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DEVELOPING A MARKETING STRATEGY BY ANALYSING TARGET MARKETS IN SCANDINAVIA
Case Ovitor Oy

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Abstract

The main objective of this study was to conduct a market analysis on door and gate automation industry in Sweden and Norway and to provide a marketing strategy for Ovitor Oy based on the findings of the market analysis. Ovitor Oy has a considerable amount of unstructured customer and competitor information in its customer resource management system, such as customer surveys, competitor product' prices, and customer' sales quantities for certain products, which are all used for conducting the research.

Quantitative methods were used in collecting and evaluating the customer and competitor data, whereas qualitative methods were used in examining and assessing the customer surveys. The theoretical framework was used for studying and analysing the macro-environmental factors, the attractiveness of the door and gate automation industry, and the markets and competitors, as well as for conducting the marketing strategy. Customer satisfaction results were adjusted to an NPS index as a benchmark for future surveys.

The study showed that both Sweden and Norway are attractive markets for a door and gate automation manufacturer working in an EU country. Sweden is a significantly competed market area compared to Norway, and it has a market sales potential of almost 19,5 million euros. In contrast, the sales potential of Norway is 5,6 million euros. The most attractive segments for Ovitor Oy are segment B and segment C as the research found Ovitor Oy to have a competitive advantage in these segments.

The study concluded that Ovitor Oy should target their marketing strategy at the most attractive segments, and the marketing plan should be built according to an account-based marketing structure. The effectiveness of the marketing strategy should be monitored through sales statistics and NPS results.

Keywords

Market analysis, marketing strategy, competitor analysis, target customers

CONTENTS

1 INTRODUCTION

A strategy for an organisation defines its long-term direction. However, the definition of a strategy itself is more complex and varies based on the desired outcome and the perspective of the one who is planning it. (Johnson et al. 2014, 4.) Chandler (1962, 13) argues that a strategy for a company is about deciding long-term objectives and goals and choosing actions that are best suited for reaching these goals with sufficient resources to carry out these actions. In contrast, Porter (1996, 11-12), describes strategy as a means to be different by deliberately using an alternative set of activities to bring value for an organisation. When Chandler (1962, 13) prioritizes a logical approach to clear objectives by efficient resource allocation, Porter argues that differentiating from competitors is the best way to add more value to an organisation. Despite having a different perspective on the matter, the definition of a strategy by both Chandler and Porter has one aspect in common: to do something to achieve something. (Johnson et al. 2014, 4.)

It is possible for a business to succeed without having a well-thought strategy, to begin with. However, by understanding the business environment and by adjusting internal and external processes according to the company's vision, resources and stakeholders' expectations, the business may find a competitive advantage and get a better position in the markets and eventually bring more value in return. (Beinhauer & Wenzel 2010.) Keeping up with the competition in global markets nowadays requires more awareness from each company about their business environment and, hence, strategical decision making is becoming essential for any company that wishes to have its resources used as efficiently as possible with the best possible return value.

This study examines the business environment in Sweden and Norway to develop a marketing strategy for Ovitor Oy, a Finnish company in Helsinki. Ovitor Oy manufactures industrial gate and door automation for its sister companies within the same company group called the Marantec Company Group. (MFZ Antriebe GmbH & Co. KG 2018.) Despite being in the Scandinavian markets for many decades, Ovitor Oy has not had a real breakthrough in other Nordic countries besides Finland. This study combines Ovitor Oy’s vast amount of customer and competitor data to build a detailed market analysis on Sweden and Norway to provide insight into the markets in general for the marketing strategy.

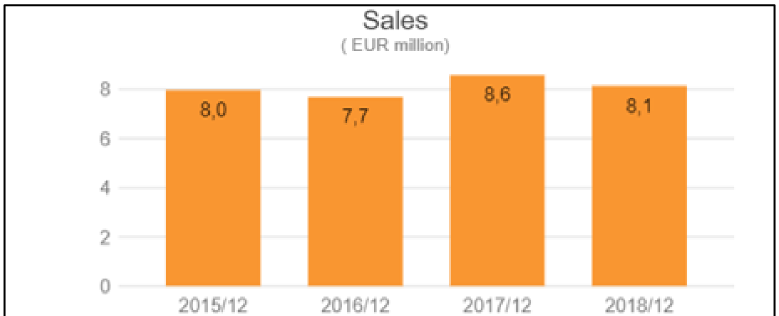
1.1 Study background

Ovitor Oy is a Finnish door and gate automation manufacturer which was established in 1960. Its history goes back to the 1950s when its founder, Estonian immigrant Evald Pesari, established a company called Telemeca Oy in Helsinki in 1953. In the beginning, Telemeca Oy started to build optical instruments that were used to magnify photographs. However, after Pesari found out that there was not enough demand for such devices, they began to manufacture electrical machines that were used for mixing melted cheese. By pure coincidence, a company called Kaihdin ja Lippu Oy which manufactured doors at the time, approached Telemeca Oy and inquired if they could build electrical machines to open doors as well. One thing led to another and shortly after Telemeca Oy started to focus on manufacturing door automation solely. In 1960 Evald Pesari established Ovitor Oy, which was listed in the Finnish trade register as an assembly and sales unit for Telemeca Oy. It was not until the mid-1980s when Telemeca Oy was finally fused with Ovitor Oy as a single company. (Jalkanen 1993.)

In 2006, Ovitor Oy was yet again fused with a German automation manufacturing company called MFZ Antriebe GmbH & Co. KG and became part of a larger company group called The Marantec Group. The Marantec Group consists of a total of 26 companies that provide door and gate automation for both commercial and private sector all around the world (Marantec 2020a). Nevertheless, Ovitor Oy has managed to keep its status as an essential manufacturing unit for the industrial gate and door automation for the group, while taking care of the sales in Scandinavia, the Baltics and Russia on the side (MFZ Antriebe GmbH & Co. KG 2018a).

The sales department of Ovitor Oy has four full-time employees and one sales director, and the areas of responsibility are divided by country between the sales managers. Companywide marketing actions are mainly planned and executed by the marketing team of Marantec Gmbh, Ovitor Oy sister company. The sales figures are monitored monthly by the sales director, and the focus of sales actions is decided upon at the start of the year and finetuned during monthly sales meetings. The company's financial information is shown in Table 1.

Table 1. Financial information on Ovitor Oy (Finder, 2020)

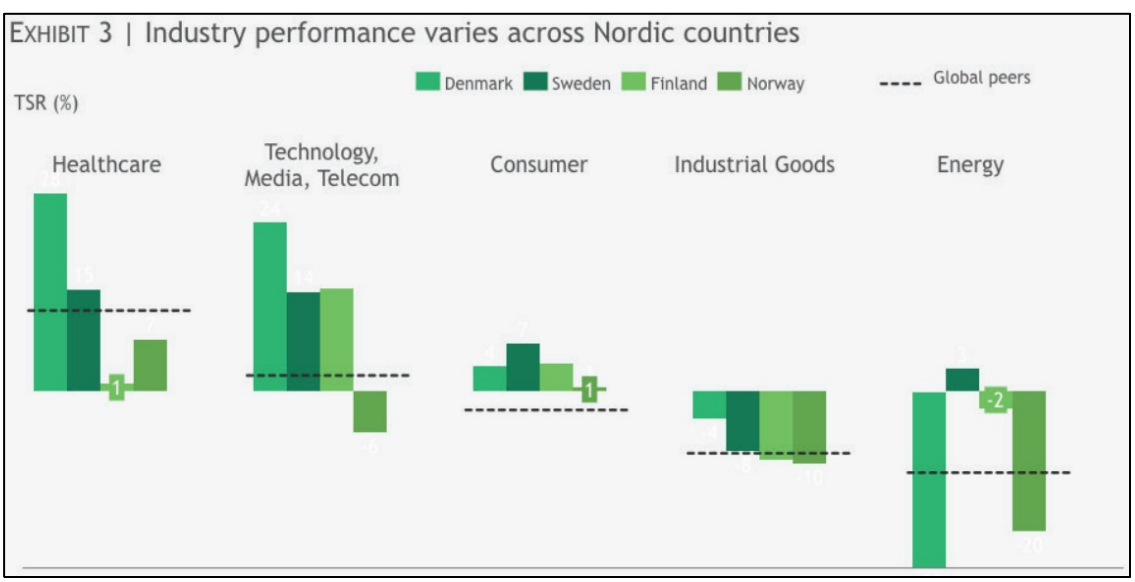


	2015/12	2016/12	2017/12	2018/12
Turnover (thousand euros)	7958	7683	8569	8135
Change in net sales%	-3.6%	-3.5%	11.5%	-5.1%
EBITDA%	10.8%	11.4%	13.5%	11.9%
Operating profit%	8.3%	9.4%	11.9%	10.2%
Profit for the financial year (thousand euros)	545	586	811	648
Personnel	52	48	48	48

After being in business for over 60 years, Ovitor Oy's turnover in 2018 was 8,1 million euros with a net profit of 10,2% and with a staff of 48 persons in total as seen in Table 1. Ovitor Oy's strategy is to manufacture door and gate automation for the company group needs as cost-efficiently as possible with the help of an automated production line, mass customization and by following the principles of continual improvement according to the ISO 9001:2015 standard. (Laatukäsikirja 2020.)

This Master's study was written in 2020 when there was an outbreak of a COVID-19 pandemic that affected the global economy when different countries tried to counter the virus with various measures such as closing certain types of businesses (McKinsey 2020). According to the Global Market Outlook 2020 by Pease (2020), one long-term impact of the pandemic along with the withdrawal of the United Kingdom from the European Union within the same year is the acceleration of the anti-globalization trend. In addition, an economic forecast by the European Commission (2020) projects that the economy of the euro area will decrease by 8,7% in 2020, which can lead into EU member states favouring protectionist policies and turning away from international manufacturing groups which can eventually have a negative effect on trade and economy worldwide. The Nordic countries industry performance in total shareholder return per cent can be examined in Table 2 of the first half of 2020.

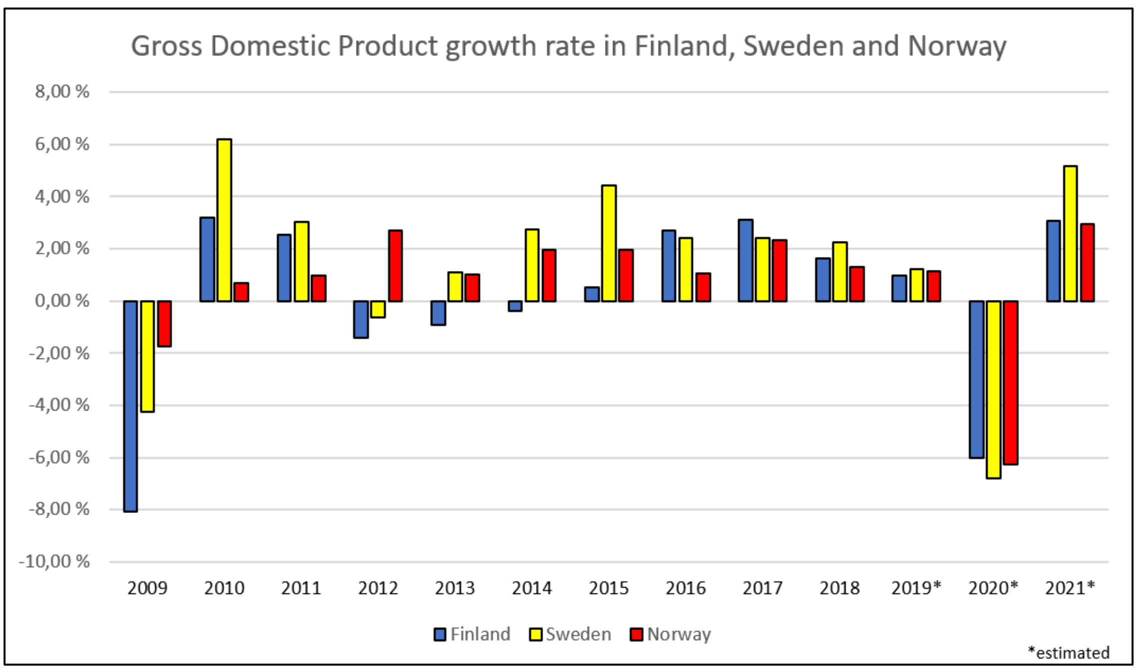
Table 2. Industry performance varies across Nordic countries (Tynkkynen et al. 2020)



As seen in Table 2, the Nordic countries have performed relatively well in consumer industry from January to mid-June in 2020 when compared to global peers in total shareholder return per cent, and extremely well in technology, media, and telecom industry, except for Norway. The industrial goods performance, which is the most relevant indicator for Ovitor Oy, is slightly better in Sweden when compared to global peers, but in contrast slightly lower in Norway, which suggest increasing idleness within this sector.

Despite a performance drop in various industries in the Nordic countries, Statista (2020a; 2020b; 2020c) estimates that the growth rate of the real GDP in Finland, Sweden and Norway will have a quick recovery and slight improvement in 2021, as summarized in Table 3.

Table 3. Gross Domestic Product growth rates (Statista 2020a; 2020b; 2020c)



As shown in Table 3, the GDP growth rate in 2021 is estimated to be 3,07% in Finland, 5,17% in Sweden, and 2,95% in Norway. The instability in the global economy caused by the COVID-19 pandemic is taken into consideration when examining how the changes in the economic environment affect the door and gate automation industry within the assessed market areas.

It was the sales director of Ovitor Oy who proposed the subject for this study: *developing a marketing strategy by analysing target markets in Scandinavia*. Even though the management have set annual goals and guidelines for sales personnel for these market areas, there has never been a thorough strategy that would include a market analysis, target customers, preferable marketing methods, or instructions on how to interact with the customer in general. In addition, there are no written guidelines for follow-up routines on how to adjust daily tasks to maximize customer-oriented service in the office other than on the general level. This does not mean that the working routines in the office are wrong or ineffective, but that there is room for improvement. As a manufacturing unit, Ovitor Oy has an important role in manufacturing reliable automation components to any market area where the group companies operate but since Ovitor Oy has been more focused on improving the production since the early days of the company, there is a demand for detailed market analysis and marketing strategy.

This study is written under the supervision of Ovitor Oy’s sales director. It will be structured so that it can be used as a guide to plan and execute future market analyses and marketing strategies to other markets also within the company group.

1.2 Research scope and objectives

The aim of this study is to examine the structure of the door and gate automation industry in the target markets, or Sweden and Norway, by taking macro-environmental factors into consideration and developing a means for Ovitor Oy to improve sales in these markets. In addition, the objective of the study is to provide Ovitor Oy a market analysis followed by a marketing strategy which it can use to plan and execute marketing actions in the target markets and eventually improve overall sales, and brand awareness in these countries. Therefore, the outcome of this study gives answers to the following research question: Which segments should Ovitor Oy target and how should it implement a marketing strategy to convert prospects into customers? The study seeks to answer this question by following a logical structure. The study structure is displayed in Figure 1.

