



Consulting company's opportunities to grow – marketing, networking and innovations

Case Tiracon Ltd

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Bachelor's thesis

May 2011

Degree Programme in International Business

Option of Management Consulting

Tampereen ammattikorkeakoulu

Tampere University of Applied Sciences

TAMPEREEN AMMATTIKORKEAKOULU

Tampere University of Applied Sciences

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Month and year	May 2011		
Commissioned by	Tiracon Ltd	Page count:	46

Abstract

In this thesis the main focus is on finding out ways to improve operations for a small service company offering consulting services especially for base metals and mineral extraction industries. Operations that the thesis concentrates are marketing through marketing material creation, and innovating where the aim is to find out if it adds value for the business.

Methods for the work have mainly been research and analyzing books, articles etcetera. Also interviews of the company owner were used to gain information about his experiences and ideas during his earlier career, company's history and about sights of the company's future. Based on the theory parts written some of the marketing materials were created and for others some advices given for latter use. The innovation process is revised the way that it can be used as a guide during innovation process. There were also hints given where to get funding and guiding for the process.

As a result it was seen that the case company should invest some time for its marketing planning as well as marketing material creation. Inventions could also be a plus for the company's business because with them the quieter times could be covered. Through them the company could also get more visibility and some stable incomes in the future.

Key words: consulting, innovations, marketing, networking

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TERMS USED

b-2-b, b to b	Business to business
BCG	Boston Consulting Group
b-to-c	Business to consumers
ELY	Centre for Economic Development, Transport and the Environment
EU	European Union
IPC	International Patent Code
IPR	Intellectual property rights
KIBS	Knowledge Intensive Business Services
PRH	National board of patents and registration of Finland
SME	Small and Medium sized Enterprises
TE center	Old name for Transport and the Environment center
WOM	Word of mouth

Entrepreneur, establisher, owner – all referring to the same person, Tiracon Ltd's owner

The company, commissioner – Tiracon Ltd

1 Introduction

Small boy came home from school looking worried and asked his dad “You are an entrepreneur, aren’t you?” After dad agreed boy told that teacher at school had advised that what ever you become when you grow up, never become an entrepreneur. The dad in the story was Ilkka Brotherus, owner of the Sini-product, risk investor and board member of several companies. (Monto, 2006) This short story gives a good sight to the attitudes towards entrepreneurship in Finland nowadays. Here most of the people would prefer to have a paid job over entrepreneurship while for example in the USA over 60% would choose entrepreneurship if just possible. Even less of the people in Finland are into growth entrepreneurship but are rather happy with the current state of the company. (Boardman Oy, 2007, p. 17). According to Koivikko, Tikkanen and Öhrnberg the reason could be that when the complexity of entrepreneurship, expensiveness of employment and foolishness of the risk taking has been told enough times it grips deep into people’s minds (Mahdollisuuksien maa yritteliäälle, 2011). This strong image brings barriers to people’s minds also when thinking about the growth of the company.

In this thesis we are going deeper into the growth opportunities of a small entrepreneur established company. As we go on we think about the possibilities of marketing and even more we take a closer look into certain marketing materials as well as different ways of marketing that a business to business consulting company, and even more the commissioner, could use in its near future. We also take a sight into innovation process. Later in this report we are also going to take a deeper look into innovations, how to evaluate the value of the innovation and how to take it forward from the idea level, where to find financiers and maybe a producer for the product and how to find markets and selling channels for it.

There are several factors which can drive a company to growth. There has been a research made in Finland that the enthusiasm of the company owner’s towards the growth is the biggest growth driver. Also need to attain critical company size,

internationalization opportunities brought up by a product or a service, as well as the attractiveness of new market areas and the market potential of those areas are strong growth drivers. (Boardman Oy, 2007, pp. 28-30). While planning the growth the risks should also be kept in mind and they should be considered. It often happens that the risks will not be noticed until it is too late, at the point where company is already facing some financial crises. The risks can be divided into three areas: strategic, operative, and economic and financial risks. (Boardman Oy, 2007, pp. 115-124)

As a last thing, few words about service business, and specially b-2-b service business. Through out the years, especially from the beginning of 90's service business has grown its importance. Even though service business has become more and more important in the everyday business life, it is still a minority in books, articles and other publications which are providing information about other kinds of businesses. When it comes to b-2-b service markets the amount is even fewer.

Through to the economical situation companies have been cutting down costs and buying services can be counted into one of those cut down fields. Especially this has affected technical designing and planning services (architect and engineering offices) and advertisement and market research industries (Lith, 2010). This makes the competition even harsher as it was before and the rivalry is harsh on the business. Big companies have better opportunities to gather customers but at some point the variety of knowledge might not be sufficient. To be able to compete with those companies a small company needs to plan its marketing. Also by growing the size of the company some visibility can be attained.

Caused by the nature of the business there are several parts that cannot be learned at school but through experiences on the field. This gives advantages for those who have been in the business for longer time and this way gained the valuable experience. All these details make the marketing planning a complex process.

1.1 Background of the topic

The aim of this final thesis is to examine different marketing materials and innovation opportunities; keeping the perspective of the case company in mind all the time. The process began from the need to create marketing material for the commissioning company. After some discussions the importance of networking aroused and finally the discussion ended with a question about innovations. The entrepreneur has developed some innovations and product improvements earlier during his career and he is still interested on continuing that path too, mostly when it is more quiet time and less projects from customers. For innovations the most important thing to find out would be the financing opportunities as well as the process from innovation to a final product. Through the information the entrepreneur can see if it is profitable to include innovations into the business.

