

**INFLUENCE OF THE ECONOMIC CRISIS ON SME's
MARKETING**



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TIIVISTELMÄ

Tämän opinnäytetyön tavoitteena oli selvittää, kuinka meneillään oleva COVID-19 on vaikuttanut yrittäjien arkeen ja miten paljon yrittäjät ovat joutuneet vaihtamaan markkinointi strategiat, jotta pärjäisivät tämän pandemian aikana.

Tätä opinnäytetyötä tutkittiin kyselyn avulla, ja kyselyä jaettiin kohdehenkilöille ja tutkimuskysymystä käytettiin tutkimuksen tavoitteiden saavuttamiseen. Tämä tutkimus tehtiin kvalitatiivisen tutkimusmenetelmän avulla, koska kvalitatiivinen metodologia auttaa oppimaan mielipiteistä ja antaa paremman näkökulman nykytilanteesta.

Opinnäytetyön keskeinen sisältö oli digitaalinen markkinointi, koska nykymaailmassa digitaalinen markkinointi on todella tärkeää ja sosiaalisen median markkinoinnin tärkeys tuotiin esille tutkimuksessa. Opinnäytetyössä oli myös kuluttajien ostokäyttäytyminen ja miten se on muuttunut COVID-19-tilanteen takia.

Tuloksissa näkyy digitaalisen markkinoinnin tärkeys, ja myös kyselyn tuloksena näkyy se, että kuinka paljon yrittäjät käyttävät digitaalista markkinointia perinteisen markkinoinnin sijaan.

Avainsanat COVID-19, markkinointi, digitaalinen markkinointi, perinteinen markkinointi, ostokäyttäytyminen

Sivut 58 sivua, joista liitteitä 0 sivua

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ABSTRACT

The aim of this thesis was to find out how the ongoing COVID-19 has affected the daily lives of entrepreneurs and how much entrepreneurs have had to change their marketing strategies in order to survive during this pandemic.

The survey was shared with the target group and the research question was used to achieve the objectives of the research. This research was made by using qualitative research methodology, because qualitative methodology helps to learn about opinions and gives a better perspective about the current situation.

The main content of the thesis was digital marketing and the importance of social media marketing was highlighted in the study. This thesis research also included consumer buying behavior, and how it has changed due to the COVID-19 situation.

The results show the importance of digital marketing and the survey also shows how much entrepreneurs use digital marketing instead of traditional marketing.

Keywords COVID-19, marketing, digital marketing, traditional marketing, consumer buying behavior

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1 INTRODUCTION

The aim of this research is to compare different types of marketing, both traditional and digital marketing, and also introduce different kind of social media platforms that might be suitable for companies for marketing purposes. However, the main aim of this research is to find a way to survive during the economic crisis and be prepared for anything similar that might happen in the future, and also to compare the experiences of different entrepreneurs and companies, to see how much the marketing strategies had to be changed to be profitable during the COVID-19.

The most important tool in a successful company is marketing. Marketing doesn't only help to build brand awareness but is also can increase sales, grow business and engage customers. It is very important to know what works for each company and what doesn't, because it is not a simple choice. First the entrepreneur needs to understand the idea of marketing, and also know the audience and target customer group, and have a unique product, and after that the entrepreneur can figure out what is the best kind of marketing for their company. Or if the company has enough budget, then they can simply hire a marketing professional to take care of all these issues.

Operating a company is already a difficult task but what happens when a worldwide crisis happens? How does a company survive, especially small companies? How much does the company's strategy has to change to survive during the economic crisis? Finding the right marketing strategy is already a difficult step, without having to deal with the other issues, such as surviving during an economic crisis.

In the last few decades, the rise of usage of social media platforms has given many more opportunities to existing companies and new entrepreneurs for marketing and realizing the real needs of the customers. Social media has brought new ways to reach and communicate with potential customers. The most popular social media platforms for social media marketing are e.g. Facebook, Instagram, YouTube, Snapchat, LinkedIn.

1.1 Background of the research

This thesis is mostly focused on small businesses located in Finland, which have been operating for at least 2 years and most of these companies are run by female entrepreneurs. The reason behind this is because the author is part of a community only for female entrepreneurs in Finland, therefore it is so much easier to do a research by sending surveys to the members of the community.

Based on the statistics published in 2019 by the Small Business Administration (SBA), about 20% of the business startups fail in the first year. About half of those businesses that survived the first year fail within five years. Based on their statistics only 33% survive to the 10th year. This statistic also shows that in 2020, the chances for small businesses to survive is so much smaller because of COVID-19 related declines in sales. (Schaefer, 2020).

The reason why the author wants to focus on companies which have been operating for at least 2 years is because these companies are able to explain their current situation and compare it to the period of time before the pandemic. They also can share their experience about the beneficial changes they had to do during the economic crisis of COVID-19 and share their future plans for further successful development.

The author has also personal experience in marketing. The author did her specialization training in a company where the company only did digital marketing, with no extra budget. The author was mainly in charge of the marketing of the company; therefore, she changed the marketing strategy of the company to work better for the potential customers. After the specialization training, the author realized the power of social media marketing, and then decided to have this research topic because of her own personal experience and her career.

The author thinks that by this research she will be able to help other companies to find the best marketing channel suitable for their companies and their potential customers. Also, help during the economic crisis and prepare entrepreneurs for future, since we don't know if something similar might happen again or not.

1.2 Research Question and Objectives

This research only focuses on small businesses, located in Finland and mainly managed by female owners. The research question which has been answered is *“What kind of marketing is suitable for small businesses during an economic crisis?”*, and the supportive question is *“Can the same marketing method be suitable after an economic crisis?”*.

Social media marketing is a very important factor that needs to be researched, because it can bring different ways of success to different companies, even during an economic crisis. It is good to keep in mind that marketing is not about right now; it is about six months from now or three years from now. It is about future.

1.3 Methodology

This research is made by using qualitative research methodology, because qualitative methodology helps to learn more about opinions, views and impressions. Qualitative survey helps to collect data to describe a topic. Qualitative research methodology also helps to generalize the results to the entire focus group, if the focus group is carefully selected and if all of the participants are similar to each other, for example every participant has the same age, same background, same education level etc. It means probability sampling, where the results will always be the same whenever the survey is asked from the same focus group.

In this research however, the only mutual thing that participants have are the fact that they are all entrepreneurs. Age, background and education levels between participants are all different, therefore the results of this research can't be generalized, but the results will give a better description of the situation of the entrepreneurs during COVID-19. This means non-probability sampling, and the results won't be generalized.

The topic of this research is the impact of COVID-19 on marketing strategies; therefore, it is important to gain perspective from the companies also. Qualitative survey gives the opportunity for companies to share their thoughts, their opinions and their attitude toward this research.

1.4 Structure of the research

The first part of this research is theoretical framework, which will explain the main idea of marketing and the history of social media.

The second part is mostly about social media marketing, and the difference between social media marketing and traditional marketing. Also, different social media platforms will be introduced, and the user statics are shared to see which marketing channel is suitable for different companies based on their target group. (McCombes, 2020).

The third part of this research is about the Covid-19 pandemic and the economic crisis that we are going through, and how it has affected companies located in Finland.

The last part of this research is the conclusion of this study.

2 **MARKETING**

When Googling the word “Marketing”, Dictionary.com defines marketing as “the action or business of promoting and selling products and services, including market research and advertising”. But this definition is not very helpful, because marketing connects with advertising and sales, therefore marketing is present in all stages of the business, all the way from the beginning until the very end. (Forsey, 2019).

Marketing is not just one step; it is a process of getting potential customers interested in company’s product or service. To find out who are the potential customers and where to find them, market research and analysis must be done. Marketing affects all aspects of the business, such as product development, distribution methods, sales and advertising. (Forsey, 2019)

2.1 **Types of Marketing**

There are many different types of marketing strategies available and picking up the right marketing strategy includes analyzing the needs of the company, the target customer, specification of the product, the location of the company and also where the potential customers spend their time. The two main types of marketing strategies are business to business marketing (B2B) and business to consumer marketing (B2C). The most common type of marketing is business to consumer marketing (B2C). (Smith, 2020).

Below is a list of types of marketing that companies use for B2C marketing explained:

- **Social media marketing**

Social media marketing helps companies to connect with their audience, helps to build the brand, increase sales and drive website traffic. Based on research made by Forbes, 61% of companies use social media to increase conversions and 50% of the companies use social media platforms to gain new customers. (Woschnick, 2020).

- **Paid Media advertising**

Paid media is a very popular tool among companies, because it helps to grow company’s website traffic through paid advertising. The most popular method is pay-per-click (PPC) links. This means that whenever a customer uses search engine for a product, if the keywords are related to

the company's product or the service, the link will appear as an advertisement. Whenever the advertisement link is clicked on, the company pays the search engine a specific amount. (Smith, 2020).

- Internet Marketing

This type of marketing combines web and email to advertise and drive e-commerce sales. In some cases, social media platforms are also included to create brand presence to promote products and services. This type of marketing is usually used together with traditional advertising, such as radio, television and print. This also includes online reviews and opinions. (Smith, 2020).

- Email Marketing

This is a very effective marketing strategy but there is always the chance of the email going to the spam folder and never reaching the potential customer. Email marketing is very simple to understand – basically whenever the company emails the customer, either with details about a new product or a new service, or about the upcoming events, campaigns and sales, it is considered a form marketing. (Ward, 2020).

- Direct Selling

This is also a very easy marketing strategy to understand - marketing and selling products directly to consumers. This however doesn't mean the sales that happen in the retail store. This means the sales that happen away from the retail store because usually the salesperson builds face-to-face relationship with the customers and sells the products at an individual customer's home. Brands such as Avon, Herbalife and Mary Kay use this method. (Ward, 2020).

- Cause Marketing

This type of marketing helps to improve brand reputation. Usually cause marketing is done with two different companies – one non-profit brand and one that is for-profit brand, to mutually promote and benefit from social and other charitable causes. (Woschnick, 2020).

Finding the right marketing strategy is necessary because it effects in the long run and has a longer timeline than an individual marketing plan. Marketing strategy contains key business elements such as branding and value proposition. Understanding the difference between marketing strategy and marketing plan is important because marketing plan includes the details of individual campaigns, and these campaigns are usually only for six months or up to a year. (Hopper, 2020).

Marketing campaigns depends mostly on where the company is located, what kind of product or service they provide, and where the potential customers spend their time. Market research is the key to find out what kind of marketing campaign is suitable for the business to reach potential

customers. Many small companies just place an advertisement, or create a website or a Facebook page, and they consider marketing campaign done. Unfortunately, these won't bring the best results, if market research isn't done properly. A marketing campaign that works for one particular company, won't necessarily work for another company. (Ward, S. 2019) However, before creating the marketing campaign, there should be the marketing plan, because having the marketing plan will help with the process. Marketing plan is most suitable for small businesses, because it provides the overall marketing objectives and strategies to attract the target group for company's products and/or services. Marketing campaign is only a small piece of marketing plan, it is a marketing action designed to bring benefits to the company. Once the marketing campaign fits into the company's overall marketing plan, then the company can identify their target market and do a research on how to reach them.

Sometimes only one marketing method won't be enough, and there creativity has a big role, to mix different tools within each other, to find what is the best for building the brand of the company.

2.2 Four P's

The four P's of marketing are the key factors involved in marketing of a product or a service. This concept is not only for big companies, the smaller the business, the more they must pay attention in mastering the four P's. (Patel, 2020). The four P's are product, price, place and promotion of the product or the service. The four P's are affected by internal and external factors in the overall business environment. The four P's of marketing summarize the basic pillars of any marketing strategy. (Luenendonk, 2020). Marketing simply explained means placing the right product in the right place, at the right price and at the right time. This sounds like an easy task, but before having all the four P's, a lot of hard work and research needs to be done, because even if one of the element is off the mark, even the best product or the best service can fail completely and end up destroying the company totally. (Twin, 2020).

The four P's are also usually referred to as the marketing mix which was introduced by E. Jerome McCarthy, a marketing professor at Michigan State University in 1960, in his book called "Basic Marketing: A Managerial Approach". By using the marketing mix, the company can ensure that placing the right product in the right place, with the right price at the right time might actually happen. Marketing mix is a necessary tool to help understand what the product or the service can offer and how the product or the service can be successfully offered to consumers. (Patel, 2020).

With the help of the four P's, companies can identify some of the key factors for their business, such as what consumers want, how the product or the service satisfies or dissatisfies the consumers, how the product or the service is recognized and how the product or the service stands out from the competitors, and how the competitors interact with their

customers. (Twin, 2020). At the time when this concept was first introduced, it helped companies get through the physical barriers that prevented widespread product adoption. But in today's world, with the help of the internet, businesses can achieve a great level of integration between businesses and consumers and overcome almost every barrier. (Anderson, 2020).

Product

Product is what the company offers to the customers. It can be a soft drink, dresses or even a software. The product can also be a service, such as consulting or therapy session. The ideal goal of the product is to fulfill an existing consumer demand. Or in some cases, the product can be very compelling that it creates the need that wasn't there in the beginning. The consumer is so compelled that it creates a new demand that wasn't existing in the beginning. (Patel, 2020).

