help so much similarities that this took only a little analysing and reflection beforehand. As for the time frame set for the thesis, the primary schedule in my Master Thesis Plan of finishing the study in spring 2018 lengthened itself into beginning of the year 2019.

My own learning process during the thesis process was more in how to structure the Master thesis for it to support the original study objective and research question and managing to keep it focused on the research problem. Also, my knowledge of the Lean and Agile models increased considerably. However, the research results did not come as a surprise and supported my original hypotheses I held when selecting the study topic. However, the biggest learning I take from my Master Thesis is the skill to focus and finish projects I have selected with determination and through self-motivation.

References

Carter M. 2011. SME MARKETING: Small but nimble. New Media Age. London. pp. 19-20.

Carlborg P., Kindström D. & Kowalkowski C. 2013. A lean approach for service productivity improvements: synergy or oxymoron? Managing Service Quality 23,4, pp. 291-304.

Croll A. & Yoskovitz B. 2013. Lean analytics. O'reilly.

De La Fuente L. 2016. Should You Consider a Digital Marketing Agency That Follows Agile Marketing Principles? Top Rank Marketing blog 6/2016.URL: http://www.to-prankblog.com/2016/06/agile-marketing-principles/. Quoted: 8.3.2018

European Commission 2003. What is an SME? http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition_en. Quoted: 8.1.2019

Interviewee Q N. CEO at Company K Oy. Interview: 26.10.2018

Interviewee U K. Sales & Marketing Director at Company G. Interview: 18.12.2018

Haque S. & Chaudhuri S. R 2015-2016. Framework of Training for Lean Service. Drishtikon: A Management Journal 7, 1.

Hendrix P. E. 2014. How Digital Technologies Are Enabling Consumers and Transforming the Practice of Marketing. Journal of Marketing Theory and Practice 22, 2, pp. 149–150.

Interviewee Z L. Marketing and Custmer Care at Company B. Interview: 8.6.2018

Hu Q., Mason R., Williams S. J. & Found P. 2015. Lean implementation within SMEs: a literature review. Journal of Manufacturing Technology Management 26, 7, pp. 980-1012.

Izvercianu M., Şerban M., Sabina P. & Larisa I. 2015. An Agile Approach for Designing Marketing Activities. Politehnica University Timisoara. Romania.

Izvercianu M. & Buciuman C. 2012. An Agile Approach for Measuring the Performance of a Marketing System. Politehnica University of Timisoara

Jelfs A. & Thomson H. 2016. Marketing small and medium sized enterprises in the digital age: opportunities and challenges. Teaching Business & Economics 20, 1, pp.4-7.

Interviewee Y U. CMO at Company C. Interview: 19.6.2018

Lipiäinen H., Karjaluoto H. & Hakola L. 2013. Digitaalisen markkinoinnin koulutusmalli pk-yrityksille [The training model in digital marketing for SMEs']. Jyväskylä University School of Business and Economics. Jyväskylä.

Interviewee V S. CEO at Company F. Interview: 10.12.2018

Interviewee X P. Entrepreneur at Company D. Interview: 3.10.2018

Martin E. J. 2015. The State of Digital Marketing. EContentmag.com 38, 1.

Needleman S. E. & Safdar K. 2014. 'Growth Hacking' Helps Startups Boost Their Users; Strategy Includes Data-Driven Experiments and Online Tactics. Wall Street Journal (Online). New York. URL: https://www.wsj.com/articles/growth-hacking-helps-startups-boost-their-users-1401320789. Quoted: 21.3.2018.

Interviewee T R. COO at Company H. Interview: 21.12.2018

Olajiga F. 2017. Lean Agile Marketing. CX Conversion Ltd. United Kingdom

Interviewee W K. Founder at Company E. Interview: 29.11.2018

Interviewee R J. CEO at Company I. Interview: 3.8.2018

Poolton J., Ismail H. S., Reid I. R. & Arokiam I. C. 2006. Agile marketing for the manufacturing-based SME. Marketing Intelligence & Planning 24, 7, pp. 681-693.

PRNewswire (a) 2016. New Global Survey from Forbes Insights and Teradata Marketing Applications Reveals Agility Best Route to Individualized Marketing. INDIAN-APOLIS. URL: www.prnewswire.com/news-releases/new-global-survey-from-forbes-

insights-and-teradata-marketing-applications-reveals-agility-best-route-to-individualized-marketing-300269256.html. Quoted: 8.3.2018.

PRNewswire (c) 2016. New Global Survey from Forbes Insights and Teradata Marketing Applications Reveals Agility Best Route to Individualized Marketing. INDIAN-APOLIS. Attachment: Power 1-1 pdf. Quoted: 8.3.2018.

Putnik G. D. 2012. Lean vs agile from an organizational sustainability, complexity and learning perspective. The Learning Organization 19, 3, pp. 176-182.

Saaranen-Kauppinen A. & Puusniekka A. 2006. KvaliMOTV - Menetelmäopetuksen tietovaranto [online publication]. Finnish Social Science Data Archive. Tampere. URL: http://www.fsd.uta.fi/menetelmaopetus/. Quoted: 31.12.2018

Schwaber K. & Sutherland J. 2017. The Scrum Guide: The Definitive Guide to Scrum: The Rules of the Game. URL: http://creativecommons.org/licenses/by-sa/4.0/legalcode. Quoted: 22.3.2018.

Interviewee S S. Head of Paid Search and Social Media at Company A. Interview: 27.6.2018

Taiminen H. M. & Karjaluoto H. 2014. The usage of digital marketing channels in SMEs. University of Jyväskylä. Jyväskylä.

