



# LAUREA

# Consumer trends and trends delivery process for Nokia.Mobi



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## **Consumer trends and trends delivery process for Nokia.Mobi**

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As the world has networked and high speed broadband is in reach for many, mobile phones have become more personal and in many cases pocket sized computer substitutes. This has lead to a steep increase in time spent with mobile phones, extracting its many features beside calling especially with today's more common smartphones. As smartphones are capable of performing almost the same tasks as traditional computers, there has arisen new possibilities from a commercial point of view to deploy various technological, communicational and marketing prospects.

This thesis has been done for and in cooperation with Nokia. Parties involved were Consumer Futures team, focusing in future consumer trends and Nokia.Mobi, a team working on Mobile portal development. Between these teams was a personal connection which eventually drove me to choose this topic for my thesis.

Nokia.Mobi, the team responsible for developing a mobile internet portal, realized there was a need for consumer behaviour information for its own projects. They had their own perceptions what consumers want, but additional professional information, as it was available, was needed. The problem was fragmentation of information sources and quality. They couldn't process and gather all the essential material what was available for their own purpose. This was reason of lack of time, knowledge and resources. This problem was then a possibility for straight forward cooperation between the two teams, and I was granted an opportunity to join consumer futures team for six months. The thesis scope is focusing on helping Nokia.Mobi to realize and use full potential of available information and resources what Consumer Futures can offer. One main theme discussed and analyzed in the thesis is the relationship between future consumer behaviour, mobile marketing and mobile usage. And the second is how to deliver the consumer trends to Nokia.Mobi.

The thesis begins with an introduction of the background and research problem, and continues with company facts and figures. The parties involved in thesis are represented next and theoretical part digs deeper to concepts of trend and forecasting, service marketing model, consumer behaviour and web 2.0. Following are my views of possible future consumer trends and how to use them in mobile themed implications. The plan of consumer trends delivery is in the last part of the thesis where I have made a plan for cooperation with these two teams.

Key words: company internal cooperation, consumer trends, mobile culture, technology

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Maailman verkostuttua matkapuhelimista on tullut entistä henkilökohtaisempia ja useasti myös tietokoneen tasku kokoisia sijaisia. Näin ollen matkapuhelimen ääressä vietetty aika on useimmiten muuta kuin pelkkää puhelimeen puhumista, varsinkin jos puhutaan nykyään jo niin yleisistä älypuhelimista. Kun älypuhelimella pystytään tekemään lähes samoja asioita kuin perinteisellä tietokoneellakin, on alalle syntynyt aivan uudenlaisia mahdollisuuksia kaupallisiin sovelluksiin sekä teknologian, kommunikaation että markkinoinnin näkökulmasta.

Lopputyöni on tehty yhteistyössä Nokian kanssa ja osapuolina yhtiössä olivat tulevaisuuden kuluttajatrendien tutkimiseen keskittynyt tiimi, sekä Nokian sisäisen mobiiliportaalin kehittämiseen keskittynyt tiimi. Näiden kahden tiimin välillä oli selkeä yhteys tavalla joka johti lopputyöni aiheeseen.

Nokia Mobi joka on Nokian sisäistä mobiiliportaalia työstävä tiimi, halusi saada enemmän tietoa kuluttajien käytöksestä ja varsinkin tulevaisuuden trendeistä luodessaan uutta sisältöä projekteihinsa. Tässä oli selkeä mahdollisuus kahden tiimin suoraan yhteistyöhön, joten sain mahdollisuuden liittyä puoleksi vuodeksi tulevaisuuden kuluttajatrendi tiimiin tätä projektia varten. Lopputyössäni olen ottanut näkökulmaksi tulevaisuuden kuluttajien käytöksen, mobiilimarkkinoinnin ja mobiililaitteiden käytön suhteen. Alue on laaja, ja kun tiedetään kuinka jatkuvasti syntyy uutta sekä teknologian puolella sekä esimerkiksi uusina markkinointi ideoina, halusin tuoda esiin teemoja jotka mahdollisesti tulevat olemaan tärkeitä tulevaisuuden mobiilisäällön kehittäjille kuluttajan näkökulmasta. Rajan veto trendeissä, varsinkin kuluttaja ja teknologia puolen trendeissä on hankalaa joten myöhemmin esiintyvissä ajatelmissani yhdistellään näitä molempia.

Lopputyöni lähtee liikkeelle esittelemällä taustoja ja tutkimusongelman, ja jatkuu yleisellä yhtiön esittelyllä. Myöhemmin käydään läpi lopputyöprojektin osapuolet sekä teoreettinen osuus jossa paneudutaan ensin käsitteeseen trendi ja niiden ennustamisen mahdollisuuteen, palvelu markkinointimalliin, kuluttajakäyttäytymiseen sekä web 2.0:aan. Näiden jälkeen esittelen omia näkemyksiäni tulevaisuudessa mahdollisesti esiintyvistä kuluttajatrendeistä ja niiden mahdollisista implikaatioista mobiilimaailmaan. Lopputyön jälkipuoliskolla olen tehnyt prosessikartan kuinka nämä kaksi tiimiä voisivat parhaimmilla mahdollisella tavalla tehdä yhteistyötä jossa molemmat osapuolet hyötyisivät toisistaan. Lopputyön päättää päätelmäosuus missä katsotaan miten asiat ovat edenneet ja miltä maailma näyttää projektin aloituksen jälkeen.

Avainsanat: yrityksen sisäinen yhteistyö, kuluttajatrendit, mobiilikulttuuri, teknologia

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## 1. OVERVIEW

### 1.1 Background

This thesis points out consumer trends with smartphone mobile usage and mobile marketing in mind, and how those trends can be delivered for the use of Nokia.Mobi in an effective way. The idea for the thesis topic came for practical reasons from Nokia's Consumer Futures team. This team, known also as "trends team" focuses on future issues and bringing insights from the consumer world by understanding and analyzing ongoing trends and events. The team's core idea is to identify future consumer trends (3-4 years ahead) and turn them to insights for Nokia's internal use.

To serve Nokia's internal organization Consumer Futures is composed so that every person has their own internal clients and global areas to be taken care of. It means a lot of work for each individual. As there are always new things to be discovered and outcomes to be delivered, Consumer Futures gave an external person an opportunity to join their team and see what lies behind Nokia's consumer knowledge.

My purpose was to contribute to their work and projects that were ongoing or upcoming, but mainly it was to help identifying the process of how to deliver consumer trends to marketing organizations. We decided that the best way to tackle this was to find out how I could contribute to work, a person in Consumers Futures was already doing for this particular area - delivering consumer trends to parts of the marketing organization

Eventually we chose the scope to be Nokia.Mobi team, due to fact that it was reasonable in terms of team size and their strategy planning suited Consumer Futures' 3 year scope and they needed long term knowledge of consumers. Also the issue that affected the selection was the business field which is relatively new, due to recently established third generation mobile telecommunication network (3G) allowing real internet experience and true social networking with mobile phones.

### 1.2 Research problem

The research problem addressed in this thesis is information filtering, idea creation and delivery process for a mobile portal administrating team at Nokia.

Nokia.Mobi is a Nokia administrated mobile internet portal. The team behind it called Nokia.Mobi belongs to Nokia's markets organization. Nokia.Mobi portal aims to grow and de-

velop steeply from what it is today. At the moment it has the world's biggest mobile internet traffic known to any site, and this gives it an advantage. To achieve its goals Nokia.Mobi will put effort into developing its portal's usability, content, access and visibility. Nokia.Mobi team has communicated their wish to receive future consumer trends to their strategy and development planning. This would help them understand their user groups' future needs and lifestyles, already in the planning stage where it matters. The problem for Nokia.Mobi is lack of knowledge what consumers will want in the future and how their behaviour will change. There is information and literature available, but problematically the sources and right kind of information is too fragmented. To utilize all information, it should be packed and presented in a way that serves Nokia.Mobi's intentions and area of profession. In Nokia.Mobi there are no resources to do this kind of work, but inside the company there is. Consumer Futures is the party who could offer all this. But as time is a valuable asset and many other instances require the same kind of care, there needs to be a plan. Consumer Futures team has limited resources in personnel and time wise, and even if trends delivery sounds on an idea level as a simple task, it needs scheduling, background research for Nokia.Mobi's needs, valid material to be distributed and consistent communication between two teams. Otherwise it is easy to lose track and slowly forget the aims of cooperation. On that basis this thesis will introduce these two teams from Nokia, will open up chosen consumer trends, offer trend implication propositions, draw a map proposition how trend delivery should be done for Nokia. Mobi, how communication needs to be executed and observe how the implications were done and what were accomplished. Consumer trends shared in this thesis and its participation is identified through extensive desk research and internal Nokia documents.

### 1.3 Topic outline

As marketing plays a big part in today's business and in our every day lives, consumers are stimulated almost in every space, it is crucial to make the best efforts for brand visibility and value, answering to consumer demand and giving the right kind of marketing message to them. For this purpose Nokia offers to its internal organizations and teams a chance to have information about forecasted consumer behaviour; demand, values and desires, to be used in those planning activities.

The work of sharing consumer trends to internal clients differs inside Nokia. Some teams, for example design or device categories, have traditionally been working more closely with Consumers Futures, but as business environment changes, more parties need these insights. Due to lack of time and resources some stakeholders have been missing the same level of service which more traditional teams are used to having. Therefore trends have not reached their potential value for all valid stakeholders, and as management's message is more "consumer



centric company” (Nokia Oyj, 2010, Vision and Strategy), this asset provided by Consumer Futures team needs to be used.

At a general level all parties at Nokia can reach and are contributed from consumer trends. For some teams more passive delivery is enough, for example intranet publications. Other teams might not need this kind of information, but more often consumer information is needed around the company. Nokia.Mobi is one example of the teams that have realized and requested to receive customized and sensibly presented insights. Topic “Consumer trends and trends delivery to Nokia.Mobi” shows and explains a model how Consumer Futures team can begin a cooperation with a new team from new business area (services), what is the process and what are the kind of topics and content what specific case shareholder could need.

#### 1.4 Limitations

The nature of Consumer Futures work is to forecast future consumer trends within a three to four year time distance. It requires a stakeholder who has the same planning timeline, and as some stakeholders use over 5 year strategies and some half year strategies, it limits the selection. At the moment trend contribution towards particular teams inside markets organizations is mostly driven by upper level strategy, to help the teams with Nokia level marketing planning. This left plenty of teams to choose as this kind of specific trend contribution and one to one cooperation has not been done with too many parties. But as a project it was better to choose a smaller and more familiar team to focus on. And as my study major is consumer marketing, it left me with consumer and internet behaviour oriented Nokia.Mobi, suited best for the thesis problem.

## 2. COMPANY INTRODUCTION

### 2.1 Nokia Oyj

Nokia is a global leader in mobile telecommunication devices markets. It has been one of the “big ones” from the beginning of 90’s, and Nokia has been introducing many leading technologies and ways in communication. As a side effect of being a global mobile device giant, Nokia has become also the biggest camera manufacturer, and the aim is to be the biggest portable music device maker. For Finland’s economy, Nokia is essential and it has a bigger netsales than Finland’s yearly budget, Nokia 51 058 million Euros in 2007 versus Finland’s yearly budget approximately 40 482 million Euros in 2007 (Nokia annual information 2007)

(Valtion talousarvioesitys 2007). That said it is obvious that the tax revenues from Nokia are important. Benchmarked internationally, Nokia is listed 69<sup>th</sup> biggest public company in recent Forbes List (2007, Forbes).

Nokia's organization structure consists of Devices, Services & Softwares, Corporation Development Office and Markets. Nokia Siemens Networks is part of the organization, as is the newly bought Navteq. They together consolidate Nokia's balance sheets. Devices and Services & Softwares create the spine of Nokia's business. The Markets Unit is responsible of supporting those two by taking care of supply chains, retail channels and marketing operations. The Corporate Development Office concentrates on strategy planning and supports cross-company operations.

