Marketing plan for accountancy company Passiva Ltd.

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The purpose of thesis was to generate a marketing plan for Estonian accountancy company Passiva Ltd. The marketing plan as such, helps the entrepreneur sell its services successfully and efficiently.

Theoretical part supports the marketing plan throughout the project. Passiva Ltd’s current situation was examined through marketing audit and SWOT-analysis. There was also done analysis of customers, competitors and market situation which helped to understand Passiva’s position on the market.

After the current status was thoroughly analysed, the next logical step was to start developing strategy and plan of implementation. It mainly focused on researching available marketing options on South-Estonian market and bringing out the pros and cons in Passiva’s prospect. The hardest issue was to decide which marketing instruments should be used and how the budget divided amongst the applicable tools. Finally after processing all the available marketing channels, it was decided based on price and cost-efficiency rate – virtual marketing and newspapers.

**Keywords**

Accounting, marketing plan, marketing mix, online marketing, newspaper
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1 Introduction

Thesis report is designed to create a marketing plan to a bookkeeping service offering company called Passiva Ltd. The idea of this thesis report was given to the authors directly from the owners of Passiva Ltd. The subject is chosen because one of the writers is co-owner of the company.

Main task is to analyze company’s situation on South-Estonia market and through that research suitable marketing and advertising opportunities. Channels considered to be used for the project plan, are web-based marketing tools for example newspapers, Google AdWords, Facebook and others. All mentioned actions are supporting the process of conducting the marketing plan for Passiva Ltd. and help the company to be more visible. In addition, it is essential to agree with the third party about the budget. Up to this stage, the agreement is that budget has to be modest if not to say small. Since it is a small sized company, it is out of their reach to have a wide-range advertising campaign. Therefore, we decided to focus on essentials – cost-efficient ways to reach the potential clients but yet sustain the reliability and trustworthiness.

1.1 Thesis objectives

The main goal of the thesis is to create a marketing plan for Passiva Ltd. The marketing plan generally consists of applicable theoretical background which is used as the base for analyzing company’s situation. The marketing plan includes also competitor analysis, customer analysis, marketing mix and researching advertisement opportunities and prices in Estonia, and conducting a realistic plan based on the company’s needs and other relevant indicators. The purpose of Passiva Ltd. marketing plan is to increase clientele, turnover, add value and reputation to company’s name. All purposes mentioned in the previous sentence serve the same goal – grow the company and help it to develop forward. The subject was accepted because the authors of this report are interested in marketing and entrepreneurship. And also one of the authors is co-owner of the company under the project and aims the company’s success.

In order to achieve, Passiva Ltd. needs to increase company’s reputation by developing relationships within entrepreneurial society. It is especially important to be noticed by the companies that act in the same region. Also use social networks like Facebook, Twitter, blogs
and Internet magazines. These channels are seldom used as the main advertising tools. Through these dimension Passiva Ltd. seeks to increase its reputation, visibility and grow customer capacity. Currently Passiva Ltd. is not using any of these tools except magazine advertising in small scale.

Due to the financial crisis that struck the world, it is and it has been harder to approach new customers nowadays than on times when the economy was at the peak. Despite of the crisis, Passiva Ltd. has been able to grow quite steadily and make new contacts mostly through personal connections and few with newspaper adverts. As of the financial crisis is slowly diminishing and showing the first signs of economy blooming again, the company’s owners think that it is good time for evaluating the company’s position on the market they compete on. That is why; the company needs a solid marketing plan for future.

1.2 Passiva Ltd. in brief

Passiva Ltd. is an accountancy company established in 2008. The company currently employs 2 professional bookkeepers and as every other company its objectives are to achieve more clients, expand, and increase turnover. The company operates in Tartu, the second biggest city in Estonia with over 103 000 residents. Tartu is called a “University city” because of Tartu University since 1632 and Estonian University of life Sciences. Latter one is comparable to the Haaga-Helia University of Applied Sciences. Tartu is perceived the city of “highly educated” people and therefore Passiva Ltd. is only one little company among other accountancy companies.

Passiva Ltd. was established when the worst times of the worldwide economical crisis started. According to the board member of Passiva Ltd. the idea of establishing the bookkeeping company had been in the founders mind for several years. Finally at the spring of 2008 the founders established Passiva Ltd. The time was not the most favorable in economical prospect but it was favorable in founder’s lives when thinking about their financial and employment situation. One of them had lost job as a bank manager due to financial crisis and felt that she needed to do something different and work for herself not for the others. The other establisher felt that it was a right thing to do in the beginning of his career and establishing a company helped him to improve his skills and knowledge. Before establishing the company, the founders had a few confident clients coming thanks to the good relationship network; Passiva Ltd. did not start from beginning without any clients. The year 2008 was an amendment and struggle for many firms among them there were also bookkeeping firms in
which many of them certainly couldn’t survive. Especially in the city of Tartu, this is the centre of the business life and education in South Estonia.