Defining this part of the four P's strategy means understanding what the product or the service has to offer in order to stand apart from the competitors and be unique in the market. Marketers need to understand the life cycle of the product and business owners need to have a plan for dealing with products at every stage of their life cycle. Understanding what problems the product is solving is also a key factor. (Anderson, 2020). Also, the type of the product the company offers effects partially on how much the business can charge for it, where they should place and how they should promote it. (Twin, 2020). However, when creating a new product or a service, before investing too much money or time, businesses should ask for feedback and the process of creating a new product or the service should not go any further before the feedback has received and analyzed. This way the company won't waste months' worth of time building a product or a service that consumers don't want to see or use. And last but not least, the potential buyers of the product need to be identified and understood. (Patel, 2020).

Price

Price is the actual amount the end user is expected to pay for a product or a service. Pricing a product directly affects how it sells. It is linked directly to what the perceived value of the product is to the customer rather than an objective costing of the product on offer. (Luenendonk, 2020). When deciding on the price, the business should consider the supply costs, seasonal discounts, distribution plans, value chain costs and the competitor's prices for their similar product. In some cases, the brand image defines the price of the product because it is labeled as luxury and the company might offer lower prices or seasonal discounts just to get the attention of more consumers and get the consumers to try their product. (Twin, 2020).

Pricing the product right is a key factor that affects the sales. If the product is over-priced or underpriced than its perceived value, then it will not sell. Understanding what kind of value the consumer sees in the product is very important in pricing. If the consumer gives more value to the product, then the price can be higher than the monetary value, but if the product doesn't have much value in the eyes of the consumer, then over-pricing the product is a huge mistake. In this case, the product must be sold with lower price. (Patel, 2020). The position of the business in the market also affects pricing. If the business is the leader in the market, then the prices can be higher than normal, but if the business is new in the market with their product, they should start with having cheaper prices to build brand awareness and gain more customers. (Luenendonk, 2020). Some companies assume that having discounts and offers all the time will have a positive effect on their product and the prices, but they are wrong. Even if discounts bring more customer, it might also give the impression that the product is less exclusive or less of a luxury compared to when it was priced higher. Also, having too much discounts or offers can make consumers assume that the real value of the product is lower than the price tag, and they might not be willing to buy the product when there is no offer. (Twin, 2020).

Place

The place and the placement effects how the product will be provided to the customer. Businesses should be where the customers are. Don't expect that the customers will come to the company, the company has to go to the customers. The placement strategy will help assess what channel is the most suited to a product. How the product is accessed by the end user also needs to compliment the rest of the product strategy. (Twin, 2020). Determining the place helps to determine how to deliver the product to the market. The goal of businesses is to always get their products in front of the consumers that are mostly likely to buy the product. Placement doesn't only mean the physical location of the company. It also refers to placing a product in certain stores and it also refers to the product's placement on a specific store's display. It also means including the product on television shows, in films or on some websites in order to get more attention for the product. (Luenendonk, 2020). In today's world, businesses are all on virtual worlds also, and picking the best platform for businesses is necessary. Companies must first figure out who their main customers are and use those platforms for their placement. If the company offers a service that is suitable only for 40years old adults, placing their ad for example on TikTok won't bring any new customers for them because TikTok is mostly used by teenagers. (Patel, 2020.)

Promotion

Once all the previous three P's are mastered, the company should fully concentrate on promotion, because it is time to offer. This may include advertising, sales promotions, special offers and public relations. No matter what channel is being used, it has to be suitable for the product, the price and the consumer who it is being marketed to. It is important to understand the difference between marketing and promotion. The goal of promoting a product is to make the consumers realize why they need the product and why they should pay the certain price for it. (Twin, 2020).

2.3 Consumer buying behaviour

Consumer buying behavior means the action taken both online and offline by consumers before buying a product or a service. This process might include checking search engines, engaging with social media posts, word-of-mouth (WOM), or a variety of other actions. For businesses this is the most important issue to understand because it helps businesses to better adapt their marketing strategies to the marketing efforts that have successfully influenced consumers to buy in the past. (Nicasio, 2019). Consumer buying behavior includes 5 steps, which will be explained below.

Problem recognition

This is the very first and the most important step in consumers buying process. Consumer has a problem/need that can be solved by a product or a service. A purchase can't be done without the recognition of the need. The need might be triggered by internal stimuli (for example hunger or thirst) or external stimuli (for example advertising or WOM). In some rare cases consumers start this process by feeling the symptoms of an issue. Consumer knows that something is missing, but they can't figure out what can solve the problem (For example when the computer slows down). In most cases however, the problem is more obvious. For example, the consumer drops their laptop and the laptop breaks into a million pieces. The consumer immediately recognizes the problem and knows how they can fix it (buying a new laptop). (Nicasio, 2019).

There are also some cases, when consumer doesn't know a problem exists until they discover it by chance. For example, consumer sees an advertisement for cheaper electricity and the consumer realizes that they are overpaying. In this step, businesses should identify the needs of the consumers and offer the products based on the desire. (Johnston, 2019).

Information search

In this stage the consumer is aware of their needs and wants. Now the consumer realizes that she/he wants to buy a product or a service that can

fix their problem. The consumer starts to search for the product or the service that can fix the problem. Based on a survey made by Forbes, 85% of consumers use Google to search for products, services and more information. Google is still the top research tool for consumers. (Johnston, 2019). At this stage the consumer will try to find multiple options available and search for the best solution for their problem. The consumer will look at advertisements, online reviews, videos and even ask friends and family for their opinion and their experience in similar situation. For example, if the consumer has to buy a new laptop, they will search for the best price, discounts, warranty, after sales service, insurance and reviews of other people. In this stage the businesses should offer a lot of information about their product and service to gain the consumers attention. (Nicasio, 2019).

Evaluation of Alternatives

In this stage of buying process, the consumer has already done enough research about the kind of product or service can solve their problem. In this step, the consumer evaluates alternative products or services that can solve their problem. Consumers pay attention to those brands or products that can deliver the benefits the consumer is seeking for. (Nicasio, 2019). In this stage the attitude and involvement of the consumer has a huge impact. If the consumer has a positive attitude and the involvement is high, then the consumer will evaluate more brands and products before going to the next stage in the buying process. But if the involvement and attitude is low, then the consumer will only evaluate one brand or company. Consumer will evaluate the alternatives based on looks of the product, durability, quality, price, service, popularity, brand and social media reviews. At the end of this stage, the consumer ranks their choices and choose a product or service that fulfils his needs and wants. (Johnston, 2019).

Purchase decision

Most people think that this is the last stage, and in businesses just assume that if the consumer has come this far, then they won't change their mind. This assumption is not correct. At this stage the consumer has explored multiple options and they are aware of the price, product and payment options available. At this stage, the consumer will make the decision that if they want to buy the product or not. Philip Kotler (2009) states that in this stage the final purchase decision might be "interrupted" by two factors. The factors that might affect the decision are negative feedback from other customers and the level of motivation to accept the feedback. For example, the consumer wants to buy a laptop and has gone through the last three stages and has chosen the product that is the best alternative for their needs and wants, but in this stage, the consumer's friend who has bought the same laptop gives a negative feedback about the product. This will make the consumer to change her/his decision. Another factor that might affect changing the decision is a sudden change. The sudden change

might be financial difficulties, unexpected higher price or even lack of customer service. (Nicasio, 2019). Consumers can come up with many different reasons for not buying a product or a service, but in this stage, it is very important for the business to figure out the reasons behind their decision. Businesses should work harder in this stage, to remind the consumers why they should buy this specific product. (Johnston, 2019).

Post-purchase behavior

This is the last stage, and unfortunately, this stage is usually forgotten by the businesses. However, this is a very important stage. Consumers will compare products with their previous expectations and if the products fulfil their needs then they will be satisfied. If the product doesn't fulfil their needs, then they will simply be dissatisfied. This will affect the consumer for any future purchase from the company. If the consumer is satisfied and wants to buy a new product from the same company, they might even skip the previous stages. This builds brand loyalty. (Nicasio, 2019). Consumers share their experience with others no matter if they are satisfied or dissatisfied, they leave reviews and share their experience with close friends and family. Businesses should make sure that the consumer is satisfied with the product and a positive experience will lead to repeat customers. It is company's responsibility to create a positive post-purchase experience by engaging more with the customers and making the process as efficient as possible. (Johnston, 2019).

Understanding these five stages of consumer buying process is very important for companies. Sales don't just happen, even consumers have to go through a few steps and spend quite a bit of time and effort before making the decision. Companies that increase their sales are the ones that engage with the consumers at every stage of their buying process. (Nicasio, 2019).

Consumer buying behavior has changed slightly in the past few years, because of all the information available on the internet. Consumers don't have to go around asking friends or family for their opinion or their experience about a small purchase, such as a new laptop. Customers search online for customer reviews and now customers are paying more attention to what others are buying. This gives more power to the customers, because customers trust reviews of previous buyers more than what the company is promising. (Kelly, 2020). In today's economic situation, businesses have to work very hard to keep their customers satisfied so that the customer doesn't write a bad review. Businesses have to take advantage of social media platforms and engage with customers through all the stages of buying process. (Nicasio, 2019).

3 SOCIAL MEDIA

Social media is no longer just a social media platform, where we stay in touch with our friends and family, but it has become one of the largest marketing channels for both sole proprietors and large businesses. Social media has become a dominant force in marketing, with platforms such as Facebook Ads, LinkedIn sponsored content, Twitter ads etc. (Advig, 2017). However, social media marketing is not only about the advertisements, it is about branding, company engagement and feedbacks from the customers. Social media has totally created a new way of marketing. Perhaps, social media has created even an easier way for companies to reach to their consumers and listen to their needs.

Just like any other marketing strategy, marketers that use social media need to understand the changing trends, and if they can understand and adapt to it, they can get all the advantage of social media for their companies and stay ahead of the pack. (Advig, 2017).

Another reason why social media has grown to be a dominant force in marketing is because the traditional marketing is not so powerful as it used to be. Mass marketing such as television and radio are not so attractive to consumers anymore, because of the online services that are available all the time. Consumers don't spend as much time as before on TV watching commercials, when they can just search for the information online, and they can also find a lot of reviews or other kind of useful information. (Agrawal, 2016). Also, online marketing is way better targeted, that way the company can reach for only people who might actually be interested in what the company does and what they offer, unlike mass marketing. (Agrawal, 2016).

3.1 History of Social Media

History of social media is very fascinating, because many people assume that in 2006, when Jack Dorsey finished coding a site for Internet users to post 140-character messages was a pivotal moment in the rise of social media. That site was called 'twtr', later Dorsey and his co-founders added vowels to the service, forming Twitter. (Rosenwald, 2017). But this wasn't the moment in the rise of social media, the history of social media began almost two centuries earlier in 1844, when Samuel F.B. Morse, a painter/inventor, sent a message from Washington to Baltimore. (Rosenwald, 2017).

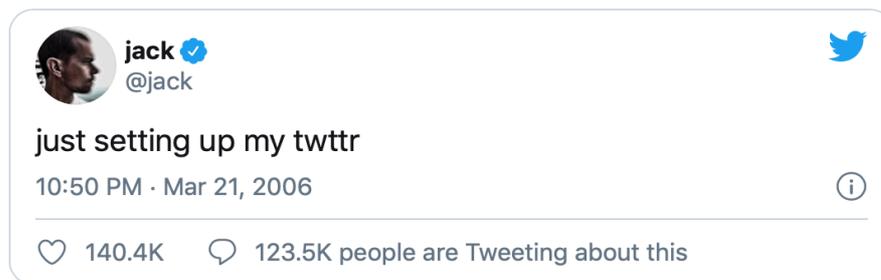


Figure 1. First Twitter post ever sent in 2006.

Social media platforms have been part of our lives since early 2000s, and it has been growing at exponential rates since then. It has become day by day harder to imagine a world without it. (Carpenter, 2020).

- Facebook was launched in 2004 by a Harvard student called Mark Zuckerberg, research made by Pew Research shows that today it has nearly 1.7 billion users.
- Reddit was launched in 2005 by two 20-years olds Steve Huffman and Alexis Ohanian. It was launched as a platform where news was shared. Now it has over 300 million users. (Pew Research, 2020).
- Twitter was founded in 2006 by Jack Dorsey. The point of Twitter was to share short information. According to the research made by Pew Research, today 22% of adults living in US are Twitter users.
- Instagram was founded in 2010 by a student graduated from Stanford called Kevin Systrom. In 2012 Facebook bought Instagram, and now it has over 1 billion users worldwide. (Pew Research, 2020).
- Snapchat was founded in 2011 by Evan Spiegel, Reggie Brown and Bobby Murphy. They introduced the concept of “stories”, short videos and “filters” on this video-sharing platform.
- TikTok was founded in 2016 by Chinese tech company ByteDance. In 2018 this social media platform merged with American mobile app Musical.ly and that way it became popular among teens and young adults. In the beginning of 2020, TikTok had more than 800 million users worldwide. (Pew Research, 2020).

Since 2004, social media has been growing and it hasn't reached the peak of its popularity yet. Social media platforms are now major source of news and information. Also, social media platforms are the most unique way to interact with customers. Social media doesn't only provide a platform for customers to communicate with other customers, but it also offers the possibilities to share user-generated content (UGC), such as photos and videos. (Hendricks, 2019).