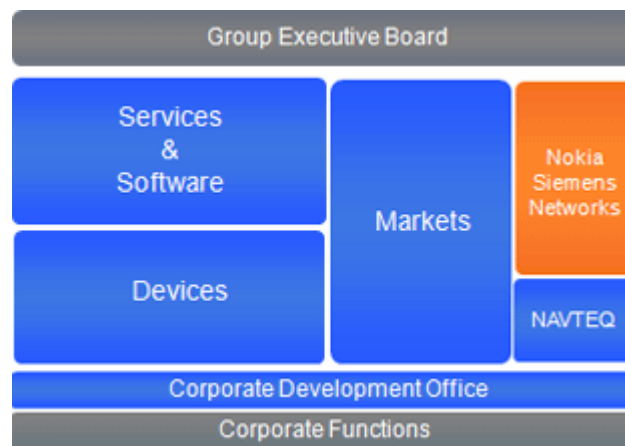


FIGURE 1: Nokia organization chart (Nokia intranet, 2008)

In 2008 Nokia took a leap forward by defining itself as an internet company, which still concentrated on manufacturing, but also shifted focus more to phone tailored solutions and service areas. It is an important step as the device sector will not continue to rise like in the past as markets are becoming more saturated. The growth then needs to be gained from other areas, and Nokia has defined it in its strategy to build trusted consumer relationships by offering compelling and valued consumer solutions that combine beautiful devices with context enriched services (Nokia Oyj, 2010, Vision and Strategy). This is the logical direction when it is universally known what type of changes in technology usage there is amongst consumers. Content and usability is becoming the dominant factor over technological features. People want to be able use their mobile phones like they use their computers. Nokia's answer for changing markets is evident and can be seen by looking at its offerings.

Examples around industry are plenty, but from Nokia one good example can be a N96 device. It shows innovative features like mobile-TV, flash supported web browser, dual-core proces-

sor, 5 megapixel camera with dual LED flash, geotagging to pictures and up to 24 gigabytes of storage space. Nokia wants to be at the edge of technology by introducing powerful technology, even if the design is a bit conventional. When that technology is combined with service and software offerings from Nokia, it can be said that Nokia wants to be at top of its game.

At the moment, the company keenly brings to selected markets the “Nokia Comes With Music” service, “Nokia Maps” and “Share On OVI” types of services to satisfy demanding users, and to create an ecosystem for its main products, the devices. This also proves that today’s development processes is more demanding and complex than yesterday’s as markets require succeeding in terms of technological and content areas. But changing industry brings always new opportunities and companies just need to adjust to them and bring their own flavour with the change.

Looking at the mobile phone markets globally, there is a division between basic phone markets and more sophisticated smartphone and style orientated devices. The latter one reflects higher income market areas where passion and enthusiasm for new technology and services come from people and tele operators. This area is where Nokia wants to grow and be at its best. That is also the area where companies can have biggest profit margins, as Apple’s iPhone has proved with only one model design.

The basic phone markets are at least the ones where Nokia is now at its strongest. In developing market areas mobile phone sales are growing and this indicates the respect for the Nokia brand to be stronger than for example in North America (Nokia Quarterly and annual information, 2008). Quickly developing countries are also the reason why Nokia has gone over the magic barrier of 40% in global marketshare (Intomobile, 2008). But looking again at Nokia’s service product portfolio, it is the company’s goal that those basic phones would get the same advanced features that high-end models have now. If and when low end phones will eventually come packed with features that allow users to extract the potential of Nokia’s service product portfolio, the current strategy looks at least at the moment well chosen.

To achieve new business targets, Nokia went through organizational change during the Winter 2007-2008. Nokia organization is now an umbrella for hundreds of smaller stakeholders who should work together more and without barriers, and that has been one of the key ideas in the “internet company” concept, according to Nokia Vision and Strategy. Organization change made “We” thinking easier to execute by changing heavily organizational structures and giving targets for teams to reach, to help improve their cross-company inputs and communication. This meant change also in Consumer Futures team’s working methods. Their insights were seen as valuable for many stakeholders to realize in their executions, so now Consumer

Futures will spread information wider inside the company, and this allows them to get closer to real consumer touchpoints.

## 2.2 Nokia.Mobi

Nokia Mobi is part of the Digital & Lifetime Relationship Marketing Division. DLRM is located under Marketing Operations, which is one step under the Markets Organization. This division is responsible for developing digital relationships and creating experiences for Nokia users, through mobiles or computers. Examples are services like My Nokia, Nokia.mobi and Nseries.mobi. Nokia.Mobi then is a fairly small team, responsible for developing and making Nokia's default mobile web portal (Nokia.mobi) more interesting and worth visiting.

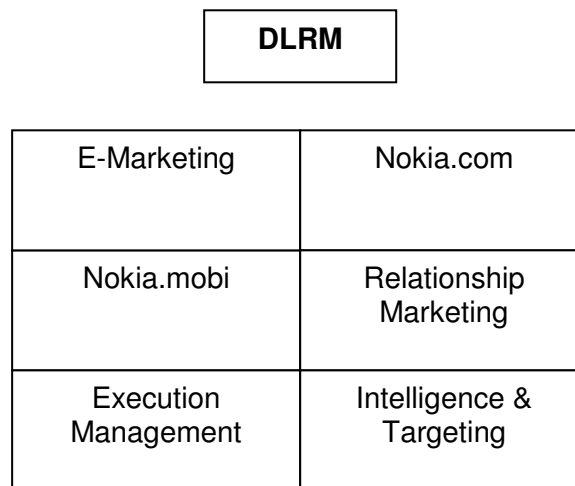


FIGURE 2: DLRM organization chart

Historically Nokia has always had mobile portals since WAP technology made mobile browsing available back in 1999. However, only with recent technological changes (meaning third generation (3G) networks and large colour screens) has the potential of the mobile phone as a personal computer been recognized and invested in.

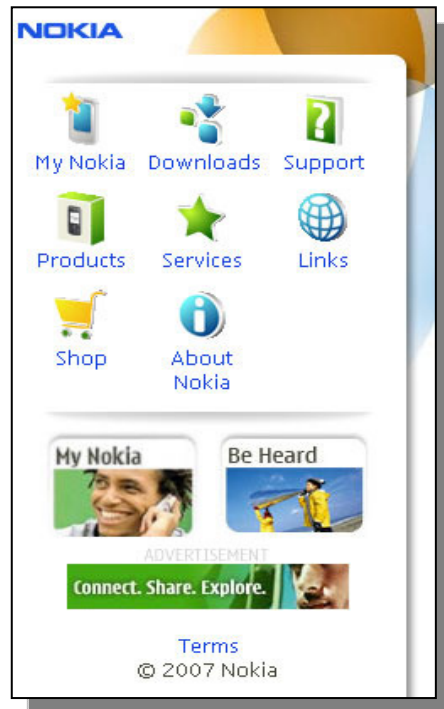


FIGURE 3: Nokia.mobi portal mainpage (Nokia intranet, 2008)

It is a universal idea to have certain service channels integrated as close as possible to the product itself. Nokia.mobi follows the same idea, allowing it to be one of the first service related external web/wap sites for a device user to come along. In optimal situations these kinds of portals would become important, useful and entertaining sites to visit. Often they have not succeeded in that, and most users have visited those support sites less than planned, or never. At the moment Nokia.mobi is also a relatively small portal and the present offering leans more on the practical side.

The present Nokia.Mobi offering is mostly up-to-date product information and downloadable items for devices. Examples are product and accessories info, services e.g. MOSH, Widsets, Beta Labs content, My Nokia registration, guides & care contact info and some PR features. For fun & entertainment there are personalization tools from product programs, Forum Nokia content, misc links and media streaming service. Light advertisement business is also part of the portal. This offering line-up, even if quite thin, is helpful for device users but it does not create engagement or stickyness to the site.

Boosted by a known fact that globally Nokia.mobi is the most visited mobile internet portal, the Nokia Mobi team has laid down an impressive strategy for their expansion and growth. By increasing the s40 platform (Nokia's Symbian UI for more basic phones) device sales with mobile optimized browser, there are more potential visitors, and for many people especially in developing markets this kind of internet mobile experience can be their first and only internet experience. This fact needs to be underlined as in developing markets computers are much more rarer than mobile phones, so communities who have capable mobile devices will use them as computer substitutes (Nokia Consumer Trends, 2007).

The Nokia Mobi team sees mobile internet as a diverse universe with richness in context and not as a mini online experience. Technically it is less heavy to operate, but today's software code can also give it lot of flexibility and characteristics to give it the feel of more than just a small fixed portal, which it is not. And as users do not want to act in downgraded environment from their device user interfaces, Nokia.Mobi plans to have their portal with a more integrated and genuine feeling. Where users can explore not only Nokia.mobi content, but move and feel part of the bigger Nokia web services.



FIGURE 4: Nokia mobile portal cloud, (Nokia.Mobi material, 2008)

Forces that affect Nokia Mobi teams' work change with the world. Some of those forces are internal, for example team vision, human resources, strategy flows. If needed the team acts and makes changes according to those forces. External forces are more complicated. Identifying external forces and responding to them helps Nokia.Mobi team as they are able to adjust their market demand or offer new features. Having a possibility to get further advice, for example from Consumer Futures, can help them to see further.

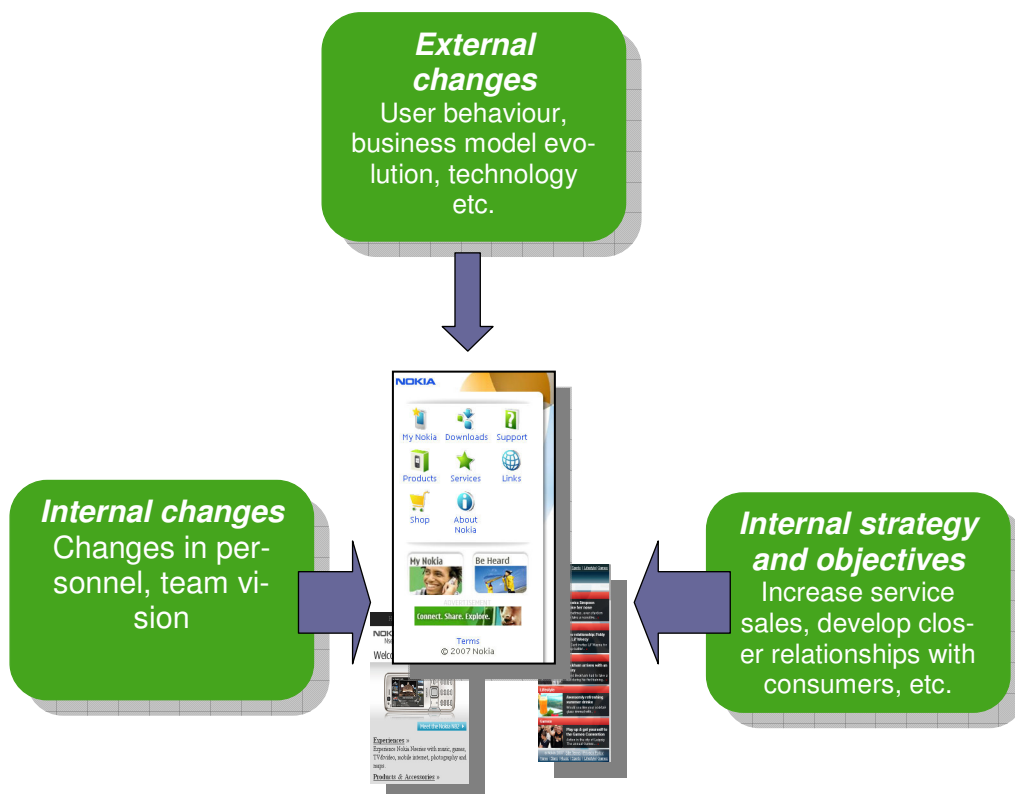


FIGURE 5: Forces affecting Nokia.Mobi (Nokia.Mobi material, 2008)

Advertisement space works at the moment statically, presenting changing advertisements at the bottom of the screen, but with internet traffic that Nokia.mobi shows, the investment in a smooth and motion supported site platform would create a good basis for numerous and innovative marketing opportunities. And that is one of the big value bringing aspects Nokia Mobi has planned for when it releases the next generation version of the portal.

### 2.3 Consumer Futures

The core of the Consumer Futures team is located physically in Keilalahti Espoo, but it is also has people in New York, Beijing and in Gurgaon Delhi. Those locations symbolize the cultural distance as well as geographical distance from Finland. They also tell a story about the importance of specific market areas for Nokia. It is essential that the company takes care of local characteristics in its operations and offerings. Having a Consumer Futures team around the world, making research and understanding locality, is important. The whole team can then contribute needed area specific information to company level strategy and individual teams.

At an organization level Consumer Futures is located under Markets, Consumer Insights & Brand management and Consumer & Customer Insights. It produces the main trend outcome “Annual Trends” with its neighbour team focused on design and technology trends. All team members have their own business or area responsibilities and stakeholders to work with. An example is in North America where a person either locates in New York or in Espoo, does research on that specific area about newly recognized or changing consumer behaviours / phenomena, and works closely with his own stakeholder. This is achieved by giving presentations, finding out their needs, supporting relationships and arranging workshops or development discussion.