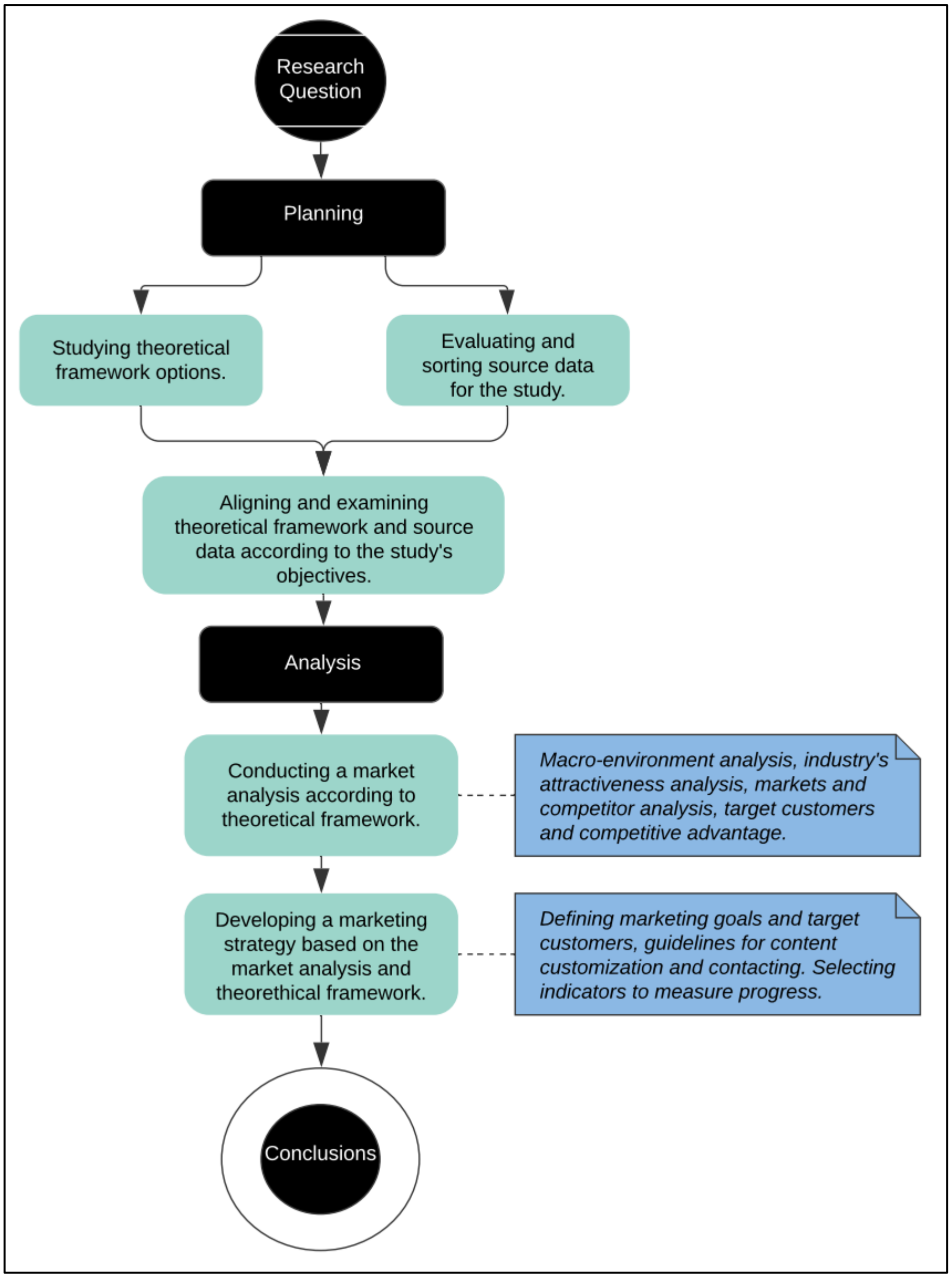


Figure 1. Study structure flowchart

As seen in Figure 1, the research question directs the focus of selecting a theoretical framework related to market analysis and marketing strategies. The company's source data evaluation examines how it could be researched and used together with different framework options. After evaluating the theoretical framework options and source data, the most suitable framework is selected and aligned according to the study's objectives for a logical study structure. Market analysis is conducted according to the chosen framework and the company's source data, whereas marketing strategy is planned according to the selected framework and by utilizing the key findings on the market analysis. The conclusions discuss the key findings and evaluate the outcome of the study.

The emphasis of the study is in the market analysis as it evaluates such a large amount of data, and the marketing strategy is the logical outcome of the results of the analysis. The market analysis chapter examines the macro-environmental factors and the attractiveness of the door and gate automation industry in Sweden and Norway. The macro-environment is examined according to the PESTEL framework and Hofstede's six dimensions model, and the industry attractiveness according to Porter's Five Forces framework and a SWOT -analysis. The development of marketing strategy is examined on the basis of generic marketing strategy guidelines, SMART goal methods and account-based marketing guides.

The methodology chapter explains how the research is conducted in detail, and the results chapter presents the research findings on Sweden and Norway, i.e. how the markets are divided between competitors and segments. The analysis and marketing strategy chapter describes how external factors influence the door and gate automation industry in the target markets and how cultural aspects and demographics should be taken into consideration in a foreign company. It also analyses Ovitor Oy's target customers and its competitive advantage over competitors. Target customers and the competitive advantage are key indicators in developing a marketing strategy, which is the main objective of this study. The marketing strategy defines the target group, marketing methods, and tools to measure the progress of the marketing actions.

2 MARKET ANALYSIS

The market analysis provides important information for the marketing strategy. It is used for getting background information about the target markets, and it includes both quantitative and qualitative methods for assessing the business environment in terms of volume and value, customer types, customer segments, competition, and the barriers and regulations in the economic environment (The Business Plan Shop 2020). The business environment is a combination of both opportunities and threats, which makes it important for businesses to try to analyse it as thoroughly as possible to predict and react to changes in the environment. There are four layers in the business environment; the macro-environment, industry (or sector), competitors and markets, and the organization itself, as shown in Figure 2.

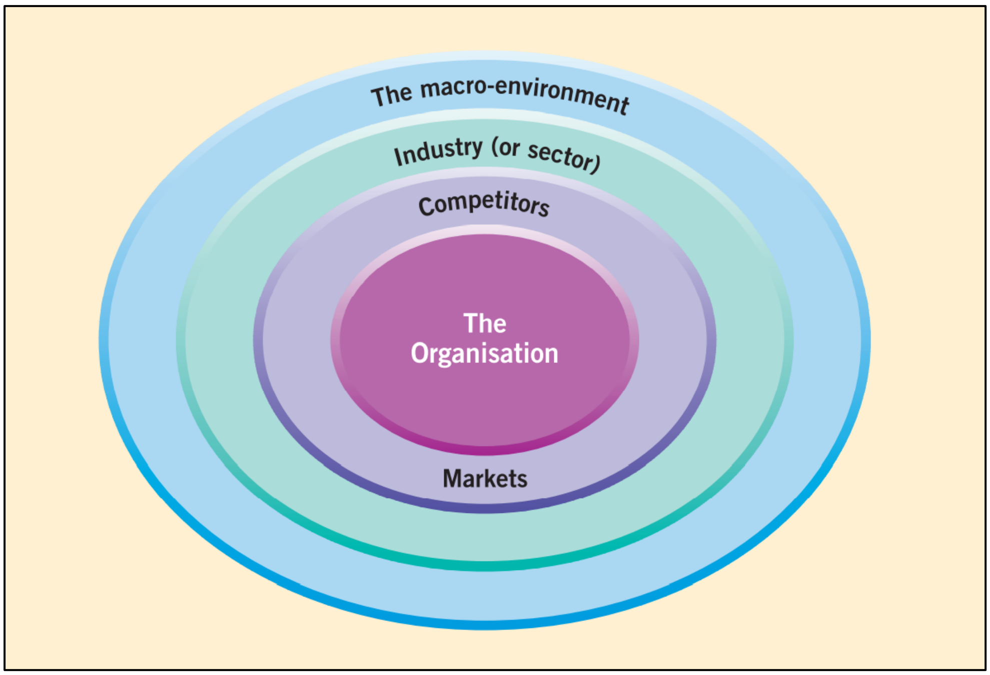


Figure 2. Business environment layers (Johnson et al. 2014, 33)

The macro-environment consists of the type of environmental factors that have an either big or small effect on most businesses. PESTEL framework, which stands for *political, economic, social, technological, ecological and legal* can be used to identify these macro-environment factors to provide data that might help an organization to prepare for upcoming changes in the macro-environment that might have an effect on the business itself. (Johnson et al. 2014, 33.) But in addition to PESTEL framework, also cultural differences are evaluated between the associated countries to deepen the understanding about the macro-environment in overall.

The industry refers to other companies that produce similar services or products. Porter's Five Forces framework can be used to define which specific segments are attractive and what threats there are other than current competitors, and SWOT analysis helps to summarize different industry forces and determines how they affect the business ultimately. The third layer, or competitors and markets, is the closest layer to the organization. By dividing competitors into segments, it is possible to define critical success factors which can provide a competitive advantage. (Johnson et al. 2014, 34-58; CFI Education Inc 2020b.)

2.1 The macro-environment

The macro-environment analysis is focused on two different methods to examine Sweden and Norway: the PESTEL-analysis and Hofstede's six dimensions model. The PESTEL-analysis is about examining the country's external factors, whereas the Hofstede's six dimensions model focuses on cultural differences such as behavior patterns and social hierarchy, for example. These frameworks were selected because together, they provide a wide-scale overview of the target markets from both socio-ecological and cultural perspectives.

2.1.1 PESTEL -framework

PESTEL -analysis is a concept or a tool, that is used for examining the operating environment to provide information for marketing and sales purposes. PESTEL is an abbreviation of political, economic, social, technological, environmental, and legal. (PESTLE Analysis 2020a.) Each of these abbreviations creates their own section and are examined individually so that there will be a thorough understanding of the factors that may influence the business on a macro-scale.

Political factors highlight the influence of the government and other political authorities. For some businesses, the government may have a direct role as a customer or as a supplier, and in some cases, the government can be partially an owner of a business. Furthermore, political movements may have an influence on some type of businesses, such as food producers or the defense industry. (Johnson et al. 2014, 34.) Political influences in-door and gate automation industry in Sweden and Norway are mainly related to taxation and importing, but since both countries are members of the European Union, there are little to none risks involved in import or export legislation because of the free trade agreement between EU countries. Norway is not part of the EU but is a member of the European Economic area and applies the same rules in trade policies as the other EU members countries, with some exceptions. (Groupe Société Générale 2020.) There are close to none influence from political factors on door and gate automation industry in Sweden or Norway. Both countries are Finland's one of the most important trading partners and have a high level of interest to maintain and improve good trade relations, (Business Sweden 2020; Hagen 2019).

Economics is referring to business cycles, differential economic growth rates and exchange rates. It helps businesses to understand what affects the economy's prosperity has on markets: how exchange rates affect export viability or import vulnerability but also, to avoid being too confident at the peak of a business cycle, and exaggerated prudence at the trough dates. (Johnson et al. 2014, 36.) According to European Central Bank (2020a; 2020b), the Swedish krona's and Norwegian krone's exchange rates has been declining steadily compared to Euro since 2012, which means that exporting from Sweden and Norway has been getting cheaper and importing more expensive. According to Statista (2020a; 2020b; 2020c), the economic growth rates in both Sweden and Norway are in decline in 2020 mainly because of the COVID-19 pandemic but are estimated to have a quick recovery in 2021 which indicates an expansion phase in the business cycle. According to Global Competitiveness Index 4.0 (2019, 438-530), both Sweden and Norway rank relatively high with the overall performance score, which is 81 for Sweden and 78 for Norway, out of 100. This means that both countries are considered as welfare countries and have high-income levels which attract foreign companies, thus generating more competition.

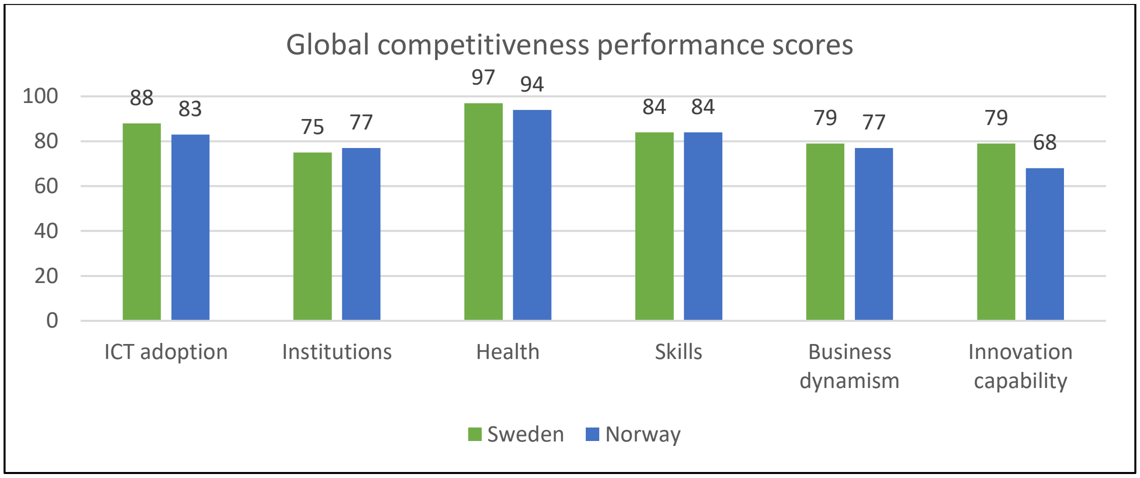
Social factors include demographics and cultural changes. Generational changes may create both threats and opportunities for businesses, not to mention the change of cultural attitudes. These can be related to buying patterns (consumers preferring web-shops over brick and mortar shops) ethical matters or change in customer tastes. (Johnson et al. 2014, 36.) Social factors were examined according to the key demographic indicators and global competitiveness ranking. The key demographic indicators for these countries are listed in Table 4 and global competitiveness ranking in Table 5.

Table 4. Key demographic indicators of Sweden and Norway (Indiemuxi 2020)

Key Demographic Indicators of Sweden and Norway		
	Sweden	**Norway**
Government type	Parliamentary constitutional monarchy	Parliamentary constitutional monarchy
Capital	Stockholm	Oslo
Population (July 2018)	10,040,995	5,372,191
Population distribution	Highest population in the south, where the climate conditions are milder and there is also a better connection to European mainland.	Highest population in the south. Population concentrations can be found all along the coast of the North Sea in the southwest.
Median age (2018)	41,1	39,3
Population growth rate (2018)	8 %	9,4 %
Life expectancy at birth (2018)	82,2	82
Education expenditures (of GDP in 2015)	7,6 %	7,6 %
Health expenditures (2015)	11 %	10 %
Telecommunications	125 mobile subscriptions per 100 inhabitants	108 mobile subscriptions per 100 inhabitants

Sweden and Norway have relatively small populations and are considered as model welfare states, especially when considering the amount of education and health expenditures in the relation of the GDP, as shown in Table 4. The median age is 41,1 years in Sweden and 39,3 years in Norway which means that generation Y, or millennials, and younger generations take almost half of both populations. Millennials are born between 1980 and 1999, and according to a research of the Scandinavian millennials by Deloitte (2018), this generation prefers digital channels over traditional ones and tend to choose computer over smartphones two thirds more likely. However, the research also suggests that despite the high use of digital channels, they have not abandoned non-digital channels, such as brick-and-mortar stores for example.

Table 5. The global competitiveness performance scores for Sweden and Norway (Schwab 2019)



The global competitiveness performance scores reveal how developed a society is based on different indicators. As seen in Table 5, Sweden and Norway rank high in health, ICT adoption and skills, and well in institutions, business dynamism and innovation capability. Both countries have a high value towards their human capital and have invested in institutions which means better education. This has a direct positive impact on skills, ICT adoption and innovation capability. The high score in skills, innovation capability and ICT adoption implies that people tend to be technologically literate and suggests a change from traditional purchasing patterns to more fast-changing and user-friendly patterns. This is reflected directly in the improvement of business dynamism, thus making it easier for foreign companies to work in these countries.

Technological factors are referring to things like the internet, new kinds of raw materials or 3D-technology, computer’s processing speed etc. In other terms, this factor refers to influences of the existence and development of new technology. As an example, technological development has opened a new market for electric car manufactures and online retail stores, bringing challenges to gas-powered car manufactures and traditional brick and mortar shops. (PESTLE Analysis 2020b.) The Nordic countries rank at the top in the European Commission's digital index of 2019 and are considered as the forerunners in digital development, (Nordicom 2019). According to World Bank Group (2020a; 2020b), individuals using the internet as a percentage of the population in 2019 was 94,49% in Sweden and 98% in Norway, which indicates that the infrastructure for digital services or products is very good.