Referring to education and universities in Tartu, Passiva Ltd. receives annually up to 10 applications for traineeships. Unfortunately Passiva Ltd. is able to offer work placement only for two students per year. The decision was made based on the idea that company has to be able to keep contact with universities and the latest knowledge and trends of bookkeeping.

When talking about the real services what Passiva Ltd. offers are; high-quality bookkeeping services for small and medium sized companies, sole traders and also private persons. The services include all the accounting services possible; accounting customer company’s salaries and taxes, keeping book about incomes and outcomes and also counseling the client in tax, accounting and other relevant topics. For all this work the client company pays reward to Passiva Ltd.

Usually companies represent themselves by introducing company’s mission, vision and objectives. These three are the key statements in the business world showing us what and where the company aims to. Following three statements are represented by owners.

“Mission – statement of the organization’s purpose; what it wants to accomplish in the larger environment. Mission statement should be market oriented and defined in terms of customer needs.” (Kotler & Armstrong 2008, 37.) Therefore the mission statement reflects the company’s profile with all its features and desires. Usually companies’ mission statements are presented very briefly and shortly being at the same time easily understandable and meaningful. It should also be easily remembered by the readers. Passiva Ltd. mission is to make other companies life easier by offering high-quality accountancy services for affordable prices with long time experience for small and medium sized companies, sole traders and private persons. And to anyone that needs counseling in bookkeeping. Passiva Ltd. www-website. < http://www.passiva.ee/ >.26.02.2012. Passiva helps companies to concentrate on things that they are meant to do by being trustworthy and reliable.

The vision describes what the company wants to be in the future and what its goals are. Visions can be planned for the coming year or even for next ten years. Passiva Ltd. vision is to be one of the most desired and trustworthy bookkeeping companies in area of Tartu and South-Estonia. Passiva’s employee’s have longtime experience in accounting. Employees also keep up with new accounting programs and educate themselves constantly by attending on
different courses and training regularly. This makes the service trustworthy for the customers. To stand out in the way above we need to help Passiva Ltd. to be more visible online and in newspapers. Through this Passiva Ltd. will be more visible and available to searchers. (Tätte, M. 14. May 2011.)

“A marketing objective is a precise statement which outlines what is to be accomplished by the service company’s marketing activities.” (McDonald & Payne 2006, 148.) The objectives are tools for aiming the target the company has set in mission and vision. Objectives have to be realistic, in budget and support company to achieve its mission. Especially customer objectives are very important for Passiva Ltd. when building new contacts and seeking new customers. Managing customer relationships is the key to company’s success, especially in service sector. (Tätte, M. 14 May 2011.)
2  Current situation analysis

Current situation analysis is supposed to give distinct image where Passiva Ltd. is now. To analyze this situation we are using basic marketing tools like SWOT and nature of service marketing. These tools help companies to find the right way of marketing and target the marketing to right place. The previously mentioned tools are also to acknowledge the pros and cons – it brings out the raw truth about the firm. If the tools are properly implemented, it gives excellent starting point for development because the results reflect the actual and not the owner’s hopes or illusion.

2.1  Marketing Audit and SWOT analysis

According to Kotler and Armstrong (2008, 55-56), “The marketing audit is a comprehensive, systematic, independent, and periodic examination of what company’s environment, objectives, strategies and activities to determine problem areas and opportunities.” Marketing audit purpose is to show the company where it is now in its environment where it operates and also help the company to identify its internal and external strengths and weaknesses. Regularly made audit helps company to keep up with changing market conditions and trends. Otherwise the marketing strategies and programs can very quickly become outdated. Marketing audit is kind of inspection or checkup which shows if there are marketing matters to improve. Marketing audit consists of different parts where we need to analyze company’s external and internal parts. External parts are such as customers and markets, competition and business environment. Internal side has two parts which are organization and services/products. The audit needs to be examined very critically and it is part of strategic planning process. Because markets are constantly changing it is highly recommended for company’s owners and employees to consider reviewing the marketing audit at regular intervals. This helps the company to discover deficiencies in the company and its marketing. And also revalue the changing needs inside company.

“SWOT Analysis shows the strengths, weaknesses, opportunities, and threats of your organization.” (Wood 2011, 29.) SWOT analysis is used as a part of marketing audit. SWOT analysis is a one way to do the situation analysis for the company. It teaches the organization how to benefit from the strengths, capture the opportunities, protect against the threats and improve weaknesses. SWOT can be used when analyzing the internal but also external environment of the company. Internal parts are strengths and weaknesses and external parts are opportunities and threats. Threats and opportunities are the positive aspects of company
and weaknesses and threats are negative sides of company. Negative ones must be contemplated with extra criticism and find they possible way of changing them to strengths and opportunities.