In 2020, social media marketing is one of the most powerful marketing strategies but choosing the right social media platform depends totally on the target market. (Ahmad, 2020).

3.2 Statistics

Social media has affected our daily lives in so many ways that it is difficult for us to realize. These statistics will help entrepreneurs to see if it's worth investing in social media for their business. (Mohsin, 2020).

Below are 10 different statistics to make it easier to figure out which social media platform is the most suitable for your company for marketing purposes.

1. Active social media users

Based on the research published on Emarsys' website on 2019, there are 3.5 billion social media users worldwide and this number is only growing. It is about 45% of the current world's population. There reason behind the high usage of social media is because it is very popular amongst people and so many people have smartphones now and most of the social media platforms are available as mobile apps which makes it even easier to have access. (Tjepkema, 2020).

2. Market leader: Facebook

Facebook has had a huge impact on the shaping of the social media landscape since its launch and it has done so many changes during these years to meet its user's needs. Based on the research made in Statista in 2020, Facebook has had 2.7 active monthly users on the second quarter of 2020, therefore, Facebook is the biggest social network worldwide. These statistics are made based on the active users that have logged into Facebook during the last 30 days.

In 2012, Facebook was the very first social network to surpass the one billion active user mark. (Mohsin, 2020). These statistics are important to keep in mind when deciding which platform to use for your business. Just because many people use Facebook, it doesn't mean that it is necessarily the best platform for every company to do their marketing on. It is very important to understand how Facebook works for it to help the business to reach its best audience.

3. Daily usage by generation

Based on the research made by Emarketer in 2019, around 90.4% of Millennials, 77.5% of Generation X, and 48.2% of Baby Boomers are active social media users. Millennials are the generation that were born between 1981 and 1996. Generation X is the generation that were born between 1965 and 1980. And Baby Boomers were born between 1946 and 1964. This statistic shows that each generation uses social media platforms. (Emarketer, 2019).

4. Time spent on social media

Statistics made by Global Web Index in 2019, show that some people spend up to 3 hours per day using social media and messaging. This brings countless opportunities for businesses who are looking to reach out to their audience through social media marketing because people are already using social media, companies only need to find the right ways to communicate with customers and get their attention. (Globalwebindex, 2019).

5. The power of Social Media Marketing

Brands are using social media platforms, and based on survey made by Buffer in 2019, 73% of marketers believe that their efforts through social media marketing have been very effective for their business. (Buffer, 2019). Companies are including social media in their marketing strategy, because through social media it is so much easier to reach the target customer. Social media also brings more opportunities, such as influencers or story ads. (Mohsin, 2020).

6. Customers

Based on another research made by Global Web Index in 2018, around 54% of social media users browse social media platforms to research about the products. One of the reasons why people join social media platforms is also to see reviews and recommendations. This is why it is important to have a prominent online presence on various social media platforms. But before that, it is more important to find out which social media platforms are used by the target group in mind and how to make the most out of it. One social media platform that works well for one company for marketing won't necessarily work for another company.

7. Customer experience

Social media marketing is essential for almost every business. Based on the research made by Forbes in 2018, 71% of consumers who have had a positive experience with a brand on social media are likely to recommend the brand to their family and friends. This also helps to build a positive

relationship with customers. (Mohsin, 2020). Social media platform also gives the opportunity for the customers to express their dissatisfaction by leaving a negative comment or giving a negative feedback and all that information written will be available for other customers to read also. (Tjepkema, 2020).

8. Influencers

Based on the research made by Forbes in 2019, influencer marketing is very popular at the moment. Research results of Forbes showed that 49% of the participants would depend on the influencer's recommendation. Which means that if influencer is recommending a product or a service, the consumer feels more confident in buying the product or the service. This statistic shows how brands can reach to their customers through influencers because consumers trust the influencers. (Tjepkema, 2020).

9. Instagram Stories usage

Based on the statistics made in Statista in 2019, in 2017 when Instagram brought the Story option to their network, it only had 150 million daily active Instagram Stories. But in 2019, it had increased to 500 million daily active Stories worldwide. Instagram Stories lets Instagram users to post videos and photos on their own personal account that disappears after 24 hours. (Buffer, 2020).

Instagram Stories can be made to be more engaging, with adding questions, polls, stickers or music to make a unique content. Instagram Stories give brands more possibility to be create something more creative and this usually helps the marketing campaign to become a success. (Tjepkema, 2020).

10. Social Media Users via Mobile

This is a very important point, because based on the research made by Lyfemarketing in 2018, 91% of all social media users use social media platforms via mobile devices. Therefore, every content that is made by companies should be mobile-friendly. The content and the layout should be optimized for mobile devices because people take their smartphones everywhere with them and all the social platforms are evolving to keep up with smartphones, so every brand also should be keeping up the good work. (Mohsin, 2020).

These social media marketing statistics show that different platforms can serve different purposes. As mentioned before, not every platform works for every company. These statistics will help to realize what platform is more suitable for which kind of company, and where the target group is.

Understanding each social media platform helps to get better insights and to maximize the results.

3.3 Social Media Marketing

Social media marketing first started with publishing. Businesses started to share their content on social media to generate traffic to their websites and have some sales. But the idea of social media has changed a lot from just being a place to broadcast content.

Before the influence of social media, marketing was different. It was primarily a process in which two parties were involved: the supplier and the customer. Both of them had a clear role. The supplier would create something that was needed by the customer, and the customer would respond as the supplier had hoped for. It was thought that the intention of the supplier and the delivery of the message were seen as crucial determining factors which shapes the behavior of the customer. (Muse, 2019). This theory was proven wrong by market researchers, who made it clear that suppliers can't deliver messages to all the potential customers without understanding customers intentions. (Barker, 2020).

Before starting a successful social media marketing campaign, it is important to keep in mind that traditional marketing and digital marketing are two different marketing strategies and they should not be mistaken, and the results might not be the same. Businesses that are not familiar with digital marketing just assume that the communication with customers will just flow without working hard for it. (Patriarche, 2019). Understanding the link between marketing and social media is very important. Social media is a technological marketplace which provides a practical way to make changes in deeper business processes across a wide range of applications. Social media creates a deeper, customer-driven connection between companies and marketing. (Traudt, 2020).

Social media marketing method is different than traditional marketing, because once the business decides to do social media marketing, they have to carefully analyze who their target customer is. In traditional marketing the business focuses on the target customer and doesn't pay any attention to those who don't bring anything for the business and usually they try to get rid of these kinds of customers. But in social media marketing this is totally different, because there are some people who might not be target customer, but they might have a huge impact on the marketing efforts of the company, such as bloggers, influencers or celebrities. Therefore, in social media marketing it is important to approach these kinds of customers also and not try to get rid of them like in traditional marketing. (Kelly, 2020).

Internet-based publishing and social technology has connected people around the business and business-like activities. This includes B2C, B2B and even C2C. Social media has made it possible for consumers to get information that was before only available for a selected audience.

Before social media and Internet-based publishing, consumers bought a product or paid for a service based on what they were told (WOM) and it was almost impossible to do more research about a product or a service before purchasing because there wasn't any platform where people could just simply search for reviews of a product or a service. (Traudt, 2020).

Social media marketing is practiced by engaging with customer via social media platforms where the customers would naturally spend their time also. Social media picks on what the customers are talking about, their interests and connects this information to businesses and this way a link between the business and customer is created. (McKee, 2019).

Social media marketing has given so many different opportunities to businesses. If a business is concerned about what customers are saying about their brand, business owners can just simply monitor through social media conversations where the business is mentioned and try to react to the negative feedback. This helps business owners to create a better relationship with their customers, because they also have more access to better information, and they can provide a better service or product for the customers. (Kelly, 2020).

Technology has developed so much in the past 20 years, and mobile phones have become smartphones and high-speed wireless internet is available everywhere, in homes, businesses and public places. This made it possible for consumers to take their smartphones with them everywhere and have access to everything all the time. Social media marketing gave advantage to businesses to interact with their customers in a newer and simpler way and made it easier for businesses to create new ways for buying their products and services. (Kelly, 2020).

Social media platform Facebook started having ads on their platforms in 2006, Twitter started having ads in 2010. Social media platforms such as LinkedIn, Instagram, Pinterest, Snapchat and TikTok also started slowly to have more advertisements on their platforms and they have so many sponsored advertisements. (Gil, 2020). This new change helped businesses to discover the potential of having an active and engaged social media presence. Just like any other marketing method, advertising on social media platforms also cost some amount of money. Many businesses create informative or entertaining content on social media platforms to help the brand to grow an audience organically without paying anything extra for it directly. (Gil, 2020).

Businesses use social media platforms to increase brand awareness, generate leads and increase changes, develop and nurture a better relationship with customers and also learn from competitors. Social media

created an extra way for businesses to connect with their customers. (Bodnar, 2020).

Social media platforms also can help for businesses to create a personalized “voice” for their company. Customers can learn so much more about the business by reading the content shared on company’s official social media page and the bottom line when it comes to social media marketing is the authenticity. Customers want to know that businesses are ran by real people, and not just by a robot. Customers want a real personality from brands and not just a copycat. (Chen, 2020). It is important to develop and use consistent visual branding across all social media platforms and use a tone that reflects the business’ public persona and ethics. Some businesses fail to develop a consistent and engaging social media presence, and therefore they aren’t taking the full advantage of the marketing tools available. (Bodnar, 2020).

Social media marketing has its’ own challenges. Brand consistency is a challenge for every company. Company’s marketing strategies should all have a similar tone, and it has to match the brand’s persona. It has to be clear to the audience, that no matter where the marketing is done, the brand won’t change. (Chen, 2020). Creating a brand is about so much more than just designing a logo and choosing set of colors. Brands are created by the experiences of the customers, and it is built by taking a consistent approach across every interaction customer have with the brand. (Bodnar, 2020).

Choosing the right social media platform is the first step, and the second step is changing the marketing method and content depending on which platform marketing is being done without losing the right “voice”. For example, the users of TikTok are younger than the users of Facebook. If businesses use the same content on both platforms, the results won’t be the same, therefore businesses should have multiple marketing personas to get a better result for the marketing efforts. (Chen, 2020). As mentioned before, social media platforms increase brand awareness, because more and more people are on social media on daily basis. Social media helps companies to direct the traffic straight to their website by including the links to the website on company’s profile, bio or posts. (Kepner, 2019).

There are tools for businesses to understand how they are performing on social media by analyzing its reach, engagement and sales. It is called social media analytics. Also, if the business wants to reach a specific set of audience, then the business should run highly targeted social media advertisements (Sebald, 2020). Users can react in various ways to a post shared on social media platforms by businesses, they can comment, follow, share or click on a shared link. All of these can be measured by the analytics provided by the social media platforms (for example Facebook Insights, Twitter Analytics, LinkedIn Page Analytics). Each one of these engagements creates an opportunity for marketers to influence a

customer or even a group of customers. Businesses can monitor their social media feed in real time, either through an automated service or in person, and can quickly respond to customer's request, comment or feedback. (Bodnar, 2020).

Also, there are data that reveal customers' habits, and can create a long-term social media strategy. These data can show for example that when customers are most active on the platform and this information can be used to determine when is the best time to post a new content to get the most attention (Bodnar, 2020).

3.4 Influencers

Another topic of this research is the influencers on social media, and how it actually works. Influencer marketing is not something new, it has been used for many years, but in the recent years it has become more of a trend, because many marketers has realized how powerful it actually is. (Dada, 2017). According to research done by Forbes.com, in 2017 many consumers don't like to be advertised to and they think marketing messages have less credibility every day, therefore, influencer marketing is much more powerful when compared to traditional marketing, that can be both expensive and inefficient. (Dada, 2017).

When talking about influencers, people might have the misconception that influencers are people who have large social media following, and they are famous people. Influence and popularity are two different things. An influencer is someone who has the power to influence the opinion of others or to get them do/try something different. (Dada, 2017). Influencer is someone who will help the company to build a better brand awareness, reach to more people, and get people to buy the company's product/service. (Dada, 2017). An influencer should be interested in the product/service and have similar morals with the company, and that should be the reason why an influencer is talking about the company's product/service, not because they are being paid, and because they know that the information might be useful for their readers as well. Influencer marketing does take more time than normal social media marketing, but it is more credible and useful than any ad. It will increase the reach, credibility and salesmanship of a community of influencers, which will promote the company's product/service, and that will result in awareness, improved perception and action.

4 TRADITIONAL MARKETING

Traditional marketing means any kind of marketing that isn't online. It incorporates different forms of advertising and marketing and it is the most recognizable type of marketing and it is something that we see and hear every day. Traditional marketing strategies are print (e.g., newspapers, and magazines), broadcast (e.g., TV or streaming services), direct marketing, telephone, billboards, event marketing, promotional material and public relations. (Anderson, 2018). Technology has advanced and it has also affected traditional marketing. For example, there are now more tools for designing ads, and the print media is not anymore just a simple paper with ink in it, but digital techniques has also changed this and therefore they go hand in hand with traditional techniques. (Hausman, 2020).