“The Consumer Futures drives new growth opportunities by identifying relevant business and actionable consumer trends that provide inspiration and facts” (Consumer Futures methodology, 2007). The sentence comes from the team itself and it defines the purpose of their existence. An outsider could easily make a mistake with Consumer Futures team name and think the work is just guessing and predicting. In reality it is challenging and precise work with certain processes, methods and measurement tools. The team is always challenged to come up with new perspectives and to pinpoint relevant factors of already existing trends, or finding paths leading to new phenomena and trends. The team seems to have ideas sources and energy for re-inventing itself again and again, and finding out what are our consumers’ next steps. And by further turning those subjects to business insights, totally requires tough professionalism, innovative minds and stamina from each team member. Consumer Futures team follows a certain process to guarantee quality of their insights and to keep the work in order. Every stage gives an outcome on which to proceed to the next step.



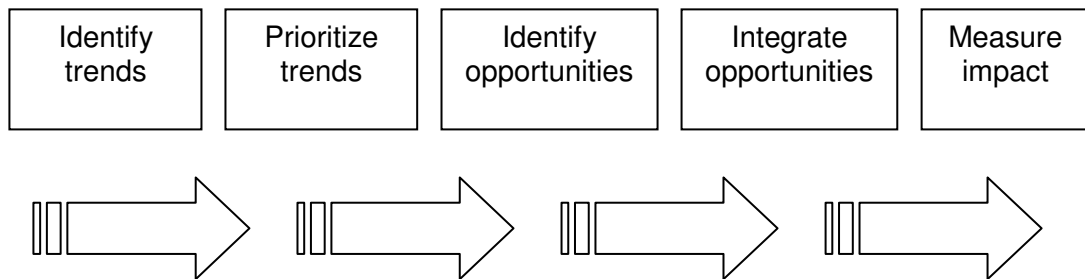


FIGURE 6: Consumer Futures' trend process map

Trends identification gives a research collection through different areas (Area Trends). Consolidated area trends are published in Annual Trends, a publication of Nokia's significant key trends. Trends prioritization is work done with stakeholders to scale down the long list trends, for finding out relevant ones and giving a meaning for them with suggestions. Identifying and integrating opportunities is further work for scaling down what are the opportunities and real meanings for business. This is also a point for further research of valuable and interesting trends. All work and efforts are afterwards measured and used again if needed when a new round begins. The team sees critical value in "lessons learned", and takes care of over-viewing the impact of their previous work and methods.

### 3. THEORETICAL BACKGROUND

Theoretical subjects linked to the thesis theme can be separated into five themes. The first major theme is consumer trends. The concept of consumer trends is opened up in the trend section of the thesis, but the upper level theory of trend construct will be dealt in the theory part. As the thesis focuses on future trends, the theory of forecasting explains how it is, or is it possible to see in to the future. Thirdly is service marketing, considered as Nokia.Mobi's business field. In here I will describe the concept of a service marketing model, developed primarily for traditional service types, but it can be used also with mobile internet services. The fourth part is the theory of consumer behaviour. The chapter explains the drivers influencing consumer around the world. The fifth part describes the Web 2.0. This is closely linked with the aim which Nokia.Mobi wants to execute in their future vision.

### 3.1 Trend framework

Trends can be seen as a description of ongoing happenings, but they as well open up a window for tomorrow. They are future tendencies, assumptions about progress, development or evolution of certain things. According to Consumer Futures trends can be divided into four categories which are:

- Megatrends / 10-50 years
- Socio-cultural trends / 5-10 years
- Consumer trends / 2-5 years
- Practices trends / months - 1 year

Megatrends are larger social, economic, political, environmental or technological changes. They are the big underlying forces that drive other trends. Such trends are for example impacts of climate change, or religious revolution in politics. (Nokia internal reports, 2008)

Socio-cultural trends are culturally specific sociological tendencies, which modify the value system, morals, the ways of thinking and behaving. Socio-cultural trends are a way for individuals and society to adapt to megatrends. Trend examples can be environmental & social awakening, or birth of underground societies and culture to avoid impacts of ruling power. (ibid)

Consumer trends are changes in consumer lifestyle and consumption behaviour that socio-cultural trends drive. They represent behaviour and values from technology usage to health. Examples can be new methods in consumer good usage or in everyday behaviour models. (ibid)

Practices trends show level of practices within consumption or service and technology usage. For example people use shopping bags made of parachute material, because it is extremely robust material. Or a family begins to shop at the market square rather than in a supermarket. (ibid)

### 3.2 Forecasting

Understanding what consumers might want in three years time or what methods, behaviour models and consuming habits they have, is what future trends analysis is about. These insights and foresights are important. Foresights are short views of future and insights are foresights with purpose built messages. Foresights are derived from listening, sensing, and characteriz-

ing futures that provoke your own creativity. Foresights are also derived from experiences and observations, when you see something that you believe is a precursor of the future. A forecast is a broader view consisting of many foresights. Forecasts should be designed to stimulate actions you take in the present situation and even forecasts that never happen are worthwhile if they provoke insights for user. (Bob Johansen, 2007, 13)

According to Johansen (2007) a forecast is a plausible view of what might happen in the future. Nobody can predict the future and prediction is almost always wrong. A forecast does not need to “come true” to be worthwhile. A forecast should provoke new thoughts: new insights, new possible actions or new ways of thinking about the present.

### 3.2.1 Approaches to forecasting

There are many approaches for using forecasting. Johansen (2007) has made a list of core methods, which shows how a forecast can be composed.

- Expert opinion aggregation defines who is the most proficient in understanding a possible future and provides a systematic process for articulating and synthesizing expert opinions into a forecast.
- Expert workshops are a specific form of expert opinion aggregation. Expert workshops are typically composed of groups of twelve to twenty-five diverse experts called together as a part of a forecasting process.
- Content synthesis draws together the forecasts of others to create a synthesized view.
- Historical Analogy draws lessons from the past. Even in times of great change many aspects of life do not change. A historical approach explores what is not likely to change and what lessons have been learned so you don't repeat old mistakes.
- Scenarios bring forecasts to life stories, some of which may include characters and dialogue to help bring people into the daily life of future worlds.
- Survey research uses questionnaires or interviews to elicit attitudes about the future. Although surveys cannot go deep, they have the advantage of providing access to wide ranges of people through stratified samples and random samples to draw wide conclusions. Internet survey research has extended this even further.
- Ethnography is derived from the discipline of anthropology and provides a way to explore underlying culture and values - as well as the patterns of how things work or what's going on in a given setting.
- Visualization brings a forecast to life through pictures, human, art, digital art, and a variety of other means to help visualize possible futures.

- Artifacts from the future are hybrids of archaeology and design that use imagined objects to bring a forecast to life. An artifact from the future is a scenario in a physical form.

Often used method is for example analyzing history when making scenarios for economical situations. Expert opinions and panels are reliable methods as participants are truly aware of the area in which they are experts in, and they know what factors are relevant for forecasting. Artifacts are a more unknown concept for many, but in an automotive world concept, cars or specific studies are part of artifacts which are used to study people's reactions.

### 3.3 Service Marketing Model

Commodities discussed in the thesis are all related to services, as there is no outcome of tangible items from either Consumer Futures or Nokia.Mobi teams. Consumer Futures "sell" its services to internal customers. Consumer Futures' aim is not to gain profit for the team, but to help Nokia stakeholders to improve and adjust their businesses. Nokia.Mobi does have a product, but its object is not to really sell it, but more to offer circumstances for users, services, marketing and "Nokia world" to meet in an inviting and accessible environment. The service marketing model by Grönroos (2007) is then compatible with Nokia.Mobi's business.

In planning marketing functions Grönroos (2007) says that five variables seem to be important: the service concept, the accessibility of the service, the interactive personnel/customer communication, auxiliary services, and consumer influence. These variables are the means of competition related to the service firms' interactive marketing function. These are also the components of the service offering, which the consumer gets and evaluates.

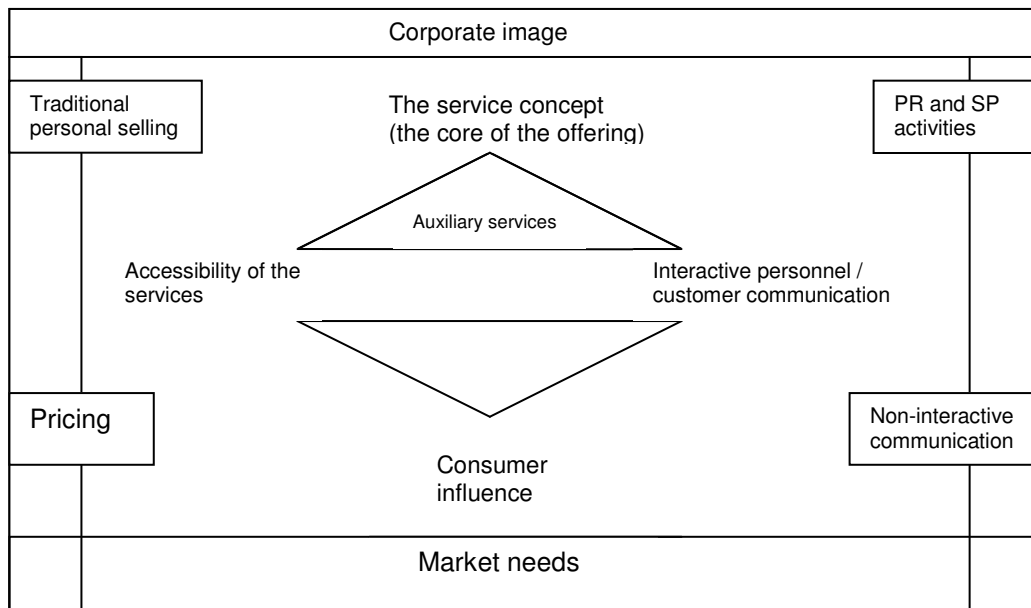


FIGURE 7: Service marketing model

More traditional marketing functions can be applied by the service firm, too. In the service marketing model these variables are labeled traditional personal selling, non-interactive communication, PR and SP activities, and pricing. (Grönroos, 2007, 50)

The service concept is the core of the service offering, and it must be derived from the needs or wants of specified target groups of consumers. A company usually has a general service concept. Moreover, company should have specific service concepts, which are the cores of specific services. For example in Nokia.Mobi an up-to-date entertainment news section or intelligent tracking site which keeps an eye on free music samples from new artists.

The service concept is the core of the service offering, or the product of the service firm, but it is intangible. By developing the other four elements of the interactive marketing function this intangible core is turned to a concrete service offering. First of all, the accessibility of the service has to be considered. The service should be made accessible to the target customers in an attractive and convenient manner, so that they will be satisfied with the way in which they can both buy and consume the service. Clearly the accessibility of a service has an impact on all the quality aspects of service i.e, image, technical quality, and functional quality. (Grönroos, 2007, 50-51) Also the interactive customer/personnel communication concept is an important way of planning the interactive marketing function. In web browsing, communication is about how much relevant information a visitor can get, and how much fun he/she had. Communication is up-to-date information, changing the site colour schemes, fixing tech-

nical bugs and presenting new features. This way a customer feels that he/she has been acknowledged.

Auxiliary services can make the core service more attractive by offering extra comforts or goods. They are used as means of competition. Such auxiliaries are, for example, hotel booking and inclusive tour arrangements offered by airline companies, or free music samples from music service sites. These services are not necessarily needed in order to turn the core service into a concrete offering, but they may be the “extra” which makes the service outstanding in comparison with the services of competitors. The auxiliary services easily become an integral part of the service offering in the minds of the consumer. (Grönroos, 2007, 52)

The consumer influence on the service offering and on the interactive marketing function is twofold. The consumer himself takes part in the production process and, consequently, has an impact on what he gets in return. On the other hand, other customers simultaneously buying or a consuming service also influence the service offering. A typical situation is where a game enthusiastic buying games seldomly expects to get more deep game experiences, but markets have changed to offer more arcade style gaming experiences due to fact that there are more buyers for those games. This is the situation even if the game depth and quality are not as intuitive.

The service marketer has to recognize this fact, and include also the role of the consumers in his interactive marketing planning. One should note that the consumer influence has an impact on the company’s image as well as on technical quality and functional quality (Grönroos, 2007, 52)

Retention is one of the main issues Nokia wants to develop at company level, in order to continue succesful business. A market organization is thriving for brand love through multiple functions. Grönroos also underlines the importance of retention. He says that marketing is a dynamic process, where the marketer should not only be interested in getting customers, but also in keeping the customers, meaning resales and enduring customer contacts. Marketing must not stop when sales have been created. In order to succeed in this, Grönroos states that there are three stages to satisfy customer needs. They are: creating interest in the service firm and its offerings, purchase of a service, and repeat purchase of the same or similar services, respectively. Thus, a company must continuously demonstrate its capability of handling buyer/seller interactions throughout the whole purchasing and consumption process. If it fails to do that, it will probably lose customers, whereas a competitor that successfully manages its interactive marketing function will get a positive reputation and a desirable corporate image followed by satisfied customers and enduring customer contacts.

