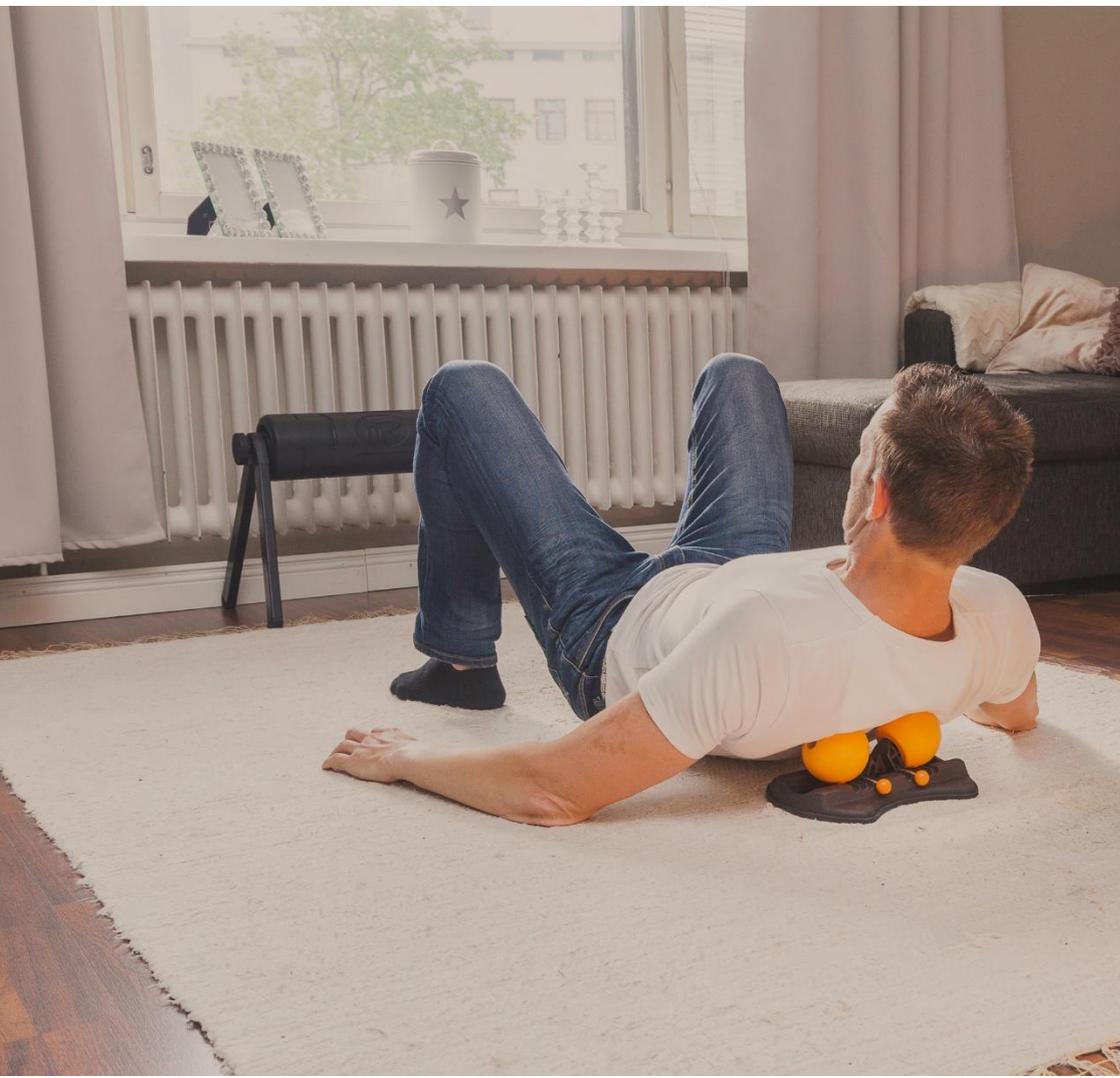


William Churchward

## Identifying new target groups for HighRoller

Finland



Sports & Leisure  
Management

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## **Abstract**

**Author:** William Churchward

**Title of the Publication:** Identifying new target groups for HighRoller Finland

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**Keywords:** Target groups, Online Marketing, Social Media, Muscle Care

Muscle care is becoming more common amongst everyday people and is no longer just for elite athletes. Lots of people are suffering from muscle pain and as a result are searching for new ways to relieve these aches and pains. We are living in a digital age where you can find almost anything online, including muscle care products. It is becoming very expensive to visit the physiotherapist or to get a sports massage, therefore consumers are seeking cheaper alternatives. This thesis provides theoretical knowledge on muscle care products, online marketing and target groups. The research in this thesis was both quantitative and qualitative. The purpose of this study was to find new target groups for the commissioning party 'HighRoller Finland'. The way of defining success of the target groups was by how many link-clicks each target group received on a Facebook advert. The author's main goals were to gain more theoretical knowledge on marketing and to improve their data collection and analysis methods. The thesis also explores methods of online advertising and how to use social media to generate brand exposure.

The main findings of the theory section were, that using demographics was the best way to define target groups and using social media, specifically 'Facebook' was the most effective form of online marketing. A new target group was found using pre-existing data but when this target group was tested against a current target group it did not perform as well overall. The new-found target group was defined as males aged 31-40 who worked in IT or in an office and suffered from back pain. The original target group chosen by HighRoller was males and females aged 41-58 who had an interest in foam rolling or wellbeing. However, the pre-existing data was fully analyzed allowing the commissioning party to create new target groups for themselves in the future. Although the new target group did not perform as well, it still outperformed the current target group in some areas and cannot be deemed a failure. With more time and research the new-found target group can be of use to HighRoller Finland.

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## 1 Introduction

There is a vast range of products available on the sports market and there is a particularly high demand for muscle care tools. (Seaman, 2017). With there being so many muscle care products on the market, competition is high, therefore companies need to find their exact target audiences. The author of this thesis has an interest in sports marketing and muscle care so therefore decided to assist HighRoller Finland in finding new target audiences.

The thesis is mainly theoretical as the main task was to analyse data. Initially the goal of the thesis was to find target audiences solely for the UK market, but this had to change due to a few different factors. There simply was not enough data collected on the UK market and the data that was there did not contain enough information to define any new target groups. Therefore, the author's task was to find these target groups using pre-existing data from HighRoller for no specific countries. The product being marketed to these target groups was HighRoller's latest product "HighBaller", a twin massage ball with adjustable width.

To measure the success of the target groups, Facebook adverts were created and deployed on one of HighRoller's current target groups, they were then used on the new target group and compared by their link clicks. The thesis includes an introduction about HighRoller as a company and the products they produce, a brief description of trigger point manipulation and a target group model to help structure the thesis. The author also decided to include chapters on marketing, this included topics such as online marketing and social media.

The author hopes that the thesis will be beneficial to the commissioning party and that it can be used to their advantage. The thesis has lots of benefits to the author as it helped with their professional development. Due to the author's interest in sports marketing and muscle care products, the thesis will be a valuable project for the author's future career. The author also hopes that the thesis can be used by Kajaani University of Applied Sciences to give other students ideas and to improve the thesis library at the University.