Many people assume that because of digital marketing, traditional marketing isn't as effective as it used to be, but this is not the case. Many companies still have print advertisements in magazines or newspapers, or even business cards. There are still many commercials on TV and radio. There are many billboards and companies still pass their brochures, posters or flyers. Many people still around the world read newspapers and magazines, therefore finding advertisements through them is very easy. (Hausman, 2020). Some companies only focus on digital marketing and some only on traditional marketing, but for some companies combining both digital and traditional marketing has brought the best results. (Anderson, 2018)

Combining digital marketing and traditional marketing increases brand awareness, helps to find customers in a more convenient way and builds customer loyalty. Also, combining these two can help save so much marketing costs. A traditional print advertisement might cost hundreds of euros, but for example using Google Ads costs almost zero compared to traditional print, but in exchange, the company will be able to reach so much more potential customers. This is one of the reasons why digital marketing has become more popular than traditional marketing. (Tama, 2020).

Choosing the right marketing strategy depends on the industry and the potential buyer personas as well. Traditional marketing works best for industries were the potential buyer are elderly people, who still read newspapers and magazines on daily basis. However, there are also disadvantages in traditional marketing, such as the fact that it can only be reached by the local audience, and in some cases the results can't be measured. Also, traditional marketing is more expensive compared to digital marketing. Another disadvantage of traditional marketing is that it is one way, and the consumer won't be able to communicate with the company. (Anderson, 2020).

5 THE GREAT LOCKDOWN

The coronavirus disease that started in December 2019, in Wuhan China, has become one of the biggest threats to the global economy and financial markets. When the COVID-19 outbreak started, Chinese authorities locked down cities, restricted movements of millions and suspended business operations, and this move slow downed the world's second-largest economy and drag downed the global economy along the way. This lockdown however didn't stop the disease from spreading rapidly around the world, and this is how the Great Lockdown also known as The Coronavirus Recession was born. It means that countries implement necessary quarantines and social distancing practices to contain the pandemic, therefore the whole world has been put in a Great Lockdown. The size and speed of collapse in activity that has followed is unlike anything we have experienced in our lifetimes.

Today's crisis is nothing like what we had experienced before, and so far, the severity and the speed of the declines in economic output, unemployment rate, and consumption during the Great Lockdown are far worse than during the Great Depression. (Georgieva, 2020).

5.1 Current economic crisis

An economic crisis is considered as a time period with extreme decline of national income. Economic crisis usually happens suddenly. It could be a stock market crash, a spike in inflation, unemployment or bank failure. In 2020's case, the economic crisis is caused by the pandemic, COVID-19. It is very difficult to eradicate because every time economic crisis happens, the reasons behind it are different, but the results are always the same; high unemployment rate, near-bank collapse and economic contraction, lack of consumer spending. These have a simple effect on the economic, but they don't always lead to a recession if it addressed in time. It is very difficult or even impossible for companies to reach short-term or long-term goals during an economic crisis (Amadeo, 2020).

The economic crisis doesn't only affect the life of the companies but it also effects societies and the whole country. During this difficult time the prices get higher, debts increase, many unpredictable events happen and the level of sales decrease. The main issue during the economic crisis are instability circumstances and growth of expenses (Atmaka, 2016).

In the recent history, many experts assumed that the worst economic crisis was the Great Recession in 2008, but the situation in 2020 proved that even the experts were wrong. Economic crisis of 2008 destroyed the world financial markets as well as the banking and real estate industries. It caused to increases in home mortgages worldwide and caused millions of people to lose their life savings, their jobs and even their homes. (Erol,

2017). But the effects of COVID-19 on the economic situation are so far three times worse than the 2008 economic crisis in terms of GDP decline on an annual basis. Just like the Great Recession, current situation has affected every country, but it is so much different because it has closed schools, shops and borders. People all around the world have been under some kind of lockdown since the spring of 2020. Also, it has cost so much human lives, over 1,34 million deaths since the starting of COVID-19. The pandemic has caused millions of people to be at the risk of falling into extreme poverty. (Parker, 2020). The current situation has dropped the world economy into a very deep but thankfully a short recession that has affected everyone around the world. The reason behind this recession is not only the lockdown, but also the fear that consumers have of catching the virus, therefore people have avoided going to places they usually went to, and this has affected the economy. (Behvaresh, 2020).

Based on the researches done by Pew Research Center, 69% of Americans think the current economic situation is bad, while 30% think the situation is good. Pew Research Center surveyed people in Italy, Spain, France, the United Kingdom, Belgium, Germany, The Netherlands, Sweden and Denmark. Majority of people in Italy, Spain, France, Britain and Belgium thought the economy was in bad shape. But most of them were hopeful that their nations' economies will improve again in the next year. (Tappe, 2020). COVID-19 has had a huge impact on business life and the economy overall and this pandemic outbreak has had a significant impact on the world's economy (Worldbank, 2020). Many companies around the world are facing an existential threat and based on the research made by World Health Organization (WHO), nearly 3.3 billion people are at risk of losing their incomes. Many employees around the world don't have the social protection and they don't have access to quality health care and also have lost access to productive assets. This means that many people have lost the chance to earn an income during the lockdowns and many are unable to feed themselves and their families.

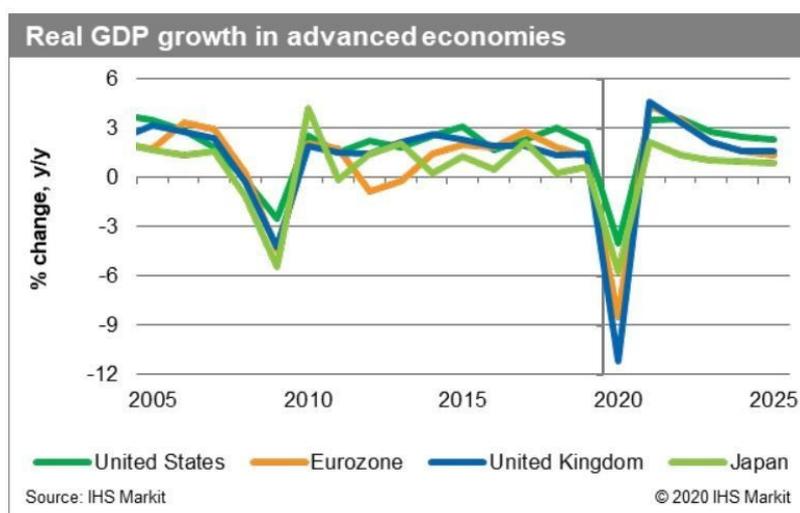


Figure 2. Real GDP growth in advanced economies

How COVID-19 has affected the global economy is huge. It has affected like no other economic crisis as mentioned before. It has given the whole world a huge global shock, with disruptions to both supply and demand in an organized world economy. Suppliers haven't been able to work like before because of the infections that has affected their productivity and there is not so much demand like before for the products, because of the layoffs and loss of income, and the general lockdowns. The impact of the pandemic is different in each country, but it will mostly increase poverty and inequalities at a global scale. (Mohaddes, 2020).

5.2 Impact of COVID-19 on consumers

COVID-19 has had a huge impact on consumers also. The lockdown and social distancing have changed the consumer habits of buying. Consumers have changed simple habits and were forced to adapt to the new changes if they didn't want to risk their own lives. COVID-19 has changed so many things, such as travelling, shopping at the shopping centers, going to movies with friends or attending an event in person. (Sheth, 2020). Consumer buying behavior has also changed because people are thinking differently and buying differently. Below is a list of immediate changes caused by COVID-19 on consumer behavior;

1. Hoarding

Consumers are purchasing necessary products for daily use in case of temporary stockouts and shortages. In the spring of 2020, people bought so many toilet papers that some shops needed to have a limit of toilet paper allowed to be purchased per customer. Other popular products were meat, bread, N95 masks, disinfecting and cleaning products. In spring of 2020, there was shortage of disinfecting and cleaning products and N95 masks because of consumers buying as many as possible, and this caused the prices to increase insanely once the products were back on the shelves. Hoarding is a common reaction in this kind of situation, because of the uncertainty of the future and the fear of not having necessary products for basic needs. (Sheth, 2020).

2. Improvisation

COVID-19 taught consumers to improvise because of all the restrictions. Old habits are forgotten for a while and new habits are created. New traditions were born during the COVID-19 such as Zoom weddings or watching the church services on computer on Easter Sunday. Shortage of products or services has caused consumers to improvise their needs and replace the products or services with something similar, such as telehealth and online education. (Mohaddes, 2020).

3. Pent-up Demand

Pent up demand is what happens when for a short period of time access to market is denied. The demand for products and services increase rapidly. During the pandemic of COVID-19, consumers have had to postpone some purchases and concentrate only on those products or services that might help them survive this time. (Sheth, 2020). Consumers don't purchase products that aren't necessary at the moment like before, and these products are e.g. new homes, cars and expensive appliances, but rather plan these purchases for the future when the situation is better. This shifts the demand from now into the future. (Mohaddes, 2020).

4. Embracing Digital Technology

COVID-19 has forced consumers to adapt to the new world, where almost everything is possible to do online. Before COVID-19, Zoom was used only to keep up with friends and family, and it wasn't as famous as it is today. But now, almost every household uses Zoom because of all the remote classes, remote work, or even virtual visits with health care providers. (Sheth, 2020). Consumers don't only use Zoom, but they also use social media platforms on daily basis for different reasons

As mentioned before in this research, because of the increase of usage of social media platforms, the power of word-of-mouth (WOM) advices and recommendations has increased and consumers search for the information online, sometimes through influencers. Influencers also have a huge impact on social media marketing, because most of them have over millions of followers. (Mohaddes, 2020).

5. Store Comes Home

Since Spring of 2020, many countries have been under some kind of lockdown, but some countries such as China and Italy have had a complete lockdown, where the consumers aren't allowed to go even to grocery stores, but the store delivers the products home to the consumer. Once the consumer can't go out, they have to work from home and study from home as well. Based on the researches made by BBC, streaming services such as Disney Plus, Netflix, ViaPlay and Amazon Prime have been very popular since the spring of 2020, because people spend more time at home, and they don't have to leave their houses even for movies. (Sheth, 2020)

These habits mentioned above are only a few of the habits of the consumers that have changed since spring 2020. It is however impossible to say if these habits will disappear once the whole world goes back to normal. Because these new habits that have been found by the consumers during the lockdown has also created an alternative that is more convenient, affordable and accessible. (Mohaddes, 2020). Some habits might stay such as wearing masks and keeping the social distance, because in some Asian countries even before COVID-19 it was a habit to wear a mask before leaving the house because of the dirty air. These are modified habits that will probably stay. (Sheth, 2020).

Regulations because of COVID-19 have created new habits that might also stay in the future, such as taking the temperature before boarding the flight in case of the virus. (Blackburn, 2020). But technology has had a big role in these new habits. Technology has transformed the consumer buying behavior and it has made this current crisis bearable. Technology transforms wants into needs and has created new habits such as shopping online, dating online, working online or studying online. (Sheth, 2020).

Consumers have had to adapt to the fact that they have to stay inside for a prolonged period of time, and they have been forced to adapt to new alternatives to do the daily chores they used to do before COVID-19 in a more convenient way. (Blackburn, 2020).

5.3 Current economic situation in Finland

Finland's GDP per capita is one of the highest in the world, which means that the country offers a high living standard, but still social inequalities have increased in the past years. The unemployment rate was 6.7% in 2019, but because of COVID-19, the unemployment rate was increased to 8.3% and it is believed that by 2021, the unemployment rate will be 8.4%. Finland's current situation weighs heavily on its public finances, because the Baby Boomers generation (people born in 1949-1963) are the biggest age group in Finland and it is an ageing population which has caused decrease in labour force. (Heinonen, 2020). The ageing population is not the only challenge that Finland has to face, but also decreasing productivity in traditional industries and the high labour costs. (Nieminen, 2020).

The economic growth rate of Finland had already slowed down at the end of 2019 after four years of growth. However, the economic shock brought by COVID-19 caused a recession in the Finnish economy. Finland has however succeeded the economic crisis so much better than other European countries. Based on the researches made by Eurostat the reasons behind the succeed has been the structure of the economy, population density, the efficient health care system and the opportunity to work from home. (Moilanen, 2020).

All the reasons mentioned above have certainly contributed to Finland's GDP and it only decreased 6.4% in the second quarter of 2020 compared to 2019. Finland's economy is strongly dependent on foreign companies through value chains and foreign trade, which is why the world situation will also affect Finland's economy. (Ruotsalainen, 2020).

Although Finland's economic situation has been reasonably good compared to other countries, in reality however there are companies in certain industries were the economic crisis effected really badly. The service sector suffered the most because of COVID-19. The production

decreased by 10,9% compared to the year 2019. However, the industries as accommodation and food service activities had the worst year so far, their production decreased by 55% compared to 2019. (Moilanen, 2020). Some companies however weren't affected by the economic crisis of COVID-19, such as gaming and software companies. There are also some other companies which weren't affected by the COVID-19 economic crisis, companies that sell home appliances, horticulture and hardware companies had increased sells in the second quarter of 2020. (Ruotsalainen, 2020).