### 3.4 Consumer Behaviour

The shift to customer centric attitude is rising. The success of many businesses will be decided upon by the ability to answer both consumers' today's and tomorrow's upcoming challenges. Seldom is technical invention enough. Business operational innovations are stepping up to be the front burners: how to service and make customers feel welcome and interested, and what are the values customers will be willing to pay for. The focus is shifting from technologically oriented innovations to customer and service oriented innovations. (Hautamäki, 2008)

In order for businesses to shift to a more consumer oriented model, consumer behaviour backgrounds need to be clear. Consumer behaviour can be defined as a part of mental, emotional and physical activities, the ones that people engage when selecting, purchasing, using, and disposing products and services so as to satisfy needs and desires. There are some common features that can be seen in consumer behaviour no matter the product/service selection situation. Seven features that affect consumer behaviour are listed by Ylikoski (2000, 77-79)

1. Consumer behaviour is goal-oriented. A consumer is motivated to pursue and satisfy needs. When a consumer buys services, he has a reason to do that. These reasons are satisfaction of physiological needs, safety needs, social needs, esteem needs and self-actualisation needs.
2. Consumer's buying behaviour includes many different products or services, taking contact to the company and actual consumption.
3. Consumer behaviour is a process. All the actions that belong to the consumer behaviour process take place in certain order.
4. Consumer behaviour changes depend on the time and complexity of decision-making. Sometimes the decision is made quickly and sometimes the decision-making process takes a lot of time. The characteristics of service and expected difficulty of the buying situation influence the easiness of making the buying decision.
5. Consumer has different roles in buying situation. The customer may buy the service to himself or to his family for example. The customer may be the end-user of the service, the decision maker or the influencer. If the service provider wants to influence the customer, he has to know who will use the service.
6. Consumer's personal factors and his surroundings affect consumer behaviour. Consumer's individual attributes, such as age, gender, education and financial situation, make a great influence on behaviour. This means that these attributes affect also the

needs that are a base for buying behaviour and the actual buying situation. For example, young people need change in different life stages. Psychological factors, such as motivation, information processing and learning also affect the consumer behaviour.

7. External factors also affect consumer behaviour. The most important external factors are the society and culture in which the consumer lives. For example, the economical situation of the society reflects on the financial situation of the consumer and therefore also on consumer behaviour. The marketing mix and situational factors are also external factors.

Listed behaviour attributes are independently influenced by four main values. They are psychological, social, personal and cultural factors. These factors are discussed in the following part of the thesis.

### 3.4.1 Psychological factors

Four psychological factors influence consumer behaviour. They are motivation, perception, learning and beliefs and attitudes. A person has needs, and a need becomes a motive when it is aroused to a sufficient level of intensity. A motive is a need that is sufficiently pressing to direct the person to seek satisfaction. The purchase process begins with recognition of the need which will motivate the person to act. (Kotler, 2001, 205)

These situations are influenced by consumers own perceptions. Perception is the process by which an individual makes sense of the world. Perceptual processes are divided into three categories. In selective attention a person screens out stimuli on which he/she is exposed to daily. Selective distortion means that a person may interpret the stimuli differently than creators intended. The third is selective retention, where a person forgets most of what he/she learned, but will tend to retain the information that suits his/hers beliefs and values. (Kotler, 2001, 208-209)

Learning is an undetached part of human behaviour. Learning is produced through the interplay of drives, stimuli, cues, responses and reinforcement. Learning theory teaches marketers that they can build up a demand for a product by associating it with strong drives, using motivating cues and providing positive reinforcement. (Kotler, 2001, 209-210)

Attitude is a person's enduring favourable or unfavourable evaluation, emotional feeling and action tendency towards an object or idea. Attitudes make us like or dislike a product or idea. To change a single attitude, may require major adjustments in other attitudes. Beliefs consist of received information through social, media or self experienced channels. In order



to change person's beliefs, there must be a constant solid and proven message or action to prove one's belief is misleading.

(Kotler, 2001, 210)

### 3.4.2 Social factors

Social factors are external factors such as reference groups, family, social roles and statuses. Reference groups consist of those that have direct or indirect influence on the person's attitudes or behaviour. Individuals are influenced by reference groups in several ways, for example, reference groups expose individuals to new behaviour and lifestyles, attitudes and self-concepts. Membership groups differ from reference groups by having usually a direct influence. Such groups are two kinds. Primary: family, friends, neighbours, and co-workers, and secondary: professionals, religious and trade-union groups. (Kotler, 2001, 195-196)

A person participates in many groups, such as family, clubs and organizations. The person's position in each group can be defined in terms of role and status. A role consists of the activities a person is expected to perform. Each role carries a status and people choose products according to how they communicate with one's role and status in society. (Kotler, 2001, 197-198)

### 3.4.3 Personal Factors

People differ by their buying behaviours, and individual's buying behaviour differ through different stages of life cycles and age periods. For example, youngsters pay attention to different products than retired people whose needs are different. Other variables such as divorce, widowhood, remarriage, single status are nowadays taken in good consideration in marketing planning.

Economical situation is a major driver and affects plenty of things, whether person can commit investments other than life sustaining products. Lifestyle is a person's pattern of living in the world as expressed in activities, interests and opinions. Lifestyle captures something more than the person's social class or personality. The technique of measuring lifestyles is known as psychographics. It involves measuring primary dimension (activities, interests, opinions). The most widely used are the values and lifestyles (VALS) typology. It classifies consumers into eight lifestyle groups: (Kotler, 2001, 201)

- Innovators (Actualizers) (10%)
  - sophisticated, image is expression of taste

- Thinkers (Fulfillers) (11%)
  - value order, knowledge, responsibility
- Experiencers (13%)
  - impulsive, rebellious, seek variety
- Achievers (14%)
  - in control, buy established products
- Believers (17%)
  - conservative, family, church, community
- Strivers (12%)
  - unsure about self, low self esteem
- Makers (12%)
  - value self sufficiency, politically conservative
- Strugglers (12%)
  - Poor, low skilled, cautious, safety and security concerns

#### 3.4.4 Cultural factors

Cultural factors consist of culture, subcultures and social classes. Culture is something which we all learn from people surrounding us. We learn norms, values and rules which we obey. Therefore culture affects how we consume and what we consume.

Cultures consist of smaller subcultures i.e, nationalities, religions, racial groups and geographic regions. Each subculture has its own values, norms, habits and role perceptions. These subcultures can become large and affluent. Many subcultures make up important market segments. In such cases companies can begin to think about ways in localizing services or products. (Kotler, 2001, 193) Important subculture considering mobile usage is age. It often has its own distinctive values and behaviours. As will be discussed later in trends part, pre-teens will be an area of focus in the mobile industry.

#### 3.5 Web 2.0

The maturity of the internet has evolved a concept called Web 2.0. There is an ongoing debate of whether Web 2.0 is just a marketing word, or truly a new evolution. Basically it is not a new technological version, even if the technological advancement of networks now allows using features of Web 2.0. It is still based on the same technical idea as web 1.0, the World Wide Web as we know it. Actually the inventor of Internet (Tim Berners-Lee) has stated that all the features of Web 2.0 had been internally built to his Web 1.0. The main ideas of internet have always been innovation, rule breaking, networking, sharing and a fun factor, even

when it was at design stage for military purposes. Web 2.0 continues emphasizing those criteria strongly.

The web 1.0 can be described as a restaurant dish. The food is prepared by restaurant staff and brought for customer on a plate. Customer can choose from different dishes and use spices located on his/her table, but in the end the only activity was to eat. In web 2.0 the alternative choice is to actively join for preparation and serving the dish, with tools and knowledge that one has. Food might not be as professionally done as a certificated chef would do, but one's individual influence towards the concept has been on totally different level.

Hintikka (2007) describes web 2.0 primarily as a concept. It just collects up different development trends. These trends aren't necessarily even linked with each others, but there are new business models, commonly used internet techniques and many rising phenomenas like crowd sourcing and product development. Web 2.0 companies have essentially reworked the existed solutions and optimized them for their own usage adding new and powerful ideas in to them. They have managed to grab shares from already saturated markets and to create totally new markets, for example virtual commodities on role web games, picture galleries, or personal travel trackers.

Web 2.0 doesn't only mean developing internet based processes and distribution models. It is as much using the people wisdom and energy which is hiding somewhere behind internet communities and individuals. When that is combined with well known site/branding, the end result can be something like Wikipedia (Hintikka, 2007)

Web 2.0 has been also a shift from specific platform dependent softwares to more open internet based platforms. This means re-thinking of software and application designing. Web 2.0 gives freedom in providing and exploiting one's own ideas. Traditional approach that information should not be free has also gone upside down. Now the non-cost information generates new kind of internet solutions and increases business. The non-cost sharing can include thoughts, computers processing time, internet connections or open source code. The loose idea of Web 2.0 gives users productive independence to either use one model or link many methods, as there is no pre-controlled standards. (Hintikka, 2007)

For companies there is no need to fully adjust all businesses and strategies to web 2.0 compatible platforms. There are endless paths to be connected which then can be suited just for specific needs or offerings. One of the best things in Web 2.0 is the easiness to adopt it. Web 2.0 can be either quickly or step by step integrated into the development of a company. (Hintikka, 2007)

#### 4. CONSUMER TRENDS IN NOKIA

Within mainstream ideas, the word “trend” brings a common idea of fashion or trendy clothing which is a right association, but the concept is more complex in reality. One way to describe “trend” is to see the process behind it. Nokia does not accept trends to be just any weak signal. There needs to be understandable drivers and evidence, which enable weak signals to become trends. At the same time trends can cover any subject, as nobody can state that some weak signals could not eventually become trends or significantly raise their importance. Trends in general can represent some specific behaviour mode of teenage console gamers, micro loan system in India, slow and fast rhythms in life or mixed gender roles and identities. Who could have assumed back in the fifties that hair colouring could one day be a trend among males?

According to Mannermaa (2004) a weak signal is something that is an idea. It doesn't have a past and it does not appear in statistics. But in the future it can grow to a major scale whether in technology, economy or society. Weak signals are often not in line with normal behaviour or assumptions, and that is what makes them so powerful. Of course, not all weak signals will evolve to potentially reach the masses, but for example, internet was considered a weak signal 1993-1995. Now it is part of our social and professional lives.

For Nokia, trends provide directions and help to forecast what are the factors affecting the world in upcoming years. The objective of Consumer Futures team is to present the latest and most relevant social and consumer trend information for Nokia. Consumer trends provide strategic input on future shifts in people's values, attitudes, and behaviour. Consumer trends provide direction and inspiration (Nokia Consumer Trends, 2007). Consumer trends, those that reflect peoples' values, attitudes and behaviour, manifest in design and new technology usage (Nokia design trends, 2007).

Trends are visible in our everyday lives and they can be observed and spotted from media, internet or just from the street level. They tick every corner of our lives and they may vary a lot from culture to culture. For example, Westerners are receiving constantly messages to live sustainable and ecologically. Those messages have changed us to consider more our consumption decisions, and we have begun to criticize things we know are wrong in this perspective. This type of strong eco/efficiency awareness, for instance, surprised Finland's car retailers this year (2008), when fun car sales were booming and less gas efficient cars were left unsold to warehouses.

But talking about differences between cultures and nations, one would only have to go 300 kilometers from Helsinki to Russia, to see the change in this eco/efficiency trend. For exam-

ple Land Rover's Range Rover Sports sales have increased steeply in Russia, and 80 percent of all those cars are sold with the most consuming 4200cc supercharged V8 engine (Evo Magazine, 2008). And many other examples follow the same story. So no worries about tailpipe CO<sup>2</sup> trend within Russian consumers then.

Collecting trend knowledge only from streets or media can be misleading in the long run. If aim is to forecast future trends, a broad background and socio-economical understanding needs to be possessed. Nokia and its research partners have always acknowledged this, and studies are based on information gathered by different research methods, such as desk studies, expert panels, surveys and scenario buildings. Good general background knowledge, learned experiences from focus groups' personal lives and habits, business culture, technology and even science are important when building up forecasts. Street level research, online studies, following variety of media publications and personal interviews give wide analytical scope of what is happening and changing in lives.

From the candidates can be seen which are the driving trends now, and will drive society tomorrow.