## 1.1 HighBaller Kickstarter campaign 2017

HighRoller Finland Ltd. is a company established in 2015 by a professional team with an exercise physiology background. The company manufactures products for personal muscle care. The products are made to appeal to anyone regardless of their age or physical condition. The first product they made is called the HighRoller, which is an elevated foam roller. They have a knack for coming up with innovative and unique muscle care products but perhaps struggle at getting their products exposure. One of their new products is the HighBaller, on which this thesis is based. The company is slowly creeping onto several of the biggest markets such as the US and UK markets but still has a long way to go as it is only a start-up company. (HighRoller Finland, 2018).

Kickstarter is a platform that allows creators and consumers to share their ideas. Backers can fund creators to make their products a reality. Creators can set a target of how much money they would need to create the product and the backers will do their best to help. (Moreau, 2019).

In August 2017 HighRoller launched their own Kickstarter campaign for their product Highballer. The backers of the product were asked to complete a questionnaire upon making their purchase. This questionnaire asked questions such as age, gender, occupation and whether the backers had any health problems. HighBaller is HighRoller's latest product, it is a twin massage ball that is designed for trigger point therapy and myofascial release. The HighBaller has adjustable width and a solid base allowing you to reach areas simply not possible with similar products on the market. The author knows the pros of the HighBaller but also the cons. The HighBaller comes with removable pins to adjust the width but these can be easily lost. The HighBaller may also appear quite alien to some consumers and may be a bit off putting for those who are not avid gym goers/athletes. HighRoller have decided to market the product as universal to appeal to a wider audience. With previous products they found that they mainly appealed to athletes and sporty people. The idea with this new product is that it can help to relieve pain and therefore appeal to everyday folk such as office workers and manual laborers. (HighRoller Finland, 2017).

## **1.2 Muscle care tools and trigger point manipulation**

Muscle care tools are products used to maintain and improve conditions of muscle tissues or for relieving muscular pain. They are essentially used to increase the flexibility of muscles and to improve performance, which in time, can help to prevent injury. Tools can include foam rollers, massage balls, massage sticks and even electro pads. Everybody will suffer from some sort of muscular pain in their lifetime and therefore companies are constantly coming up with new product ideas. Massage balls are generally used for stretching out muscles and releasing any tension there may be, in theory this should restore flexibility where muscles have tightened. (Williams, 2017).

Trigger points, also known as “muscle knots” are a cause of pain amongst many people. A trigger point is a sensitive area within the soft tissue, which is tender when touched or pressured. These trigger points can be manipulated to relieve pain and offer instant relief. Soft tissue manipulation and stretching techniques are used by practitioners such as physiotherapists and chiropractors to release trigger points. Another type of soft tissue therapy used to relieve pain and increase movement is myofascial release. The tight tissues are manipulated to increase normal movement of the muscles and fascia. Relaxing these restricted tissues increases circulation and enhances stimulation of the muscles and fascia. (Virginia Spine Institute, 2018).

However there has been some debate as to whether or not trigger point therapy actually works. There is much hype about trigger points and many professionals have become fixated on them, creating a stigma about whether they really exist. There is also the case of many companies and professionals using trigger points to their advantage when it comes to marketing. All that said, trigger point therapy is justified but should perhaps be considered an experimental form of therapy and not a closed topic. (Ingraham, 2012).

## **2 Marketing**

According to the business dictionary marketing is *“The management process through which goods and services move from concept to the customer. Marketing is based on thinking about business in terms of customer needs and their satisfaction.”* (Business Dictionary, 2018).

### **2.1 General overview of marketing**

Marketing is essentially the process of telling consumers why they should choose your product or service instead of your competitors. The trick is to find the correct marketing method to inform and influence your consumers. Many companies make the same mistake of thinking that marketing is only one thing, but this is where they go wrong. Marketing is everything the consumer encounters when they hear about your business: the way you advertise, the customer service and even the follow up care you provide to them. Many professors define marketing as the steps taken to get a product or a service from the manufacturer to the definitive consumer group. This process involves coming up with the product or service, working out who is most likely to buy it and choosing the correct sales channels. (Lake, 2018).

One of the best ways to define marketing is by using the 4 P's: Product, Price, Promotion and Place. Companies must have procedures in place to ensure that their products or services are ready to be sold. The ideation stage is the stage at which the idea is first thought of. Marketing departments then test new products on focus groups and produce surveys to get an idea of interest among potential buyers. If they receive high interest they might then sell their products on a limited time basis so that it is easier for them to track sales. If the products sell well then they will first be sold on a national level. Before products are sold companies must decide on the packaging the products come in and the style and colour of the products as these things are very important to consumers.

(Forsey, 2019).

Companies must know the best price for their products to ensure that they get the best possible return. One method of price setting is to price your products to a similar level of a competitor. That is of course if this will be profitable after all expenses. If the company is selling a brand new product they must decide how much consumers would be willing to pay for it. Customers will only pay a certain amount on certain types of products and will have their limits. (Peavler, 2018).

Promotion is all about advertising and sharing information that will create a buzz amongst consumers about your products. For products that require more in depth promotion there are trade shows, these trade shows are great to showcase niche products. You will either enhance your network or make direct sales at these tradeshow. Building your network is great for companies, this can be finding good leads for sales reps, meeting potential distributors or manufacturers and even forming partnerships with competitors. (Ward, 2018 B).

Place in marketing is the distribution, it is how and where the products are sold. Companies can sell to wholesalers who will then sell the products to retailers. Companies can also have their own distributors who can sell to retailers or sell directly to consumers or organisations. Distribution decisions are a big part of the marketing process. (Ward, 2018 B).

Business consultant Evan Carmichael identified three main purposes of marketing, these were capturing the attention of a target market, facilitating the prospect's purchasing decision and providing the customer with a low risk and easy to take action. Bearing in mind all of these purposes you could say that sales, merchandising and how products are displayed are all part of marketing. As marketing is the key to many businesses, the main objective is to increase sales. (Lake, 2018).

There are many types of marketing, classic marketing includes print, radio and television advertising. More modern types of marketing are direct mail and internet marketing. Many companies alter their web pages so that they appear higher up on search engines such as Google and Bing. Most recently, social media and online marketing in general are becoming the main choice of marketing trends to use amongst many companies. These trends are becoming essential to all companies and social media platforms such as Facebook and Twitter are a great way to create interest in your products or services. (Ward, 2018 B).

## **2.2 Online marketing**

According to Godfrey Parkin “By 2008 the internet was fully validated around the world as an indispensable component of any marketing mix. Online advertising expenditure had leapt by fifty per cent on the previous year. The web was the place where creativity blossomed.” (Parkin, 2009).

Online marketing is the process of selling a product or a service over digital platforms, most notably the internet and mobile cellular networks. Mastering online marketing requires finding the correct mix of online strategies to find your target markets and converting your reach into sales. The science behind online marketing is the in-depth research and analysis behind choosing your online strategies and measuring the success of them. It is becoming more and more important for all businesses to use online marketing, even small local businesses that would not usually consider it. In the past smaller more local businesses could rely on local and loyal customers but now there is increased local search and the new habit of scrolling through the internet to deal with. Online marketing also includes your online reputation; before a customer uses your services or buys your products online the first thing they will do is check the reviews. This means that building a good online reputation is essential to business in the modern era. (Ward, March 2018).

Today nearly half of the world’s population has access to the internet, this connectivity has made global shifts occur in strategic thinking and positioning when it comes to businesses. When talking about marketing on the internet it simply means increasing traffic and visibility in different ways. Any advertising to promote anything on the internet can be classed as online marketing. There are ten key types of marketing that can be done online, some of these are defined as organic marketing and others as paid marketing. Organic marketing is essentially free traffic that comes up through search results whereas paid marketing sits alongside these organic results. Key types of online marketing include search engine optimization, search engine marketing, social media marketing, pay per click ads, affiliate marketing, email marketing, influencer marketing, blogging, video marketing and content marketing. (Adams, 2017).