Based on the researches made by Nordea Trade, between January – October in 2020, over 1 886 companies filed for bankruptcies, which is 15% less than in 2019. However, these companies employed over 9 770 people in total, so many people were left without a job. (Taskinen, 2020). The reasons why the percentage of bankruptcies have been low are because of the business subsidies, tax breaks provided by the tax administration and the Temporary Bankruptcy Act. Over 43 677 companies applied for business subsidies. These opportunities have been provided by the government to help the effects of COVID-19 on companies. (Ruotsalainen, 2020).

Consumers in Finland just like every other consumer around the world lost their trust in the economic situation, and consumption fell sharply in the spring of 2020, in the early stages of the COVID-19 pandemic. Consumers gained their trust back quickly during the summer but in November 2020, consumer expectations for the near future are still fairly pessimistic. (Taskinen, 2020). Companies trust in the future are also still clearly lower than what it used to be, especially now that the pandemic is deteriorating almost everywhere in Europe and new restrictions will have to be imposed. On the other hand, the positive news about the progress of the vaccine developments creates the confidence that the crisis will end eventually. (Moilanen, 2020).

6 MARKETING DURING COVID-19

During the COVID-19, and starting of the Great Lockdown, everyone's lives changed, with quarantines and other restrictions and this resulted in the fact that screen time has gone up, because people are stuck at home. Marketing during economic crisis is very important, because marketing is not only about the present, it is mostly about future and entrepreneurs should now focus on long term brand building.

Marketing decisions during COVID-19 should be made with recovery in mind, because we are told that this situation will end, and when it does, companies that have avoided short-term profits for long-term brand recognition, will be the best positioned for growth. It is possible for the

company to survive the crisis and also come out ahead, as long as the right decisions are made concerning the marketing. (Fryer, L., 2020).

Good marketing in general is about understanding your target market – their day-to-day lives, their challenges, their joys and their perspective, once these issues are figured out, then you can see how your brand fits into their story. Unfortunately, COVID-19 outbreak changed everything, it closed down schools and businesses, imposed social distancing and completely changed almost everything we thought of as a typical daily life. This issue affected everything we knew about our target audience – people are feeling anxiety and grief, also their daily routines have almost changed completely, some have lost their jobs, and others are risking their health working on the front-line fighting COVID-19.

This crisis made all businesses to switch their marketing strategies to the quarantine mode. The changes – minor or major, have been made to operation hours, customer communication, budgets, new product or service releases and planning. One thing in common in most companies during the COVID-19 lockdown is the fact that many companies have paid more effort to digital marketing, and traditional marketing haven't been as relevant as it used to be. (Nesterenko, L.,2020).

According to the study published by Forbes, the use of internet has risen by 50-70% worldwide, because a quarter of the world's population is under lockdown, therefore brands need to focus more on digital marketing and to define their digital marketing strategy and find newer and more sensitive ways to communicate with their target audience during this difficult time. (Mittal, R., 2020). It is very important to engage with the customers via social media platforms, it helps to stay close to them, also it keeps the business in the front and once this crisis is over, the customers will come back, because the business has been stayed in their mind during this pandemic. (Fryer, V. 2020).

6.1 Reanalysing Marketing Plan with COVID-19

This situation that we are going through is scary, but it is also a chance for businesses to succeed in the future. It is very important and crucial for businesses to engage with their customers in ways that are authentic and meet the customers' current needs in ways that aren't opportunistic. Some retail stores have closed their physical stores, but on the other hand, they have kept up their online shops, and offer free shipping, or shorter delivery time, or/and they have great offers for this time. This is how they attract their customers. Also, this kind of offer encourages people to stay indoors, but still buy the products they want and need.

Some businesses also have created different kind of marketing campaigns, with their own hash tags, were they challenge the customers who have

bought their product to upload their picture using the hash tag, therefore the marketing is done on the behalf of the company. (Fryer, V., 2020).

Even during the slow times, having a strong digital marketing strategy is very important, and some small businesses fail during this time, because they think they can just pause marketing, and just pick it back up in a few months with no loss to the ranking or reputation. However, how companies react in difficult times says a lot about their corporate values. Companies with good marketing strategy know that right now is the perfect time to build brand equity. (Schaefer, P., 2020).

There are a few steps that one can follow in this difficult situation:

Stop, relax and don't panic

It's very important to sit down and take a few deep breaths. In difficult situations like this, it is very important not to panic, but gain perspective. People's lives are at risk, but not because of different marketing campaigns. Having a successful business is very important, but even more important is your own health.

Just because we are living through difficult times, it doesn't mean that you need to immediately stop all your efforts in marketing, even if it seems like it won't bring anything to the business at the moment. Some might think that it is important to cut all the marketing, and spend as little as possible during difficult times, to have money for something more important, but it is very important to be active even during difficult situations. This helps consumers improve their perception of your brand even if they are not buying anything at the moment. (Fryer, V. 2020).

Evaluate your current images, language and tone of voice.

Check everything your business have currently in the market, starting from the marketing channel that gets most of the consumers. Evaluate those from a new point of view, change them to the current situation that we are in now; a world that has currently the highest record in unemployment rates, economic uncertainty and general anxiety.

Change both the message and the imagery, think about the effect of cultural events on your customers, because they might be in a sensitive emotional state and they are probably not in the right mindset to buy anything from your company at the moment.

With time, the level of sensitivity will probably go down a little, and there might be needed a little bit of light humor, but it is very important to go with the flow of the community, and not try to lead the front lines. (Fryer, V., 2020).

Adjust marketing campaigns and timelines.

In this kind of situation, it is very important to be honest to yourself; even if you used to have a great and well-laid marketing campaign plans, you might have to push those plans back. It is very important to take a little time out, to concentrate on the current situation, including keeping yourself, your family and also your employees safe.

Many big brands, such as Nike, McDonald's, Ford, Ikea, Coca-Cola and Guinness, also go through this difficult time, and there is no guidebook that might help in this situation, but they also had to evolve their strategies and adapt to the current situation. Many brands have responded to this situation with meaningful approaches so that the consumer will have a reason to believe that we will get through this crisis and we will move forward together. (Shiple, K., 2020). Therefore, they have had to change their marketing campaigns. The new message has mostly been sensitive to the current situation, focuses on the customer's new situations and concerns, is also honest and transparent. (Fryer, V., 2020).

**IF YOU EVER DREAMED OF PLAYING
FOR MILLIONS AROUND THE WORLD,

NOW IS YOUR CHANCE.**

Play inside, play for the world.



Figure 3. Nike advertisement during COVID-19

Picture placed above is the marketing campaign Nike started shortly after people were asked to stay inside during the COVID-19 pandemic.



Figure4. Coca-Cola advertisement during COVID-19

Also, above is another campaign made by Coca-Cola, to encourage people to stay inside.

Have a positive mindset, but don't be insensitive.

During a crisis, thinking only about yourself and your business isn't the right path to take. It is very important to keep an encouraging attitude and show your customers that you are there for them and you care about them and understand their concerns in these uncertain times. Make sure you don't cross the line into possibly being seen as an insensitive by minimizing the scale of the pandemic or its impact on human life. One of the most meaningful things brand can do right now is focus on two qualities: helpfulness and empathy. (Brennan, B., 2020).

Reanalyzing marketing plan during the Covid-19 has to happen fast, but it is important to change the content to what works during this changing situation, and what are the customers' needs and desires. Analyze your content, and make sure that it is appropriate for the times that we are living in.

As mentioned before, content marketing is about answering question, and you can provide relevant information to the customers, such as shipping and delivery times, or share information about how you are keeping your customers and employees safe and healthy.

Depending on what the product is, you could share articles or blogs, or write an article yourself about the product, for example if you sell office furniture, you could write about ergonomics and how to make sure your at-home setup works for you.

It all depends on the product/service you provide. For example, if you have a beauty salon, and can't work because of the current situation, you could provide online courses for your customers, or share interesting skin care articles. The content that is shared should be relevant to the product/service, and it should also be relevant to the current situation. (Fryer, V., 2020).

6.2 Social Media Marketing and COVID-19

Many companies have started pulling back on their paid advertising, because of the costs, which is totally understandable, but it is important to keep in mind that once the crisis is over, your brand may have been forgotten. During these times, it is important to be active, and change the marketing strategy, it is now more about communicating with customers, instead of just telling them to buy the product.

Brand marketing is the key at the moment. Luckily, social media marketing doesn't cost much, and if you already have enough audience on your social media channels, then you should be active, even more active than what you used to be before Covid-19. (Fryer, V., 2020). Communicate with your customers, engage with the community and if there is a customer who is not satisfied, try to make it right. People are more sensitive during these times and putting a face behind your company shows that you are also human, you are also going through the difficult times. This can be a powerful tool on your social media platforms to build trust. (Loar, A., 2020).

The situation is still evolving, and it is starting to look like an economic recession. Having different kinds of discounts and offers are what attracts price-conscious shoppers. Having discounts is an easy and helpful way to attract new customers, build loyalty among existing customers, driving traffic to your site and increasing the sales.

Based on the research done by Pareto Principle, 80% of the revenue comes from 20% of your loyal customers. (Chappelow, J., 2019). Even if you have to close your shops, the loyal customers are the ones that will keep your business going even during an international pandemic. Therefore, offering different kind of discounts or offers will help in the long run.

When deciding on the discounts or offers, you can select two or more of the products, and discount the package, the package could contain one familiar product and one new product, that will give a great chance to the customer to try something new. Another great offer is having free delivery, or having shorter delivery time, which might attract more people.

If company doesn't want to provide free shipping for small number of products, they can have a certain order value, after which the shipping will

be free. Another great way is to have a “buy one, get one free” promotion. (Fryer, V., 2020).

Even though this situation has been scary to most of us, still there are companies that have shown acts of kindness all around the world. This is a great opportunity to have charitable sales promotions, for example donating a part of the profit to the people in need. There are famous brands such as Timberland, Kiehl’s, MAC Cosmetics, PopSockets and many more brands that are giving part of their profit to people in need (Fox, C., 2020).

Companies like Zoom has taken off their 40-minute meeting limit, and it is free for schools. Companies like Apple, Facebook, SoftBank and Tesla have donated significant supplies of N-95 masks to local hospitals. (Hessekiel, D., 2020).

There are many ways that companies can help and promote their own products and services, and above were just a few examples of how it can be done through social media marketing. It is important to mention on the social media channels about the donations and charity work done, therefore the consumers will know that even if they buy a product or service for themselves, they are still doing something good for others. (Hessekiel, D., 2020).

6.3 Email Marketing and COVID-19

Email marketing is a direct and measurable medium, which makes it stand out among other messages and content. Based on the research done by Forbes, 59% of the participants said that email marketing affects their purchase decisions. It proves that communicating with your customers is a necessary step to keeping them. Also, email marketing has proven to be still by far the most effective long-term method of marketing communication. Now is the perfect time to keep your customers well informed about any changes affecting your business. Email marketing allows companies and organizations to manage the effects of this crisis and maintain transparency with their customer. (Forsey, C., 2020).

Just like any other marketing method, it is necessary to have a goal with email marketing. Having a goal will help to measure the success of your marketing efforts. It will also help your customers to trust you more and have a clear direction for them. The content of email marketing can be simple, it can only include your business’s current situation, a little bit information about how you are keeping yourself, your employees and your customers safe, or it could include totally new information, such as new services that you are providing now, such as live videos, live classes, or advertisement for new products that you have on your online shop now or

the changes about the shipping payment or delivery times. (Fryer, V., 2020).

Email marketing helps to create a stronger tie to the customers, and through email you can promote more sales, encourage customer feedback and keep customers excited with new updates. Some companies only have special offers for those who sign up for their weekly newsletters, this is a great way to offer more and also be more in touch with customers. (Ragavan, S., 2020). Brands such as Sephora and Starbucks sent out emails about their core values and the solutions they have for this time. Consumers want to know what you are doing and providing information that helps to create normality at a very abnormal time is so impactful. (Shirlen, D., 2020).

Even if email marketing has been very important during COVID-19 with coronavirus-related messages, it has also a negative impact, if our inboxes become flooded with these emails, especially if consumers don't remember signing up for the newsletter, they might see this as an disturbing behavior on the behalf of the entrepreneur. (Shirlen, D., 2020). When doing email marketing, it is very important to resist sending every material to each one of the consumers on your list, because those consumers who haven't opened or read your email in the past year, they probably won't react to it even now, when you are sending information about the measures you are taking to protecting them and your employees. (Shirlen, D., 2020).

Based on IPs and domains monitored by Microsoft, Gmail and Verizon Group, there has been a significant increase in negative factors, such as consumers reporting the email as spam, or simply just complaining straight to the company, which will bring a bad reputation for the company and even if there is important promotional messages, they won't be received into the consumers email. Also, BBC has made a research, and the results are the worst that has been seen in years – the amount of scam emails specific to coronavirus is so high that everyone should be very careful what email they open. This is something important to keep in mind when doing email marketing, you don't want to have this kind of reputation. (Ragayan, S., 2020).

In this crucial time, optimization is the key. Having the right content, offers and keeping engaged with subscribers is very important, but also make sure to not lose sight of your brand's value proposition during the pandemic. Stay true to yourself, and stay true to your consumers, don't lose yourself in this uncontrollable time, stay true to what has always set you apart from the competition. Depending on what your company is providing, it is time to think outside the box, get creative and focus on the customers more than ever. (Shirlen, D., 2020).