To be able to produce accurate information especially from different geographical areas, there needs to be micro (local) level perspectives. To understand the ground level flows and the frame of life, members of Consumer Futures team are either located permanently in Nokia offices abroad or they travel around locations that are in study focus. This way the team "keeps it real" and has practical knowledge and feeling of things what are really happening.

#### 4.1 Methodology

Methodology needs to be chosen by research theme, aims and by resources availability (Mannermaa, 2004). The main methodology used for this thesis throughout was a desk study where weak signals, acknowledged megatrends, socio-cultural and consumer trends were the base line. Analyzing materials from various sources, helped by discussions with experts, brainstorming sessions and presentations, created the foundation for trend stories and scenarios introduced in research results.

The reason for choosing the methodology was the great amount of information versus my own previous knowledge of the topic. There was a need to learn the concept of future forecasting and what has been achieved previously, plus as my knowledge of Nokia's organization and communication methods laterally within it were rather vague, I needed to create a base knowledge before rushing into creating results.

The aim was to analyze weak signals and trends that are rising or have already been established and combine them with ideas of mobile phone usage and mobile marketing. Desk study methodology for this purpose was fruitful as the right kind and professional material was easily in reach, and topic was less tangible. For example different Nokia researches, various technology magazines blogs, and books gave excellent ground to begin analyses. To help even further, many experts of their own fields were physically in the same building complex, so interaction with them contributed hugely to thesis.

The objectives for trend stories were discussed with Nokia.Mobi team to understand what were the schemes and insights they might find useful. The result was that there is no particular topic area that could not be qualified, but new ideas could rise from many fronts. Limits were to keep mobile usage, marketing and consumers in mind. The results were eventually reviewed by Consumer Futures member to provide accuracy. Research results would in the end contribute to information material presented for Nokia.Mobi team according to created process and schedule.

## 5. RESEARCH RESULTS

### 5.1 Major Trends for Nokia in 2008

#### 5.1.1 Life enjoyment and slow versus fast rhythms

Life today is more hectic than ever. Every now and then empty feeling comes when we stop to think; what is the meaning of life and what do we want from our lives? These are the thoughts when life is difficult with heavy workloads. Those are the side effects of the modern era. But we usually go along with them, because for most there is no chance to drop out of daily routines (work, family, housework). As a counter balance to hectic life people want slowness. They want to have something slower, deeper and more meaningful, which not only recharges them, but gives peace. And it can be anything, from enjoying super audio cd's through hifi-system to collecting wooden antique furnitures. In other words the search for Yin and Yang, the unity of opposite, is on (Nokia Consumer Trends, 2007).

#### Changing attitude in consuming

Today Western world is trying to reach the ultimate life, something undefined and unknown. At the same time it has raised boundaries of welfare for other nations to follow. Material welfare, money, power, etc. are the wanted top goals. Attitude changes for this kind of thinking

are anyhow noticeable. In race to achieve mentioned “richness”, people don’t want anymore to make too huge compromises with their lives, for example with social networks, sleeping time, hobbies or with fun time. Time outside “stress circle” will be valued more and materialism less.

Marketing world until present time has relied on people to be interested, energetic and to pursue the newest offerings. They trust that the idea of throwing endlessly new impulses for consumers would bring eventually the best result. That is completely competent strategy, but too often it has meant the content being based on same mentality. It has meant super saver prices, home delivery, big numbers and great features. And all that presentation of flashy TV advertisement or pop-up windows when browsing the internet. Today consumers seem to be getting tired of consumption celebration. In future consumers will think twice before jumping on today’s crazy sales promotions.

Nevertheless, the economical reality differs a lot between nations and areas. Below mentioned marketing is strongly executed in countries, which during 1980’s were still considered as 3<sup>rd</sup> world, and which are now growing economical powers. The quest to find happiness through economical welfare is dominant in those areas. But despite all capitalism hype, at the background there is still an old slow pace traditions and values, respected and cared for. Those values and traditions help people to relax and take time for slow moments, to eventually cope with “fast money” and “be everywhere” lifestyles (fast food, drive in, overtime, social status, quartal economy).

#### New values

While our houses have been filled with electric gadgets, furnitures, computers, satellite televisions, we understand that what comes out from factory lines isn’t happiness, but just a tool to make us satisfied. The true happiness hides behind all the material success. We still want all the cool stuff to be around, but wished the focus would be on more in human values and in good life.

Embarrassing ideas and their kind of products and services reached markets some time ago, enhancing and trying to help us relax or understand that letting time just pass can be a good thing. Even some almost overengineered everyday products are designed to do that. Devices that before were symbols of fast rythms of life, are now offering slow rhythm elements also. Mostly it is about entertainment, but also design and material choices, or re-introducing the old ideas in new forms. Services or activities like slow pace dinners, day spas, breakfast with family in nearby hotel, no mobile phone or e-mail days at office and Chinese light morning workouts at city parks are examples.

The same thing goes with product category. There are many product examples that emphasize the slowness theme. Philips wake-up lights, coffee break reminders in car, wood interior in an Aston Martin designed to age with you, washing machines designed to be extremely quiet and sensual to watch. Common factors with them is peaceful, long lasting & harmonical designs. Only the mainstream consumer marketing is still lacking in this trend.

### Slower rhythms

Fortunately today the slow life enjoyment side has become underlined here too. And wealth does not mean necessarily economical wealth, even if we always said that, but did not believe in it. Appreciation for valuable free time and personal space has got higher. People, for example, have started to show their enjoyment when they accidentally leave their mobile phones home. But it's not a problem for them, as they can always be reached by Facebook or voice mail. It gives them more space then. It represents the idea of getting rid momentarily of all bondages that tie them. They still want to be a part of the society and receive the fast rhythms to their lives, but without losing control.

In marketing this can show a whole new page for ideas. There is minority of marketing that would somehow underline slow rhythms. As mentioned, the marketing methods in use, have long been loud and flashy, which probably draws the biggest attention. But when people want also other impulses, fast & flashy can turn against it self. Huge factor is for example usability, clarity and smoothness of the service. People do not want to get more stressed using portal which they might not see value in. This goes hand in hand with marketing. Bad browsing experience, old information or too cheap execution in advertisements, will reflect negativity to Nokia brand itself.

### 5.1.2 Brand heroes

How to reach a level where brand is cool, desirably trendy, and eventually something what could be related almost to lifestyle. Instead of one plus one being two, to being three. It is getting the whole formula right. Product, promotion, usability, after marketing, community and communication are some general topics where company needs to perform well if not even supremely to reach a top status. How to get there then? Using for uniqueness and being brave with parameters like design, segmentation, content, colors and message. Creating well designed "wow" features, re-inventing or performing premium customer care are tools to create hype and eventually possible success. If the experience lives up to the hype, the sum creates promotion in press and in communities, which essentially tempts new users and creates retention. If all boxes are ticked and everything with consumers clicks, end result can be very good.



## The brand message

Across business segments there are brands that have made their ways to peoples' hearts. All offering their own kind of emotional, psychological and tangible good feel factors to be able to create brand loyalty and love. A couple of different examples from consumer markets could be Coca-Cola and Camel cigarettes. Coca-Cola is recognized as the most loved brand in the world. In reality it plays by the same rules as other businesses, and in many terms should be seen as cold calculative corporation who makes soft drinks. Still it's the one brand for millions. The company has succeeded in getting deeply into peoples' subconsciousness with "Enjoy the Coke side of life" message.

It brings associations of childhood, refreshing feeling, better side of American dream, home, family, etc. For many Americans it brings safe feeling when they see brand logo in foreign location, but this all is based on strong and ultimate market visibility, persistent marketing innovation work and brand protection through out century.

For a second example there are the cigarette companies, which make business with products that cause serious health issues. Still their brands are quite detached and drawn away from the actual products and especially from the health consequences of smoking. Their brand images are designed to bring up wilder sides of people and social aura. Camel that first started as cigarette brand, but then established other businesses as well, is a good example of this. It is widely said to taste worse than its competitors, but seeing a Camel logo hardly gives feeling of lung cancer or smokey breath. It has aura of quality, class and bit of luxury. It is the choice for those who want to walk their own path, and Camel's marketing messages have underlined that effectively. Through their existence they have been representing masculinity and an exotic lifestyle, often seen in motor sports, extreme activities and in wealthy locations.

Brand heroes are visible in all categories, would that be from knives, to cars or to coffee shops. These companies have seen the little spark of enthusiasm that has flared up around people who buy and consume these goods. It has been understood and acted according to idea that psychological factors are strongly affecting buying decisions, but to create a real bond, company must offer more than just a product, no matter how good it is. You buy a Ferrari and you get the racing heritage of the past 70 years. That's tough to beat by others within the same industry. All companies cannot throw in the same glamour, so they have invented the atmosphere or in extreme cases, a culture around the product. Customer can nowadays take the Starbucks theme to home with mugs, coffee machines, interior decorations, music and of course the coffee. Primary idea of this is that people want to pamper themselves, but buying something branded is also as much to show off. Of course quality and service levels come with the most brands, but nobody would pay 100€ for a shirt if it said Budweiser. But then again Budweiser brand works with many other items and contexts. In the

end it is a matter of brand placement and controlled ecosystem around the product what creates desirability.

#### Product could

Nokia as a name has great brand value, but its sub-brands do not wrestle in world class league. Nseries and now the Eseries are the spearheads. Also L'amour Collection had a name amongst consumers. Still in short time iPhone has made it self much more desirable than Nseries all together. Nseries has the star products, but it is mostly left only with those. iPhone on the other hand has the positive radiation from other Apple products that have been successful and its design resembles consumers of that heritage. Other industries have also played a part in making Apple's products great for users by announcing almost everyweek a new portable speaker station or other cool gimmick for iPod, and this way grown the ecosystem around Apple Products. Honestly iPhone itself is not a bad product, but it would be just a new touch screen phone without Apple's heroic brand.

Nokia.Mobi can, and is willing to play part in boosting the image of Nokia products and sub category themes through its portal. Maybe by being more integrated with phone user interface, it could smotherly bring up features it has in its plans. To really get people involved using Nokia.Mobi portal, the portal should be more available and interactive, and this way it could give more to users. Already a Google type of seasonally changing font and colour themes on main page could give impression of immediacy. There cannot be "too much caring" when it comes to customer retention. Even the smallest things count, no matter how simple they might first sound, but the small things cannot repair if bigger entity is lacking usability or sense of paying attention.

#### 5.1.3 Generations

Generation X, Y and the latest Z, all represent post Second World War generation people, who were and are shaped by their times, would it be the economical optimism, difficult times (cold war mainly), resessions, technology, etc. The X's were approximately from late 50's to 70's, who then had their 80's and early 90's children called Y's. The ones born around 1996 and after would be the new generation Z. The mindsets and lifestyles of the two first mentioned generations' have been seen and realized. Today X's getting in maturity age, Y's taking part in professional life, but the Z ones are still a bit of a mystery, the children of today, the consumers of tomorrow (Cassandra Report, 2008, 92-94)

#### New challenges

As a future theme, observing the generation Z from marketing point of view is an interesting activity. These children were born during worldwide economical growth lead by business efficiency, tougher competition in education, technology boom and new types of communication possibilities, but also under the umbrella which included the fear of terrorism and war against it, raising concerns of planet's well-being, the concerns of energy insufficiency, media overload, quarter economics mentality, etc. We are soon beginning to see the mindset and values what these almost teenagers will have when their perceptions and thoughts are on more mature level. It will certainly be interesting. For example, the first encounter for me with generation Z's world was in airplane, where an 11 year old boy from San Francisco gave his concern about European fuel prices when even his mother wasn't aware of those. That showed a signal of how media, school and social networks are challenging children to think real world issues already at young ages. And this type of thinking and questioning makes a great impact on how they will see marketing and choose to consume in near future.

#### Attitudes changes

One of the biggest effects on generations Y and Z has been the spread and transformation of internet. The evolution from web 1.0 to web 2.0 and behaviour of two generations around this change is affecting behaviour models, social bonding, consumerism and usage of time. Especially younger Y's and the Z generation have grown to live with internet profiles, video streaming & sharing, exchanging various information over web, whether they would be recommendations of products, commenting pictures, having blogs, or discussion how to hack games. Almost all buying decisions when buying pricier products are based on deep research over internet, or on recommendations taken from friends or virtual friends. The amount and easiness to share information has lead to a situation where it is harder to sell products based only on images. Traditional brand loyalty will affect buying decisions if product's features do not meet Z's and Y's average expectations or exceed them, or if the brand is unpopular amongst fellow users. Also as the new rebellious/doubtful attitude towards corporations and authorities becomes more popular element in their lives, especially amongst young teenagers, there needs to be a new kind of loyalty building approach from companies.