When the company was established a year ago most of its resources had to be used to the practicalities related to the establishing process. Now all the everyday functions are up and running so it is a good moment to think about the future of the company and how to develop the operations. There has already been created some marketing material for the company including some business cards and web page but as we can see from appendix 3 it is really on the basic level. In the thesis different ways of marketing and the needed marketing material is introduced. As a result some improvement options for the existing material can be found.

During my international business studies I chose TAMK Consulting Academy as my module so the thesis is also related to that one too. This final thesis topic gives an opportunity to gain deeper insight into consulting business.

1.2 Goals for the thesis

After a discussion with the commissioner following goals were generated for the thesis outcome:

- To develop the marketing material of the company
- To figure out, which kind of potential innovations development are possible/useful for the company and how the practical implementation could be done
- Innovation development as part of consulting business

1.3 Limitation and structure of the study

As every research also this one will face some constraints. Company's short history makes it harder to give future predictions, as well as shows in the lack of knowledge over certain matters. This might slow down the thesis process if the information gain is slow. Also since the time to write the thesis is quite limited especially in this case, the information gain does not reach as deep level as it could in some other cases. Besides these the lack of knowledge on this very specialized field of expertise brings some obstacles on the way.

Also the size of the company needs to be considered and kept in mind all the times. This limits the opportunities in marketing. The money available for designing and creating the marketing material is mostly nonexistent. So the theory should support the commissioner in a way that he could gain valuable information from it to him and that way do the designing without professional help.

The thesis will be started with short company introduction giving an idea of the current state over the matters in the commissioning company. That will follow a marketing section where some basic information of marketing will be gone through. In this chapter also main marketing materials needed for the company are revised. As we go on the situation of marketing is analyzed through SWOT analysis.

In the third part the innovations are looked into. First the process of innovation as such and then there is a closer look taken in certain parts of it like IPR and financing. In the end it is given a thought if innovation could be part of this kind of consulting business as the case company is practicing.

Finally the conclusion summarizes how the process went, what were the findings and how does the future of the case company look like in the light of the findings.

2 Tiracon Ltd

2.1 Introduction

Tiracon Ltd is small Finnish technology-field company offering planning and services to improve its customers' operating conditions, production capacity, quality and competitiveness. The main fields are automation planning, training and consulting as well as project management especially for companies in base metals and mineral extraction industries.

Due to the fact that company is so young there is not as much information available of it as there would be in case of bigger company or a company with longer history. This is why creating this information in written form might be part of the thesis. The fact that the company is young does not mean that it would be inexperienced. The establisher has years of experience from the field, and he has continued working with same customers than he did before establishing his own company.

(Tiracon Oy)

2.2 Current activities

The need of the marketing has been rather small since the current jobs have been got through existing network. This is also the channel where most of the marketing is done so far. Also the marketing knowledge possessed by the commissioner is rather small. Nevertheless some marketing has been done to notify the prospect about the establishment of the new company. This was mainly done by e-mails and some personal contacting. Also some business cards have been printed and very basic level web pages have been set up. (Tiracon Oy, 2010)

The establisher of the company has done some innovations before but because he was at the time working for another company those innovations could not be taken any further if the company did not consider them important. The company owned the

innovations at that time. Now there might be chance to make some new innovations and they are done all the time while designing, improving and repairing.

3 Marketing

3.1 Introduction

Marketing is often defined as Ojansivu does in her thesis *"Marketing is about people. It is about understanding what people want, then trying to give it to them at a price that they are willing to pay and at price that will provide you with an acceptable profit"* (A New Direction - Strategic Marketing in Small Businesses, 2010). This brings a problem, as already stated in the introduction, what if the target of the marketing is not people but companies. Another well known marketing related theory is 4 P's; Product, Price, Place, Promotion. To be able to implement this for the commissioner, and service business, few P's are added. These additional P's are People, Process and Physical evidence. Still as an addition to this a fourth new P could be considered: productivity and quality.

The significance of services has changed drastically over the years. Idea of the service importance was discussed already in the 19th century but still at the time it was not considered to be productive. It was not until early 80's when service business started more clearly to separate as its own business field. (Ojasalo & Ojasalo, 2010, pp. 9-14)

Nowadays, as pointed out in Ojansalos' book, the services are more considered as a solution to customer's problem (B-to-B-palvelujen markkinointi, 2010). When it comes to service based business the problem in marketing is that there is no product or concrete material to show the prospect in advance. This is why another ways to proof the knowledge and skills are needed. For example certain personal references are used to fulfill this as it will be introduced in chapter 3.4.3 (Rantala, 2011). Other problems in service marketing are that the service cannot be stored and the amount of work can vary quite a lot from time to time, first there are no offers and then several quotes come in short period of time. These problems can be divided into four groups: immateriality, homogeneity, simultaneity of production and consumption, and

uniqueness. In the Table 1 these characteristics of service business are in more detailed.