Environmental influences refer to green values and environmental issues, like climate change, waste, and pollution. The government may set up environmental regulations that can have a negative effect on some businesses in terms of extra costs or bureaucracy regarding waste and pollution controls, Johnson et al. (2014, 36.) However, some companies may profit from environmental regulations by for example collecting and processing waste or using waste to manufacture biofuel and new clothes. House (2016) suggests that an organization can boost its image by implementing green practices in its business and make it more valuable to buyers.

Environmental values are respected a lot in the Nordic countries, who have a long history of protecting nature together. Currently, the Nordic Region is pursuing to be at the forefront when it comes to developing clean, sustainable, and efficient consumption (Reijonen 2020.) Therefore, environmental values may have an influence over companies in the Nordic countries if they use low labour cost countries as a supplier for their products instead of local suppliers.

Legal factors are referring to laws and regulations that affect business operations or customer behavior. These factors may have an influence over transportation of products, the profit margins, or the existence of specific markets for drugs or chemical products, for example. In addition, legal factors include import and export laws and employment laws, which should be taken into consideration especially if an organization is planning to set up an office abroad. (PESTLE Analysis 2020b.) Finland and Sweden are both members of the European Union, and Norway is a member of the European Union Free Trade Association, thus allowing free trade between each country. But in addition to that, Finland, Sweden and Norway among with Iceland and Denmark, have made "Nordic agreements" which grants additional liberties for every inhabitant in the Nordic countries and strengthens the relationship between each country. Examples of these agreements are an *agreement on Common Nordic Labour Market* and *The Nordic Passport Control Agreement.* (Groupe Société Générale 2020; The Nordic Council and the Nordic Council of Ministers 2020.) There are currently no notable legal influences toward a foreign company to enter either Sweden or Norway, given that the company is in a country that is part of the EU. For other companies outside EU, there are additional expenses related to importing such as customs duty, VAT and in some cases, other taxes and charges, according to Tullverket.se (2020) and Toll.no (2020).

A summary of each external factors and their influence on a macro-environmental level are displayed in Table 6.

Table 6. PESTEL -analysis of Sweden and Norway

PESTEL -analysis of Sweden and Norway		
	Sweden	**Norway**
Political	Low risk of political influence over import or taxations policies because of EU membership.	Low risk of political influence over import or taxations policies because of European Free Trade Agreement.
Economics	Change in Swedish krona's and Norwegian krone's exchange rate can affect the profitability of import goods. The business cycle is in the through because of COVID-19 pandemic and expansion is expected in the following years. High income levels attract competition.	
Social	High ranking in health, ICT adoption and skills, but also a good ranking in institutions, business dynamism and innovation capability. Technological literacy is on a good level. Traditional purchasing patterns are expected to change to more fast changing and user-friendly patterns. Business dynamism implies good attitude towards foreign companies; Sweden is high ranking in business dynamism, whereas Norway is mediocre.	
Technological	Nordic countries rank at the top in the European Commission's digital index 2019. Digital development is on a high level and internet services are part of almost every inhabitant's life. The need for connectivity devices might grow in the future.	
Environmental	Environmental values are respected. Foreign companies who use low labour cost country as suppliers might be avoided. Nordic manufacturing might bring additional value for the products.	
Legal	No notable legal influence that might affect business operations of a foreign EU company.	

As seen in Table 6, the macro-environment in both Sweden and Norway is attractive to foreign businesses, because both countries have: (1) low risk of political influence, (2) good economic status and high-income levels, (3) good socio-ecological ecosystems and digitally skilled inhabitants in both countries, (4) almost half of each country's population are millennials and younger, who prefer digital channels over traditional ones (web services are favored and there could be a growing need for connectivity systems in the future), (5) positive attitudes towards foreign businesses, (6) good environmental values and high respect towards other Nordic countries and (7) low risk of legal influence towards Nordic businesses.

Out of these two countries, Sweden is less risky in terms of macro-environmental influences, but in overall, both countries are attractive especially for Nordic companies, that utilizes digital channels and provides technologically advanced (digital or web-based) solutions for the end-users.

2.1.2 Hofstede's six dimensions model

Hofstede's six dimensions model is used to define how culture influences the workplace values. These six dimensions describe how independent choices in a different set of circumstances differ compared to those that are known for a certain country (rather than those of an individual). Each of the compared countries receives a score, but it is worth mentioning that these scores are relative, since all humans are unique, but can still be used meaningfully when compared to another country. The theory consists of six dimensions: power distance index, individualism versus collectivism, masculinity versus femininity, uncertainty avoidance, long term orientation versus short term normative orientation and indulgence. (Hofstede Insights 2020a.)

Power distance index (PDI): According to Hofstede Insights (2020a) "the power distance index expresses the degree to which the less powerful members of a society accept and expect that power is distributed unequally. The fundamental issue here is how a society handles inequalities among people.

People in societies exhibiting a large degree of Power Distance accept a hierarchical order in which everybody has a place, and which needs no further justification. In societies with low Power Distance, people strive to equalize the distribution of power and demand justification for inequalities of power".

Individualism versus collectivism (IDV): The individualism dimension is defined by Hofstede Insights (2020a) as "a preference for a loosely-knit social framework in which individuals are expected to take care of only themselves and their immediate families – its opposite, collectivism, represents a preference for a tightly-knit framework in society in which individuals can expect their relatives or members of a particular ingroup to look after them in exchange for unquestioning loyalty. A society's position on this dimension is reflected in whether people's self-image is defined in terms of "I" or "we".

Masculinity versus femininity (MAS): Masculinity and femininity represent two sides in a culture. Masculine society considers achievements, assertiveness, heroism, and material possessions as a success, and is also more competitive than feminine society. Feminine society, on the other hand, considers modesty, cooperation, caring of the weak and life quality as important matters, and is in overall more consensus-oriented. Masculinity and femininity are often described as "tough vs tender" cultures in a business context. (Hofstede Insights 2020a.)

Uncertainty avoidance index (UAI): The Uncertainty Avoidance dimension is used in expressing the amount to which people in a society are feeling discomfort with ambiguity and uncertainty. It reveals if society would try to control an unknown future situation or not? Countries that have a high uncertainty avoidance score have strict codes of behavior and are considered as intolerant towards unusual ideas and behavior. Low uncertainty avoidance score countries or societies have a more carefree attitude and put practice over principles. (Hofstede Insights 2020a).

Long term orientation versus short term normative orientation (LTO): Every nation or society has some links with their past; they are trying to maintain while facing present and future challenges. Depending on the society, these two challenges, or goals, are prioritized differently. Countries with low LTO score, for example, are more likely to maintain strict time-honored norms and traditions whilst being suspicious towards societal changes. Those countries which has high LTO score, on the other hand, encourage modern schooling as a means to prepare for the future. This dimension is also known as a normative (short-term) versus pragmatic (long-term) in the business context. (Hofstede Insights 2020a).

Indulgence versus restraint (IVR): Indulgence refers to a society that does not restrict basic human desires to have fun or enjoy life. Restraint, on the other hand refers to a society that has strict social norms what it uses to suppress the gratification of basic needs. (Hofstede Insights 2020a).

The values of the six dimensions model are displayed in Figure 3, and the detailed findings can be found in Appendix 1.

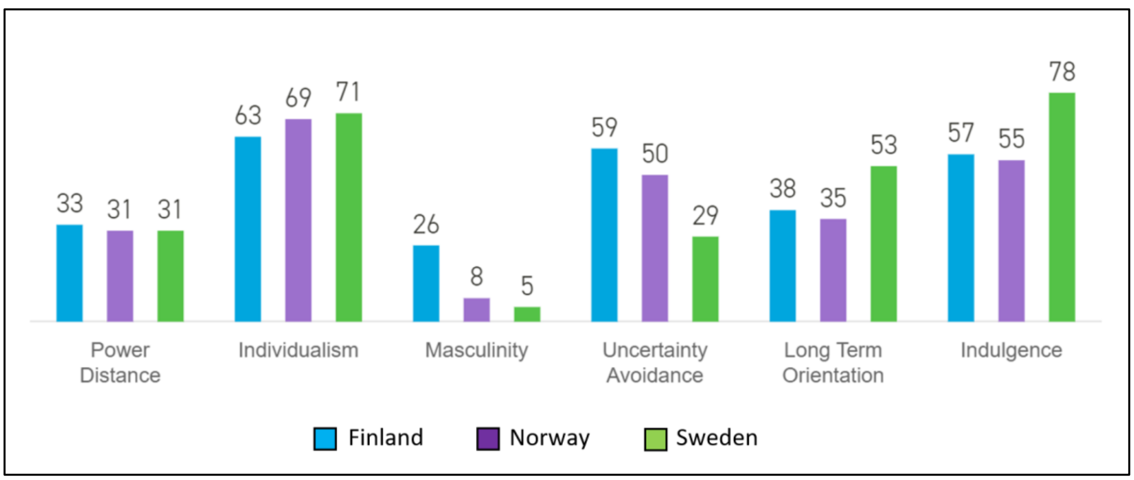


Figure 3. Hofstede's six dimension values for Finland, Norway, and Sweden (Hofstede Insights 2020b)

According to the results of the Hofstede’s cultural dimensions analysis in Figure 3, both Sweden and Norway have very similar cultural aspects when compared to Finland especially when it comes to power distance and individualism dimensions: each country respects individuals and doesn't value possessions or material too much. There are, however, differences in interaction and punctualities; Norwegians prefer direct and businesslike dialogue, like Finns, whereas Swedes prefer to have longer discussions before decisions are made. Furthermore, Norwegians and Finns respect the time and result more than Swedes, who are a bit more relaxed toward strict policies and rules. Finland is the least feminine country compared to the two, which implements that Finland is not as conflict avoiding as the others. Each country respects environmental values and gives high importance on leisure time. In overall, Norway is considered more similar to Finland from cultural behaviorism aspects than Sweden, but then again, Sweden is more similar to Norway than to Finland.

2.2 Industry attractiveness

Industry attractiveness refers to assessing the markets to understand a specific industry's competitive dynamics. This can include, for example, the degree of competition, prospects related to technological development and the effect of external factors within that specific industry. With this analysis, an organization can position itself compared to other competitors. Furthermore, it helps to identify threats and opportunities and provides important information about the current and future scenarios of the industry. (CFI Education Inc 2020b). This chapter examines Porter's Five Forces framework and SWOT analysis, which can be used for providing a better understanding of the industry's attractiveness, competition, risks, and opportunities.

2.2.1 Porter's Five Forces

Porter's Five Forces is a known tool to analyze a specific industry's attractiveness and profitability. It is used for examining what factors, other than competitors, could influence the business environment. These five factors are competitive rivalry, bargaining power of suppliers, bargaining power of customers, the threat of substitutes and threat of new entry. Together, these five factors describe the competitive environment. (Mindtools 2020.)

Competitive rivalry: This factor examines the strength and number of competitors and on the quality of their services and products. The more competitive the market is, the more aggressive pricing and marketing can be expected. Furthermore, if the customer is not satisfied with the products, it can more easily switch between suppliers. If the competition is minimal, then it is easier for a business to acquire customers and get better profit. (Mindtools 2020).

The bargaining power of suppliers: When a company has suppliers, it relies on them to get the material it needs. Supplier power factor determines if a company's suppliers can easily raise their prices. If a company has several suppliers, it can maintain decent purchasing price levels but if it needs unique products or services, it does not have as much control over the prices. This factor can affect the profit a company makes, especially if it has only a few suppliers for critical products. (Mindtools 2020).

The bargaining power of customers: This factor analyzes how much power the customer has and their influence on quality and pricing. The fewer there are customers, the more power they have over many sellers and can easily change their supplier if they want. But on the other hand, if a customer buys low quantities of products that differentiate from the competitors' products, it has low buying power over the seller. (Martin 2019).

Threat of substitutes: This factor examines the possibility of alternative products that can replace the current solutions and the competition in terms of pricing and profit. The threat of substitutes factor determines the immediate and long-term switching costs, and the customer's will to change from one product to another. (Martin 2019; Business-to-you 2020).

Threat of new entry: This factor examines whether it is difficult or easy for a new competitor to enter to a new market. If it is easy for a competitor to enter, there is a high risk for the market share to be depleted. The barriers of entry are specific factors that determine if a new entrant can compete in the new market. These barriers include scale and experience, access to distribution or supply channels, expected retaliation from a competitor, e.g. price war or marketing blitz, and lastly, differentiation. In short, an organization with a lot of resources and a strong brand can more easily to enter new markets than a small company. (Johnson et al. 2014, 45.)

2.2.2 SWOT analysis

SWOT is an abbreviation of strengths, weaknesses, opportunities, and threats. This framework is used for evaluating how a company is positioned in contrast to its competitors. The main purpose of a SWOT analysis is to assess a company's current and future potential and as well the internal and external factors that have an influence on it. It has been designed to create factual and realistic overview at the current strengths and weaknesses of a company or an industry, and to help identify opportunities and threats that might not have been noticed otherwise. (Grant 2020.)

The internal factors of a SWOT analysis refer to the strengths and weaknesses of a company. The strength can be considered as an element that should be taken advantage of, and weaknesses, on the other hand, should be overcome to improve the company's performance. These factors can include the company culture, operational efficiency, brand awareness, market share, key staff, and organizational structure, for example. The external factors refer to opportunities and threats. The opportunities can be considered as pursuable elements to create more value for the company, whereas threats are the counterparts for the opportunities and may prevent the company from achieving these opportunities. Examples of the changes in the external environment can be customers, competitors, suppliers, economic environment, and market trends. (CFI Education Inc 2020c.)

2.3 Customers

There are numerous methods for analyzing customers but most of these methods require a lot of explicit data about the customers and examines the customer behaviorism, purchase patterns and transaction frequency, for example.

Currently, there is not enough data to perform such a detailed customer analysis, but instead a kind of which examines how the customers should be profiled, sorted, prioritized, and targeted so that the correct marketing activities are selected and targeted at the right audience. A similar customer analysis method is used by an English consulting company named Tech4T (2020), that is specialized in increasing a company's profits by customer profiling, segmentation and targeting. The customer analysis in this study is based on a similar structure but adjusted so that the results are entirely usable developing the marketing strategy.

Customer profiles can be sorted into separate types. The customer types usually refer to a certain type of purchasing behavior but there are other interpretations of this term as well. According to CFI Education Inc (2020a) there are five main customer types: (1) loyal customers: generates a major part of the sales but are a minority of all customers, (2) impulsive customers: occasional customers and may not know exactly what they need but purchase goods when needed, (3) discount seeking customers: frequent customers but buying decisions are based on discounts, (4) need-based customers: only seeks certain products and (5) wandering customers: not sure what to buy.

From a marketing perspective it could be beneficial to recognize this variety of customer types to plan specific actions towards each type but since Ovitor Oy does not have that many active customers in Sweden or Norway, sorting the customers into this many types may not bring additional benefits for it at the time, but instead, later once there are more detailed sales statistics from the customers. But as mentioned before, there are many interpretations of customer types, and according to Firuta (2016), there are two other types instead of need-based and wandering customers shown in the CFI's list: (1) potential customer: is interested in the business but not an actual customer yet and (2) a new customer: has made the first purchase but may require support with the product transition.

In business-to-business sales, identifying the potential customer helps to focus on marketing activities more efficiently, and the “new customer” type helps to sort out those customers who require special attention until they have become active customers. Ovitor Oy currently uses three customer types for defining the customer status, and these types are a *prospect, lead* and *active*. Prospect indicates who is a potential customer; lead indicates who is a new customer who has, for example, bought a test kit and active refers to a regular, or loyal, customer. These three customer types can be used for indicating the customer status and keeping track of actualized sales. If an active customer has stated their sales potential, it can be monitored by comparing the actualized sales figures to this estimate but also helps to define if the customer should be targeted with additional marketing activities.

When assessing the market’s size by volume and value, the number of potential customers helps to define the market value by estimating the average transaction value per potential customer. However, determining who the potential customers are and how many are there varies on the accessible or bought information. Usually, this information is gained by a consultancy company or a government body, but the business segment itself defines whether this information is easily accessible or not, (The Business Plan Shop 2020).