## 2.3 Social media marketing

“Social Media is generally defined as any website or application that enables users to create and share content, or to participate in social networking.” (Kingsnorth, 2016).

When you think of social media you usually think of the big social networks such as Facebook, Twitter and Instagram. Although these social networks are huge, they are in fact part of a much larger channel. There are many other forms of social media such as blogging, professional networking and even review and rating websites. Social media as we know it now started in the early 21<sup>st</sup> century, however there are forms of social media dating back to the 1970's. Bulletin board systems were a way to share data and code back then and continued into the 1990's. LinkedIn was one of the first social media platforms to launch in 2003, the same year as MySpace. Twitter and Facebook were the next big ones to launch to the world in 2006 which are arguably the most commonly used today. (Kingsnorth, 2016).

Social media is all about creating conversations and relationships online. In marketing you need to realize sooner rather than later that social media is mainstream right now and not something in the future. There are over five hundred million status updates on Twitter every day (Internet Live stats, 2018) and Facebook has over two billion monthly active users. (Zephoria, 2018). Social media is what it says 'Social', social media is also about communications and as mentioned before relationships. Social media involves forming those online relationships and engaging in them with your customers. The idea is to make your message and brand part of their online experience. 78% of consumers trust peer recommendations rather than just 14% choosing to trust advertisements. Not only do people use social media but they also trust it. Before social media you would have things like billboards and posters interrupting your drive, advert breaks on TV, or even adverts in magazines distracting you from reading and you still do get these things. (Newlands, 2011).

Now social media is the opposite of these distractions, it is the distraction. Rather than distracting you and interrupting you, social media marketing makes your opinion part of the campaign and involves you in the message. This could be for example a campaign that involves a competition or a craze/trend such as the ice bucket challenge. Things spread on the internet very quickly and social media is a great way to spread your message and involve consumers. Social media marketing allows your current and potential customers to become part of the online user experience. Social media marketing is not interrupting, it's integrating. (Newlands, 2011).

## 2.4 The Facebook era

“TheFacebook” was launched in 2004 by Mark Zuckerberg, this was similar to Facebook as we know it now. You could create a profile, upload photos and connect with others online. This was first only open to people with a Harvard email address, but TheFacebook continued to grow and by the end of 2004 it was available for almost all students in the US and Canada. In 2005 the ‘The’ was removed and it became simply ‘Facebook’. In September 2006 Facebook was open to everyone and the membership rates grew rapidly. By December 2006 there were over 12 million registered users, by October 2007, 50 million. In May 2007 Facebook opened their marketplace for the first time, this allowed users to sell products and services. By the end of 2007 there were over 100,000 registered companies on Facebook. (Boyd, 2018).

As previously mentioned there are now over two billion monthly active Facebook users, there are also over one billion active Facebook users every day. Facebook has a gigantic reach and is a great network to use for a marketing campaign. There have been some recent privacy issues and data abuse, but on the whole Facebook is used for friends to share things and this is a dream in marketing. On Facebook it is possible to have personal profiles and business pages. (Newlands, 2011).

Creating a Facebook page is a good way to get your company or organization engaged with consumers and online users. You can post links, blogs and videos to get the users interested. One of the most useful things about Facebook is being able to like, tag and share. Once you like or share something it will appear on other user’s and friend’s timelines. With tagging you can tag friends in posts you may think they have an interest in, that way they will see it. (Meerman, 2017).

A great way to promote your business and products on Facebook is using ads, you can pay to advertise your services online and can measure their success with analytics. Contests and polls are also a great way to promote your services as they will keep consumers engaged and are more interesting than adverts. (Newlands, 2011).

### **3 Target marketing theory**

Target marketing is separating a market into different segments and then focusing all marketing on one or multiple key segments made up of customers whose needs and wants most closely match your product or services. These key segments of customers are called 'Target groups'. By putting all marketing efforts into attracting these specific target groups it makes promotion, pricing and product distributing easier and more efficient. In turn it provides a key emphasis for all marketing and allows companies to focus on certain target groups rather than wasting time on others. There are many ways of carrying out market segmentation, however the three most common types of market segmentation are Demographic, Geographic and Psychographic. (Ward, 2018 A). The author of this thesis decided to use demographic segmentation as the data needing to be analyzed was made up of demographics such as age, gender, occupation and interests.

#### **Demographic segmentation**

Demographic segmentation is the most common way to identify a target audience, making demographic information essential for many businesses. Demographics are based on data that can be measured such as age, gender, occupation and interests. This kind of data can be analyzed to form target groups based on these demographics. Demographic segmenting is extremely popular due to the specificity of it i.e. the fact you can nail down an exact target audience. (Kingsnorth, 2016).

#### **Geographic segmentation**

Geographic segmentation is based on segmenting markets depending on location. This can be defined in many ways such as neighborhood, post code, province or even country. Geographic segmentation relies on the idea that consumers in a certain area may have a specific need for a product based on the area they live in, for example a bicycle company could target consumers that live in Holland. This can work very well when it comes to necessities but may be flawed as location is a very broad thing. (Kingsnorth, 2016).

## Psychographic segmentation

Psychographic segmentation separates the target market on their socio-economic class, personality or lifestyle. Psychographic segmentation is based upon the idea that people make purchases based on their lifestyle or socio-economic class. There is a socio-economic scale which varies from the highly skilled and educated at the top to the uneducated and unskilled at the bottom. This style of segmentation is also quite common and can be used to great effect if you target people based on their class. (Kingsnorth, 2016).

Social Grade	Social Status	Occupation
A	Upper middle class	higher managerial, administrative or professional
B	Middle class	Intermediate managerial, administrative or professional
C1	Lower middle class	supervisory or clerical, junior managerial, administrative or professional
C2	Skilled working class	Skilled manual workers
D	Working class	semi and unskilled Manual workers
E	Those at the lowest level of subsistence	State pensioners or widows (no other earner) casual or lower grade workers

Table 1. Socio-economic scale defined by the UK based national readership survey into categories (Ward, 2018 A).

## 4 Research methods

Quantitative research was used as the main method of research, this consisted of a questionnaire designed by HighRoller to collect valuable information from their target audiences. The data already existed before the thesis was commissioned, therefore the sole task was to analyze this pre-existing data and make some sense of it. The main purpose of this research was to see if there were any hidden target groups for HighRoller to explore. The data itself was extremely useful, however it was not documented in a very efficient way and was therefore difficult to analyze. The data was collected from a questionnaire attached to HighRoller's Kickstarter campaign in August 2017. HighRoller's new product 'HighBaller' was put on Kickstarter for clients to back so that the product would go into production. The backers were then sent this questionnaire for HighRoller to work out the demographics and various other details of the clients in question.

### 4.1 Data analysis

Data analysis is the process of assessing and sorting data using both analytical and logical reasoning when examining all aspects of the data involved. (Business Dictionary, 2018). As previously mentioned the data analyzed was pre-existing and therefore the research method was quantitative.