Teradata Marketing Applications & Forbes Insights (a) 2016. Market research - Personalized Marketing Out, Individualized Marketing In. PRNewswire. United Kingdom. Quoted: 8.3.2018.

Teradata Marketing Applications & Forbes Insights (b) 2016. Joint market research: Personalized Marketing out, Individualised Marketing in. Market research. United Kingdom. http://assets.teradata.com/resourceCenter/downloads/TeradataStudies/Personalized-Marketing-Out-Individualized-Marketing-In.pdf?campaign_code=DMC+Social-2016-09&channel=General+Use&ICID=dmcsocial. Quoted: 8.3.2018

Appendices

Appendix 1. Interview form for the SME decision makers

- 1. Describe your company: age, revenue, employees, industry?
- 2. What is your expertise/level on utilizing digital marketing in your company?
- 3. Have you used outside service providers in the field of digital marketing and online presence?
 - a. How many different service providers have you used?
 - b. What services have you purchased?
 - c. For how long have you used each of these services?
- 4. Do you have a separate marketing team in your company? a. What Job descriptions do they have?
- 5. How well in your opinion SMEs (small and medium sized enterprises) are able to utilize digital marketing in regards of efficiency and effectiveness to meet their set targets?
 - a. What are the main challenges if not?
 - b. What are the enablers if yes?
- 6. Do you consider digital marketing as an efficient tool to support company growth?
 - a. How well do you feel SEMs/your company succeeds in this?
 - b. Why not? or,
 - c. Why yes, and what do you feel has been the most important factor enabling this for your company?
- 7. How efficiently do you consider your company can utilize data received from digital marketing platforms in regards of developing their marketing?
 - a. Is this data also used to drive company growth?
- 8. In regards of optimizing digital marketing, what have been the main metrics you've been looking at? What results are the ones that determine whether the marketing is successful?
 - a. What has led you to follow these metrics?
- 9. What do you consider to be the biggest challenge in combining digital marketing and driving company growth?
- 10. When hiring a service provider, what do you expect to receive in return to your money? What is your definition of a good service provider?
 - a. Do you consider you are receiving these in the current customer-service provider relationship?
- 11. What set of skills/qualities should a service provider bring to the table?
- 12. Have the service providers been actively involved with company strategy or in driving growth? If so, how?
- 13. How would you see the difference in benefit of having inhouse skills and in hiring service providers?
 - a. Which one of these is the focus and driving strategy in your company? Why?
- 14. What form of a service you feel would fit best to your need at the moment?
- 15. In regards of communication and information sharing, how much of the company data would you be willing to share with the service providers? Would you see benefits in complete transparency in cooperation?
 - a. Does the current service provider/s request this at the moment?
- 16. How familiar is the Lean organization model to you? Can you describe your definition?
 - a. What about agile model?
 - b. Have you implemented/are you planning to implement either (or both) to your own organization model?
- 17. How much autonomy and decision power would you feel comfortable in giving to your service provider company?

- 18. Would you see benefits in having a service provider, that develops digital marketing in a Lean Agile way?

 a. Why not / why yes?

Appendix 2. Interview form for the digital marketing agencies

- 1. Describe your company: age, revenue, employees, number of customers?
- 2. What services does your company provide?
 - a. Does your company have a specialty in know-how?
- 3. How would you describe your company structure?
- 4. How familiar are the Lean and Agile organization models to you? Can you describe your definition?
 - a. Have you implemented/are you planning to implement either (or both) to your own organization model?
 - b. What has led you to the decision of utilizing these models (or not)?
 - c. How are these models visible in your company's/teams' day-to-day actions?
 - d. What has been the model's biggest influence and on what?
- 5. Do you consider digital marketing as an efficient tool to support company growth?
 - a. How well do you feel SEMs succeed in this?
 - b. Why not? or,
 - c. Why yes, and what do you feel has been the most important factor enabling this?
- 6. How well in your opinion SMEs (small and medium sized enterprises) are able to utilize digital marketing in regards of efficiency and effectiveness to meet their set targets in general?
 - a. What are the main challenges if not?
 - b. What are the enablers if yes?
- 7. In regards of optimizing digital marketing, is there clear main metrics you've been looking at? What results are the ones that determine whether the marketing is successful for your customer?
 - a. What has led you to follow these metrics?
- 8. What do you consider to be the biggest challenge in combining digital marketing and driving company growth?
- 9. How efficiently do you consider your company can help the SME customers to utilize data received from digital marketing platforms in regards of developing their marketing?
 - a. Is this data also used to drive company growth?
- 10. Is your company actively involved with your customer company's strategy or in driving growth? If so, how?
- 11. How would you see the difference in benefit for SMEs of having inhouse skills and in hiring service providers like you?
 - a. In which situations would you recommend either option?
- 12. In regards of communication and information sharing, how much of the company data would you consider to be valuable for the service provider?
- 13. Would you see benefits in complete transparency in cooperation?
 - a. Do you have complete transparency with some of your customers?
- 14. What do you consider to be the most important factor in a successful customerservice provider relationship?
 - a. Do you consider you are receiving this in the current customer-service provider relationships?
- 15. What benefits would you see in developing digital marketing in a Lean Agile way?

Appendix 3: Study follow-up and implementation plan for Company A

Step 1: March - April 2019

Rethinking of the organizational structure and mentality, and minimizing unnecessary hierarchical roles

Step 2: May - October 2019

Building a transparent and open company environment by changing communicational habits.

Begin the employee training on Lean agile mentality and psychology.

Practices on constructive conflict.

Step 3: November 2019 - January 2020

Rethinking the Company A service concept and its changes with the <u>entire</u> organisation.

Step 4: February 2020 -

Hiring a Lean agile coach who is familiar with implementing the model on service environment.

Beginning the Lean agile model implementation to the operation.