All the customers, customer types, customer’s sales quantities and sales potential are stored inside the Ovitor Oy’s customer resource management system (CRM). Ovitor Oy has conducted a partial customer analysis of Sweden and Norway in 2018, which included every company who works in door and gate industry in each country. This information was found on the internet and is maintained by Proff.se, (2020) in Sweden and Proff.no, (2020) in Norway. Customer information can be searched from these websites with key-words, such as a grind or with port, which translates as gates in both languages. The website will then display a full list of every company in that country, which are related to those key words. The customer analysis list was revised in 2019 so that irrelevant customers were deleted and transferred to Ovitor Oy’s CRM with a prospect status.

It is possible to sort out individual customers with the biggest potential directly from the CRM. Furthermore, it is possible to sort out customers based on segments as well, meaning it is possible to make a list of customers who have less bargaining power over suppliers based on the competition in that segment or to make a list of customers who use combined segments such as garage door openers and overhead door openers, for example. The CRM helps to sort out customers who could be most likely to purchase goods from Ovitor Oy, assuming that those customers are sorted accordingly.

3 MARKETING STRATEGY

A marketing strategy is an overall game plan for a company to reach its potential clients and turn them into customers, who would buy the company's products or services. It helps a company to define its long-term vision and business goals and informs the marketing plan, which is a detailed document of the procedures on how to achieve these goals. A marketing strategy is usually planned for several years, whereas a marketing plan is more focused on the current year. (Barone 2020; Business Queensland 2020.)

There are many types of marketing strategies to choose from, but since there is not enough information available of the target markets, this study examines a basic marketing strategy structure, SMART goals method and account-based marketing method, so that the market analysis results can be used most efficiently to fulfil the study's objectives. According to Business Queensland (2020), a marketing strategy structure will:

- define the marketing goals for the company
- describe the company, its products, and its services
- profiles the target customers and competition in the markets
- identifies which marketing tactics will be used
- provides sufficient information to come up with a marketing plan and to measure how effective it is.

The marketing strategy will be developed according to this structure. The marketing goals will be defined according to the SMART goals method, and the target customers will be defined based on the results of the market analysis. Marketing tactics are evaluated according to account-based marketing structure, and the tools on how to measure the marketing plan will be discussed in chapter 4.2.

3.1 SMART marketing goals

Marketing goals will set the focus for the marketing strategy and makes the outcome of it measurable. Marketing goals can be aligned to support the business goals, which might be, for example:

- to make your company's brand more known
- improve sales in a certain segment
- improve overall sales in a market.

There are various ways to set the marketing goals, such as the SMART method, which is an abbreviation of *specific, measurable, achievable, relevant and time-bound*. This method helps to define a clear, realistic, and achievable marketing goal for the strategy so that the progress can be monitored controllably. A marketing goal can be, for example, to increase market penetration by selling more products to old customers or developing current market by acquiring new customers. The marketing goals could take several years to achieve but should be in any case, measurable and timebound. (Business Queensland 2020.)

3.2 Target customers and competitive advantage

The target market is referring to certain customer group to whom a business would want to sell its services or products, Kenton (2020). To define who are the target customers for marketing actions, it is necessary to profile potential customers to identify what products or services they need. The customer profile reveals important information regarding purchasing behavior and customer needs, which might help to find new sales opportunities and bits of information to finetune marketing messages. Competitor analysis, on the other hand, helps to identify the amount and threat of competition in the markets. It includes information about their products, pricing, and marketing maneuvers. This information can be used for identifying the company's competitive advantage over its competitors, which can be eventually used for defining the company's strengths and weaknesses in the markets. (Business Queensland 2020.)

The competitive advantage is described by Jim Riley (2020) as "an advantage over competitors gained by offering consumers greater value, either by means of lower prices or by providing greater benefits and service that justifies higher prices." Together the customer profiling, competitor analysis and competitive advantage can sort out the target customers from normal customers.

3.3 Account-based marketing

Account-based marketing, or ABM, refers to customer specific marketing actions. It is used in business-to-business marketing and instead of focusing marketing campaigns to a wider audience, ABM is focused on a single customer, or an account, with a big sales potential. The purpose of ABM is to reach out the decision-makers of a target companies with personalized marketing channels, actions, and materials. (Vajre 2016, 10-11.)

Account-based marketing can be sorted into four different stages:

1. Identify: determining the ideal customer profile.
2. Expand: finding the ideal customer's decision makers and target groups.
3. Engage: contacting the decision-makers with customized content.
4. Advocate: turning new customers into your brand advocates.

The purpose of the identify stage is to find the most suitable customer for the company, based on some set of criteria. This can mean a customer who is already a lead with a big sales potential, for example. The expand stage focuses on adding contacts to the customer account, which refers to decision-makers, purchasers, or other relevant contacts within that company.

Once there are enough contacts, they all should be engaged through various contacting channels, e.g. social media, video or mobile with customized content, as described in stage three. Finally, in stage four, new customers should be transformed into customer advocates, who would be then used for marketing through reviews and referrals, or with other methods. (Vajre 2016, 15-17.)

4 METHODOLOGY

This chapter examines how the study is conducted. The first section describes which research methods were selected and why, and how they can be used for reaching the study's objectives. It also describes the research process and which guidelines the study's structure follows, and how. The data collection and analysis section define how the research methods are used in gathering relevant information, and from whom and where this information is obtained. Finally, it describes how reliable the research data is and how it will be examined. Some of the research data, competitor information, segments, prices and research findings have been altered due to reasons of confidentiality.

4.1 Research methods and process

Research methods are techniques, processes or strategies which can be utilized for collecting and analysing evidence or data. These methods provide a means to discover new information and to create a better understanding of a certain topic. Research methods can be sorted into several different categories, depending on the purpose and nature of the study. The general research methods are quantitative and qualitative, which can be divided into the following research method types (Dudovskiy 2020.):

- Types according to the nature of the study: descriptive and analytical.
- Types according to the purpose of the study: applied research and fundamental research.
- Types according to the research design: exploratory and conclusive.

According to Dudovskiy (2020), the descriptive research type is used to identify facts found in the surveys, for example, whereas analytical type analyses and evaluates information, that is already available. The applied research type refers to action research and tries to diminish the theory, whereas fundamental research seeks an answer to a problem by the adoption of a scientific procedure. The exploratory research type is used for exploring the research are, without the need of providing a clear answer to the research question. The conclusive type, on the other hand, seeks a conclusive and final answer to the research question.

The research method used in this study is a mixture of quantitative and qualitative methods. The quantitative research method is a process for gathering and evaluating numerical data, whereas the qualitative research method focuses on gathering and evaluating non-numerical data. (Bhandaru 2020a; 2020b). The differences between both research methods are displayed in Table 7.

Table 7. Qualitative versus Quantitative Research (Xavier University Library 2012)

Criteria	Qualitative Research	Quantitative Research
Purpose	To understand & interpret social interactions.	To test hypotheses, look at cause & effect, & make predictions.
Group Studied	Smaller & not randomly selected.	Larger & Randomly selected.
Variables	Study of the whole, not variables.	Specific variables studied.
Type of Data Collected	Words, images, or objects.	Numbers and statistics.
Form of Data Collected	Qualitative data such as open-ended responses, interviews, participant observations, field notes, & reflections.	Quantitative data based on precise measurements using structured & validated data-collection instruments.
Type of Data Analysis	Identify patterns, features, themes.	Identify statistical relationships.
Objectivity and Subjectivity	Subjectivity is expected.	Objectivity is critical.
Role of Researcher	Researcher & their biases may be known to participants in the study, & participant characteristics may be known to the researcher.	Researcher & their biases are not known to participants in the study, & participant characteristics are deliberately hidden from the researcher (double blind studies).
Results	Particular or specialized findings that is less generalizable.	Generalizable findings that can be applied to other populations.
Scientific Method	Exploratory or bottom-up: the researcher generates a new hypothesis and theory from the data collected.	Confirmatory or top-down: the researcher tests the hypothesis and theory with the data.
View of Human Behaviour	Dynamic, situational, social, & personal.	Regular & predictable.

Most Common Research Objectives	Explore, discover, & construct.	Describe, explain, & predict.
Focus	Wide-angle lens; examines the breadth & depth of phenomena.	Narrow-angle lens; tests a specific hypotheses.
Nature of Observation	Study behavior in a natural environment.	Study behavior under controlled conditions; isolate causal effects.
Nature of Reality	Multiple realities; subjective.	Single reality; objective.
Final Report	Narrative report with contextual description & direct quotations from research participants.	Statistical report with correlations, comparisons of means, & statistical significance of findings.

As shown in Table 7, the qualitative research method is used to understand social interactions, which can be experiences, concepts, or opinions via observation, focus groups, interviews, or surveys, according to Bhandaru (2020b). The collected data can be open-ended responses, field notes or interviews, for example, and it is used for generating a new hypothesis from the subjects in their natural environment.

A quantitative method, on the other hand, is used for testing hypotheses, the cause and effect, and to make predictions, as shown in Table 7. The type of collected data is usually numbers or statistics, and it can be used for finding similarities between the research objects such as patterns and used for testing hypothesis and for making assumptions based on the results. Furthermore, it can be used to generalize the outcome of the research to bigger audience. (Bhandari 2020a).

A mixture of both research methods was chosen for the study, because of the thesis objective to provide Ovitor Oy with a market analysis followed by a marketing strategy. Ovitor Oy has a lot of numerical data of Sweden and Norway, such as customer's sales potential, certain product's sales quantities and sold product's purchase prices, for example. Therefore, the quantitative research method type is analytical since the source data is already available for use. This data is then sorted, analysed, and reported in the market analysis to describe the Swedish and Norwegian markets through statistics. This statistical data is then used for defining the focus of the marketing strategy.

The qualitative research method, on the other hand, was selected because Ovitor Oy has research data from customer surveys from 2018 and 2019. The qualitative research method summarizes what has already been collected rather than collecting more data for the study. Its primary purpose is to describe how qualitative data can be used for measuring the effectiveness of the marketing activities in the future by monitoring brand awareness and customer satisfaction.

Research process describes how, and in which order the research should be conducted. According to Rummel and Wesley (1963), a research process has six steps: "identifying the area of study, choosing the topic, formulating a research plan, collecting and then analysing the data and then finally writing up the study." This is a linear research process, that dates to the 1970s and can be used for viewing the research as a series of linked procedures, (Rummel & Wesley 1963).

The research process of this study follows the same steps as listed above. The study's general idea, or aim, is to examine door and gate automation industry's structure in target markets, Sweden and Norway, by taking macro-environmental factors in consideration and developing a means for Ovitor Oy to improve sales in these markets. The research objective, in this case, is to provide Ovitor Oy with a market analysis followed by a marketing strategy which it can use to plan and execute marketing actions in the target markets and eventually improve overall sales, and brand awareness in these countries.

The plan for the study is to evaluate the company's own source data of Sweden and Norway, and to examine relevant theoretical framework options, which could be used for analyzing this data. The theoretical framework should be able to provide practices for analyzing the two countries and the business environment in general, but as well as tools and means for planning the marketing strategy. The data collection process has been conducted earlier by Ovitor Oy's sales staff. The existing data is then analyzed according to the theoretical framework and evaluated according to the analytical research method. The last step in the study's research process is the results and conclusions, which summarizes the research and examines the results, i.e. presents the study's findings.

4.2 Data collection and analysis

The concept of data collection is to gather and measure information with a systematic approach. There are different methods to collect data, but the emphasis should be on ensuring as an accurate and honest collection as possible. The goal of data collection is to acquire quality evidence, that can be then translated to a data analysis, which can be then used for building a credible answer to the research questions. The data can be sorted into two main categories: quantitative and qualitative. Quantitative data is mainly numerical and can be measured, whereas qualitative is mainly non-numerical and descriptive in nature. Quantitative data can be collected via observations, structured face-to-face interviews, and experiments, for example. Qualitative data, on the other hand, can be acquired e.g. via open-ended and in-depth interviews or by reviewing documents. (Kabir 2016.) This research is mainly conducted according to statistical data collection method, which is the most suitable for this study when considering the type of data there are available for analysing.

> *Statistical methods are the methods of collecting, summarizing, analyzing, and interpreting variable(s) in numerical data. – Data collection involves deciding what to observe in order to obtain information relevant to the questions whose answers are required, and then making the observations. – Data summarization is the calculation of appropriate statistics and the display of such information in the form of tables, graphs, or charts. Data may also be adjusted to make different samples more comparable, using ratios, compensating factors, etc.*
> (Kabir 2016, 273)

The statistical research method is used for collecting customer and competitor data, such as product prices and sales quantities, for defining market shares and market potential. This data is stored in the Ovitor Oy's Customer Relationship Management system (CRM) and Enterprise Resource Planning system (ERP), and has been acquired directly from the customers via hundreds of customer visits, business calls and other contacting methods within the last five years, which makes it extremely reliable to be examined. This is because the customer's product and price information are confidential and cannot be acquired by any other means (e.g. customs offices) than from the customer itself. In total, the customer and competitor data consist of 404 customer profiles and almost 807 sales history markings on Sweden and Norway. (Ovitor's CRM 2020.)

The qualitative data is collected using a questionnaire method. The questionnaire method can be used for measuring separate variables via series of close-ended and open-ended questions, which can be aggregated into a scale or an index to define facts or opinions, for example. (Kabir 2016.) The questionnaire research method is used in this study by summarizing previous customer surveys and to aggregating this information into an index. The data in the customer surveys were acquired according to the Net Promoter Score (NPS) questionnaire template and was conducted in 2018 and 2019 on every customer who had an email address in Ovitor Oy's CRM at the time. The results, however, have not been aggregated into the NPS index but can be collected from the company's database. The questionnaire method is used for providing more insight related to the products when examining industry's attractiveness, but the main reason for including it to this study is to introduce an existing, but a currently unused tool for monitoring marketing effectiveness on Ovitor Oy's brand in the future.

The quantitative data is collected by a statistical method, which suggests that it should be analyzed by a suitable method. The statistical analysis revolves around numerical information, but it can be used for exploring and presenting data to discover trends or underlying patterns. The statistical data is mainly in an unstructured form in the company's CRM, meaning that most of it are in written text in field reports. This type of unstructured data should be assigned into categories, which could be analyzed so that it does not generate different results depending on the analyses. The next step is to gather data segments, which are related to a certain category. The aim of this type of sorting is to describe the content in general, and the analysis itself is not confined to a specific stage of this type of research, but instead begins at the data collection and proceeds to the completion of the report. (Sapsford & Jupp 2006, 251-253.)

The customers and competitors are analyzed based on quantitative research data. The purpose of this analysis is to define how door and gate automation markets differ in Sweden and Norway in terms of products, competitors, pricing, and customers. Ovitor Oy has a lot of quantitative customer-related data in its CRM, but since this data is in an unstructured format it cannot be analyzed easily before sorting and filtering it first. The data categorizing and segmenting process starts by extracting and compiling all the quantitative customer and competitor data from all the sales activity markings and notes found in the company's CRM on Swedish and Norwegian customers. The data is then sorted into the following columns in an excel-sheet: country, customers, suppliers, product segment, customers purchase price by segment, customers sales quantities by segment and realistic sales potential according to customer's quantities and purchase prices. An example of the list is shown in Table 8.

Table 8. An example of customer and competitor data

Country	**Customer**	**Supplier**	**Product category (segment)**	**Pur-chase price €**	**Sales quantities**	**Realistic potential €**
Finland	Company X	Ovitor Oy	Sectional doors	1000	500	500 000

The markets and competitors are categorized by segmentation, as shown in Table 8. Segmentation will help to define what to sell and to whom, and moreover which customers should be considered as target customers, e.g. who brings the most value in exchange for the company's products. In short, segmentation helps to define the target market within the market. (The Business Plan Shop 2020). In addition, with segmentation, it is possible to categorize the markets so that competition, market shares, product pricing and market potential can be examined in detail.