PSPP was the main tool used to analyze the pre-existing data. PSPP is a free software program used for the analysis of data. It is a very useful tool for data analysis and hypothesis testing. It can also be used for data pre-processing and data visualization. It is mainly used by students, social scientists and statisticians. The name PSPP is not an abbreviation of anything, it is simply a given name. (Techopedia, 2018). The percentage of certain demographics were calculated to be able to define a target group. These demographics were age, gender, occupation and health problems. Once the data was analyzed on PSPP it was put into a spread sheet and then converted into charts. Inductive reasoning was used once the data was in charts as it was then much clearer to interpret the results. The most difficult task was sorting the data for it to be put into PSPP. This involved formatting it correctly so that it could be run through the PSPP application.

## 4.2 Target group analysis

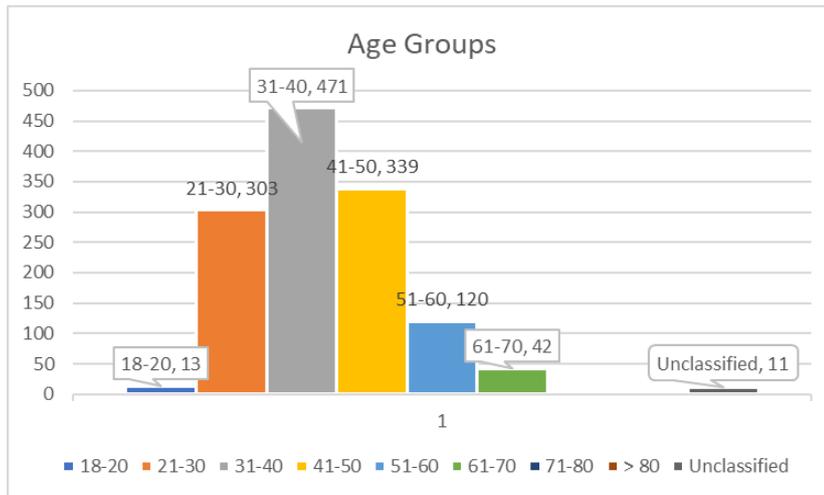


Figure 1. Age groups

Out of 1303 respondents, 471 of the respondents were in the age group 31-40. This was higher than the other age groups. The closest group to it was 41-50 with 339 respondents, followed by 21-30 with 303 respondents, 51-60 with 120 respondents and 61-70 with 42 respondents made up the rest. There were only 11 unclassified respondents.

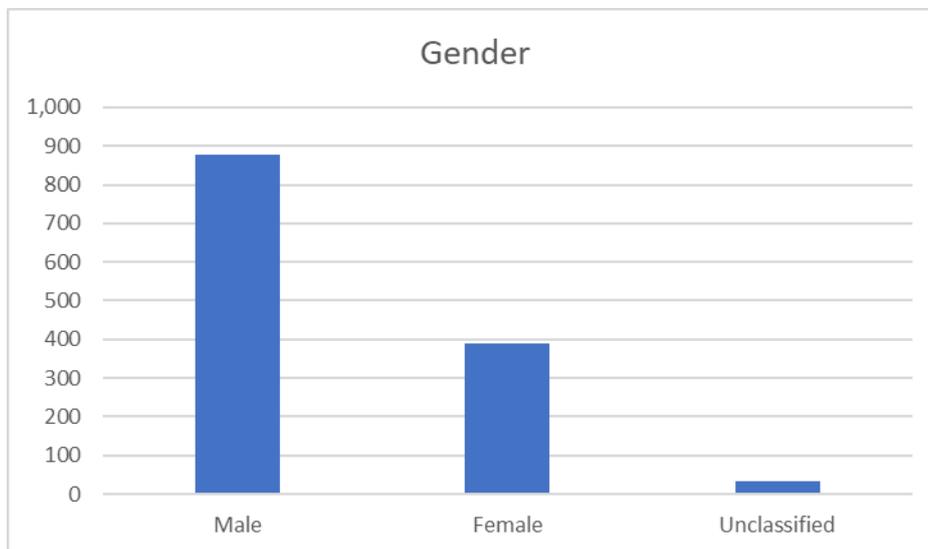


Figure 2. Gender

Gender was the next demographic and it was clear to see that males dominated the results. Out of the 1303 respondents 67 % were male (879), 30% female (391) and 3 % unclassified (33).

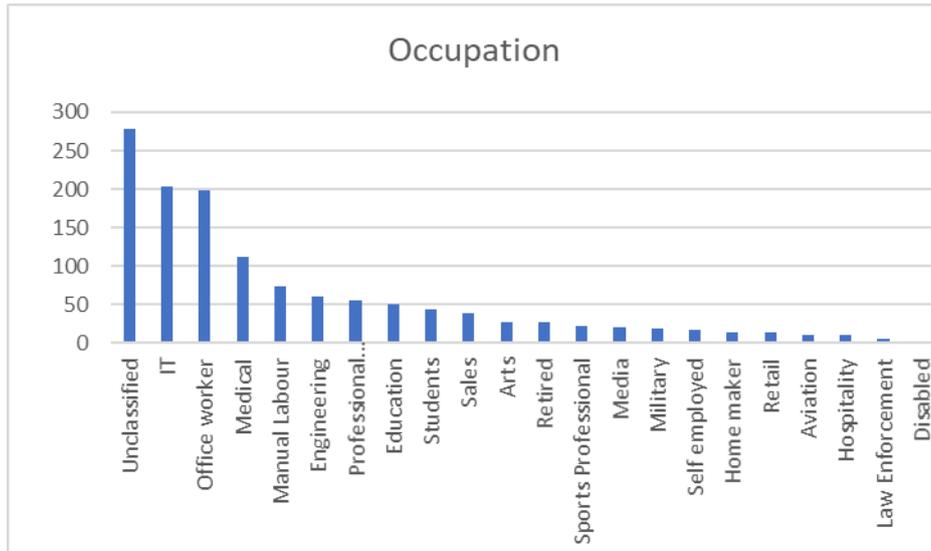


Figure 3. Occupation

Occupation was another demographic. From the 1303 respondents the majority were unclassified at 279 respondents. However, IT totaled at 203 and office workers at 199 therefore they were included as a joint occupation due to their similarity. There were 112 respondents with a medical related occupation and 74 manual labourers.

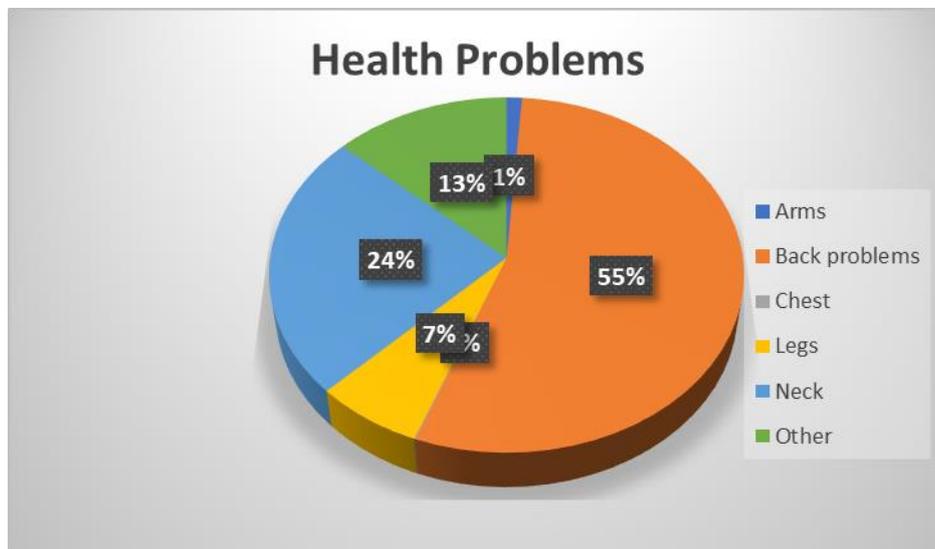


Figure 4. Health Problems

Health problems was the last demographic analyzed. A huge proportion of respondents (55 %) claimed they suffered from back problems. That was 711 out of the 1303 respondents. The second highest health problem was neck problems which made up 24 % of the respondents (316).