Here are a few steps recommended to take to have a successful email marketing and dealing with the consequences of COVID-19

Maintain transparency.

Communicating with your customers through an email allows you to maintain transparency about how your company is dealing with the current situation. The email can contain details about your company, the changes that are being made, and what your company is doing to prepare for any future problems and how you will continue to keep your customers safety at first.

People appreciate transparency in difficult times, it assures them that the company they usually buy products from is willing to do anything they can for the customers. It helps with the concerns and the anxiety. (Evers, J., 2020).

Provide Special Measures.

Companies have to do their part to obey the rules set by the governments, to control the virus. Depending on what kind of product or service you provide, by sending email you will be able to explain to your customers the changes that will happen in your business during this time. The email can include the changes about the working hours, or the number of customers allowed in the shop at the same time or informing your customers that it is safe to come to your shop because of the specific cleaning measures that you are taking. Emails with interesting content will gain the customers attention, and they can always go back to the email for details or to share it with someone else. (Nesterenko, I., 2020). Emails shouldn't start with something that could cause readers to get upset or fearful, the language used should be calm, and reassuring that the company will be making their decisions based on the health and well-being of their employees, clients and the community. (Shirlen, D., 2020).

Communicate changes.

Depending on your company, in this kind of situation you may be forced to make some changes, such as the business hours, cancelling events or closing totally for the time being. Risking our health and encouraging interaction when it is not safe is not worth it. If temporary changes have to be made, informing your customers through email is the smartest thing to do. Make sure you inform your customers about the changes as soon as possible, so they are completely aware of your current situation. (Wieske, G., 2020).

Offer services at a distance.

As mentioned before, being creative now is the perfect time. If you have to close your shop, restaurant or gym, you can come up with a new way to stay in touch with your customers. Emailing customers about different offers or new services can be the best step. Worldwide known brand Ikea released its famous Swedish meatball and gravy recipe so that people can

make it at home. (Young, S., 2020). Ikea designed the recipe card to look like the instructions customer receive when attempting to put together a piece of furniture purchased from them. This gives people the chance to have a little piece of normality in their lives, until everyone is back to the usual daily routines. (Evers, J., 2020).



Figure 5. Ikea meatballs at Home

6.4 Traditional Marketing and COVID-19

During COVID-19 pandemic, many companies reduced their marketing budgets and so many also stopped having print advertisements. COVID-19 has caused companies to think more about their marketing strategies because of all the restrictions and the lockdowns. Before COVID-19, traditional marketing was so much easier, the company could print their advertisement in a local newspaper and write a specific date when the products would be on sale, or when the new product will arrive. But COVID-19 changed marketing, because people were told to stay inside, and many businesses had to close their doors. (Tama, 2020).

COVID-19 has caused people to stay inside, and many events and festivals have been cancelled due to the current situation. Many launches were rescheduled, and many companies lost their turnover totally for many months. Companies had to do less traditional marketing, because it costs so much more than digital marketing, and companies had to focus more on digital marketing during this pandemic. (Majumdar, 2020).

Traditional marketing is still effective, because people still read newspapers and magazines, people are more inside and watch TV more

than usual, but digital marketing has given easier ways for consumers to communicate with the company and consumer doesn't even have to leave their house or call the company, they can just go online and buy the products that they want straight from the company's official website, without having to interact with anyone. (Tama, 2020).

6.5 Marketing Campaigns During COVID-19

During the COVID-19 pandemic many brands took part in encouraging people to stay inside and some brands changed their logos to show that social distancing is important at the moment. It has become popular for companies to change their appearance to match with the situation going on. It shows the creativity and the passion of the company, but it also shows that the company wants to help to educate people about the importance of the social distancing and following the instructions of the authorities during this pandemic. (Valinsky, 2020).

The picture below is the picture of McDonald's in Brazil, that separated the golden arches, and they posted this picture on their official Facebook page. They explained that this means the separation between the customers and the company because of the lockdowns, but however, they will be offering delivery to encourage customers to stay inside. (Valinsky, 2020).



Figure 6. McDonald's logo



Figure 7. Audi encouraging people to keep distance



Figure 8. Volkswagen encouraging people to keep distance



Figure 9. Guinness encouraging people to stay at home

Many other world-famous brands had COVID-19 related campaigns, and they all had very important elements in them. These campaigns added value to their community, brands gave advice and inspired people, and they also encouraged consumers to stay inside. By having these campaigns, brands also took part in the pain that people are going through, and showed them that we are in this together, and brands showed their loyalty to their customers, without pushing their products. (Evers, 2020)

7 RESEARCH RESULTS AND KEY DISCUSSIONS

This chapter of the thesis report covers the results of the research that was made in order to gain a better perspective from the company's situation.

In order to gain an authentic result for this research subject, a survey questionnaire was created and shared with respondents. The survey was shared on two different groups in Facebook, one called Naisyrittäjät and the second one called Vauras Nainen. Naisyrittäjät group is made for female entrepreneurs and this group has over 55 000 members, and Vauras Nainen is a group for prosperous women, and it has over 64 000 members. Also, this survey was shared with the author's own network, because the author is also an entrepreneur and has many entrepreneur friends and family members.

Due to the tight schedule of the thesis research, there was only about 10 days to respond to the survey, starting from the day it was shared. The ideal situation would've been to have longer time for gaining responses, and it would've been better to get around 200-300 responses, but at the end of the research only there were only 84 responses.

The research had 15 questions, some of the questions had multiple-choice answers and some had open-ended answering options, where the respondents could write their own opinion and share their experience.

7.1 Respondents

The first 4 questions of the survey were about the entrepreneur and the company itself. Since the survey was only sent to female entrepreneurs, the question about gender was not included in the survey, and even if a male entrepreneur had answered the questions the results wouldn't necessarily be different, because none of the questions were gender-based. The author wanted to ask neutral questions.

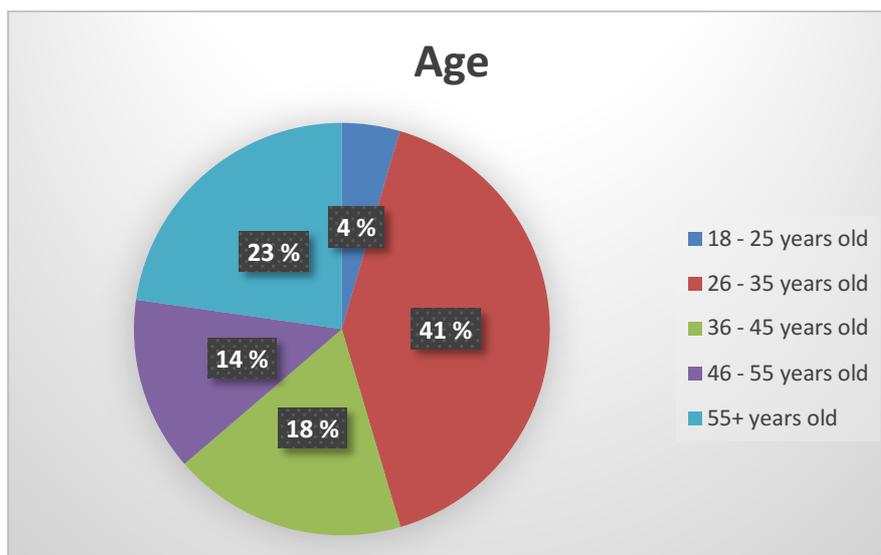


Figure 10. Age of the respondents

The age question was the first question on the survey because understanding what age group is answering the question makes analyzing the results easier.

Of all the respondents, 4% were 18 – 25 years old, 41% were 26 – 35 years old, 18% were 36 – 45 years old, 14% were 46 – 55 years old and 23% were 55+ years old.

The results of this question are pretty interesting, because the author assumed the percentage of the age groups 36 – 45 years old and 46-55 years old would be so much higher, but these results showed otherwise.

Surprisingly only 4% of the respondents were in age group of 18 – 25 years old. But the results also show that people are becoming entrepreneurs in later ages, and once a person has turned 18, their first task isn't becoming an entrepreneur.

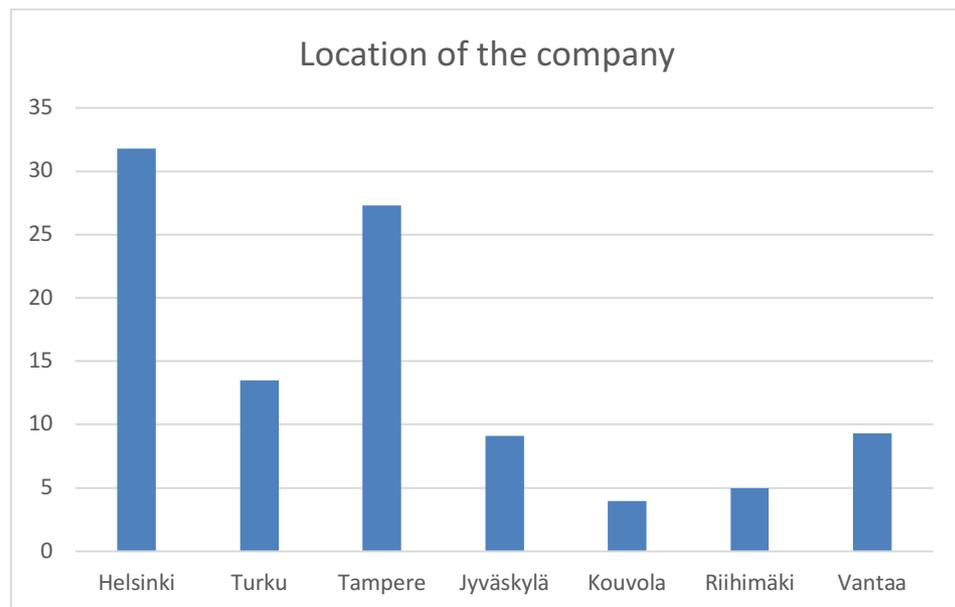


Figure 11. Location of the company in Finland

Next question was the location of the company in Finland. This question had the option to either choose the city from the list or write down the answer.

Of all the respondents, 31,8% are located in Helsinki, and the second highest location was Tampere, with 27,3% of the respondents. The 3rd highest location was Turku, with 13,5% of the respondents. This result is very normal, since Helsinki, Turku and Tampere are the largest cities in Finland, therefore the population of these cities are higher and there are more companies.

Jyväskylä got 9,1% of the responses, and Vantaa got 9,3% of all the responses. Smaller cities such as Kouvola and Riihimäki were also mentioned in the survey. Of all the responses, Kouvola had 4% of the responses, and Riihimäki 5%.

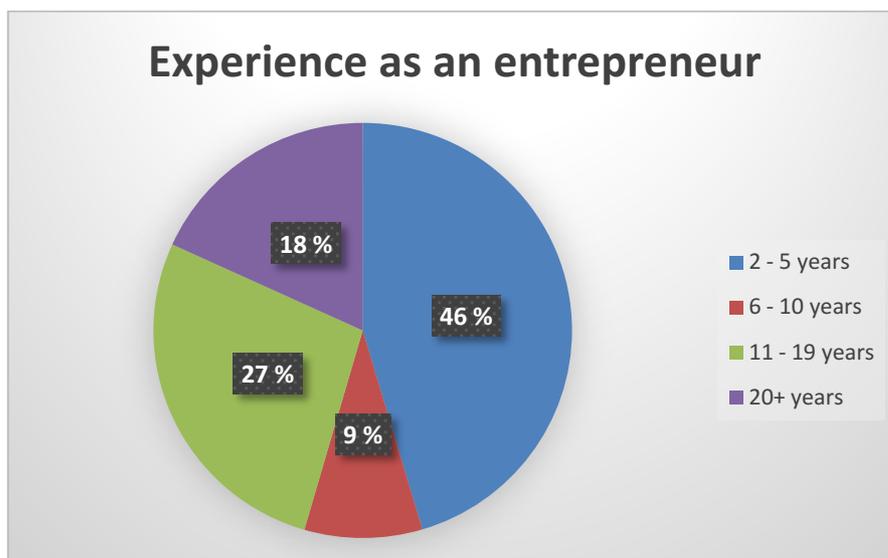


Figure 12. Experience as an entrepreneur

Another background question was about the experience as an entrepreneur. In order to understand how experienced the respondents are. The reason why the answering choice starts from 2 – 5 years is because the first year as an entrepreneur is already difficult enough, without the pandemic, and the author wanted to focus more on entrepreneurs that have more experience than 2 years.

Of all the 84 respondents, 46% have been an entrepreneur for 2- 5 years. 9% of the respondents have been entrepreneur for 6 – 10 years and 27% of the respondents have been entrepreneur for 11 – 19 years. Finally, 18% of the respondents have been entrepreneur for 20+ years.