In Ovitor Oy CRM, the customer segments are based on the products that the customer orders. This is because the customer might sell other products other than overhead door automation, even if it is an overhead door manufacturer. Therefore, categorizing the customers based on the product segments they use is more informative for Ovitor Oy than just sorting the customers by what they manufacture.

There is a total of 10 segments of which Ovitor Oy has sufficient reliable information on the target markets. The segments are:

- segment A
- segment B
- segment C
- segment D
- segment E
- segment F
- segment G
- segment H
- segment I
- segment J.

To be able to calculate estimated sales potential accurately, the average product set price is calculated for each segment as well. The average set price is calculated according to Formula 1.

$$\bar{x} = \frac{(f_1 * x_1) + \cdots + (f_n * x_n)}{N} \tag{1}$$

where $\bar{x}$ refers to an average set price of a product within a specific segment, f refers to a customer's set price for this segment's product, x refers to the sold quantities of a product f, and the subindex n refers to a specific customer. N is the sum of all the amounts sold used in the formula ($N = x_1+\ldots+x_n$). This formula is used because it will take into consideration the amounts sold and individual prices for each sold product set, thus indicating a more accurate average product set price for that segment. Finally, it is possible to calculate a country's annual sales potential for each segment by multiplying the average set price with the overall sales quantities of that segment. The sales potential is shown in thousands of euros and rounded up to the nearest thousand.

The chapter 5.1 examines the quantitative data by competitors, segments, sold quantities and pricing, which is later on used for defining the target customers and competitive advantage for Ovitor Oy. The outcome of the market analysis provides insight on the market potential and product prices but also defines how to sort out the target customers from the CRM.

The qualitative data is collected by a questionnaire method via customer surveys. Customer surveys can be analyzed any many ways, such as content analysis and narrative analysis methods. The content analysis method is used for examining documented information in the form of media or text, for example and it focuses on analyzing the responses of the interviewees. Narrative analysis, on the other hand, is used to examine content from a mixture of different sources, such as observations from the field, interviews, or surveys. It uses the experiences and stories by people for seeking an answer to the research question. (Bhatia 2018.)

The qualitative data in this study consists of Ovitor Oy customer surveys from 2018 and 2019. These surveys were conducted according to Net Promoter Score questionnaire formula template, which makes the results comparable on a global level. The Net Promoter Score is used for measuring customer experience and predicting business growth, for example. By answering the key questions, it is possible to sort the respondents unto three groups: promoters, passives, and detractors. The overall Net Promoter Score is calculated based on the results and it can be used as a benchmark to track how the company is experienced by the customers now and in the future. (Netpromoter 2020.) The questions used in the survey were the following:

1. How likely is it that you would recommend Ovitor to a friend or a colleague on a scale of 1 to 10? (1 = not at all like, 10 = extremely likely).
2. Why would you not recommend Ovitor?
3. Who is your primary contact person at Ovitor?
4. Your free form greeting to Ovitor.
5. Leave your contact information below if you wish us to contact you (voluntary).

The qualitative data in the customer surveys can be analyzed by in terms of content and narrative methods since they describe what the customers value and what issues they have experienced which are related to products or service. In addition, it is possible to make conclusions on how customers experience Ovitor Oy’s staff and products, how likely they would recommend Ovitor Oy to other people, who they have been in contact the most of the sales staff, and what they think about the company or about anything related to it. The results can be used as a reference to monitor the effect of marketing actions in the future.

5 RESULTS

5.1 Markets and competitors

Markets and competitor analysis examine the market shares, product’s price range, sales quantities, average product set prices and the estimated sales potential based on each segment. It is worth to mention that Ovitor Oy’s sales quantities in each segment are from the year 2019 and may not, therefore, represent the Ovitor Oy’s current market share accurately. However, Ovitor Oy’s sales quantities in Sweden and Norway in 2020 does not make any notable changes on how the market share is divided in either Sweden or Norway at the time of writing.

Segment A. Sweden: This segment is very competed in Sweden with a total of nine competitors in the market with total sales quantities of 3 724 units annually. The market shares per competitors are shown in Figure 4.

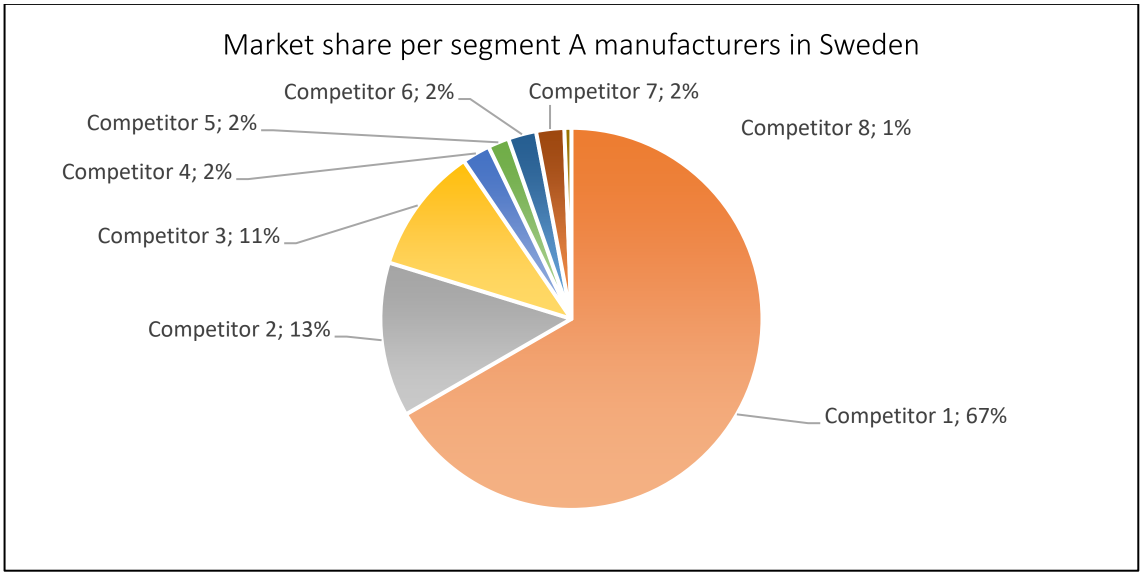


Figure 4. Market share per segment A manufacturers in Sweden

According to Figure 4, Competitor 1 is the market leader, with over 67% of the total market share. The set price range is from 404 € to 823 €, and the average set price is 511 €, which makes the estimated sales potential with 3 724 units as 1 902 964 € for segment A in Sweden.

Segment A. Norway: The segment A is not as competed in Norway as it is in Sweden, but despite that, there are at least four competitors in the market with a total sales quantity of 2 996 units annually. The market shares per competitors are shown in Figure 5.

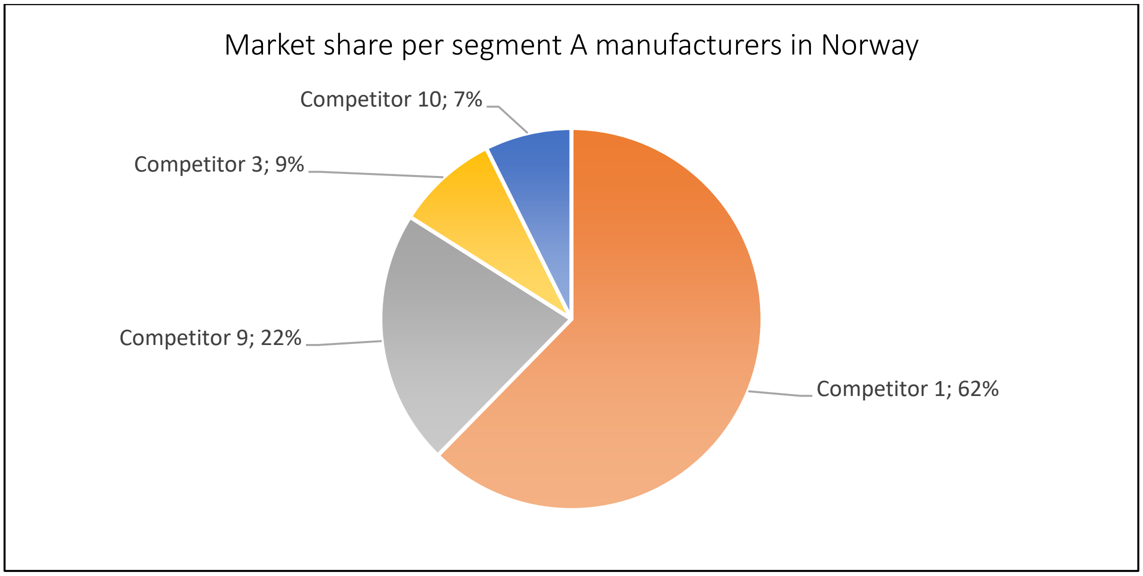


Figure 5. Market share per segment A manufacturers in Norway

According to the Figure 5, Competitor 1 is the market leader in Norway as well with over 62% of the market share. The set price range is from 420 € to 830 €, and the average set price is 555 €, which makes the estimated sales potential with 2 996 units as 1 662 780 € for segment A in Norway.

Segment B. Sweden: This segment is the most competed for in Sweden with a total of nine competitors in the market with total sales quantities of 3 816 units annually. The market shares per competitors are shown in Figure 6.

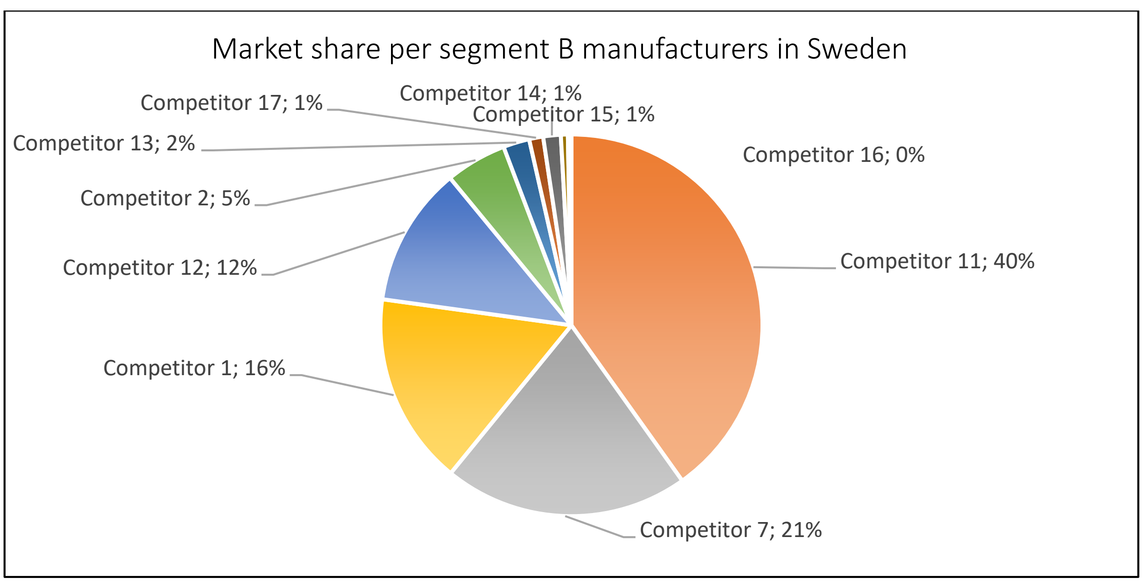


Figure 6. Market share per segment B manufacturers in Sweden

According to Figure 6, Competitor 11 is the market leader with 41% of the market share. The set price range is from 404 € to 886 €, and the average set price is 807 €, which makes the estimated sales potential with 3 816 units as 3 079 512 € for segment B in Sweden.

Segment B. Norway: This segment is the most competed for in Norway as well with a total of six manufacturers in the market with total sales quantities of 3 967 units annually. The market shares per competitors are shown in Figure 7.

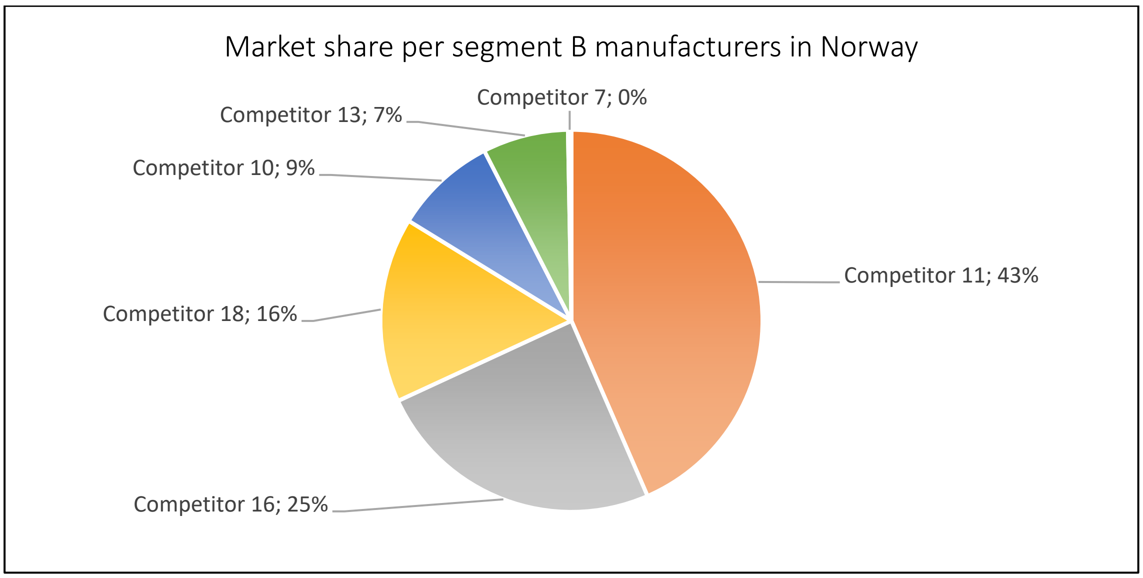


Figure 7. Market share per segment B manufacturers in Norway

According to the Figure 7, Competitor 11 is the market leader with 43% of the market share. The set price range is from 424 € to 896 €, and the average set price is 833 €, which makes the estimated sales potential with 3 967 units as 3 304 511€ for segment B in Norway.

Segment C. Sweden: There are currently eight manufacturers working in Sweden, but the sales quantities were known for only four of them. Total sales quantities for this segment are 1 412 units annually and the market shares per competitors are shown in Figure 8.

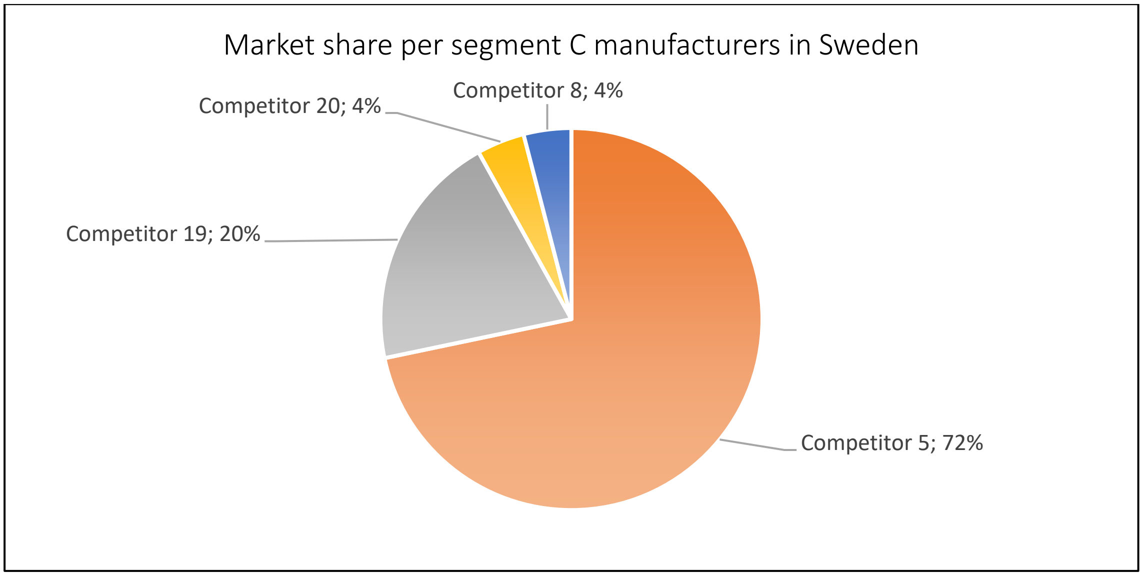


Figure 8. Market share per segment C manufacturers in Sweden

According to Figure 8, Competitor 5 is the market leader with 72% of the market share. The set price range is from 650 € to 1 040 €, but there is one customer who stated the set price as 4 221 € per set. The average price for a set is calculated by excluding the 4 221 € set price from the formula so that it would reflect the average price level more accurately. The average price for a set is therefore 850 €, which makes the estimated sales potential with 1 412 units as 1 200 200 € for segment C in Sweden.