### 4.3 Analyzing target groups

There were lots of different demographics within the data. The main 4 being: age, gender, occupation and health problems. Other demographics or details included: how often respondents exercised on a weekly basis, if they used other muscle care products and where they saw or heard about HighBaller. It was decided that age, gender, occupation and health problems were the most important as these were key demographics and the data made up bigger groups rather than being too specific. The target groups were chosen based on human judgement and the percentages of data. The demographics with the higher percentages were chosen over more specific ones.

### 4.4 Defining target groups

Firstly, the age group of 31-40 was chosen since 36 % (471) of the 1303 participants were in this age category. This was significantly larger than the other age groups although several of the others still had quite high percentages. Male was the chosen gender of the target group since a clear majority of 67 % (879) respondents from the 1303 came up as male. After the data was analyzed it was decided by the commissioning party that only 1 target group would be necessary and only 1 gender would need to be included. Occupation was an interesting demographic as a large amount of the respondents (279) did not want to give an answer to this question. However, IT and office workers together made up a majority of 311 respondents. Lastly, health problems of the respondents were included. A staggering 55% of respondents (711) suffered from back problems. This made it very clear that a lot of Highballer consumers suffered from backpain and were searching for a product to help them.

After analyzing the data, it was decided that the target group would be males aged 31-40, working in IT or in an office and suffering from backpain. It is easy to generalize this data but given the fact that the percentages were so highly in favor of these demographics the final target group choice made sense. This new-found target group was different to High-Roller's current target groups; therefore, it was decided that this would be an interesting target group to pursue.

## 4.5 Facebook advertising test

An eMarketer study conducted in 2016 suggested that 96% of social media marketers considered Facebook to be the most effective platform for social media advertising. (eMarketer, 2016) As previously mentioned, social media advertising has become an increasingly popular way to market brands and products online. Facebook ads work for B2C and B2B companies. B2C means business to consumer which is selling products or services directly to consumers. B2B is business to business which is selling products or services to other businesses. (Linton, 2019). There are many stories of success that show increases in marketing results after using Facebook advertising. (AdEspresso, 2017).

To create a Facebook advert you must first choose your objective, to choose an objective the most important outcome of the advert must be decided. It could be anything from sales on your website to simply just making users more aware about your brand. An audience then needs to be defined. The demographics such as age and location can be selected, as well as interests and behaviors. You must then decide where the advert is run, you can select multiple other Facebook platforms such as Instagram and Messenger. You can also choose specific mobile devices for your ads to run on. Next the budget must be set, this can either be daily or lifetime. With the budget you also select how long you want the adverts to run for. Then a format can be selected; this can be an image, a video, a story, a messenger ad and many more options. Once the advert is submitted it will go to an auction where Facebook will decide the best people for it to be sent to. Once the advert is up you can track it to see how it performs and once it is finished you will get results back from Facebook. (Facebook Business, 2019).

There are many areas that are monitored during the Facebook ad testing, but the author decided to focus on just seven of them. These were cost per results, impressions, cost per impressions, link clicks, 3 second video views, video percentage watched and video average watch time. The cost per results is how much the company must pay every time the advert is clicked on. Impressions are how many times the advert is visible to its audience and the cost per impression is how much the company must pay when the adverts are seen. Link clicks are the number of clicks directly to a destination from a link. 3 second video views are how many people watched the first 3 seconds of the advert. Video percentage watched is how much of the video was watched by the audience and average watch time is how much of the advert they watch on average. (Facebook Business, 2019).

The next phase of the data analyzation and testing was to test the found target group on Facebook with online advertising. HighRoller already had Facebook adverts set up and created therefore there was no need to produce any. However, HighRoller did have to pay to display these adverts online. HighRoller decided to use the same video for their target groups and the new target group with a link to view the product attached. HighRoller were able to choose exact demographics of their chosen target audience which in turn makes it much easier to reach potential customers. The success of these adverts was not based on conversion rate but instead measured on link clicks and the length of time the advert is viewed for if it is a video.

Although no specific location was identified in the data analysis HighRoller still went ahead and selected the U.K. This was a mistake by them as they were still under the impression that the aim was to penetrate the U.K market. Although this was the original aim it became apparent that the location was not able to be defined. The assumption was made that most of the Kickstarter backers were from the USA, but this was purely a guess because Kickstarter is popular in the USA and the price of the products was in dollars.

The new target group was selected for the test as:

Location: United Kingdom

Age: 31-40

Gender: Male

Interests or Occupation: Occupation: White collar worker Industry: IT and Technical services

The current target group chosen by HighRoller to test was:

Location: United Kingdom

Age: 41-58

Gender: Male and female

Interests or Occupation: Interest: foam rolling or wellbeing

## 5 Facebook testing results

### Cost per results

The new target group cost HighRoller on average 0.08 cents per a click whereas the current target group only cost 0.05 cents per a click.

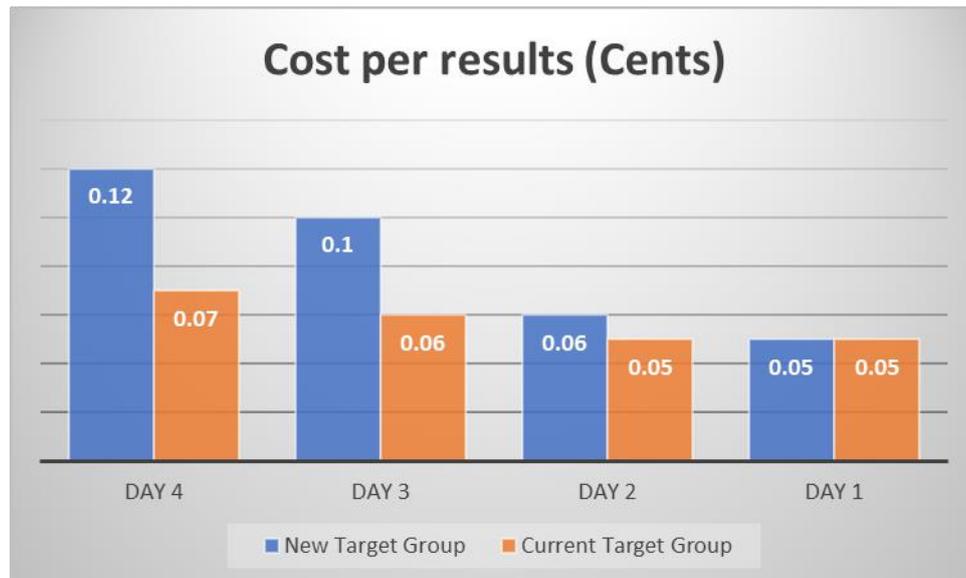


Figure 5. Cost per results (Cents)

## Impressions

On average the new target group received 1760 daily impressions. The current target group had an average of 1315 daily impressions.