#### Heavy users

Change amongst Y's and Z's consumerism is clear. Teens and children have kind of understanding of brands and technology where they can quite easily have a stronger voice than their parents. And households with only one child are now more popular than ever before. The only child has then usually been pampered and he/she is not required to share the money resources allocated for toys, games, etc. with siblings. It means that bigger percentage of Z generation children have benefited from their parents' better income, and have got used to

getting more premium products and experiences in generally speaking than previous generations. This phenomenon goes especially well when choosing mobile phone and using mobile services.

By their high usage level of mobile phones the Z's and Y's are always connected. Youngsters use and want to be experimental, trying out new stuff with their phones. Ordinary users are happy to know that they have multiple features on mobile phone, but the times they use those inbuilt features is mostly quite low. The young Y's and Z's are from totally different place in terms of trying out and wanting to see new tricks in their mobiles. They use mobile phones as stereos when they hang out in parks or shopping centers. That requires and supports new ideas in music service sector. Multimedia messages and broadband is the standard must have for surfing and downloading. Fm-radio and WAP is totally last year. They want to have new mobile experiences and those cannot always be inbuilt. And as they are asking for more advanced devices, it enables software and marketing people to use their methods more cleverly and effectively (Cassandra report, 2008, 100-102)

Creative usage of themes which are close to hearts of Z's and Y's is the best way to create an interest. So by having, for example, ability to get information of games, receive gadget videos or software, easily with cool interface would bring them the same value and interest as TV and computer based web browsing. Z's and Y's are maybe against having text messages with advertisement, but it does not mean they would have same mentality with, for example, inbuilt marketing tricks. Too complex or traditional approach in content quality is to be avoided when focusing on this consumer group.

#### 5.1.4 Expanding entertainment possibilities

It's a long way from 80's Nintendo 8-bit entertainment system and Dolby Stereo to today's PlayStation 3, powerful computers, digital movie theatres, mobile devices and state of the art home cinema systems. If it was always about entertainment and getting people relaxed, now it is done far more comfortably, cleverly and spectacularly. And with less obstacles on way in terms of technology, the joy entertainment experience can bring to us is more mouth-watering and reality expanding. But there lays an obstacle called time in the way of enjoying all these marvelous electronic gadgets. Life is busier than ever. Longer working hours and travelling times, business travelling, home maintenance and compulsory socializing mean that absolute time for leisure has decreased remarkably, especially over the past decade.

That's why focus on quality of leisure time has increased. 110% pure relaxation for body and mind is needed, and one answer for finding that stage is jumping to a world of almost photo realistic PC and console games, the internet, high definition movies and TV series with in-

credible surround sounds. And the more excitement and satisfaction you can have from entertainment, the more you usually want to invest time and money on that particular area.

With increasing number of people who can afford different digital entertainment equipments and experiences, the opportunities for entertainment features from business point are showing an upward trend. From a marketing perspective this gives great potential to Nokia's business. It can be a device related investment for consumer segments that will demand devices and accessories enabling greater experience in gaming and videos - as with music which is already a strong area. So far the only problem has been devices which had been uncomfortable to use with features they were planned (especially with games). For these problems usage of real gamers and hifi enthusiasts in software and hardware development phases at Nokia should not be forgotten.

#### Boosting marketing ideas

Utilization of entertainment themes in mobile marketing is growing in its importance. Mobile entertainment possibilities are proportional, for example, with time consumed in work travel. The more time a person spends in a bus, the more interesting those new entertainment opportunities get. Travel time to work in random Indian major city during morning traffic can be up to 2 hours or more, so approximately 20 hours per week could be utilized with mobile entertainment experience (Nokia Consumer Trends, 2007). That is why it should play a big role not only in product portfolio, but also in marketing. By letting users know from a screen what new features is available for their phones, Nokia would embrace its own softwares, music and games distribution channels, and more importantly get people to use them. It is a more natural way to guide users to play games if the marketing of games is represented through a mobile device which is in their hand.

From a marketing perspective, a second method - already a well used idea is to have advertisements, branding or product placements in game worlds and in movies. Some shots of brand advertisement and product placements have even made their way to having a cult status, boosting eventual image of the company and its products. Examples could be mentioned Reebok Pump® shoes in movie Robin Hood: Men in Tights, future Pepsi bottles, Mattel Hoverboard and automatically adjustable Nike shoes in Back to the Future 2, Coca-Cola advertisements like video screen in dark future city of Blade Runner, Nokia phones 8110 and first Communicator in movies Matrix and The Saint. (Cassandra report, 2008, 58) Computer and console games have got their share of marketing too, but usually its have stayed more at the background. Advertisement posters and a small branding in virtual world have been there since early nineties, but effective product placement with products from real life has not been utilized to the maximum. A nice opportunity for Nokia would have been the use of some

new phone model in global game hit Grand Theft Auto 4, where cell phone is used impressively and simultaneously throughout the game.

#### New marketing spaces

The beauty of landscape is in the eye of the viewer. Urban and rural scenes live and change all the time. In everyday life debate goes on, for example, whether windmills are suitable for rural or coast landscape, even at the time when sustainable energy sources are in demand. Some see massive windmills as beautiful and monumental art pieces, others are strictly against the change of original scenery. Logically windmills are needed where they are most efficient, but also where they don't totally change the scenery. In the end human eyes will eventually adjust also to unpleasant objects in scenery if other important arguments are for them. And the looks of windmills can eventually change radically during efficiency development or just for the sake of appearance.

#### Logo world

The reason why I brought this up is because in history marketing and especially advertisement have been shaping both urban, rural and our personal spaces and areas for more than a century. Today marketing space reaches every angle of our lives. Just sitting in empty meeting room, I can see five brand names, even more logos, different stickers and tags of features these machines or equipments include, and still I just feel comfortable sitting here. It would probably be much drearier place if no brand logos would promote themselves with nice designs, colours and associations in my mind. If I would open internet browser, I would face hundreds and thousands of advertisements trying to catch my interest. Sitting in a bus on way home, it's again the same thing. Hundreds of logos and brand names with catching images and clever lines in front of my eyes, in just ten minute bus drive.

But it hasn't always been like this. As with windmill parks, advertisements and branding have had their opposition who have fought against these changes. But eventually noticing logos and advertisements have grown into us. Colourful and tempting visual impulses entertain us and even make us feel at home. The same is when we are in unfamiliar places surrounded by known and familiar brands. Problem anyhow is how to get marketing penetration through a natural "shield" which we, as consumers have created for ourselves. That shield could be called frustration "I could not care less about your marketing message". That is one of the reasons why so many of us have a sign in our letterboxes "No free distribution magazines, please".

Too many tasteless and faded internet and street advertisements with no sensible or trusty messages make us feel confused and provoked.

### Spectacular experience

Often marketing planners are in a difficult situation, reshaping the idea to make best of their work. Not too common effect is situation where advertisement or promotions are having push effect instead of pull effect. This creates a situation where marketing is eager to reinvent the marketing space.

Imagination seems to be the only limit if money is not an object - and it needs to be used bravely. Prada logo on mobile phone or 7up branded console game is good starting point. A container filled with Ferrari's distinctive 'Rosso Corsa' red paint integrated with the spacecraft launched to Mars in 2003, was a bit more spectacular. And it worked just the way it should, by strengthening the image of Ferrari as a high end technology company. Marketing message is all about giving a new experience through physical or mental touch points.

A "Jaws 19" hologram advertisement in movie "Back to the Future 2" created a unique sight and experience that stayed in viewers mind, being of course technology from the future, but being also fresh and personally stimulating experience. BMW Welt in Munich or Coca-Cola museum in Atlanta gives deep and interactive experience for customer about their stories, visions and products. Visitors can taste, try, see, learn and feel the brand and remember those moments with a warm feeling afterwards.

Nokia flagship store is a good first step for a new marketing space with design interiors and possibility to experience new models. At a more personal level, receiving Nseries promotional videos to own Nseries device could create a feeling where one feels that he/she is getting the kind of attention that should be required as you are an Nseries user. The same kind of new innovation or usage of old marketing tricks in new suits should be executed time to time, to keep consumers' interest high. And the one thing to avoid would be underestimating consumers' ability to deal with what you can throw in.

#### 5.1.5 Concern of planet and people

Growing understanding how fragile our planet's ecosystem is, to pollution caused by our own actions has made us truly concerned about our future. Change has taken place in relatively short time. Recent evolution of environmental concerns. After first oil crisis and recessions followed by it, nations realized how depending they are of oil, and how it is not an everlasting energy source. Linkage between growing usage of fossile fuels and consequences to nature, led also to birth of ecological awareness.

## Rise of awareness

Global warming as a generalization to climate change came to serious discussion only a while ago, in early nineties. Publics' awareness and concerns of this phenomenon was not highly acknowledged until media brought up concerns of CO<sup>2</sup> emissions, and when people actually saw the first consequences of changing climate. Those were increased number of extreme weather and climate conditions, price changes in energy, human and nature disasters, etc. An AcNielsen survey released in January 2007, found that nine out of ten people globally were aware of global warming and 57% considered it a "very serious problem". Meanwhile, the 2007 Pew Global Attitudes survey covering 47 nations, found that the proportion of people who viewed environmental degradation as a major threat to the planet has increased significantly in 20 of the 35 countries for which comparable 2002 data is available. (PriceWaterhouseCoopers, Retail & Consumer world, January 2008, 10)

The issue is global but the differences in local knowledges and dissimilarity of effects have awakened the world in different stages. For many the wake up call has been the effects happening in and around the local environment, whether they have experienced floods, drought, unusual temperatures for season or polluted water and air. For others, media, education or price rises have been the most influential forces. Ignoring the fact whatever are the effects climate change have made, there is general opinion what causes the problems. Growing energy consumption, short sighted politics, wasteful resource usage and lifestyles, abuse of green zones and missed information.

## Green branding

Boycotts against brands and products that do not drive eco and sustainability are becoming a trend. In an August 2007 survey by Datamonitor, 54 percent of European and U.S. respondents overall agreed with the statement, "I actively avoid products I consider or know to be environmentally unfriendly". Strong environmental/ethical credentials are now a fundamental driver of consumers' trust. The Edelman 2006 Annual Trust Barometer found that more than 70 percent of consumers across Europe, Asia and North America had "refused to buy products and service" from companies that they do not trust. More than three quarters of Europeans and North Americans and 63 percent of Asian consumers had also actively criticized those companies to people they know.

Still there is a disconnection in behaviour-attitude level amongst consumers. Even though, people acknowledge the importance of choice, many still make their buying behaviour based on other factors.

Marketers have seen how leading-edge consumers are showing the path in relation to what mainstream is about to demand. Ability to be efficient and take part in change is the key



elements. With small steps most households are changing and feel their responsibility. This is inevitable driven also by raising prices. Normal light bulbs are replaced to energy efficient ones, people choose public transportation and cycling instead of driving a car, recycling is more precise and enthusiastic, and energy efficiency and greenness are considered important in regular buying decisions.

Companies have noticed a while ago this changing consumer trend, and acted quickly in their decisions. They know that environment and sustainability issues are not going anywhere, but they will only grow in their importance. Marketing has been given a task to re-think how a company will stand to outsiders in this new atmosphere.

Examples can be advertisements on magazines underlining how oil giants are looking beyond the present, investing today for tomorrow's energy solutions. Environmental and ethics underlining organizations such as WWF and Fair Trade have become a part of companies marketing messages, and corporations have seen the positive outcomes in terms of publicity and value for operations. One of the biggest attitude changes in industry have been seen from car manufacturers. All of them have had programs for fuel efficient cars for years, but until recent times being efficient and fun has not been seen together in marketing. Today we are having funerals for last breed of power crazy cars, and instead we are eager to see low figures of average consumption. Being efficient has become desirable. Some manufacturers have forecasted the future better than others and got there early. If BMW is widely known for being the ultimate driving machine, now it is also known for bonding fuel efficiency and dynamic driving into same context with its "EfficientDynamics".

#### Innovative thinking

In book *Kestävä Innovointi* (Hautamäki, 2008) sustainable innovation is brought up as an important future issue, to embrace economical growth through human values. It says that in the near future higher share of innovations will be concentrating to embrace human and ethical values, rather than targeting efficiency in materialistic or economical productivity. The well being of people will push innovative services and solutions to markets, especially in areas where the situation is most critical, for example, in terms of relationship between population, living conditions and available resources. Remarkable with those innovations is that they aren't primarily targeted to increase economical growth. We won't be automatically linking increase of prosperity with economical growth, because essentially they represent different phenomena. In long term economical growth increases chances for well-being, but attributes affecting it more are the functioning of society and democracy, and cleanness of nature meaning clean water, clean air, richness of species and nature's recreational value. These functions can be added in calculations of increasing well-being through social and economical assets.