Segment C. Norway: There are four manufacturers in the Norwegian market with total sales quantities of 428 units annually. The market shares per competitors are shown in Figure 9.

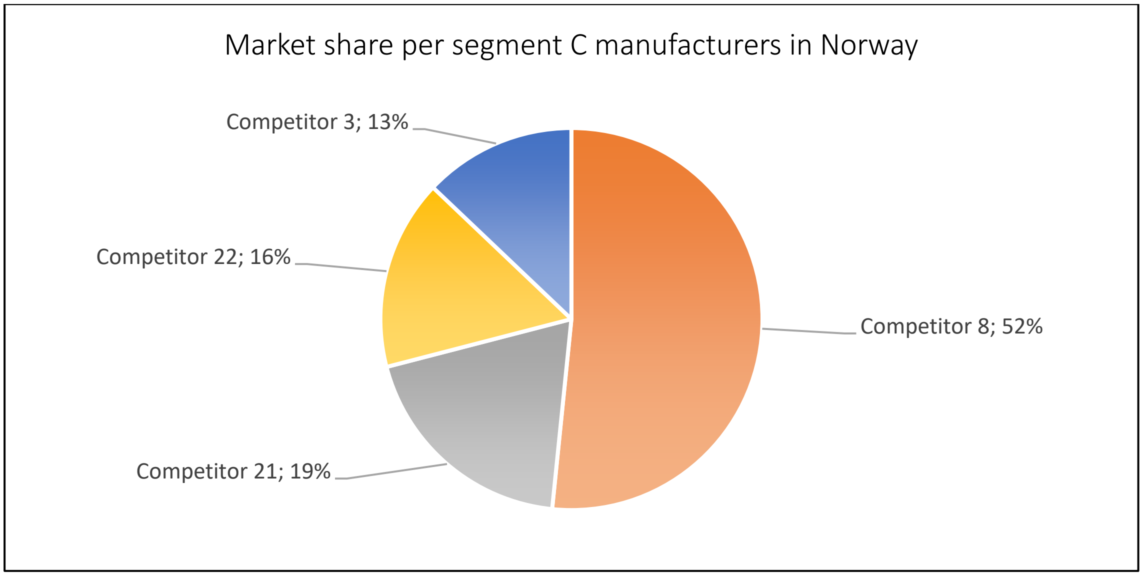


Figure 9. Market share per segment C manufacturers in Norway

According to Figure 9, Competitor 8 is the market leader with 52% of the market share. The set price range is from 680 € to 1 075 €, and the average set price is 890 €, which makes the estimated sales potential with 428 units as 380 920 € for segment C in Norway.

Segment D. Sweden: There are three competitors in Sweden with total sales quantities of 803 units annually. The market shares per competitors are shown in Figure 10.

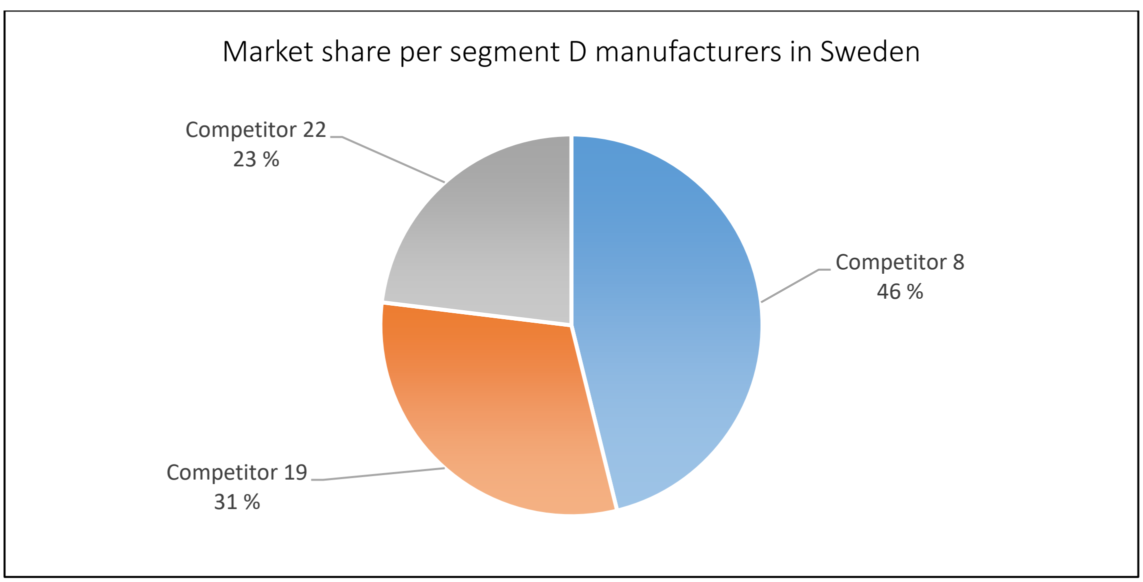


Figure 10. Market share per segment D manufacturers in Sweden

According to Figure 10, Competitor 8 is the market leader with 46% of the market share. There is no competitor price information available for this segment, but when multiplying the sales quantities of 803 pieces with Ovitor Oy's least expensive segment D automation drive unit, which is 639 € per set, the sales potential can be estimated as 513 117 € for Sweden, (Ovitor's ERP 2020).

Segment D. Norway: There was not much research data available on this segment from Norway, but despite of that, the data suggest there is one competitor in Norway, Competitor 8. The sales quantities for this segment in Norway are 230 units annually and when multiplying the sales quantities of 230 pieces with Ovitor Oy's least expensive segment D automation drive unit, which is 639 € per set, the sales potential can be estimated as 146 970 € for Norway, (Ovitor's ERP 2020).

Segment E. Sweden: This segment has three known and one unknown competitor in the Swedish market with total sales quantities of 1 626 units annually. The market shares are displayed in Figure 11.

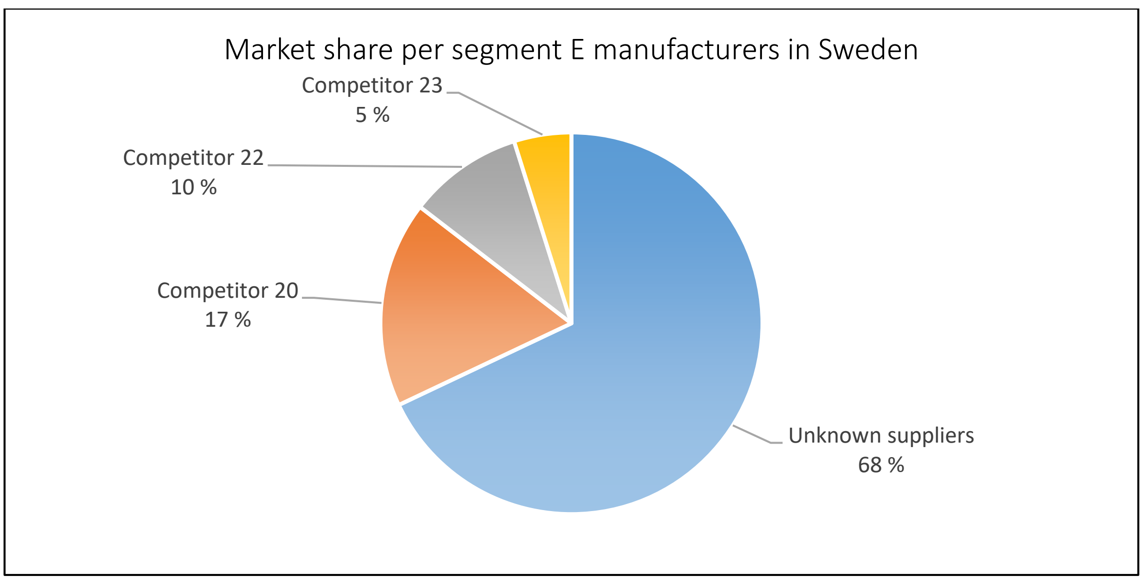


Figure 11. Market share per segment E manufacturers in Sweden

According to Figure 11, the unknown supplier is the market leader with 68% of the market share and Competitor 20, as a known supplier, the second with 17%

of the market share. The set price range is from 900 € to 2 000 €, and the average set price is 1 450 €, which makes the estimated sales potential with 1 626 units as 2 357 700 € for segment E in Sweden.

Segment E. Norway: There was not much research data available on this segment from Norway, but despite that, the data suggest there is one competitor for segment E in Norway, Competitor 20. The sales quantities for this segment in Norway are only 11 sold units annually with a set price of 1 470 €, which makes the estimated sales potential as 16 170 € for segment E in Norway.

Segment F. Sweden: There are currently five known manufacturers working in Sweden with total sales quantities of 2 217 units annually. The market shares per competitors are shown in Figure 12.

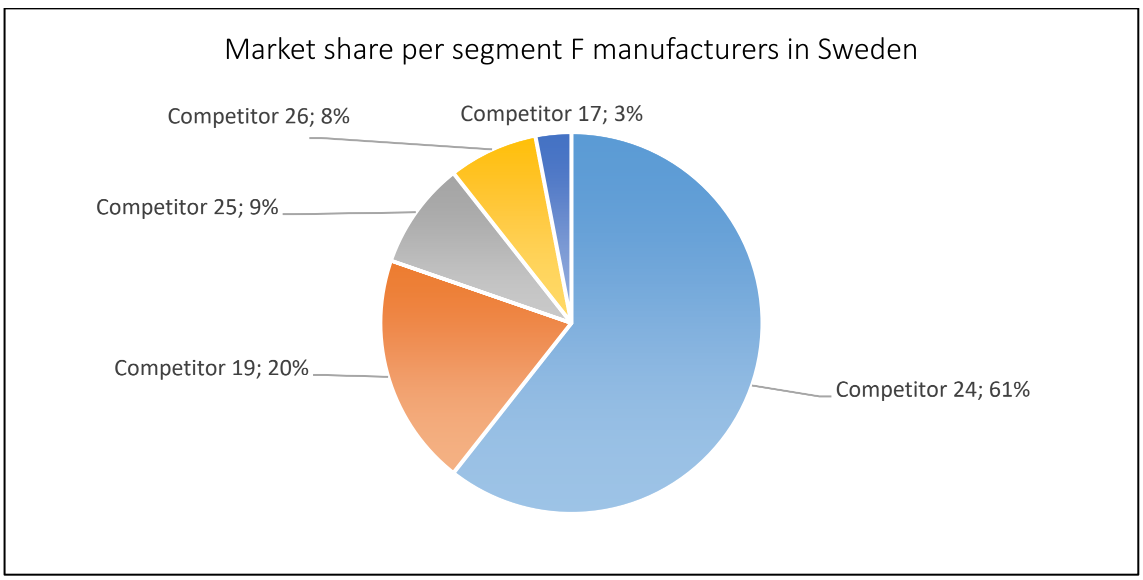


Figure 12. Market share per segment F manufacturers in Sweden

According to Figure 12, Competitor 24 is the market leader with 61% of the market share. The competitor set prices are unknown, but when the sales quantities of 2 217 units are multiplied with Ovitor Oy’s standard segment F automation set retail price of 750 €, the overall potential for this segment in Sweden is 1 662 750 €, (Ovitor’s ERP 2020).

Segment F. Norway: There is only one known customer who orders segment F automation in Norway and all of them from Ovitor Oy. The current sales quantities in Norway are 72 pieces and with Ovitor Oy's standard retail price of 750 €, the market potential is 54 000 €, (Ovitor's ERP 2020).

Segment G. Sweden and Norway: In Sweden, there are many manufacturing companies related to this segment but no demand for automation based on the research data. This is because the manufacturers prefer to have their doors used manually or with the help of gravity. In Norway, on the other hand, there is one customer who has ordered 20 openers from Ovitor Oy with a price of 1 530 € a piece. Therefore, the annual market potential can be considered as 30 600 € in Norway, (Ovitor's ERP 2020.)

Segment H. Sweden: There are currently five manufacturers working in Sweden with total sales quantities of 900 units annually. The market shares per competitors are shown in Figure 13.

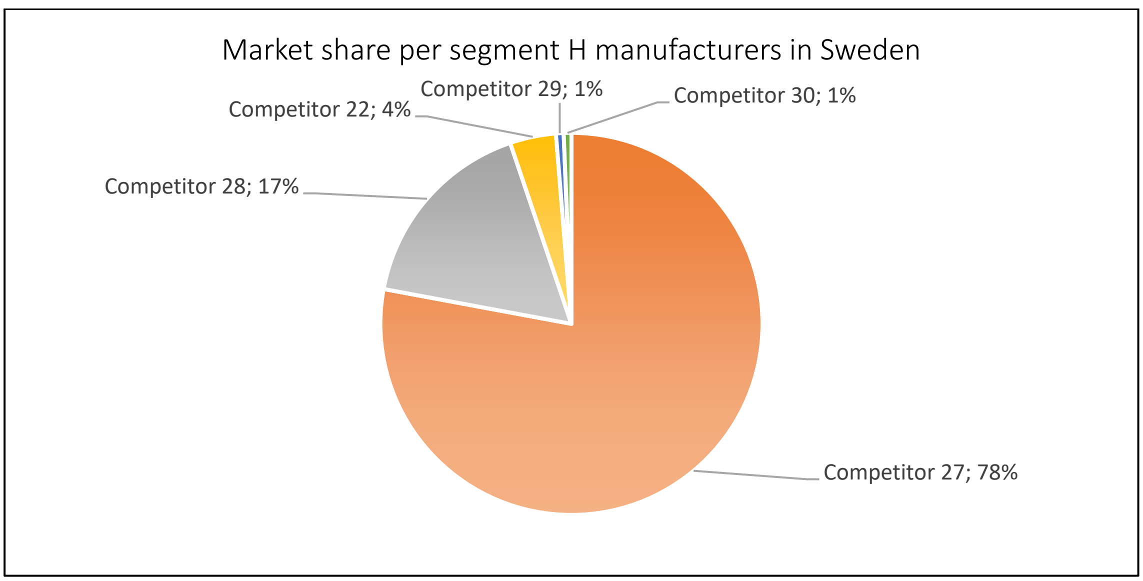


Figure 13. Market share per segment H manufacturers in Sweden

According to Figure 13, Competitor 27 is the market leader with 78% of the market share. The set price range is from 700 € to 1 580 €, and the average set price is 1 452 €, which makes the estimated sales potential with 900 units as 1 306 800 € for this segment in Sweden.

Segment H. Norway: There is only one known customer who sells segment H products in Norway. The annual sales quantity is unknown, but the price for each is 1 620 € according to the customer. The annual sales potential in Norway is therefore unknown.

Segment I. Sweden: This segment is very competed in Sweden because there are several door manufacturing companies related to this automation segment in the country. There are currently six automation manufacturers working in Sweden with total sales quantities of 4 674 units annually. The market shares per competitors are shown in Figure 14.