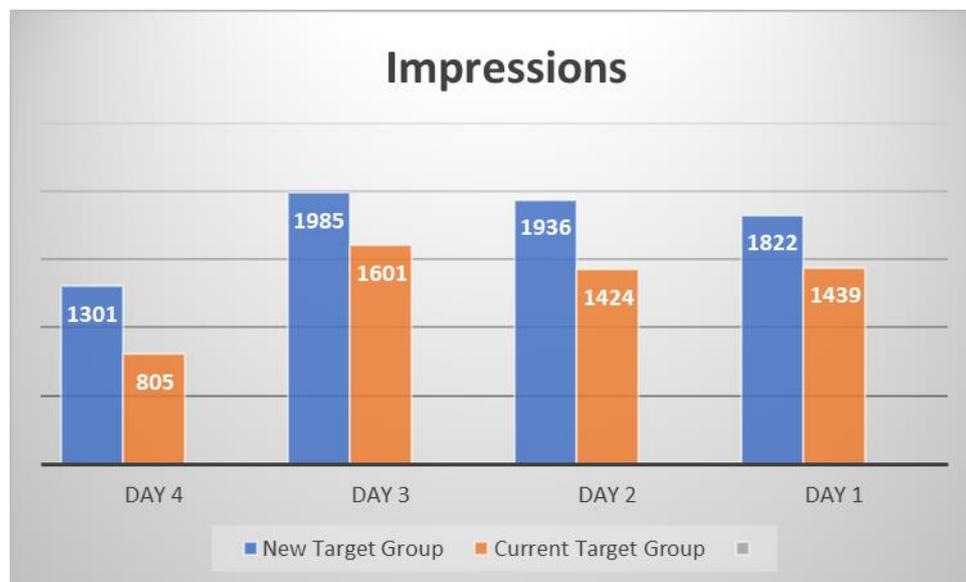


Figure 6. Impressions

### Cost per an impression

The new target group cost was on average 5.3 euros per 1000 impressions and the current target group was 7.2 euros per 1000 impressions on average.

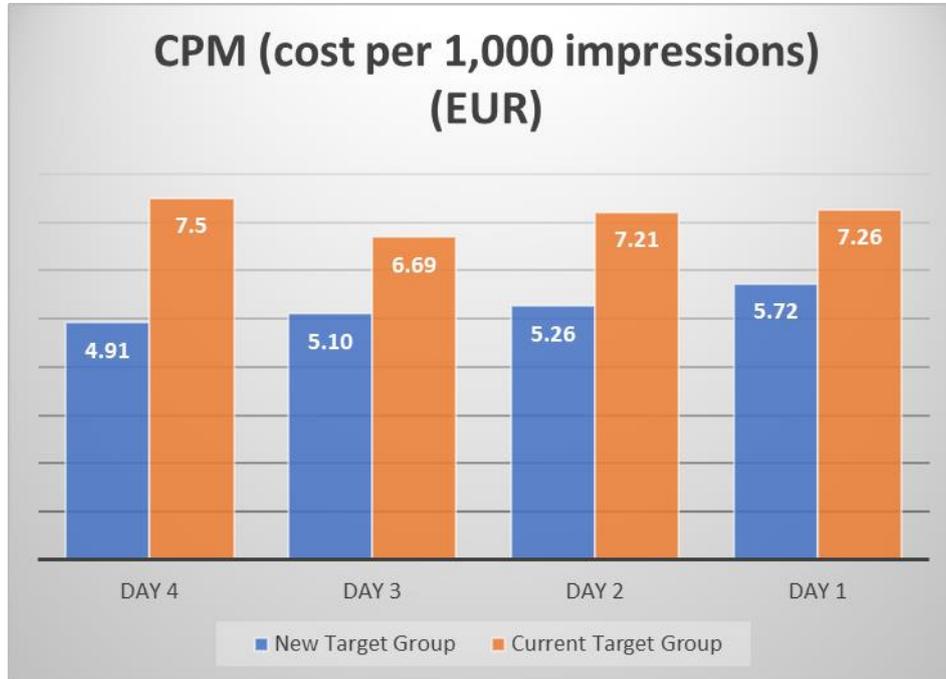


Figure 7. Cost per 1,000 impressions (EUR)

## Link clicks

On average the new target group received 138 link clicks per a day. The current target group received 175 link clicks on average per a day.

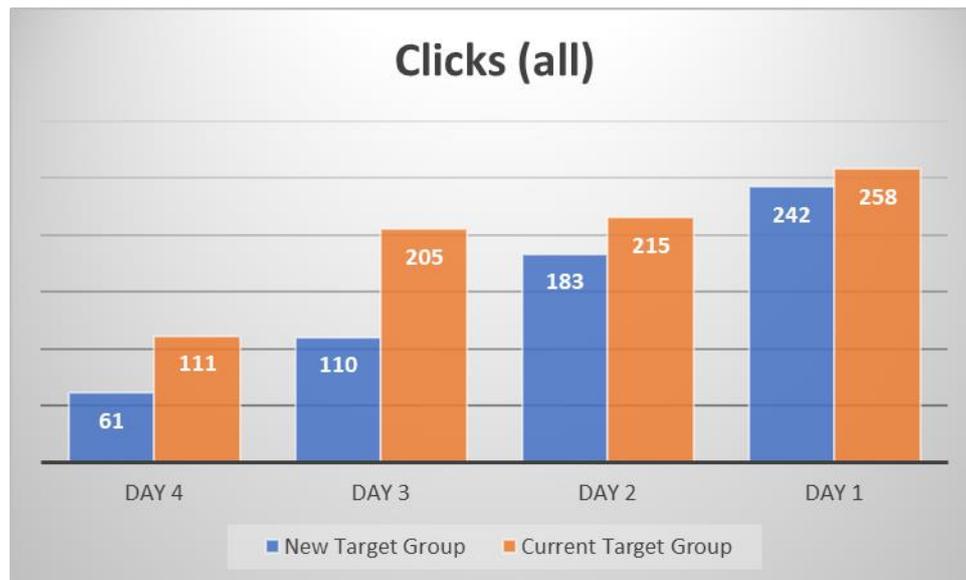


Figure 8. Clicks

### 3 second video views

On average the new target group had 247 daily 3 second video viewers, and 989 3 second video viewers in total. The current target group received on average 208 daily viewers and 1066 3 second viewers in total.

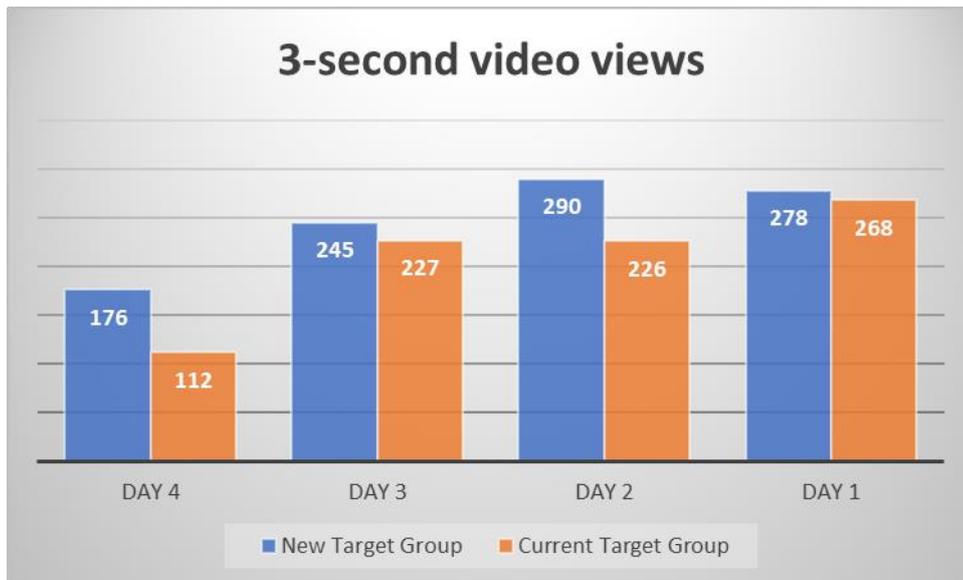


Figure 9. 3 second video views

### Video percentage watched

On average 62 % of the viewers from the current target group watched the whole video.  
Only 38 % of the new target group audience watched the video through to the end.