This is how we will have the final formula for well-being, but without concret touch points, this formula remains just a tool for thinking.

The sustainable development compels us to think about the overall value of economic growth. Economic growth has surely improved our material prosperity and standard of living. Instead, the quality of life hasn't improved at the same phase. Environmental threats have increased and polarization of wealth to rich and poor through all worlds' nations have increased, and still continu speeding up. Also the pace in professional world has tightened up, and as companies are moving their operations to the countries where overall costs can be kept low, the atmosphere of uncertainty has increased and affected negatively especially on low tech, high labour intensive industries. As a result we can see that in recent years development hasn't been on a sustainable ground.

In conclusion, trends around good living and clean environment will be increasing its importance in future. It is easy to predict it, but the direction and form of trend might change from today, as also the opportunity value for business. Selling today only green, cannot be the core. Emphasizing, featuring and guiding to greenness is a better approach.

#### 5.1.6 Navigational services

Thinking of what are the main advantages that satellite technology has brought us, and the list is long, but at first glance not so crucial for our everyday life. Things like Satellite phones, satellite TV broadcasts, GPS, weather and maps really help us. Usage of satellite technology is becoming more common for individuals and more personal for users, as soon many of us will walk on streets with a GPS device in their pocket.

For mobile phone industry, navigation is a highly important issue at the moment. All major players are investing in GPS location based services, some more successfully than others. But for all players it is a must, to be in, because now the topic for discovering environments in new ways through location softwares is really popular. And if one does not provide this technology in product range, it means problems for company. People will be requiring the same and even more from mobile phone maps, what they already require from internet based map services. Behaviour is then quite straight forward when a must have feature comes along. (T3 magazine, 2008)

Today location services are about, how the device can help you in your navigation from point A to B or help locating yourself if you are lost. The context of tomorrow in this case is something much richer. The possibilities of producing geodata, tagging it, recommendating, rating and walking through maps solutions with GPS location system are wildly rich. Future solutions

could include navigation through 3D glasses, finding date gatherings for singles on map with specific search attributes, finding on-time information in visually interesting 3D or 2D maps of buildings, hotels, street views and stores. In personal use, they could help friends to position each other, or help in crowd collaboration.

#### Marketing possibilities

Marketers have been waiting for a mix of virtual and real life environment, where they can guide and attract consumers in a truly new ways. A system, which links a person to the environment, gives new possibilities which were not available some time ago, especially for smaller entrepreneurs or groups. Often people, who are used to shop in malls would like to shop also in smaller boutiques. The problem is that a mall gathers all shops under one roof and the walls of the mall limit the area. In most cases those people who wanted to visit specialized shops, just accept to have more bulky products from the mall with less energy used. Fortunately for them, the GPS technology will bring relief to the problem by introducing tips, working hours, directions and maybe even catalogues on real time maps.

In two or three years time it is quite obvious that many will be able to, at least possess a simple GPS enhanced mobile device, which embraces new GPS & maps solutions to be brought for audiences to use. Development of smooth, fast and attractive user interfaces for different map and information softwares will still be the essential feature what consumers will be looking for. Internet based map solutions for navigation, geo tagging and search, have demonstrated how important it is to have open platform for softwares to be able adding and creating new features. And as different parties and networks will be filling up map solutions with content, it is crucial to have intelligent and user friendly filter to sort data on screen. Eventually this technology will be a great opportunity for marketers to try new approaches with old products/services. (Nokia Technology Trends, 2007)

## 5.2 Trends delivery process to Nokia.Mobi

### 5.2.1 Entity identification

This chapter introduces the process and communication plan for trends delivery process between Consumer Futures and Nokia.Mobi teams. The plan was created to drive a concrete involvement of Consumer Futures team towards Nokia.Mobis development work. Creating and integrating the plan to timetables ensures the process getting started, which has not always been obvious if there is not a driving force involved. Aim is to recognize the phases where teams are at moment, understand their activities and how they are aligned during the year,

how to create human involvement to the delivery process, what are the methods to ensure appropriate communication and delivery, and what is the plan for cooperation after the first round.

Four core aspects are recognized previously in trends delivery process at Nokia. They are process maturity, involvement & engagement, timelines and quality (Nokia internal releases, 2008). They are outlines for process to begin with, but content is case sensitive. For Nokia.Mobi this is the first process mapping with individual trend content.

### 5.2.2 Process maturity

Both the Consumer futures and Nokia.Mobi teams are in different stages of professional maturity. Consumer Futures focuses running their daily operations; coming up with new content, sharing it and learning from results. Their core business is stable, in other words they are not changing research scope from consumer trends to something other, and this way the main variables stay fixed. Team follows the process they have created them selves, evaluating it from time to time and adjusting or fixing it when the situation requires.

Nokia.Mobi is at different stage. It searches growth through revolutionarizing its business case. The team knows that the present offering is far from what they want, and the change requires step by step ladder planning on how to reach their goals. It means that every quarter is different from previous, and sudden changes may occur. It is more like a journey from point to point, where every step should end up crystallizing the view of end result.

Trends delivery would give Nokia.Mobi ability to widen their perspective from the consumer side. Often professionals of their own area are concentrated viewing on what is important from one angle, in this case especially from technical development and content side, but perhaps losing perspective of current end user or potential users. As it is not only about what the user does during the actual usage moment, but it is crucially what the aspects in their lives are and behaviour that can be linked to service Nokia.Mobi is offering. And that is the greatest value what Nokia.Mobi can reach from consumer trends.

To really grab the best potential value from trends, there needs to be real understanding and commitment between the parties. Changing situation from adhoc request to integrated working plans is the important. And as a bonus it is in line with the concept for actualizing internet company idea, the one mentioned earlier and driven by Nokia management. Adhocs are additional requests for teams to do research or any extra task. This is used in cases when full integrity between two parties is not needed or there has not been time to establish integrity. Until now, Consumer Futures have once had a fairly light presentation about annual consumer

trends for Nokia.Mobi and the presentation outcome was greeted. It was an indication for importance of future information sharing in more committed way, as value was clearly seen.

As members from Nokia.Mobi and Consumer Futures indicated, the next needed step is to arrange the first round on path for more integrated cooperation. This requires Consumer Futures' role to be added to Nokia.Mobi's official process, meaning creating timetable where agreed meeting dates are pointed out. Documentation of that process is presented chapter "6.4 timelines". Secondly, successful integration needs persons responsible with each team's core practices and to be the contact persons. In the end, the outcome from the first round will be a valuable lesson for next rounds. As process presented in this thesis is valid for establishing closer cooperation from almost point zero, future modifications to process are essential to optimize trends delivery and learnings. Issue of responsible persons for cooperation will be decided by both teams eventually.

### 5.2.3 Involvement & Engagement

Every year Consumer Futures comes with a great amount of trends information, discussing about various topics altering from virtual identities to green farming. Cultural and geographical differences are also defining characteristics of trend outcomes. All of them are not relevant for Nokia.Mobi, but filtering out the meaningful ones requires knowledge and familiarity about Nokia.Mobi's service oriented products and business environment. Here involvement is important.

Choosing the material to work with in workshops and presentations needs to be discussed by responsible contact persons. For example, for the first round the trend topics discussed in the thesis can be combined with other trends material that is seen suitable. Situation where presentators are discussing about themes that other party does not see valuable is not only confusing, but it can diminish the importance of future trend sharing. That is why involvement from Consumer Futures towards Nokia.Mobi is important. Good and practical approach is of course to use Nokia.Mobi portal and pin point own user experience flaws or successes. Material that Nokia.Mobi team has created for its own use is definitely useful for information sharing between teams.

In longer run the spine of engagement would be bi-annual workshops, presentations and mailed newsletters from Consumer Futures side. Nokia.Mobi's best effort for the relationship is explaining their visions and development phases, and the actual service it self. It gives concrete touch point for Consumer Futures to understand what is it that consumers are dealing with and it also gives ideas what drivers and trends might circle around mobile service business. But even basic meetings with coffee for information exchange are good way to keep

teams updated. If the meetings and presentations would end up being less than at least two times a year, essential up-to-date information about each team's development, new ideas and outcomes would be risked.

And even if it might appear, that of course, a team inside Nokia would know the existing services offered by the company, in many cases it is not like that. Especially now, during expansion of services, great number of applications, service concepts or sites are unknown for company internals. That is why the importance of getting familiar with Nokia.Mobi's service is important for success of trends delivery.

#### 5.2.4 Timelines

Both teams have a timeline concept, following their own needs. It is common and probably easier for planning, to begin new projects or stages from a half way point of a year. As earlier mentioned, Consumer Futures' timeline differs from the one Nokia.Mobi has, due to business differences. Consumer Future's timeline is a circle, during which team does its pre-planned operations. Picture 1 is an illustrative map of their timeline and it shows the general principle the team is following during the year. Area trends are identified during winter time by methods mentioned earlier, including desk research, surveys, and local area studies. The deadline for ready Area Trends to be published is at the beginning of spring. Global trends consolidation for Annual Trends is planned to happen during summer half. The Global Trends are done in cooperation with other trend identification teams to get full width of technology and design trends combined with consumer trends. Published Annual Trends are aimed to be delivered to meet timeline demands of different stakeholder's tasks/processes. As mentioned, the project starts or stage reviews are usually half way point of year. They might also happen couple months before or after.

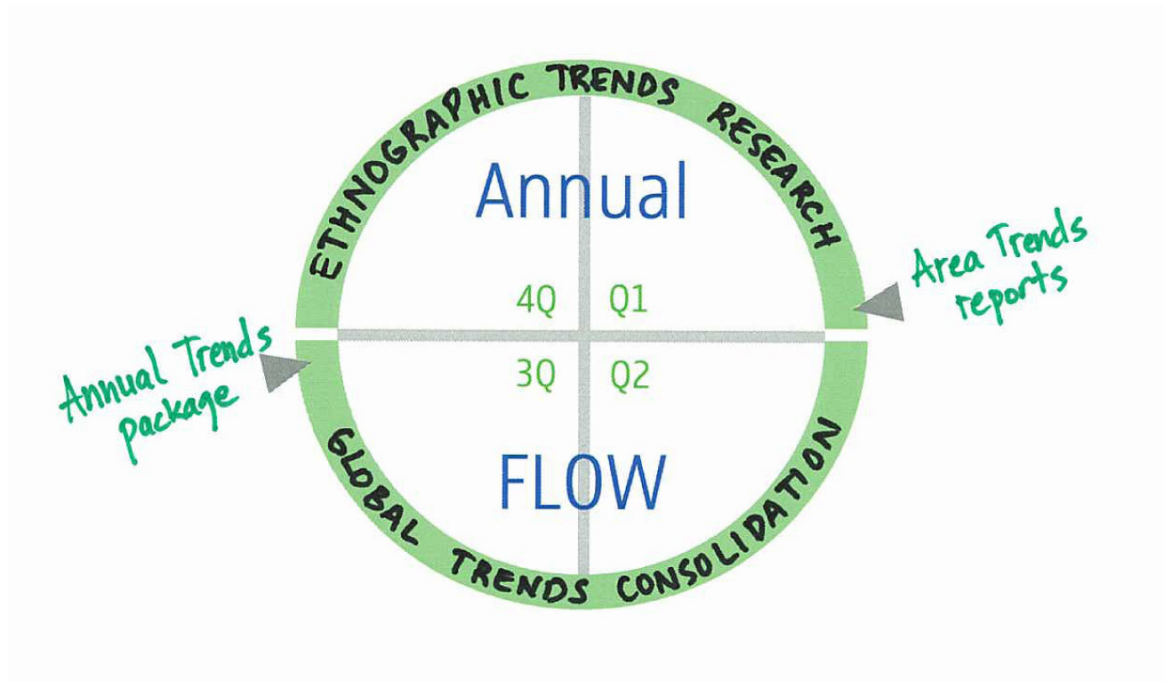


FIGURE 8: Consumer Futures' annual flow

Nokia.Mobi does their planning three years ahead in vertical mode. During this autumn, they will begin to plan 2009-2011 periods. The picture 2 describes the kind of evolution what is planned to take place in their core business, the Nokia.Mobi portal. Decisions and strategy for next years shift from 1.0 version to 1.5 had been made around two years earlier. Change is aimed to fill gaps in present content and bring more usefulness and interesting aspects to portal. The changes will be mostly concentrated in the area of fun & entertainment, to make the portal more friendly and engaging than current, more manual like content. The full potential of 1.0 version will be collected with version 1.5 before entering the 2.0 era thriving whole Nokia's software service strategy. 2.0 Version will be a mobile concept of web 2.0, described earlier in theory part. It will concentrate in content richness, visualization and integration with other Nokia services such as OVI.