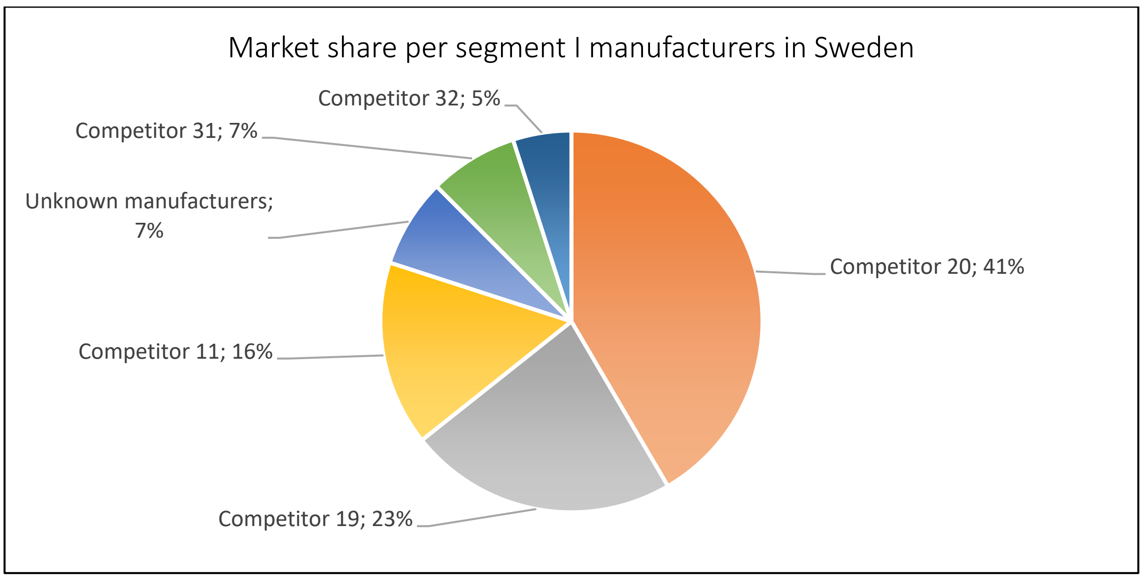


Figure 14. Market share per segment I manufacturers in Sweden

According to the figure 14, Competitor 20 is the market leader with 41% of the market share. The set price range is from 1 100 € to 1 850 €, and the average set price is 1 550 €, which makes the estimated sales potential with 4 674 units as 7 244 700 € for this segment in Sweden.

Segment I. Norway: There is no research data about the segment I automation on Norway.

Segment J. Sweden: This is the least competed segment in Sweden with only one retailer and one automation manufacturer, Competitor 11, in the market.

The estimated sales quantities in Sweden for segment J openers are 145 units annually. There is no competitor price information available, but by using Ovitor Oy's average segment J automation set price of 1 260 €, the total market potential can be estimated as 181 000 €. (Ovitor's ERP 2020.)

Segment J. Norway: There is no research data available about the segment J automation markets on Norway.

5.2 Further findings

The answers of the Ovitor Oy's customer surveys from 2018 and 2019 are compiled in the Appendix 2. The surveys were evaluated according to the NPS score methods and the NPS scores are shown in Table 9 and Table 10.

Table 9. Ovitor Oy's Net Promoter Score (NPS) results from 2018

Net Promoter Score (NPS) results 2018										
Detractors							Passives		Promoters	
0	1	2	3	4	5	6	7	8	9	10
N = 5							N = 17		N = 36	
8,62 %							29,31 %		62,07 %	
0	0	1	2	0	1	1	7	10	13	23
0,00 %	0,00 %	1,72 %	3,45 %	0,00 %	1,72 %	1,72 %	12,07 %	17,24 %	22,41 %	39,66 %
Results		**Answers:**	58							
		NPS:	53							
		Average:	8,53							

As seen in Table 9, Ovitor Oy's total Net Promoter Score is 53 on a scale of -100 to 100 with an average customer's rating of 8,53 in 2018.

Table 10. Ovitor Oy's Net Promoter Score (NPS) results from 2019

Net Promoter Score (NPS) results 2019										
Detractors							Passives		Promoters	
0	1	2	3	4	5	6	7	8	9	10
N = 4							N = 18		N = 30	
7,69 %							34,62 %		57,69 %	
0	0	1	0	1	1	1	4	14	10	20
0,00 %	0,00 %	1,92 %	0,00 %	1,92 %	1,92 %	1,92 %	7,69 %	26,92 %	19,23 %	38,46 %
Results		**Answers:**	52							
		NPS:	50							
		Average:	8,60							

As seen in Table 10, Ovitor Oy’s total Net Promoter Score is 50 on a scale of -100 to 100 with an average customer’s rating of 8,60 in 2019.

The research data revealed that Ovitor Oy is the only manufacturer who can provide door and gate automation for every product segment, which were examined but is a relatively unknown supplier in Sweden and Norway. In addition to that, none of the other automation manufacturers have a certain type of segment B automation product, gearboxes with a mechanical slipping clutch, or segment C products that are customized to cold environments with heating units.

However, the data did show that there are connectivity systems (e.g. cell phone applications) available in the markets from suppliers other than Ovitor Oy as well, but there was not any information if these connectivity systems could be retrofitted to existing products, whereas Ovitor Oy’s systems can. Furthermore, Ovitor Oy’s connectivity systems can be integrated with its own maintenance planning software in future. The research data showed that no other competitors have similar solutions in the markets currently.

The market is divided into 10 different product segments. To get a clear overview of the markets and competitors, the results are summarized in Table 11. Each segment can be examined by the number of competitors, biggest competition, price ranges, average set price, and by the market potential in euros for both countries. The compared countries are written as SE (Sweden) and NO

(Norway) in the table. The sales quantities per segment are not shown in the table but are instead calculated together with the average set price so that the annual market potential for that segment can be examined.

Table 11. Key findings of the Swedish and Norwegian markets and competitors

Opener segment	***Compe-titors***		***Biggest competition***		***Price range in euros***				***Average set price in euros***		***Market potential in euros***	
	SE	NO	SE	NO	SE		NO		SE	NO	SE	NO
Segment A	9	4	Comp. 1	Comp. 1	404	823	420	830	511	555	1 903k	1 662k
Segment B	11	6	Comp. 11	Comp. 11	404	886	424	896	807	833	3 079k	3 304k
Segment C	8	4	Comp. 5	Comp. 8	650	1040	680	1075	850	890	1 200k	381k
Segment D	3	2	Comp. 8	Comp. 8	-	-	-	-	-	-	513k	147k
Segment E	4	0	Comp. 20	Comp. 20	900	2000	-	1470	1450	1470	2 358k	16k
Segment F	5	0	Comp. 24	-	-	-	-	-	-	-	1 662k	54k
Segment G	0	0	-	-	-	-	-	-	-	-	-	31k
Segment H	4	1	Comp. 27	Comp. 22	700	1580	-	1620	1452	1620	1 306k	-
Segment I	5	0	Comp. 20	-	1100	1850	-	-	1550	-	7 244k	-
Segment J	1	0	Comp. 11	-	-	-	-	-	-	-	181k	-
TOTAL	**32**	**13**									**19 446k**	**5 585k**

The markets and competitors research showed that there are currently 32 competitors in Sweden and 13 in Norway. It is worth to mention that many manufacturers compete in several segments, and therefore, the total amount of competitors does not add together with those listed in the segments. It is possible to define the most (and least) competed for segments from Table 11, as well as the most potential segments in terms of sales value. The segment with the biggest sales potential is the segment I with 7,24 million euros sales potential alone, which makes almost 40% of the current overall sales potential in Sweden. In Norway, the most potential segment is segment B with 3,3 million euros, which makes almost 60% of the total market sales potential. The total market potential can be estimated as 19 446 000 € in Sweden and as 5 585 000 € in Norway.

6 ANALYSIS AND MARKETING STRATEGY

6.1 Market analysis

The macro-environmental analysis found that there are almost no external influences affecting foreign businesses in either Sweden or Norway, except for the economic influences caused by the COVID-19 pandemic. The COVID-19 pandemic has had a huge negative affect on the global economy, which is shown as a through in Swedish and Norwegian business cycle. However, it is estimated that there will be a quick economic recovery in these countries in 2021, which may open sales opportunities with new and existing customers.

The technological infrastructure and people skills are extremely high in both countries, which means that people prefer digital channels over traditional ones and are open to new technological solutions. When it comes to major cultural differences between Finland, Sweden and Norway, direct dialogue, punctuality, and hard work is not as appreciated nearly as much in Sweden as it is in Finland and Norway. This should be taken into consideration when approaching new and existing customers. Ovitor Oy has a disadvantage over local competitors in both countries and therefore knowing about the customer’s cultural aspects can bring advantages in business negotiations and contacting methods in general.

The door and gate automation industry attractiveness analysis concluded that Sweden is a more attractive market than Norway but has more competition as well. Both markets do not have any notable barriers for entry for companies within the European Union, but the major share of the markets are divided between few bigger competitors, which could make market penetration challenging for new competitors. Ovitor Oy has a lot of strengths and opportunities in both markets, with unique and low-cost door opener solutions and with connectivity systems but lacks the digital infrastructure to make products easily accessible or marketed to target customers. Furthermore, the lack of local offices or the possibility to provide technical support in either Swedish or Norwegian language might turn away potential customers in the long run.

As the demographics suggested, people in both countries are digitally literature and therefore, Ovitor Oy’s digital infrastructure should be updated and strengths over competitors promoted through digital channels. The language barrier can be difficult to overcome, but generally big companies have well-educated staff who can speak very good English. It is possible that many of the potential customers do not know about Ovitor Oy’s connectivity systems or other unique solutions and therefore the digital infrastructure should be updated to support Ovitor’s sales staff as soon as possible.

The markets and competitors research found that there are 32 competitors in Sweden and 13 in Norway. Competitors 1, 11, 8, and 20 are the biggest competitors in both countries by being the market leaders in the majority of the segments. The total market potential is 19 446 000 € in Sweden, and 5 585 000 € in Norway and the most potential segments are the segment I in Sweden and segment B in Norway. The differences between average set prices, however, vary between Sweden and Norway, the latter prices being somewhat higher. Then again, Norway’s income level is higher than Sweden’s and the bought quantities there are lower than in Sweden as well, which might explain this difference.

The research also revealed that Ovitor Oy has a competitive advantage in segment B and in segment C, which therefore should be the top priority for marketing activities. Despite the vast number of competitors in the segment B, Ovitor Oy can be aggressive with the pricing to gain more market share. The benefit of a price war is that Ovitor Oy’s brand will become more recognizable, which could eventually open a market for other products with a better margin.
It was possible to conduct a SWOT analysis of the door and gate automation industry from the study’s findings. The SWOT analysis is shown in Table 12.

Table 12. The SWOT analysis of door and gate automation industry for Ovitor Oy: Sweden and Norway

	Door and Gate Automation Industry's SWOT-analysis for Ovitor Oy: Sweden and Norway		
STRENGHTS	- Wide product portfolio from private to commercial solutions - Unique solutions in segment B - Connectivity systems for both private and commercial products - Maintenance software in development for openers with connectivity system combinations - Product customization options for cold environments - Production close to target markets	- No retail network or local technical support available in Sweden or Norway - Language proficiency is limited to English - Low market share in almost every examined segment - Ovitor Oy does not have a sales or a marketing strategy on Sweden or Norway	**WEAKNESSES**
OPPORTUNITIES	- Wide product range for companies who work in multiple segments -> all automation from one supplier - Unique products for both segment B retailers and segment C retailers - Connectivity systems can be retrofitted to many products -> opportunity to improve aftermarket sales - Possibility to wage price war in segment B	- Tough competition and low prices make selling certain products unprofitable - Difficulty of gaining new customers because many competitors have local representatives - Brand not well-known in Nordic countries and lack of marketing might affect customers inclination to switch supplier	**THREATS**

As displayed in the SWOT -analysis in Table 12, Ovitor Oy has a lot of strengths and opportunities. The most important remarks are unique automation solutions and pricing advantages in certain segments, which can bring competitive advantage for Ovitor Oy. Furthermore, Ovitor Oy has connectivity systems in its product portfolio, which can help customers to differentiate themselves from others by providing modern control mechanisms, e.g. cell phone opening via an application, to current opener systems. Ovitor Oy is located near the target markets, which can in some cases mean shorter lead times over competitors with long delivery times, and software development differentiates Ovitor Oy from more traditional, or old-fashioned, competitors.

Ovitor Oy has many weaknesses and threats. For instance, certain extremely competed segments may not bring much profit but instead can increase customer acquisition costs notably. It might be worth considering to direct focus toward other potential customers until Ovitor Oy can compete with a decent margin in those segments. The lack of local representatives and offices, or an option to communicate in Swedish or Norwegian might make customer acquisition and further communication difficult at times, but this on the other hand may vary between customers. Ovitor Oy is not a too known manufacturer in Swedish and Norwegian markets, which can explain the low market shares. The lack of a sales or a marketing strategy may reflect on inefficient sales and marketing actions.

The market analysis showed what could be considered as the target segments for Ovitor Oy in Sweden and in Norway in terms of sales potential, or lack of competition. This, however, does not yet indicate which customers or segments should be the number one priority for marketing or sales activities. The industry attractiveness analysis examined Ovitor Oy's strengths, weaknesses, opportunities, and threats in the door and gate automation industry in Sweden and Norway. The SWOT-analysis discovered that Ovitor Oy has a competitive advantage in:

- Segment B, because of unique products
- both segment B and segment C, because of a modern connectivity system and maintenance software that can be retrofitted and used with existing products
- segment C, because of unique customization solutions for cold environments.

Together, with the findings of the industry attractiveness analysis, customer types, customer potential and lastly, with the competitive advantage, it is possible to define the customer prioritization order and the target customers for Ovitor Oy. The target customer prioritization order is shown in Figure 15.

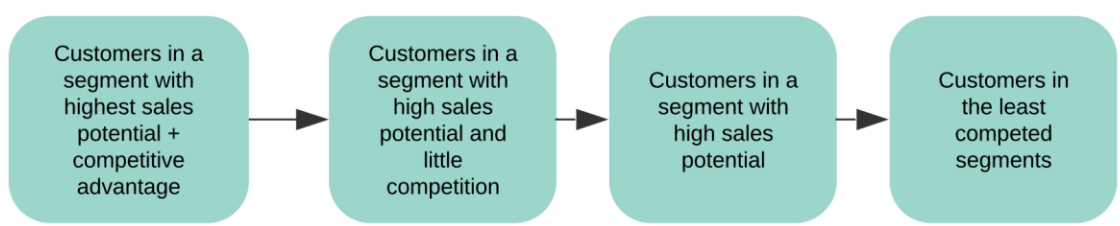


Figure 15. The target customer prioritization order

Customer types are not shown in Figure 15 because they determine the order within the prioritized segments. The emphasis is always on the customer who is marked as a lead and secondly on the customer who is a prospect. Despite the fact that some of the segments have more sales potential than others, those with a competitive advantage should be the top priority. The competitive advantage is what differentiates Ovitor Oy from its competitors and brings the most value for the customer in the return of their money.

The second most important customers are those who are in the segment with high potential and not much competition. The lesser the competition, the easier it is for a business to acquire customers and get better profit. Since Ovitor Oy can provide goods for such segments, these are prioritized as the second most important customers.

The third most important customers are those within a segment with high sales potential, no matter how competed the segment is or not. The competition might bring some challenges to enter these segments, but since Ovitor Oy is a Nordic manufacturer, it may be able to stand out from the competition.

The last customers on the list are those with the least competition, no matter of the sales potential. Given the number of customers Ovitor Oy has in both countries, regardless of the customer type, it might take a while to get to this part of the prioritization list but once there, going through these customers might help to find more sales potential in the markets but also valuable competitor information.

When the customer segments are sorted according to the prioritization list, it can be concluded that the target customer segments for Ovitor Oy in Sweden are:

1. segment B
2. segment C
3. segment J
4. segment E
5. segment F
6. segment H

7. segment A
8. segment D
9. segment J
10. segment G

And in Norway:

1. segment B
2. segment C
3. segment A
4. segment D
5. segment F
6. segment G
7. segment E
11. segment H / segment I / segment J.