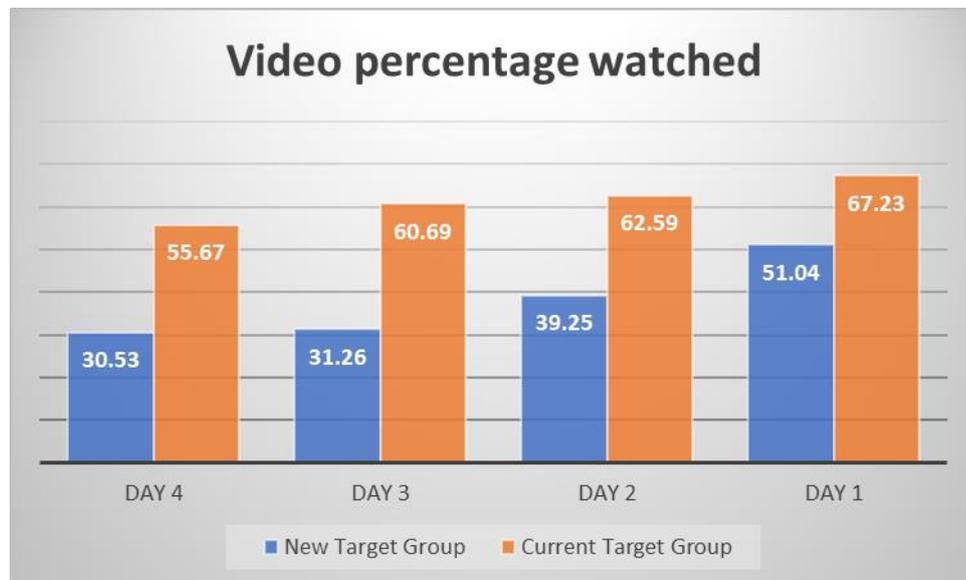


Figure 10. Video percentage watched

### Video average watch time

The current target group had an average watch time of 19 seconds per a day. The new target group only had 11.5 seconds per a day on average.

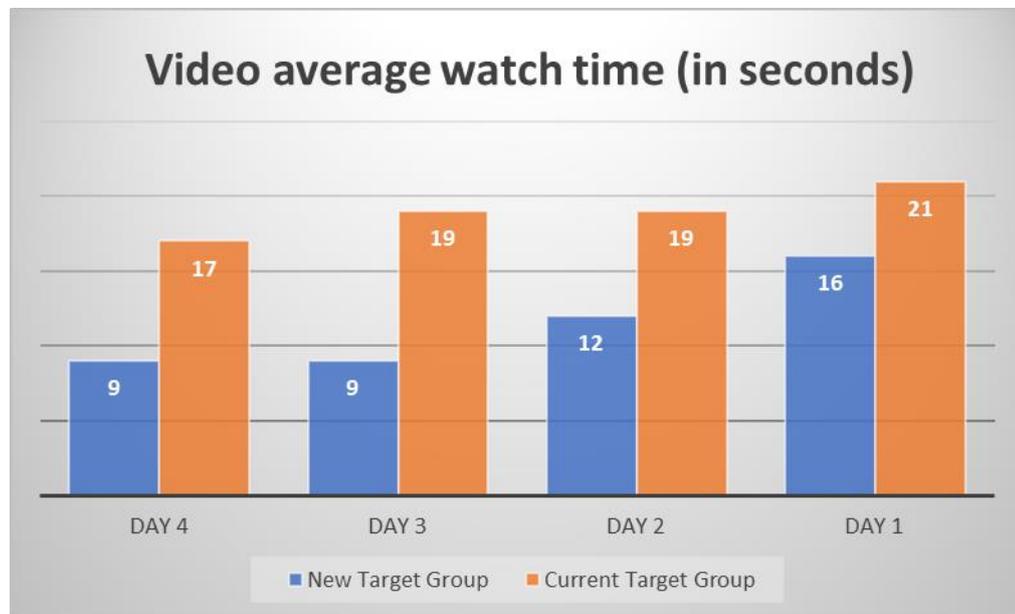


Figure 11. Video average watch time

## **6 Discussion**

To analyze the results from the Facebook testing, it is important to consider all the factors that may have affected them. There were lots of different results and it is essential that all possibilities and reasons are discussed to decide on the success of the study. The results were analyzed which lead to the conclusion and a discussion of the tests reliability.

### **6.1 Analysis of results**

Firstly, it is important to analyze the success of finding a new target group. This was the main task regardless of how successful the target group was or was not. Successfully sorting the pre-existing data was achieved to great effect and a target group was able to be established through this process. However, this did not come without its difficulties. The data had to be totally rearranged so that it would be compatible with the PSPP software. This was an extremely lengthy process but once achieved it worked out well. Once the data was processed it had to be analyzed again to check for inconsistencies and flaws.

Originally the plan was to come up with several different target groups and compare them with HighRoller's current target groups. It was originally thought that there would be at least two target groups for both males and females but after sorting the data it became apparent that this would not be possible. The result was in favor of a certain demographic and thus the target group was decided upon this demographic. It was also originally agreed that the location for this target audience would be the United Kingdom, this was a good idea but there was only a very small amount of data specifically from the U.K. It was then decided that the data used would be from a more general audience location and there were no specific locations associated with this data.

Once the target groups were defined they were then put into practice on Facebook using online advertising. The results gathered from this Facebook testing were then analyzed to see which target group came out on top. The results were simply put into a data spreadsheet and then turned into charts. It was easier to analyze the results once in the form of a chart as it was more visible which group had performed better. The main way to measure success was based on how many link clicks the adverts received.

As seen in the results the current target group was cheaper per a click compared to the new target group. To understand the cost per results it should be mentioned that the cheaper the cost the better. For every click an advert receives a company will be charged depending on the total amount of clicks. The more clicks a company receives the cheaper it will become per a click. As mentioned you can see from the results the current target group performed much better in this area. Although they were both very cheap it still saves the company money overall. Therefore, the current target group outperformed the new target group regarding cost per results.

The new-found target group received more impressions which means that the advert reached its audience more times than the current target group. How effective the impressions are should be taken into consideration, the new target group may have outperformed the current target group regarding impressions but was not able to generate as many clicks as the current target group which is the most important thing for HighRoller. It's good to have lots of impressions but it doesn't benefit the company if these impressions aren't being converted to clicks.

The higher the amount of impressions the cheaper it is per an impression; therefore, the new target group had a cheaper per an impression cost. The cost of impressions was measured per 1000 impressions. The new target group gained more impressions, so it was cheaper to run per an impression costing just 5.3 euros per 1000 impressions compared to the current target groups 7.2 euros per 1000 impressions. Now in this situation it would be said that the new target group certainly outperformed the current target group in terms of cost. However, it's good to save money but if the current target is receiving more clicks then it could be argued that its worth spending more money on.