Table 1. Service characteristics¹

Properties	Consequences
Immateriality	<ul style="list-style-type: none"> - Services cannot be stored - Services cannot be patented - Services cannot be clearly pictured nor shown to customer before the decision of buying - Pricing is difficult
Heterogeneity	<ul style="list-style-type: none"> - Producing the service and customer satisfactory are highly dependent on the actions of the workers - The quality of the service is dependent on several uncontrollable factors - There is no certainty that in the end the service corresponds the one planned and promoted
Simultaneity of the production and consumption	<ul style="list-style-type: none"> - Customers take part and effect to the service event - Customers effect to each other - Staff effects to the end result of the service - Instead of centralization, functions are decentralized - Mass production is hard
Uniqueness	<ul style="list-style-type: none"> - Meeting of service production and demand is often hard - Services cannot be stored, returned, or re-sold

¹ (Ojasalo & Ojasalo, 2010, p. 27)

B-to-B services can be defined as service where the buyer is company or another organization. Many of these services are produced on fields where you would not normally think the kind of business is available, base industry as an example. Service business is actually becoming one of their biggest competitive advantage and way to make more profit since it offers a possibility to earn after the actual sales happening as well, through after sales services. (Lehtinen & Niinimäki, 2005)

3.2 Differences between b-to-c and b-to-b marketing

When we look at the b-to-b markets the amount of customers is relatively few compared to consumer markets. This leads to the situation where the services need to be more customized to meet each customer's specific needs. If the company cannot provide solution fast and efficiently it is easy to change to another company. As stated before the service needs to solve a problem of the customer. There is no opportunity to appeal to the needs or wants of the customer as there is in the consumer marketing since in b-to-b marketing the service is not bought for personal use. So that way the emotions are not included. Usually there are also several levels in the organization that are effecting to the buying decisions. At the same time the buying department or the person responsible for buying is trained for the task. (Ojasalo & Ojasalo, 2010, p. 24)

To give more precise picture of the difference they are collected to the Table 2.

Table 2. Common differences between b-to-b and b-to-c marketing^{2,3}

	B-to-b marketing	B-to-c marketing
Market structure	<ul style="list-style-type: none"> - Geographically centralized - Relatively few buyers 	<ul style="list-style-type: none"> - Geographically decentralized - Mass-market, lots of buyers
Products and services	<ul style="list-style-type: none"> - Possibly technically complicated 	<ul style="list-style-type: none"> - Standardized - Service, delivery and

² (Ojasalo & Ojasalo, 2010, p. 25)

³ (Brennan, Canning, & McDowell, 2008, p. 7)

	<ul style="list-style-type: none"> - Uniquely designed to meet customer's needs - Service, delivery and availability extremely important 	<ul style="list-style-type: none"> availability somehow important - Bought into personal use
Buying behavior	<ul style="list-style-type: none"> - Trained buyers - Several levels affect to the purchase 	<ul style="list-style-type: none"> - Individual buyers - People around effect to the buying decision
Relationship between buyer and seller	<ul style="list-style-type: none"> - Technical knowledge is important - Networks and references matter, long term relationships - Remarkable information change between seller and buyer 	<ul style="list-style-type: none"> - Less technical knowledge required - Changing and short term relationships - Information change between the seller and the buyer is scarce
Marketing communications	<ul style="list-style-type: none"> - Priority on personal selling - Limited branding 	<ul style="list-style-type: none"> - Priority on marketing - Branding is extensive and sophisticated
Price	<ul style="list-style-type: none"> - Either through request for quotation competition or through a complicated buying process 	<ul style="list-style-type: none"> - List prices
Demand	<ul style="list-style-type: none"> - Nature of demand is derived - Inelastic and usually in short notice - Highly volatile 	<ul style="list-style-type: none"> - Nature of demand is direct - Elastic - Less volatile

3.3 The methods of marketing

When thinking about creating marketing strategy for a company the following things are good to consider.

Table 3. Questions to help marketing strategy planning ⁴

Customer	<ul style="list-style-type: none"> - What kind of customers is sought? - Are the services targeted to regular customers or is the intention for one time sales?
Company	<ul style="list-style-type: none"> - How much do we want to specialize? - Do we want to stay as small lifestyle business or become a real economically functioning company? - What type of market area are we capable and willing to function? - For how long are we planning to operate?
Service	<ul style="list-style-type: none"> - According to what are the services priced? - Are we producing the services by ourselves or do we market others' services?
Competitors	<ul style="list-style-type: none"> - Who are our competitors and how are we going to overcome them? - Are we creating our own strategy or are we following our competitors?

Based on those questions a company can start to form its marketing plan and to find out the most appropriate methods for the marketing that the best suits in their needs.

⁴ (Lehtinen & Niinimäki, 2005)

3.4 Creation of marketing materials

Since we are all consumers the type of material used in that marketing is usually the most familiar marketing option. In this chapter there are some other options listed and explained. What should that include what are the possible bad qualities and cons to think when creating the material. According to “Business-to-business marketing” possible marketing materials used could be advertising; direct mail, publicity, industry conferences, brochures, demonstrations, website, tradeshow, telemarketing, and field sales visits. Out of these options the following are chosen.

3.4.1 Business cards

The aim of business cards is to gain interest towards the company and also function as a reminder after the sales. Having a business card also removes the need to repeat and write down contact information. The size of the card varies from country to country. In Finland the standards business card size is 90 mm x 50 mm. Some other standard sizes are listed below.

Table 4. Business card standards⁵

Middle and south of Europe	85 x 55 mm
Northern Europe (excl. Finland), Australia and New Zealand	90 x 55 mm
Japan	91 x 55 mm
Hong Kong, China and Singapore	90 x 54 mm
Canada and United States	88,9 x 50,8 mm
Many South American countries, Eastern Europe, South Africa and Finland	90 x 50 mm

⁵ (Wikipedia, 2011)

Several international companies have started to use two sided cards to provide the information in two different languages. This is specially used in countries like China and Russia where also the used alphabets are different (see appendix 1). In Appendix 4 there are some Do's and Don'ts listed to help business card designing.