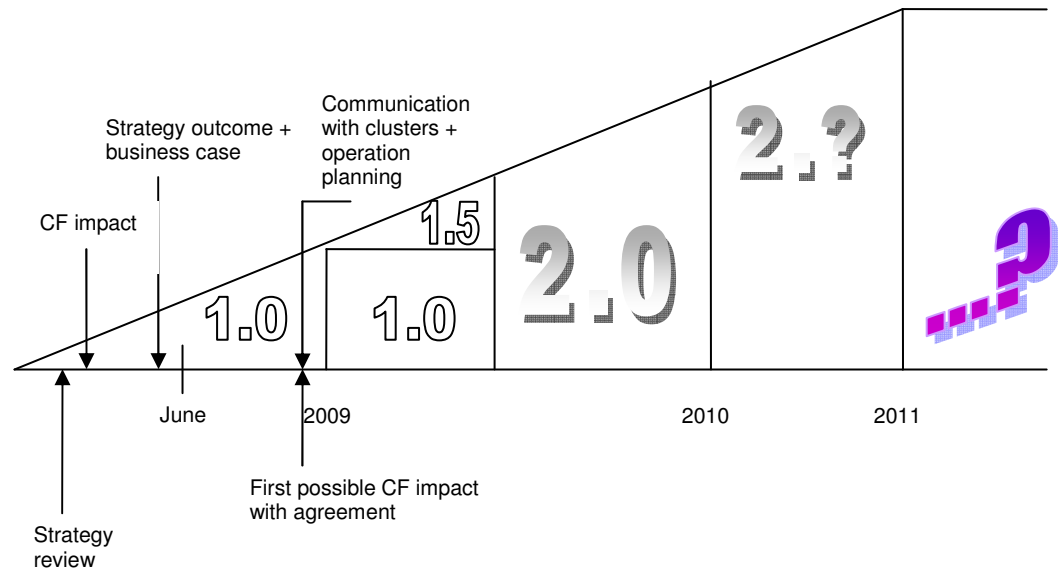


FIGURE 9: Nokia.Mobi's roadmap 2008-2010

In theory to be able to have an impact Consumer Futures needs to contribute trends information before Nokia.Mobi team starts making their strategy and project plans. In reality as the decisions of plans shown in vision map were done around two years ago, Consumer Futures should begin the first round of trends delivery in October 2008. It is a point when version 1.5 will be mostly done and results are communicated with clusters. The phases for future project will begin after that. Those phases include budgeting, operational planning, strategy kick offs, Nokia strategy overviews, future planning, and trends presentations would fit there perfectly. Those activities are held with variety set up of people, sometimes with the core team, sometimes with bigger entities like country clusters or whole DLRM division. Depending on resources and time, trends can be presented for other entities as well than just for Nokia.Mobi team.

For Consumer Futures to be able to fit their own schedule to match Nokia.Mobi's, latter team needs to give information of their half year scheduling to Consumer Futures and hint, when optimal timing would be for trends sharing. Based on this decision Consumer Futures shall take actions according to process. In basic, the idea is that in half years time, after company wide Nokia strategy review is released and analyzed at Nokia.Mobi, Consumer Futures would have presentation and workshop with Nokia.Mobi to share what is new from consumer centric world.



### 5.2.5 Quality

Appropriate content presented and used later for analysis is eventually the key for getting full potential value from trends delivery. Stakeholder needs relevant trends information that can affect to real life business cases. Sometimes it is hard to see the possible impact of consumer behaviour for business. Technology trends about displays or materials do not link automatically to concrete points, for example, of mobile portal development. Eventually, different trends are supposed to hint which direction world is moving, and those hints are supposed to help in creating new ideas, even if real life implications are hard to create right away. It might be that even a distant mention of some distinctive factor can sparkle a winning idea. Some trends might be relevant in earlier stage for designers than for software designers. That is why trends are estimated yearly to figure out are they still usable, have there been a shift to other direction or has the trend dried out.

Long relationship history with stakeholder usually means that Consumer Futures can more accurately deliver and filter out relevant trends for stakeholder, or even identify trends during field work according to business needs. Nokia.Mobi has this year mapped a 32 point list of supposed external changes that they see are relevant in near future. The list below of ten topic examples is a mix of consumer, value chain, content&service, Macro&Global and technology external changes.

1. Young people connect through interests, life philosophy, experiences and problems
2. Mobile commerce is not expected to be very big in Western Europe
3. Design and easy discovery drive usage: case iPhone
4. The Indian mobile market is one of the fastest growing markets
5. Mobile music as a lucrative service
6. People prefer experiences that bridge the digital and the physical
7. Web 2.0 is gaining ground in enterprises
8. Really real vs. Unreal
9. Infotainment will drive mobile data spending growth
10. Closed-loop experiences deliver satisfaction

Examining the strategy of Nokia.Mobi and seeing the long lists of external changes, they have listed, gives reflection what Nokia.Mobi expects to face in the future. This reflection was used as a “benchmark” when creating trends for thesis, and same needs to be done during upcoming rounds. Also as mentioned, the understanding of Nokia.Mobi’s needs comes by sim-

ply using their portal. It gives an exact feeling how portal is presently operating, what it can offer and what it is missing from user point of view. Trends delivery in interesting and inspirational way helps Nokia.Mobi to accept information. This needs to be underlined and understood in same sense as what users are expecting from their usage experience. They do not want to use services that may give a lot of information, but are bland and heavy to operate. Pictures, videos, physical mobile devices and playfulness should be used when workshoping and presenting trends, to pursue the idea of richer and smoother end product.

#### 5.2.6 Integrating opportunities and measuring impacts

Presenting trends is a key point, but it does not mean the trends having automatic impact. The plan is first to introduce Nokia.Mobi to trends with general presentation, and then continue to deepen what trends actually might mean for business. This activity can be done by workshoping, where, for example, various trend topics or weak signals are discussed in small groups and opportunity implications, even wild ones, reflecting Nokia.Mobi's business are created. They are essential for Nokia.Mobi and for Consumer Futures to understand what the practical outcome from theory is. The Opportunity outcomes are gathered and structured by Consumer Futures, and eventually sent to Nokia.Mobi for further opportunity utilization. Best implications and ideas are taken to be processed through and the best ones turned to actual action plans.

Importance of communication after the actual physical events is great. It is a true lessons learnt chapter. The fact having sessions with different business areas often creates new study topics for Consumer Futures. Those study topics can be straight forward propositions from stakeholders, or they can be vague ideas which can be focused by discussing it through. Both Consumer Futures and Nokia.Mobi should not forget that after the first round there should be continuous work to be done. Naturally the teams will learn by interacting with each others, but it is easy to slip back to adhoc type of relationship. As mentioned earlier the persons responsible should continue to control the timeline also in the future for more fruitful cooperation.

Measurement tools for analysis come with time and experience. Consumer Futures has created techniques to rate results from workshops. One example is a point system where trends are given points and argument, and cross referenced for various means. They can be, for example, consumer reach, ease of implementation or potential value. Consumer Futures has ongoing work for new measurement tools. Still the best evidence and learning is when there is that opportunity which has been translated either into strategy topic or project.

## 6. CONCLUSION

Change is a natural part of our world and while this thesis project lasted longer than expected, over time period of two years, on the positive side I could see how much change there had been around Nokia and mobile phone market place, and how much it has affected the whole industry since I began to study the thesis topic.

As discussed in the first parts, Nokia went in its recent history through various internal transformations changing its business focus first to phone and network manufacturing and later to Nokia and NSN. New Nokia's prime focus and need, was to create internet and solution centric company, but customers and I have lived to see that, a big ship changes its direction slowly and all promises and hopes Nokia had, did not happen in reality.

Approximately in the past two years the "core" what defined a mobile phone changed 180 degrees. Before it was function over the form, in otherwords, the physical phone design and the extra features were the most important. But when all essential components and features became part of virtually every phone, faster hardware allowing more computer like operating system, it was the content and usability of the user interface that took the attention. For example iPhone did prove that with one design, upgrading just the internal components, the phone is as good as its user interface. Nokia in the other had still relied on wide range of different models at the expense of user interface development.

Now two years after, we can ask why didn't Nokia see the change? Why couldn't they fight for their position in the upper smartphone market segment? And the biggest question related to this thesis, how did this all affect the thesis scope and conclusion? The answer is tightly connected with the sudden change inside the mobile industry and how Nokia eventually responded to it.

In the beginning of 2008 the first clear evidences of divided mobile phone market was building up. Touch devices were spearheads of the segregation between traditional and new design, leaving an impression of distinctive and intuitive usage. The problem with it was still the incapable user interface that mostly didn't work well enough with touch resistant screens, but nevertheless it was bound to be the direction what consumers were demanding from future devices. At the time when Apple launched its first iPhone, it lacked features like 3G, multimedia messaging, text editing and video recording, which were kind of default features in Nokia's own portfolio.

But the smooth user experience that iPhone offered was such a big “wow” factor, that it overshadowed many of its faults. Nokia stated at that time that they will not copy Apple, but will stay on its own route, building Nokia like devices.

Even if Nokia had touch devices long before first iPhone had been released, they didn’t rush to unveil their strategy how to compete with risen competition mainly from Apple, RIM, LG, Samsung, Google and HTC. History tells that unlike Nokia, especially HTC already in the past, but now LG and Samsung did a full change in their strategy and put their efforts into touch phones. The irony was, that while touch phones were physically different, they needed an operating system to cope with new type of usage. Nokia’s earlier statement to become consumer driven Internet Company, meant that the focus is on providing solutions, and in longer term providing user friendly usage experience with Symbian Foundation and Maemo platforms. The competition made this part vice versa. They decided not to be tied only to certain software platforms, but to go with various platforms, making consumer and developers to decide the winner: Google’s Android, Linux Mobile (LIMO), various Symbian versions and Windows Mobile were the choices. Apple decided to stick with its own, highly praised platform, the OS X. The problem for Nokia was that as Symbian was created awhile back for conventional phones, it carried a legacy needing to be compatible backwards, while many other platforms got a fresh start and could be easier optimized for touch screens usage and new hardware.

Beside the new touch interface experience, second big hit was an idea to combine and merge software and solution offerings under one umbrella. Suddenly the problem of everything being scattered behind various websites and portals disappeared when manufacturers began to offer centralized content and information portal. It was simple, but amazingly remarkable transition for users. Everybody today have seen or at least heard what OVI, Android Market place or AppStore stand for, and they are a major selling point and asset for manufacturers and platform developers. And this reorganization had a major effect in all parties involved in the thesis.

What is then the conclusion of consumer trends delivery to Nokia.Mobi and what does it have to do with industry change? The basics haven’t changed. The new trends are still coming and going as usually and evolution takes care of the rest. That said, while the world changed and brought unexpected turns, overruling the possibility to accurately define future, there was going to be a huge change in plan for both teams.

Quite soon when the plan for trend delivery was going to be executed, there was a restructure inside the company. At this point the Consumer Futures team had been reorganized and assets had been re-allocated to other teams. It was part of the wider organization change where focus was steered to concentrate in opportunities seeking more than analyzing phe-

nomenas, even if they are quite overlapping activities. So as such there could not be continuity in terms of consumer information sharing directly from Consumer Futures to Nokia Mobi, and that said the corner stone for the thesis was chipped. Naturally same type of information is still communicated to appropriate parties, but not with the same plans and contents. Fortunately all efforts done had brought experience and they can be utilized in later cases.

Also Nokia Mobi as it was did not stay the same. As earlier mentioned the umbrella mode of one content and solution sharing point had become tremendously effective and a vital part for users to make their phones more personalized and versatile. For Nokia it has become one of the core development areas in its business. Earlier more scattered field of service offerings has now been put under OVI umbrella. It consists of Map services, Comes With Music, N-gage, Ovi mail etc. services. This is a great deal for users and it has cleared out internal company structure. It has anyhow meant for Nokia.Mobi to merge with OVI content creators and for greater contribution to the whole service cloud. What comes to trends, I can still see that those previously written points are either happening or going to realize, and they are showing vaguely the direction that consumer behaviour and market behaviour is going - not 100% accurately but close enough.

The learning curve during the thesis project was predictably slow. Having no previous experience dealing with consumer trends at this depth meant there could not be as professional touch to the topics as other team members had. Only after half a year I began to really understand and see the drivers behind trend defining, but as learn and execute exercise, this was a great opportunity. From project management point of view, the first thing what should had been crystal clear was the structure and the aim of the thesis from the very beginning. To sum it all up, I was anyway really fortunate to be involved as part of this interesting project and I would not turn it down if I had a second chance.

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