Based on the analysis, it can be stated that even when a segment's sales potential is known, it does not reveal if that segment should be the top priority for the company. Once the competitive advantages are taken into consideration, these two indicators can help a company to adjust its marketing and sales activities more efficiently by ensuring that the company is focused on the correct targets.

6.2 Marketing strategy

The study's objective was to provide a marketing strategy for Ovitor Oy, which it can use to make a marketing plan to improve sales and the company's brand awareness in Sweden and Norway. The marketing strategy is build based on the market analysis' results and defines the marketing goal, target customers, marketing content, contacting channels, structure for the marketing plan, and tools for measuring the effectiveness of the marketing actions and managing the results. The marketing strategy is displayed in Figure 16.

Figure 16. Marketing strategy for Ovitor Oy

The marketing goal for 2021 in general, is to improve Ovitor Oy's sales and brand awareness in Sweden and Norway by focusing on the target customers. The goal was defined according to the SMART method, which specifies the marketing goal as follows:

- Specific: goal is to improve sales and brand awareness in Sweden and Norway.
- Measurable: progress is monitored via sales statistics and NPS scores.
- Achievable: prioritization list and customer types focuses the marketing actions to most potential and easily attainable (target) customers.
- Relevant: target customers are defined based on sales potential and Ovitor Oy's competitive advantage over its competitors.
- Time-bound: progress is monitored annually.

The most attractive segments are segment B and segment C because Ovitor Oy has a competitive advantage in both. However, when considering the amount of competition in the segment B, which has more sales potential out of these two, the marketing strategy should be focused only on it at first, and on the segment C after - depending on the company's resources of course. The target customers in the segment B can be found from Ovitor Oy's CRM and the method on how to choose correct customers are explained in the previous chapter. When contacting the customer directly, it is recommendable to examine cultural differences shown in Appendix 1 between the target country and Finland. A too direct approach is not recommended on Swedish customers but in contrast, encouraged when approaching Norwegian customers.

The marketing plan, which defines the specific target customers, customized content, and contacting channels, should be formed according to the account-based marketing stages. Theses stages are structured so that they align with the study's objective and as well with other research findings. The marketing plan will be customized for each customer by the following guidelines:

1. Target customer: company X in segment B, selected from the CRM according to the markets and competitors, and target customer analysis.
2. Decision-makers: Searched via company websites and LinkedIn. Websites such as Proff.se or Proff.no can be used to find the owner of the company.
3. Creation of Strategy: Selection of personnel who should be contacted, in which order and with what materials.
4. Customized content: Selection of the specific products the customer could need with customized marketing materials. Emphasis on how product differentiates from competitors' products, according to the Porter's Five Forces and SWOT -analysis'.
5. Contacting channels: Contacting decision-makers via LinkedIn -follow function or via messaging function, phone calls, or customized emails. Digital channels are preferred.
6. Measuring progress: Monitoring who has been contacted and with what methods, which contacting methods have worked, how the targets have responded, and finally, interested customers will be marked as leads and forwarded to sales personnel.

The marketing strategy should be monitored based on the sales statistics of the customers who are included in the marketing plan, and through NPS scores via customer surveys. The sales statistics will display how much the target customer has ordered Ovitor Oy's products after the marketing activities, and NPS score will determine how the company's brand image has changed in the target markets by using previous NPS scores from 2018 and 2019 as a benchmark. These two indicators are sufficient for Ovitor Oy to measure the effect of the marketing activities in the beginning. Once there are enough statistics of the customers related to sales, feedback, or contacting methods, it is possible to define Ovitor Oy's position in the target markets and define overall business strategy, which then could be aligned with the marketing strategy.

7 CONCLUSION

The objective of this study was to provide a marketing strategy for Ovitor Oy by analyzing target markets in Scandinavia. The study combined a vast amount of unstructured customer and competitor related data from Ovitor Oy's CRM, ERP, and customer surveys, which was examined according to several different frameworks to receive a thorough understanding of the target markets' macro-environment, markets and competitors, and the customers. The study's outcome is a market analysis of Sweden and Norway and a marketing strategy for Ovitor Oy to improve sales within these market areas. The emphasis of the study was in the market analysis as this provides plenty of extremely valuable information for Ovitor Oy. The main objective, however, was to develop the marketing strategy based on the findings.

The Swedish and Norwegian markets are very attractive for any door and gate automation manufacturer who can differentiate itself from the other competitors, or can compete in pricing in general. This is because there is much competition in both markets, which requires a new entrant to be able to differentiate itself somehow from others. Otherwise, it will be extremely difficult to compete against the big competitors who have local offices and good retail networks already in place.

Interestingly, the product set prices vary significantly between segments. Some segments, such as segment B, have a much higher average set price, compared to the lowest set price, which means that there is room for a competitor offering low prices. In addition, however, a certain type of opener solutions seems to be missing from the markets, such as a certain type of segment B automation product, openers with a slipping clutch inside the gearbox, or fully-customized automation solutions for cold environments – the types of which Ovitor Oy has in its product portfolio. Furthermore, Ovitor Oy has connectivity devices in its product portfolio which can be retrofitted in existing products, depending on the product type. There was no indication of similar technologies on either of the target markets, even when the analysis concluded that the inhabitants in Sweden and Norway are mostly digitally literate and enthusiastic toward new technological solutions. These unique solutions bring Ovitor Oy a competitive advantage over its competitors and make both markets very attractive for Ovitor Oy specifically.

The marketing strategy suggests that Ovitor Oy should focus its sales and marketing activities toward high sales potential businesses in the segments, in which Ovitor Oy has a competitive advantage over its competitors. In this way, it is possible to optimize Ovitor Oy’s resources toward the most potential targets. The marketing strategy provides guidelines for creating a marketing plan, and the effectiveness of the strategy can be monitored via sales statistics and the NPS survey.

The research question of the study was “Which segments should Ovitor Oy target and how should it implement a marketing strategy to convert prospects into customers?” The study concludes that Ovitor Oy should target segments B and C and utilize the marketing strategy to convert prospects into customers.

The research indicates that the Swedish and Norwegian economies are expected to have a quick recovery after 2020. Therefore, it would be recommendable for Ovitor Oy to start developing a marketing plan immediately according to the marketing strategy. In addition, it would be recommendable for Ovitor Oy to create standard sets, pricing guidelines, and up-to-date marketing materials for those products with a competitive advantage.

A marketing plan can be developed according to the marketing strategy in Chapter 6.2. However, here are the step-by-step instructions on how to utilize the study's findings when building the marketing plan:

1. The marketing strategy structure and goals are shown in Chapter Marketing strategy 6.2. These can be used as the general guidelines for the plan.
2. The target customers can be sorted directly from the company's CRM according to the prioritization list in Figure 15 and searched according the strategy guidelines' suggestions. Product pricing and key competitors can be found and examined from Table 11. This helps on deciding and creating customized content for each customer.
3. The SWOT analysis in Table 12 helps to define what strengths Ovitor Oy has in general and what competitive advantages it has over its competitors.
4. When searching for the right contacting channels for each decision-maker, the sales personnel should become familiar with the cultural differences between Finland and the target country to ensure as smooth an approach as possible. The cultural differences are shown in detail in Appendix 1.
5. Once the marketing plan is ready, it should be put into use. Ovitor Oy should measure the contacting process according to the strategy's guidelines and monitor the sales of the targeted customers. Changes on brand awareness can be monitored by conducting an NPS survey at the end of the year according to the questionnaire template in Appendix 2, and by comparing the results in previous NPS scores in Table 9 and Table 10.

The importance of measuring the effectiveness of the contacting process should not be underrated but instead emphasized. Finding the best contacting tools and channels can help in reaching other customers too, but more importantly it can also provide valuable information for future marketing campaigns.

This research works as a template for future market research. The research data used in this study should be updated regularly for Ovitor Oy's upper management to have a clear vision of the Swedish and Norwegian markets, and also other markets. The effectiveness of the marketing actions should be monitored and evaluated annually, as well as the sales history of the new target customers should be monitored. Once there is enough sales data available from the customers, it is possible to examine customer profitability by segments and adjust the prices accordingly to the market price levels to maximize profits.

To make future market research more straightforward, it is recommended that during a customer visit or when contacting the customers in general, inquiries are to be made at least about the customer' current suppliers and sales quantities and these are to be updated in the company's CRM. This information itself is enough to define target customers and plan specific marketing actions regarding them. In addition, it could be beneficial for Ovitor Oy to inquire about competitors' lead times to find out if it has advantages over delivery times for products with higher switching costs, or with any products, in general.

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Appendix 1/1

Hofstede's six dimensions values on Finland, Norway, and Sweden

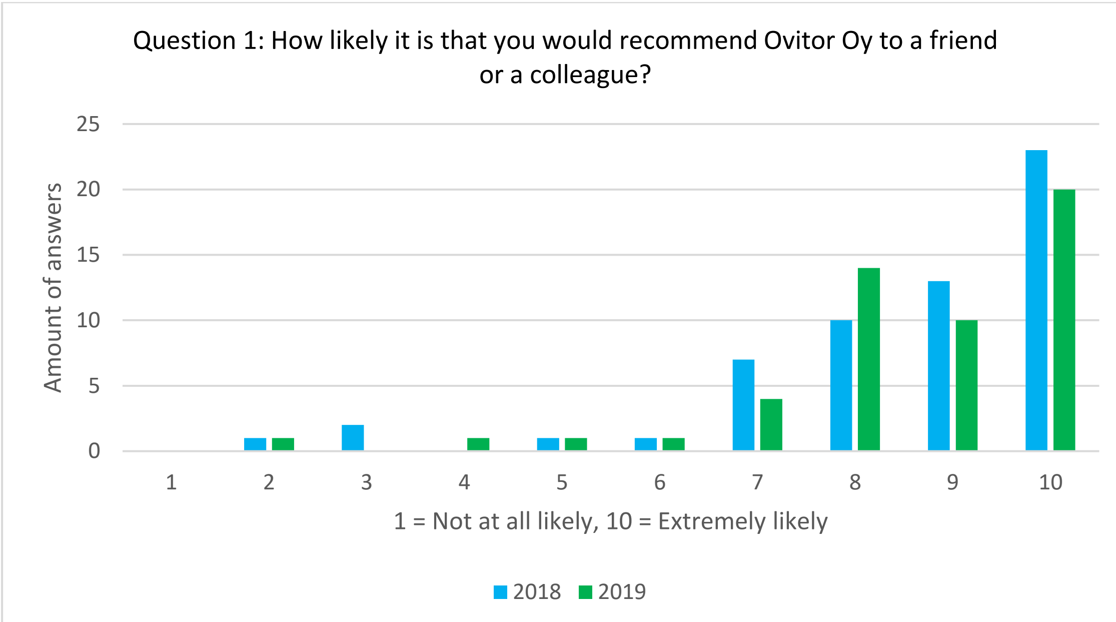
	Finland	Norway	Sweden
PDI	Each country got a low score on PDI dimension; Finland's score is 33, Norway's 31 and Sweden's 31. This means that each country's style is characterized as the following: Equal right, being independent, superiors accessible, hierarchy for convenience only, and management supports and empowers. Power and authority are decentralized, and management trust the experience of their subordinates. Workers expect to be instructed. Micromanaging is disliked and interaction towards managers is informal and the use of the first name is natural. Communication is straightforward and engaging.		
INV	Finland has a score of 63 meaning it is an individualist nation. In Finland, individuals are expected to look after of themselves and their close families only. In individualistic societies, offense creates a loss of self-esteem and guilt, the employee/employer relationships are agreements based on mutual merit, promoting and hiring are based on merit only, management is focused on individuals.	Norway has a score of 69 meaning it is an individualist nation. In Norway, individuality is important, and opinions are expressed and valued. Communication is straightforward and accurate. Individuals right to privacy is respected, and work life and private life is not mixed. Individual careers are important and therefore the job mobility is high. Management is focused on individuals and direct feedback is encouraged; nepotism is not.	Sweden has a score of 71 meaning it is an individualist nation. In Sweden, individuals are expected to look after of themselves and their close families only. In individualistic societies, offense creates a loss of self-esteem and guilt, the employee/employer relationships are agreements based on mutual merit, promoting and hiring are based on merit only, management is focused on individuals.
MAS	Finland has a score of 26 and is considered a feminine nation. This means that in Finland the purpose of working is to enable living. Equality and solidarity are valued, and managers seek consensus over dispute. The quality of working life is important, and flexibility and free time is favored. Compromises are favored over conflicts and well-being is more important that status. Supportive manager is effective, and decisions are made through involvement.	Norway has a score of 8 and is the second most feminine nation after the Swedes. This means that in Norway the in culture, the softer aspects are encouraged and valued. Independent cooperation and consensus are common themes, and the attitude of being better than everyone else is not rewarded neither materially nor socially. Environmental values and societal solidarity are important. The quality of working life is important, and flexibility and free time is favored. Interaction is preferred through a dialog and self-improvement is encouraged. Compromises are favored over conflicts and well-being is more important that status. Supportive manager is effective, and decisions are made through involvement.	Sweden has a score of 5 and is the most feminine nation according to this theory. The balance between work life and free time is important as well as that everybody is included. Supportive manager is effective, and decisions are made through involvement. Solidarity, equality, and quality of life are valued in work, and managers seek consensus over dispute. Swedes are known for long discussions until they have reached a consensus. Incentives such as flexible working hours and free time are favored. The culture is based around "lagom", which roughly translates as not too little, not too much, not too noticeable and everything in moderation. It ensures that everybody gets something, and nobody leaves empty handed. "Lagom" is considered as a Scandinavian concept and is a fictional law that encourages people for not lifting themselves above others.

Appendix 1/2

U A I	*Finland has a score of 59 which means it has a high preference for uncertainty avoidance index. This means that the society maintain strict codes of behavior and are considered as intolerant towards unusual ideas and behavior. Common nominators in this type of societies are the need for rules, time is valued, people are busy and hard workers, and punctuality and precision are norms. Also, security is important for individual motivation.*	*Norway has a score of 50 and does not therefore indicate a specific preference for uncertainty avoidance index.*	*Sweden has a low score of 29 on uncertainty avoidance index. This means that in Sweden, the society have a more relaxed attitude where principles do not count as much as practice. Therefore, deviating from the norms is much more tolerable. People in low UAI societies believe that there should be enough rules but not more than necessary, and if the rules does not work as they should, they should be changed or abandoned. Punctuality and precision do not come naturally, and hard work is avoided unless necessary.*
L T O	Finland has a low LTO score of 38 and is therefore a normative society. This mean that in Finland, people respect traditions, focus on getting quick results and have only a small tendency to save for the future.	Norway has a low LTO score of 35 and is therefore a normative society. This mean that in Norway, people respect traditions, focus on getting quick results and have only a small tendency to save for the future.	Sweden has a score of 53 and does not therefore indicate a specific preference on long-term orientation dimension.
I V R	Finland has a high score of 57 and is considered as an indulgent nation. Societies with high indulgence considers that enjoying life is important. These societies have a positive attitude, are optimistic and consider leisure time as of high importance.	Norway has a score of 55 and does not indicate a specific preference on indulgence versus restraint dimension.	Sweden has a very high score of 78 and is considered a very indulgent nation. Societies with high indulgence considers that enjoying life is important. These societies have a positive attitude, are optimistic and consider leisure time as of high importance.

Appendix 2

Ovitor Oy Customer Surveys



Question 2: Why would you not recommend Ovitor?			
2018		**2019**	
Answers	**Related to:**	**Answers**	**Related to:**
1		2	
3			

Question 3: Who is your primary contact person at Ovitor?		
	2018	**2019**
JB	7	8
HK	23	17
SM	18	18
PP	9	8
RR	1	

Question 4: Your free form greeting to Ovitor			
2018		**2019**	
Answers	**Related to:**	**Answers**	**Related to:**
13		9	
6		3	
1		1	
2			