3.4.2 Website

As business cards, websites are also to attain interest towards the company. Differing from a business card, website can include much more information and this way its opportunities are a lot wider. At the moment Tiracon's website is quite simple and does not give as professional picture of the company as it could. This rises a problem, people who do not know the company will form their picture if it through the website. In case it is poorly made it might give a bad example of the company. On the other hand well made makes the company more credible. When considering this it should be remembered that lots of information, pages, colors, pictures etc. does not equal a good website. As written by Jennifer Jones the following six features should be thought while setting up a website: template should be designed to represent the company, time should be used to create the content, it is the soul of the site, each page should have a title and support meta tags, this is to help people to find the pages through search engine. Internal navigation should be kept clear and simple; no information should be further than three clicks away. All the links should be cross checked that no broken links are presented. Having broken links harms search engine rankings, and causes frustration to the visitor. When the site gets more content, having a search box should be considered. This helps the customer to find the needed information from the site. (Jones, 2008)

In the future the outlook of the site will be change to more modern looking one and the information of the company will be added up. Also more pages will be added as well as a translation in English. While doing this the information given in the previous paragraph should be carefully considered.

3.4.3 Personal reference

Personal reference is often used while sending offers to prospects. It could be compared to CV in personal job seeking process. It gives a good sight into the consultant's work and education history as well as some other characteristics. An example of personal reference can be found from the appendix 1. At the moment Tiracon's personal reference is in good stage. In the future it could be added up with references from previous customers. To take it even further those could also be added to the web site to give more reliable picture of the company to those who does not have previous experience of it. On the other hand again the cycles are small at this area of industry and WOM spreads fast about good experiences, without forgetting the bad ones either.

In the case of Tiracon the reference is easy to keep clear and clean since the field of consulting has stayed on the same area through out the years. There is no need to think if something should be excluded or not. The part that causes the troubles is when the reference should be translated into English. Some of the courses and standards learned might not be available outside Finland and this way they might need some explanations or they need to be left out from the reference.

3.4.4 Other materials

As a last marketing material into this thesis a power point slide show is taken. The main idea is to create a slide show for the company which can be used later on for different kind of marketing occasions. It will be easy to modify and add up needed information as the occasions change. In a power point again the visual part is more important as important as the actual information. If the slides are unclear or they include too much text the viewers will not get the message that the company wants to tell. The design for the power point will follow the overall appearance of the company.

Also company will get its own set of A4 papers with the company logo and information. The papers can be used when sending anything related to a company by

mail, for example bills. The out look of a paper will be a bit like in the Appendix 3 has in its header and footer.

At some point company can also consider buying different kind of marketing products such as clothing, pens and other products suitable for the industry. with company logo and distribute them to customers.

3.5 Analyses

Taking the size of the commissioning company into consideration, making an actual marketing plan would not necessarily achieve the goals it is aiming to. The entrepreneur needs most of the time to concentrate to the actual work where customers are paying for. Still marketing should not be forgotten and in this chapter some tools how to analyze marketing are given.

To begin with few simple questions can be asked; where are we now? Where are we going to? How to we reach the target? To be able to answer to the first question, company needs to know what is going on inside and outside of the company. This can be done with SWOT analysis. It defines the internal weaknesses and strengths as well as external threats and opportunities. SWOT also gives the tools to answer to the second question. Based on the answers in SWOT analysis, the two other questions can be answered. After seeing where they are now, it is possible to set goals for the future. After this if needed, a marketing program can be created to state where the company is heading whit its marketing and to follow how the process until it reaches the set goal (Ojasalo & Ojasalo, 2010)

3.5.1 SWOT

SWOT analysis has been used for years to help company managers to find out ways their organizations can profit from the opportunities and strengths and at the same time how to protect themselves against the weaknesses and threats. (What is swot analysis?,

2009) SWOT is often used to analyze the company's strategy but in this thesis it's used to find out the potential of the case company's marketing. (Recklies, 2005)

<p>Strengths</p> <ul style="list-style-type: none"> - Existing customer relations - Strong references - Stable co-network - Skills and persistence of the skills tight to the company 	<p>Weaknesses</p> <ul style="list-style-type: none"> - Size of the company - Incomplete marketing material - Lack of marketing knowledge - No marketing plans - Lack of time
<p>Opportunities</p> <ul style="list-style-type: none"> - WOM spreads - Existing customers bring new ones - Successful marketing adds the awareness of the company severely - Internationalization - Remarkable innovation 	<p>Threats</p> <ul style="list-style-type: none"> - Unstable market situation - Marketing fails - Creation of marketing material fails - Changes in the customer organizations

Figure 1. SWOT analysis

One of the great **strengths** is the strong knowledge of the entrepreneur and existing references from customers. Those will help the marketing especially in the beginning. Also the long going customer relations and existing networks are vast help in this case. Some of the customers have been co-operating for years already which gives good ground for the company to operate and also tells something about the quality of the work. In the b-to-b markets this kind of trust is vital.

Even though the entrepreneur has good experience on the field that the company operates, the marketing experience is not very strong. This is one of the biggest considerable **weaknesses** of the company. Luckily this is something that can be changed relatively easily. The bigger problem is the lack of time of the entrepreneur. This leads to a situation when marketing is not considered that carefully. Also the size of the company makes it quite unknown on the field and the visibility is harder to gain even through some marketing actions.

As already stated before, even when the marketing is not so clearly defined, if the company has some good references from old customers there is a possibility that the word spreads and this way the company gets more attention. Other **opportunities** are internationalization of the company. The entrepreneur has previously been doing projects to companies located abroad as well, for example in Norway. Also possible innovations can draw more attention towards the company. They can also be used as proof of the knowledge of the entrepreneur.