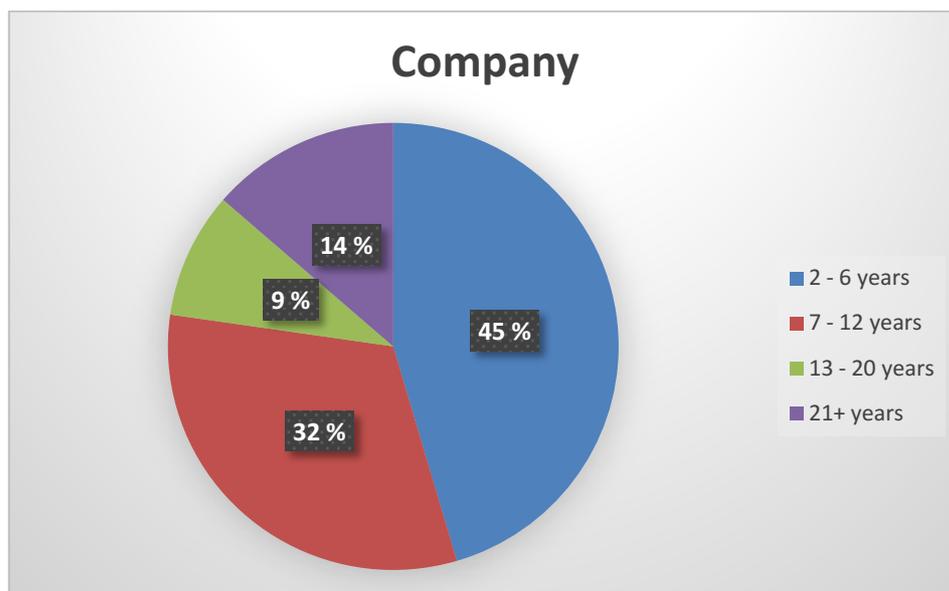


Figure 13. The years the company has been operated

Another background question in the survey was about the company and how long it has been operating. This was one of the most important questions in the survey, because this thesis research is focused on companies that have been operating for more than 2 years. The reason behind this is the fact that the first year, companies face many different issues, and the new companies that have been founded in the past year can't compare their situation to the times before COVID-19.

Based on the results of the survey, 45% of the respondents have been operating their companies for 2 – 6 years, which means that they can compare the differences between the times before COVID-19 and during the pandemic. Also, 32% of the respondents said that their company has been operating for the past 7 – 12 years, and 9% said that their company has been operating for 13 – 20 years. Finally, 14% responded that their company has been operating for 21+ years.

Comparing this survey answer with the previous answers gives a better perspective, that for example in the previous answer, of all the respondents 18% have been entrepreneur for over 20 years, and in this question's results, only 14% of the respondents say that their company has been operating for over 21 years, which means that entrepreneurs have to sometimes change their company in order for the business to be beneficial.

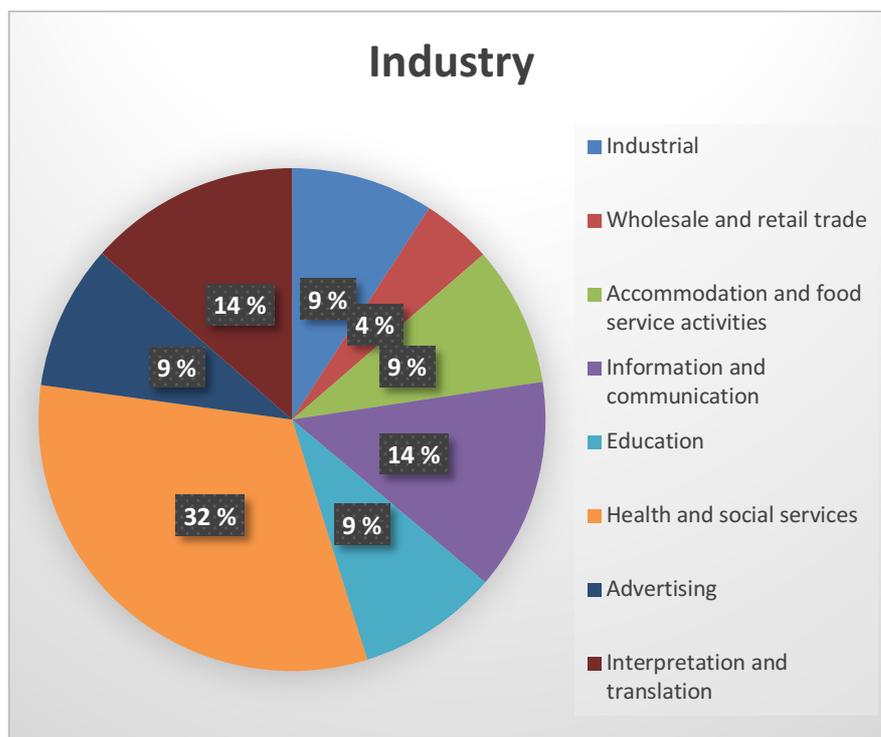


Figure 14. Industry of the company

Another question for the background is the industry of the company. Of all the respondents, 32% are working in Health and social services, and both Information and Communication and Interpretation and Translation had 14% of all the respondents.

Accommodation and food service activities, Industrial, Education and Advertising all got each 9% of all the responses. Finally, Wholesale and retail trade got only 4% of all the responses.

Many of small businesses in Finland are in health and social services, and the results of this question also shows that most of the respondents work in health and social services.

Another reason behind this question is that many industries were affected by COVID-19 negatively, such as Tourism and Accommodation. The author wanted to know the industry of the company in order to see what the each company is going through and if COVID-19 has been difficult for every industry or not.

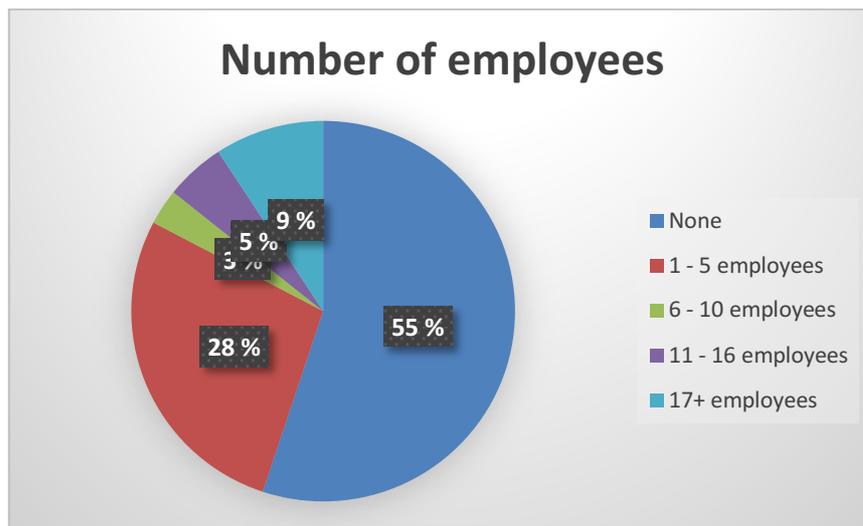


Figure 15. Number of employees

The last question about the background of the company and the entrepreneur was the number of employees.

The number of the employees shows most of the time the size of the company, the more employees the more turnover. However, among the respondents, 55% didn't have any employees, and 28% had 1 – 5 employees. Only 3% of the respondents had 6 – 10 employees, and only 5% of the respondents had 11 – 16 employees. Surprisingly, 9% of all the respondents had 17+ employees.

It shows that among the respondents were also bigger companies with more employees, but however most of the respondents are small companies, based on the fact that 55% of the respondents didn't have any employee.

7.2 Marketing



Figure 16. Monthly marketing budget of companies

Second part of the survey was about the marketing of the company. The first question was the monthly budget for marketing. Understanding the marketing budget helps to find better marketing channels for companies. Based on the results of this question, 33% of the respondents didn't have any budget for marketing, either it means that companies don't have any specific amount for marketing and they just spend as much as needed monthly, or it could mean that companies simply don't spend any money for marketing.

Of all the respondents, 23% had the budget of 60 – 150€ per month and also another 23% of the respondents had 10 – 50€ per month for their marketing.

18% of the respondents had the budget of 300 – 500€ per month and finally, 4% of the respondents had the budget of 800€+ per month.

This survey result gives some kind of picture about the budget of companies for their marketing. Those 4% of the respondents that have over 800€ per month available for their marketing shows that they might be using both traditional and digital marketing, and those 23% of the respondents that have the budget of 10 – 50 € per month means that they do most of their marketing as digital marketing, because traditional marketing is so much more expensive.

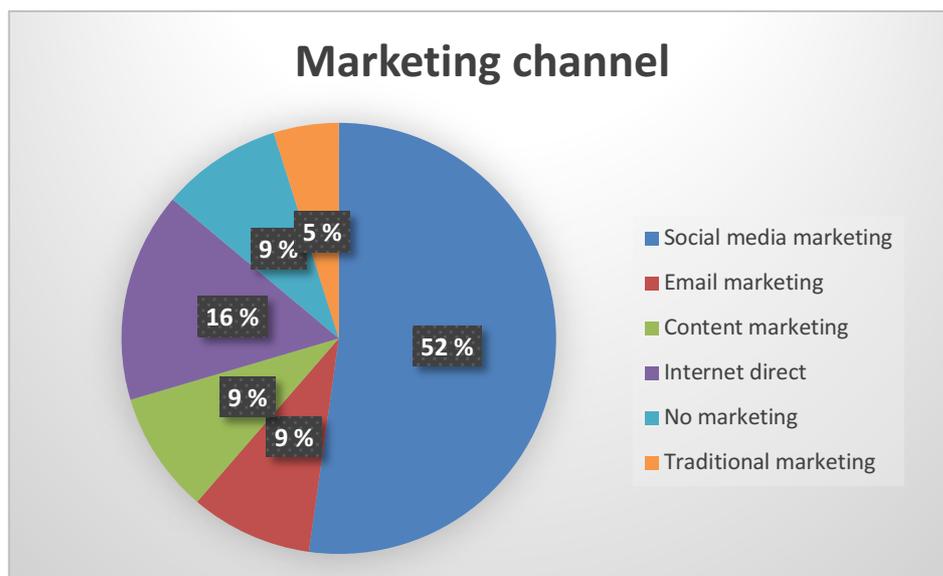


Figure 17. Marketing channel used by companies currently

The second question in survey about marketing was about the channels being used currently. This question was asked to be able to compare to the marketing channels that were used before COVID-19.

As the author has explained the popularity of social media marketing before in this research, the results of this question also prove that social media marketing is the most popular choice when choosing for marketing channels. Of all the respondents, 52% said that their main marketing channel is social media marketing, which means that more than half of the respondents.

Of all the respondents, 16% uses Internet direct, and Email marketing and Content marketing both had 9% of the respondents. Surprisingly, 5% of the respondents use traditional marketing as their main marketing channel.

However, the results that was pretty shocking was the fact that 9% of all the respondents said that they don't have any marketing channels at the moment. This could be one of the reasons behind COVID-19, and the fact that companies don't have any money to spend on marketing.

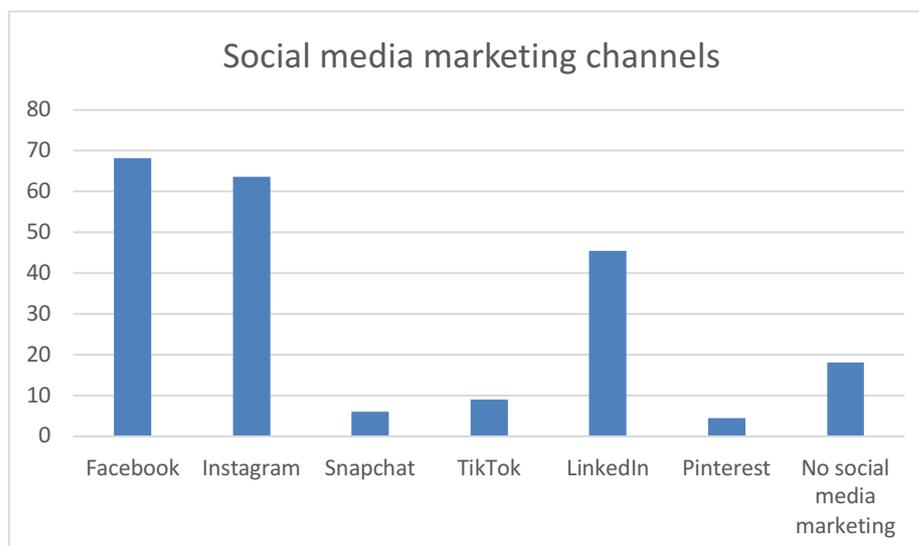


Figure 18. Social media marketing channels

Another question on the survey about marketing was the social media marketing channels that is being used by the respondents.

This was a multiple-choice question; therefore, respondents could choose more than one option.

Facebook got 68,2%, which means that more than half of the respondents use Facebook as one of their social media marketing channels. Instagram was second highest, with 63,6%, meaning that more than half of the respondents use Instagram, and LinkedIn was the 3rd highest, with 45,5% of the respondents.

Snapchat, TikTok and Pinterest are not as popular as the rest of the social media platforms mentioned on the survey, but for example of all the respondents, 9,1% use TikTok for marketing purposes, 6% of all the respondents use Snapchat for marketing and 4,5% of respondents use Pinterest for marketing.