The current target group received more link clicks than the new target group. This means that more consumers clicked on the link provided in the advert to HighRoller's website. Link clicks was the most important result as it defined the success of the target groups. As mentioned previously link clicks are when consumers click on the link on the advert after watching the video (Facebook Business, 2019)., in most cases and in this case, it was a direct link to the website so that the consumer could get more information on the product. This is very important to companies as it increases traffic on their website and in turn increases the chance of consumers purchasing their products. Although the current target group performed better, the new target group still performed well.

On average the new target group performed slightly better on 3 second video views. This means that the advert was watched for a minimum of 3 seconds by the potential customers. The 3 second video views were perhaps one of the least important parts of the test. It shows how many consumers watched the first 3 seconds of the video. Because after these 3 seconds the consumer could decide to turn the ad off or skip it. It should be noted that although the current target group appeared to have more views this was down to the fact that the first day of results for the new target group unfortunately wasn't recorded. There was no explanation as to why, but it was most likely down to a system error. On this occasion it only affects the total amount of 3 second viewers, had the first day been recorded it's very likely that the total would've been similar or higher due to patterns in the data. But this may also mean that the average of the new target group was higher due to there being a lower total.

Although the new target group made more impressions and on average had more daily 3 second video viewers the current target group had a higher percentage of consumers that watched the whole video through to the end. The video percentage watched was important to see how many of the consumers watched the video the whole way through, as it proves that the right target audience is being reached. If a consumer is watching a whole advert it means that they have a genuine interest in the product and increases the chance of them making a purchase. On average the current target group had a much higher daily total of watch time. The video average watch time ties in with the percentage of watch time, the longer the video is watched for the more interested the consumers are in the product. Although the new target group made more impressions and on average had more daily 3 second video viewers the current target group had a higher percentage of consumers that watched the whole video through to the end.

## 6.2 Conclusions

According to the results it is apparent that a new target group has been found but it is not as successful as HighRoller's current target group. However, that does not mean it is not useful to HighRoller. The success of the target groups was based upon the amount of clicks the adverts received on Facebook. The current target group received an average of 183 link clicks per day during the 5-day testing period. This was marginally better than the new target group's average of 137.7 link clicks. The results show that the new target group could still prove to be useful to HighRoller. The new target group received more impressions and had more 3 second video views. This proves that it is not a failure but also verifies that the current target group is the right target group for HighRoller. The fact that the demographics of the two target groups were quite different also made the research beneficial. If the data had shown the new target group was the same as the current one, then it would have been of no use to HighRoller.

This also opens the door for HighRoller to explore new target groups themselves. It is very easy to make assumptions without any evidence, but now the data has been analyzed efficiently and effectively it can be used to create new target groups in the future. When the pre-existing data was handed over it was very unclear what the demographics of HighRoller's customers were. There is now a much better understanding of the type of people that have an interest in HighRoller's products. Although the new target group was not as successful it cannot be ignored as it shows that it gained interest from online users. Had there been an option to use the exact demographics then perhaps it would have gained a lot more interest and even outperformed the current target group.

In conclusion a new target group that performs relatively well has been found using the pre-existing data. However, it did not perform as well as the current target group used by HighRoller. The pre-existing data has now been fully sorted and therefore HighRoller can use this to find new target groups that they can test themselves in the future. It has been established that had the testing been conducted slightly differently then perhaps the new target group may have performed better than it did.

### 6.3 Reliability

According to the number of respondents (1303) it can be assumed that the results from the target group data were reliable. Having a larger number of respondents in the data allows a much more comprehensive research to take place. However, the data was not without its flaws. The data used to find the target groups was collected from HighRoller's Kickstarter campaign for HighBaller in August 2017. Firstly, the fact that it was collected from Kickstarter may affect the effectiveness of the new target group on Facebook. The demographics of the consumers on Kickstarter might not necessarily be active Facebook users. The fact that the campaign took place in 2017 may also have some impact on how successful the new target group could be. Newer, cheaper and better alternatives to HighBaller could have been released since then. There could also have been a shift in the market, perhaps muscle care products are on the decline.

Another problem with the Kickstarter data was the fact that the respondents did not provide any information as to location, therefore where they were from had to be assumed. It was known that most of the backers were from the USA but there was no way of confirming it. It was requested that HighRoller use the USA as the location for the new target group but they thought that the original plan of using the U.K. was still on. Had they selected USA the results may have been very different, but that statement is based purely on assumption.

When it comes to the Facebook testing there are several factors to be considered, one of which being the time of year. The testing was completed quite soon after Black Friday and Cyber Monday. This could mean a whole number of things; potential consumers could have missed the advert due to a high influx of Black Friday sales. They could also have missed the advert due to their current online interests in that moment in time, usually Black Friday deals are associated with electrical goods and not health care products. The time of the advert post was in early December which could also mean they were competing with Christmas adverts. Consumers were possibly not willing to spend money on their own personal muscle care as they had to spend money on Christmas related activities such as presents, food and vacations.

Another factor to be considered with the Facebook testing was that health problems were not included in the demographics. This was due to it not being an option on the testing software. Health problems were one of the most important demographics as 55% of the 1303 respondents suffered from back pain. Again, had this been able to be included the results might have been very different.

Other factors affecting the Facebook testing were how long the advert was online for and the fact that the first day results of the adverts were only visible for the current target group and not the new one. The testing only lasted for 5 days, although it did receive lots of impressions the advert could have been up for much longer. The problem with having it up for longer periods of time is the cost. HighRoller generally do not get a very high conversion rate with these kinds of adverts therefore it has to be taken into consideration how much they spend.

The sole purpose of the testing was to see how well the new target group would do against the current one, therefore there was no strategic planning as to the timing of the testing. The missing first day results of the new target group were quite a big factor in the reliability of the testing. This made it slightly difficult to compare them in some results as the current target group was always going to produce bigger results due to a whole day missing from the new target group's results. It also had a slight effect on the averages as it would never be known what the true results on that day were.

Overall, there were many factors that could have affected the reliability of the testing, but the data sorted was reliable in terms of the number of respondents and the testing led to some very interesting avenues of exploration for HighRoller. If the testing and the data analysis could have been done differently it might have been taken into consideration that a new questionnaire specifically for identifying new target groups was made. Had the Facebook testing included the exact demographics and lasted for longer there might have been some very different results.

#### **6.4 Future research topics for HighRoller Finland**

HighRoller can now use this thesis to come up with new research ideas and marketing strategies. As mentioned before the data from the Kickstarter questionnaire has now been completely sorted and therefore can be used to create new target groups. HighRoller can also learn from their mistakes, i.e. creating a questionnaire that contains more specific questions about customers. A good suggestion for HighRoller would be to include a questionnaire on their online shop rather than just on their Kickstarter campaigns. By doing so they would be able to build an extremely clear picture of the demographic, interests and health problems of their customers. This of course should be an optional questionnaire simply offered to help improve services and for HighRoller to reach their target audiences. HighRoller could also put into place a more structured database, this would make it easier for them to analyze data. As Dr Abhishek Narain Singh said *"In the world we live today, data is king."* (Singh, 2018). Data is becoming so important to companies as most sales are done online. For a small startup company like HighRoller it is very important to know your target audience as a lot of sales will be international.

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## 7 Appendix



Figure 12. HighBaller specifications (HighRoller, 2019).



Figure 13. HighBaller trigger point area (HighRoller, 2019).