As stated already before, the economical situation has severely effected on service business. This can also be a **threat** in the future. Also if the marketing does not gain the wanted attention and some changes take place in the customer organizations in a way that the services of Tiracon are not needed any more. To avoid the effect of these threats the company is considering bringing innovating to part of the business. (Rantala, Analysing the marketing of the company, 2011)

4 Innovations

4.1 What is innovation?

Innovation is a cool and modern word but still not everybody even knows the meaning of it. If looked up from dictionary the following appears:

Main Entry: in•no•va•tion
Pronunciation: "i-n&-vA-sh&n
Function: noun
1 : the introduction of something new
2 : a new idea, method or device

It is also said that the difference between invention and innovation is that innovation is useful for the public while invention only helps the inventor (CTQ Media, 2011). According to Fogelholm the traditional definition for innovation is following: it is commercially successful new product, process, service or equal concept. (2009, p. 13) Nowadays innovation has also spread to include other areas but in this thesis we will concentrate on the technology innovation. This means that we mostly handle ideas, product ideas, and ways of doing which can be industrially protected by patent.

There are two options as a starting point of an innovation; problem based innovation is said to limit only to solving the problem and this way the true innovating dries up. In this option it is said that through the innovation it is just aimed to get back to the normal stage and the true market potential will not be attained (Boardman Oy, 2007, p. 49). The other option of innovating is question based innovation.

I disagree with this thinking. In my opinion it is very narrow minded. Maybe this would be the case if the company really needs the innovations to be able to proceed in their business. Like Nokia could be a good example here. To be able to achieve the market leader's position or even to stay in the markets continuous innovating is needed. In the other end of the continuum we can see Tiracon. The company does not need new innovations to be able to keep its business successful. Innovations are more

likely side products which might bring extra value for the company's business. This kind of innovation often needs a problem at some level which the innovation is created to fix. Then this innovation could be made to a concept/product depending on its nature and sold to other companies too. On the other hand in some sources like in a book "Kasvun haasteet" (Boardman Oy, 2007) the problem based and question based innovating are closely related to each other. In the latter one the innovating process is ongoing and when a problem occurs it would be found as a base for discussion and this way it actually helps the ongoing innovation process.

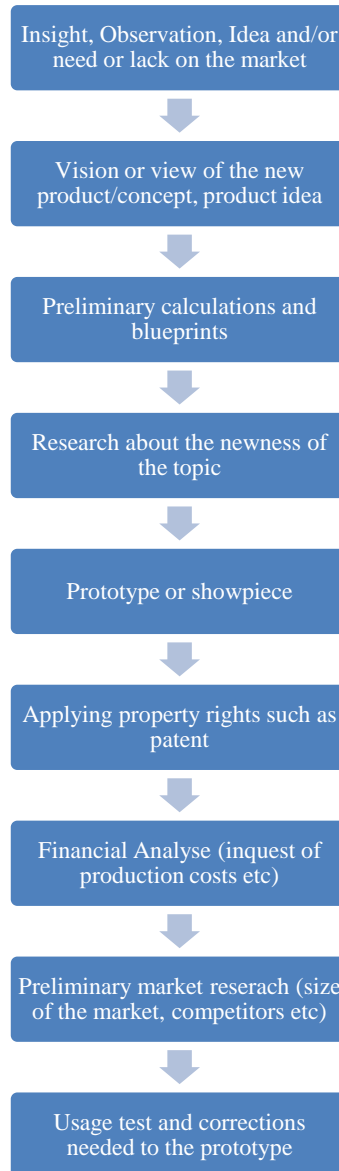
4.2 Innovation process

Innovation funnel (Figure 2. Innovation Funnel presents the innovation process on basic level. The funnel sucks huge amount of ideas and through the stages they get fewer and fewer so that in the end the one with best possibilities to be successful in the current market (Boardman Oy, 2007, p. 47). As an example, in the beginning there are 100 ideas from which only the 50 best is chosen to the next stage. Those 50 are given more thought so that 5 goes on and in the end there is one best idea left for further development (Huisman, 2008).



Figure 2. Innovation Funnel

Shortly said innovation process proceeds through idea generation, planning, prototype creation, production and finally marketing and sales. (Fogelholm, 2009, p. 13). Innovation process can proceed for example as following (Fogelholm, 2009, p. 15).

Figure 3. Innovation process

At this point the inventor has practically two options to decide from either he can license or sell the product to another company or he can commerce it as his own business (production and/or selling). After this decision the process continues as following:

Figure 4. Innovation process continues

4.3 Innovation evaluation

Evaluating the success factors and marketing value of the innovation is never easy especially in the planning and designing phase. Just an idea might feel great but there is still a long way to go before the product becomes concrete. (Fogelholm, 2009, pp. 23-25). The evaluation can be done by the innovator but even more efficient might be to give it for external party to evaluate. For this reason there are some sources in Finland who do that confidentially. More about those options can be found from chapter 4.4.

There are several ways to evaluate the new product; one that can be used is Boston's box. The value of the innovation can be measured for example with the help of Boston's box. In that model the products/services are divided into four groups: Star, Problem Child (also called question mark), Cash cow, and Dog. (Brennan, Canning, & McDowell, 2008, p. 272).

While thinking the future marketing position of the innovation the Boston box model can be implemented. The model was established by Boston Consulting Group (BCG) and it is often used to evaluate market situation and to position the company compared to its competitors. Boston box helps to categorize the product and at the same time to see what could be its future opportunities.