Finally, there are also those that don't use social media for marketing at all, and of all the respondents 18,1% said that they don't use social media marketing.

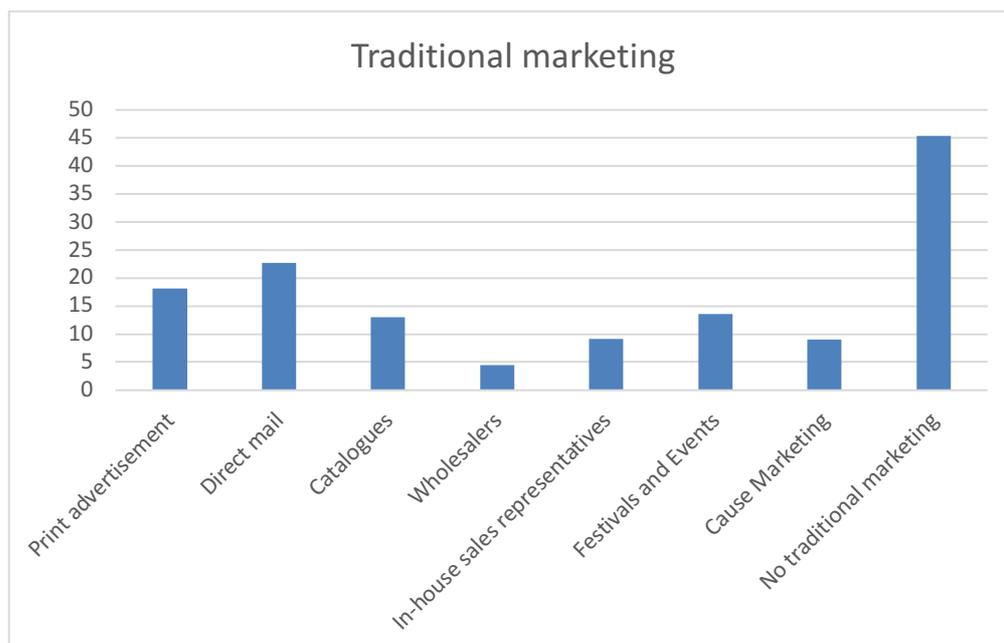


Figure 19. Traditional marketing

This question was about traditional marketing and what channels businesses use. This question was a multiple-choice question; therefore, respondents could choose more than one answer.

Of all the respondent 18,2% uses Print advertisement for traditional marketing, and 22,7% of all the respondents use Direct mail for marketing. 13% of all the respondents use Catalogues for marketing and only 4,5% of all the respondents use Wholesalers.

The percentage of In-house sales representatives are 9,1% of all the respondents, and it can be totally caused by COVID-19, because people aren't interested into to letting anyone in their house, and this also could cause that only 13,6% of the respondents use Festivals and Events for marketing. Many events and festivals have been cancelled during COVID-19, and many companies have had to come up with other ways for their marketing. Cause marketing also got 9% of all the respondents.

However, 45,4% of all the respondents said that they don't use traditional marketing for their company. This could also be caused by COVID-19 and the fact that companies don't have that much money as they used to.

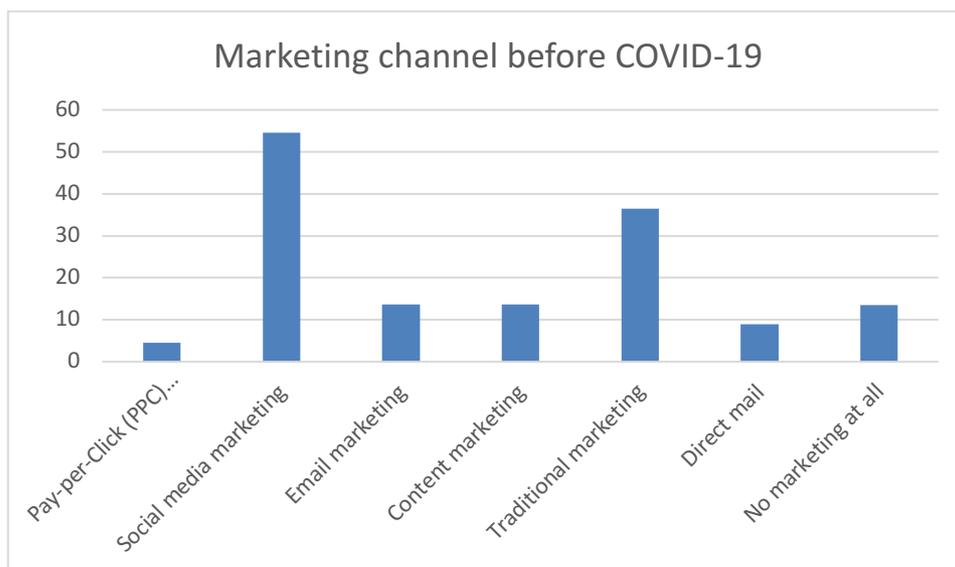


Figure 20. Marketing channel before COVID-19

The survey included one question about the marketing channel used before the outbreak of COVID-19. The question was “Before COVID-19 outbreak, what was your main marketing channel?”. This question was included in the survey, because it helps to compare the current marketing situation to the situation it was before COVID-19.

The result of this question shows that before the outbreak of COVID-19, of all the respondents 54,5% used social media marketing and 36,4% used traditional marketing. As seen from the results, traditional marketing used to be used more before COVID-19, compared to the current situation. Traditional marketing also includes events and festivals, which has totally changed since the outbreak of COVID-19, which could also be one of the reasons why currently traditional marketing isn't one of the main options for marketing.

7.3 COVID-19 and future plans

The last part of the survey is about the COVID-19 and how it has affected companies so far, and what kind of plans companies have for the future. This part of the survey only has 4 question, and 3 of those question were open-ended questions, where the respondents could write down their answer and their opinion.

The Finnish government started giving benefits for companies from the Spring 2020. The reason why this issue was included in the survey is because this topic has been on the news as long as the government decided to give benefits for companies. Many of the companies that applied for the benefits weren't satisfied with the amount received.

Of all the respondents 36% had gotten the benefit and they thought it was sufficient, and 32% of the respondents had also gotten the benefit but thought that it wasn't sufficient. Of all the respondents 27% didn't get any benefit because they didn't apply for it and 5% of the respondents did apply for the benefit but didn't get it.

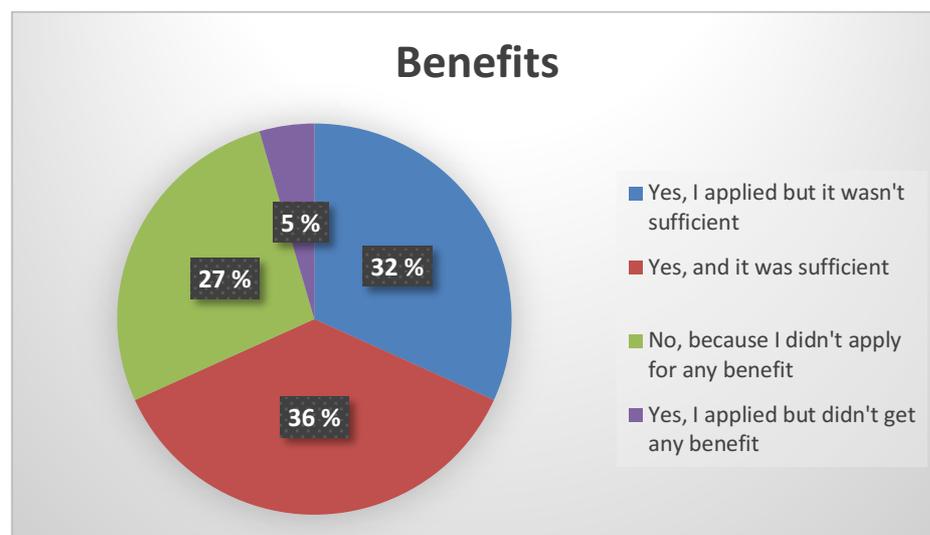


Figure 21. Benefits

Next question on the survey about was "How COVID-19 has effected your company?". This was one of the open-ended questions, where the respondent had the opportunity to write down their answer and their opinion.

Since there were about 84 different responses to this question, author decided to combine the answers.

Many of the respondents said that they had very slow months during the spring, when there wasn't any turnover, some didn't even have work for over 3 months.

Many had problems with logistics because of the lockdowns and couldn't deliver the products to the customers.

Some of the respondents said that all their projects were cancelled, and it was difficult to get new projects because they did most of their marketing during festivals, events and exhibitions.

The second last question of the survey was “What kind of beneficial changes did you have to do during COVID-19?”. This question was also an open-ended question; therefore, respondents had the chance to once again write down their answers.

The beneficial changes the respondents had to do were so many, but there were many similarities also. Most of the respondents said that they had to cut down the extra costs.

Most of respondents also mentioned that they had to change their marketing strategies and some also had to start learning to do the marketing themselves since there wasn't any money left to pay for someone else to do the marketing. Some had to focus more on digital marketing, and some had to limit the amount of useless marketing.

Some of the respondents had to decrease their prices, or offer some kind of discounts, and some had to refund the money for the products to the customers since the products never arrived because COVID-19 restrictions.

Some had to change their works to remote work, and others had to start providing new services such as Webinars and other online courses.

A few also opened their online store, in the hopes of having more customers.

A few had to let a one or two employees go, because couldn't afford it.

Some of the respondents weren't able to do any changes, but rather they focused on learning new skills and started focusing on professional growth.

The last question of the survey was “How are you going to prepare for the future if something like this happens again?”. This last question was also open-ended question and respondents wrote down their answers.

Most of the responses had very similar points. Almost every answer had the word “savings” in them, because respondents shared their experience of how difficult it was to survive during the pandemic and how much easier it could've been if entrepreneurs had enough savings. Therefore, many of them are planning to start saving more for the future.

Some of the respondents said that they are educating themselves more and starting to add more diverse products and services, and a few said that they are planning to get a new profession in addition to being an entrepreneur, so that if something similar happens in the future, they can apply for jobs.

Some of the respondents said that COVID-19 taught them to be very careful about long-term investments and avoid spending money on useless matters.

Most of the respondents also mentioned the importance of marketing and how they are starting to focus more now on digital marketing.

In total, almost every response had the similar issue mentioned in them; if people had enough savings, the pandemic wouldn't have been this difficult.

The results of this survey in total gives a perspective of the situation entrepreneurs are going through now. Since the survey was made during December 2020, most of the entrepreneurs are already used to the current situation. Probably most of the results would have been different if this survey was made in April or May of 2020, when the worst situation was going on.

8 CONCLUSION

As explained in the Introduction part of this thesis, the purpose of this thesis was to understand how the COVID-19 has affected company's marketing strategies. The research question was "What kind of marketing is suitable for small businesses during an economic crisis?", and the supportive question is "Can same marketing method be suitable after an economic crisis?".

The whole process of this thesis research, starting from the planning, to discussion and analyzing phase was interesting but very time consuming for the author. Because of the tight schedule for this thesis, some parts weren't able to be discussed more. Also, the author herself is an entrepreneur and the ongoing situation with COVID-19 effects the authors life as well, and in general, people are more stressed at the moment. However, the reason why the author chose this topic was because it is a current issue, and it is also world-wide. The author hopes that this thesis research will be able to help other companies as well.

From the beginning phase of this thesis research, the author knew that the data will be collected by survey, because the author is also an entrepreneur and knows how busy schedules entrepreneurs have usually. Also, since people are more stressed currently, author realized that surveys are the best way to communicate with people without pushing them away. Restrictions and the lockdowns are also one of the reasons why online survey was the best option.

The author used Google Forms for the survey, and analyzing the data wasn't difficult, but it was time-consuming. The survey had 3 open-ended questions, and almost half of these answers were written in Finnish, therefore, the author had to translate the answers to English. Author speaks English and Finnish fluently, so translating didn't bring any problem other than took long time.

The knowledge gained from this thesis research has increased the interest of the author about the topic, and this thesis research also shows how important marketing is in general.

The results have proven that digital marketing is easier choice for entrepreneurs, because it costs less, and it is so much faster and more effective than traditional marketing. COVID-19 outbreak has forced people to find more ways to do the daily tasks, and Internet has a huge role in this. Marketing behavior of companies has changed a lot since the outbreak of COVID-19, and it looks like it is not going back to what it used to be.

8.1 Limitation of the research

This research is done mainly in Finland, and the survey is shared on two different Facebook groups called Naisyrittäjät and Vauras Nainen.

Naisyrittäjät is a Facebook group for female entrepreneurs, and has over 55 000 members, and Vauras Nainen is a Facebook group for prosperous women and it has over 64 000 members.

In order to narrow down the research, only entrepreneurs with 2+ years will be asked to take part in this research, because 2 years ago we weren't living in an economic crisis and companies that are younger than 2 years can't compare their situation, because usually the first 2 years are the most difficult time.

This research will be done by survey, and the results can't be generalized, because the focus group doesn't represent every entrepreneur in Finland, it only represents a small part. But hopefully, the results will give the general idea of how powerful social media marketing is and how different companies use social media for their advantage.

Therefore, the results only represent female entrepreneurs located in Finland, who have been operating for at least 2 years.

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