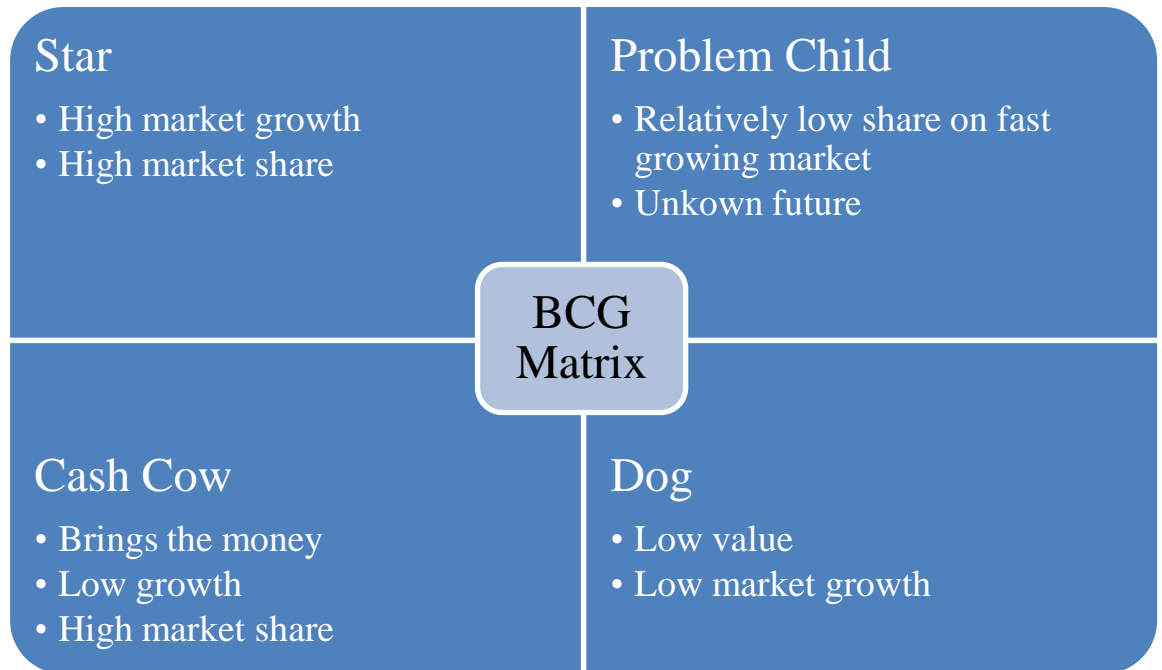


Figure 5. BCG Matrix⁶

4.4 Intellectual property rights

Patent is an old procedure first established in 1474 in the city of Venice. Nowadays it is applicable in most of the countries in the world and generally the term of a new patent is 20 years. However, having a patent for an invention does not make it an excellent neither a commercial success. The mean of it is to protect the invention from others to make, use, offer for sale, sell or import the invention and this way preserve all the rights to the owner of the patent. The limitations for the patentable inventions are following: it needs to be inventive, new and industrially applicable. This means that for example abstract ideas, laws of nature and physical phenomena are not applicable for patenting (Lauriala, Pirnes, Foster, & Lütolf-Carroll, 2006, p. 3).

In Finland the intellectual property rights are managed and issued by National board of patents and registration of Finland (PRH). Through their databases it is possible to find

⁶ (Brennan, Canning, & McDowell, 2008, p. 272)

out what kind of patents have been issued in Finland, in Europe and in all over the world (through links to other pages). The search can be made by category of the product or by the company name. Besides patent through PRH trademarks, registered designs and utility models can be applied (Patentti- ja rekisterihallitus, 2011).

It is quite easy to search if the same idea has been invented somewhere in the world. To do this, key words, inventors, international patent classifications etc. can be used. The following International Patent Codes (IPC) are used (World Intellectual Property Organization, 2009):

- A. Human necessities
- B. Performing operations; Transporting
- C. Chemistry; metallurgy
- D. Textiles; Paper
- E. Fixed constructions
- F. Mechanical engineering; Lighting; Heating; Weapons; Blasting
- G. Physics
- H. Electricity

To choose the best suitable way of protection some help can be asked from consulting engineers of PRH. Also regional ELY centers (Centers of Economic Development, Transport and the Environment) provide help through so called “keksintöasiamies” (invention caretaker). This service provided by ELY center also helps with the newness investigation and other matters related to property rights. When it comes to technology innovation, in most of the cases patent gives the best protection.

In Finland patent will be running up to 20 years so that the one owning it needs to pay so called up keeping cost every year. The patent can be sold or licensed to another party for royalties. Patent is seen as kind of a trade between government and the inventor. Government will be able to publish the invention while the inventor can still hold the rights to produce and sell the innovation.

Before starting the patent application process it is good to find out if it is really a new innovation. This is quite easy to do through the databases mentioned above. The newness investigation can also be bought as a service from PRH but price for it can rise as high as 2000€ (Fogelholm, 2009, p. 37). The application needs to include the following parts:

- Application including blueprint 2 pieces
- Description of the innovation 3 pcs.
- Patent claims 3 pcs.
- Summary 3 pcs.
- Statement of the right to the invention in case the applicant is different from inventor 1 piece

When the *application* is made it is enough that it is on the planning phase. PRH does not require ready made model neither any financing plans. Still the application should be carefully considered because nothing can be added to it later on. The application has to be done either in Finnish or in Swedish so that the process will be taken forward and the application will be published. While writing the application it is good to take a sight to the patents done already. Those will give a good idea of what should one include. The *blueprint* should not include any explanatory text but reference numbers which are explained elsewhere with words explaining those parts. *Description* should include, what is protected by the patent and this way denied to be produced by others. *Patent claims* is the part where the applicant will specify what will be patented. The claim is usually divided into two parts, first one describes the parts that are known already and the second part is to introduce the new invention(s) (Patentti- ja rekisterihallitus, 2011).

After the application is sent to PRH they will investigate three things: does it include all the needed documents and is the fee for the patent application paid. Next they will find out if it is really a new invention by using databases and publications made on that field, and as a last thing, if everything is in order, the patent will be granted. If through out the process there is something unclear PRH will send so called office

action and the applicant has limited time to reply to the claims made in it. PRH often sends an office action claiming that the invention is close to those made already. This does not automatically mean that the patent will not be accepted. At this point all is depending on how well the applicant can justify the newness of the invention. (Fogelholm, 2009, p. 41)

After the patent is granted and published, there is a period of time (9 months) when somebody can lodge an opposition against the patent. In this case the patent is reinvestigated. More information of this process can be found from PRH's web site⁷ or in Finnish from a book "Tuoteideasta innovaatioksi"⁸. The process is also presented in appendix 4.

4.5 Financing

Commercializing patent can often become an expensive process. Of course the inventor can always spent his own money to finance the invention but often the expenses are too high and the results not certain enough. Bank loan might also be an option but often the interest rates for this kind of loans are too high to make it profitable. There are other options too, private and public, who are offering funding for innovating and innovations. To give an idea of the possible sources for financing here are few of them introduced.

RUNAR BÄCKSTRÖM SÄÄTIÖ – Runar Bäckström foundation

The fundamental idea of this organization is to encourage and promote Finnish innovation and entrepreneurship. Foundation awards grants annually for individuals, teams, companies and communities to promote invention. In the year 2010 the most

⁷ <http://www.prh.fi/en>

⁸ Fogelholm, C.-M. (2009). *Tuoteideasta innovaatioksi*. Espoo: Mediapinta.

common individual grant was 15 000€. The application period is in autumn time in October-November, and the scholarships will be awarded in March and April.

Homepage: <http://www.runarbackstrominsaatio.fi/>

KEKSINTÖSÄÄTIÖ – Innovation Foundation

Finland is one of the few countries who put effort to support and encourage inventors. This is done through Innovation Foundation. The foundation mainly supports individual inventors but also companies in their early years. Contributions are usually made to different kind of investigations and researchers concerning the invention (like newness research). If the potential of the invention is found out to be good enough Innovation Foundation can also support the commercialization of the product but this will need to be paid back in case the invention will become commercial success.

Homepage: <http://www.keksintosaatio.fi/>

TEKES – The Finnish Funding Agency for Technology and Innovation

RESEARCH AND DEVELOPMENT FUNDING

Tekes has several funding programs for example Research and Development funding which's idea is to provide financing for part of project costs. Novelty value and the further away in time the markets can be predicted, the higher the share of Tekes maybe be involved. The applicant (company) always needs to prove that it has potential to cover the project's excess share. While applying money from Tekes, no other forms of public financing are allowed to be included to the project. Tekes funding for SMEs is the subsidy usually 35 to 50 percent of a loan, or 70 percent of project costs. The funding is specially meant for projects which as a result produce marketable product, service or a new business concept.

TeKes has provided a small test which can help while wondering the possible associates. The test can be found at <http://kone7.zef.fi/tekes/player/2/zit63kycq/>. After the test is done it provides some sources which suits the best for the current situation.

Homepage: <http://www.tekes.fi>

EU PROGRAMS

European Union offers several different programs helping companies to develop technology ideas, to go international, to find associates and to create new professional networks as well as providing information about markets, norms, standards etc. (TeKes, 2009). In this case especially EU's CIP program might provide some help. It is a program to support companies' and technologies' innovations. The operating fields of the program are entrepreneurship and innovation, smart energy program and ICT program. CIP program facilitates access to equity finances and to loans by several schemes. Besides the financing CIP program offers other services like helping SMEs to access market information and to overcome legal obstacles. More about these opportunities can be found from the European commission's web site⁹ (European Commission, 2010).

4.6 Productization

When all the other steps have been taken finally it is time for productization of the innovation.

Of course it is also possible to license the product when this part will be taken care of the licensee party. In our case company the producing has to be outsourced in any case so licensing could be considered. With this option there are also lots of legal matter to think about but if licensing is chosen then help should be sought through the sources already mentioned before. As an example: ELY centre offers a program called

⁹ http://ec.europa.eu/cip/eip/business-innovation-services/index_en.htm

TuoteStart which is meant to improve and develop product and service ideas. The duration of the program is between 1-6 days depending on the need. The program costs for small company 200€/day and can be applied to through TE-centers web site (TE-keskus, 2010).

4.7 Innovating as a part of a consulting business

As stated in previous chapters the amount of work in service business sector can vary quite a lot. This could be one of the reasons to bring innovating into company's agenda. This way the gaps could be filled when it is quieter on the consulting side of the business. Also already created inventions could bring money into the company either through sells or licensing.

Sources given in this thesis could be contacted to receive more information on different programs and financing opportunities. After that contact also the time required for inventions, or even more to all required around it, could become clearer. It would be important to find the correct partners to proceed with the innovation process. If not handled correctly there is no value gotten out from an innovation, no matter how good it is.

5 Conclusions

The aim of this thesis was to define and develop some marketing materials that Tiracon Ltd could use in the future. This was carried out by translating the personal reference into English, giving some thought and doing some research for the business cards and website design. Of course those matters were handled only very briefly since they were small only a part of the entity of the thesis. The theory available for the topics was implemented the way that it suited for the case company's needs. Also at all times while read this thesis it needs to be remembered that it is done by keeping the commissioner in mind and as described before it is very small company at least at the moment. This gives certain restrictions for the marketing opportunities and marketing material designs.

The second aim was to research the matter of having innovating included to the business portfolio. Find out what kind of opportunities it would create and at the same time to see if it brings any added value for the business. This came out to be harder than first thought. The information was sometimes hidden or there was no valuable information available. Also many of the sources only provided help when it was about private innovating and inventing. So at this part the target was not quite reached but in the thesis there are hints given where to start from and how some of the procedures should be followed. It also gives an idea what to expect on the way from idea to actual product.

The process of this thesis has been somewhat unstable for the reason that the topic was still too wide and a bit unclear when the process was started. There would have been for sure even more information available, especially for the marketing part, but through the limitation of time and workload some interesting parts had to be left out, but this was known beforehand already and added to the limitations.

To start creating the future of the company some basic areas should be considered first. This is why it was decided to create a mission and vision for the company, as following:

MISSION

“Improving customers’ production capacity, quality and competitiveness by offering professional service meeting the needs of a customer”

VISION

“Tiracon develops in collaboration with its customers, safe, environmental and user-friendly technologies”

To ensure the success of a company also in the future, marketing should be given a thought. If something happens to the current customers, there needs to be ways to cover that. Good starting point is to answer to the questions in chapter 3.3 and then follow with SWOT analysis given in the chapter 3.5. In the near future Tiracon should build up its marketing material by updating the website. Also making the power point show ready for the future could be wise.

Innovations should really be considered in the future of Tiracon. They could bring valuable addition to company’s operations and strengthen its position in the market, through successful innovations and through the opportunity that it gives for the times that there are less commissions from customers. Before starting the process help should be sought from the sources mentioned above. Doing innovations on its own the company might not be able to achieve enough profit to cover the costs.

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APPENDIX 1. Business card model



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APPENDIX 2. Personal Reference

Personal Information			
Name	[name of the worker]	Date of Birth	[dd.mm.yyyy]
Postal Address	[street] [postcode, city] [county, if needed]	Mobile	[+358 xx xxx xxxx]
E-mail	[name@company.com]		

Education	
Degrees	[degree, school, year of graduation]
Other education	[Other courses and trainings]

Professional Skills	
Fields of Knowledge	[Enter a field here]
Logic- and system knowledge	Examples: DeltaV Proscon 2100
Language Skills	Finnish Native English Good written and spoken skills

Work Experience		
Time	Company	Description
1995-2010	YritysA	[Position] [Tasks done]
1994-1995	YritysC	[Tasks done]

[Name of the company]
[Street address]
[Postcode] [City]

[Telephone number]
[E-mail address]
[Website address]

[Business ID]
[Home city]

Key Assignments	
Title	[Project title]
Customer	[name of the customer]
Time	2009 - 2010
Description	[what was done in the project]
Role and responsibility	[i.e. consult]
Title	[Project title]
Customer	[name of the customer]
Time	2009 - 2010
Description	[what was done in the project]
Role and responsibility	[i.e. consult]

Presentations		
Time	Event	Topic
dd.-dd.mm.yyyy	[i.e. name of the seminar]	[topic of the presentations]
dd.-dd.mm.yyyy	[i.e. name of the seminar]	[topic of the presentations]

TIRACON

Tietoa yrityksestä

Tiracon Oy on suomalainen teknologia-alan suunnittelu- ja palveluyritys, jonka tarkoituksena on parantaa asiakkaidensa toimintaedellytyksiä, tuotantokapasiteettia, laatua ja kilpailukykyä tarjoamalla ammattitaitoista ja tarpeenmukaista palvelua.

Yhtiön päätoimialana on teollisuuden automatisointisuunnittelu, koulutus ja konsultointi sekä projektien hallintatehtävät erityisesti perusmetalli- ja kaivannaisteollisuudelle.

Yhteystiedot

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“Color and Images

- *Do use color for interest and emphasis. It can be in your logo or other images, in text or in background elements. Stay with a maximum of 3-4 colors.*
- *Do match color tones. If you have bright colors in your image or logo, use black or other bright colors that work with it. If your colors are muted, earthy or pastel, stick to that scheme with the other colors.*
- *Don't use clip art for your logo or other elements. You're brand is your identity and these days you can easily find affordable images or get help with a custom logo online. Remember you want your business card to stand out in a memorable and positive way.*
- *Don't veer from other branded materials. Keep your business card design consistent with the general color and design scheme on your website, in your store, and other marketing materials.*

Type

- *Do pay attention to alignment. Left align for easiest reading. Too much centralized text can look cluttered and is hard to read.*
- *Do limit your business card to one or two font types.*
- *Don't use decorative or unusual fonts for your name and contact info, unless it's right for your business image. Use easy-to-read but not too generic fonts*
- *Don't mix it up with different font sizes or text that is too small to read and print clearly.*
- *Don't use light colors that are difficult to read or have an excessively dark image in the background that obscures your text.*

Composition and Format

- *Do keep it clean and simple. Avoid visual overload or clutter.*
- *Do match the "tone" of the card to your market space. A more traditional professional services or real estate business card, for example, might stay more conservative in layout and colors, while a colorful or splashy card could fit the bill for a toy store or trendy restaurant.*

- *Don't cut it too close around the margins. Keep your logo and text away from the edges of the card. Be careful with borders or thin lines around the sides, since slight variances in cutting could make the lines look crooked or uneven.*

Texture

- *Don't use cheap, thin paper. The recipient will wonder about the quality of your product or service. Compare papers when shopping for business card printing services. You'll want 12-14 pt thickness for maximum impact and durability.*
- *Do match the coating to your purposes. Go with gloss to make photos look beautiful. Select a dull or matte finish for smooth, non-shiny business card printing that's easy to write on.*

“

Full list can be found from www.printingforless.com/Business-Card-Design.html