2.2 SWOT analysis for Passiva Ltd.

STRENGTHS
Strengths are company’s internal capabilities. These capabilities help the company to achieve its goals and objectives (Wood 2011, 28-29).

As strengths of Passiva’s employees and owners have a background of long term experience in accounting and bank industry. Employees and owners are constantly also educating and updating themselves by attending accountancy courses to get the knowledge of the latest information systems and programs in accountancy world. These are the factors which make Passiva Ltd. offering high quality bookkeeping services and make Passiva Ltd. reliable and trustworthy. The price of services is a bit lower than big companies have at the area of Tartu. This helps the company to stay competitive.

WEAKNESSES
Weaknesses are company’s internal factors that might prevent company achieving its objectives (Wood 2011, 28-29).

As weaknesses we see that Passiva Ltd. has still low reputation and it is not known for public enough. Also low contact network is a problem. Although owners own social network is very wide and developed in working area it is not enough to achieve huge amounts of customers for accountancy. It is also not always recommended and sensible to include your closest business relations to your own business. Problems mentioned above are enough to help Passiva Ltd. to promote their relationships through marketing opportunities. According to board member Margo Tätte the big problem is that employees are not familiar with marketing possibilities around and don’t know company’s position in markets. These negative sides are the reason also why Passiva Ltd. needs a marketing plan which gives them a wider perspective of where they are now and how they can develop their business through marketing research and plan.

OPPORTUNITIES
Opportunities reflect the factors that the company might and can exploit to its advantage (Kotler & Armstrong 2008, 53).
Passiva’s’ opportunities are advertising high quality bookkeeping services on the Internet and newspapers. Create Facebook profile to gain network contacts and use straight marketing online by email etc. Since most of operating service offers is either branch offices of some larger corporations, Passiva Ltd. is one of the few that is local. That creates extra value for the clients. Also keeping lower prices is an opportunity to win clients to Passiva Ltd. side from competitors.

THREATS
Threats are external factors that are outside company’s control and might hurt or challenge its performance (Kotler & Armstrong 2008, 53).
As threats we see other companies which offer the same services. Also price competition is a threat in any branch. Ongoing crisis inside EU can cause major problems to Estonian economy and market. Inflation is another issue that attacks and undermines. Prices are going up but salaries are staying the same or going even down. It is difficult to set the price for services because spread is relatively wide. International accounting companies have forced the prices lower from point it is profitable to small companies due to smaller volume capacity. Many of the smallest bookkeeping offices have been bought away by the large corporations or have joined forces with other small firms.
Figure 1. Strengths, weaknesses, opportunities and threats of Passiva Ltd.

As we see from the SWOT analyze, there are certainly many issues which Passiva Ltd. needs to take into account and pay attention. Especially the visibility on the Internet is a problem. Nowadays Internet has a major influence in our lives. It is daily tool we use for work, for fun and for entertainment. Visibility on the Internet gives Passiva Ltd. more possibilities to create new contacts and hopefully gain solvent clients. Also occasionally investing to some newspaper or Internet advert is a good way of advertising the company. Even though the adverts don’t always develop any new contacts it is a good way of become seen. Clients might remember the ads, logos and offers and take down the information for later. Some education for Passiva Ltd. employees about possibilities and marketing ways could also be useful. SWOT is advised to be redone to the company after the marketing plan has been implemented, because implementing the marketing plan will give new possibilities and change the economical and visibility position of the company.

One way of evaluating the company’s offering is to implement theory of so called “nature of service”. It benefits the creation of marketing plan through identifying what type of service is Passiva Ltd. offering and what are the techniques to bring out the strengths and cover up the weaknesses.

Services marketing have four different types of nature. “However, the nature of particular service business may dictate a need to place much greater emphasis on certain marketing elements, which in turn could lead to different marketing approaches.” (McDonald & Payne
2006, 17.) It refers to the idea that every service has to be analyzed separately because the angle of advertising is individual. For example cleaning services and accountancy services are advertised totally different way. Things that are emphasized and beneficial for one can have negative outcome for the other type of service. Analyzing the service helps us to direct the service to the right target group. That is why it is crucial to process a firm’s marketing plan on individual level and leave aside the generalization. According to the source, following are the main types of services:

Table 1. Different natures of services (McDonald & Payne 2006, 17)

| Intangibility - services that are to a large extent abstract and intangible. |
| Heterogeneity – services are non-standard and highly variable. |
| Inseparability – services are typically produced and consumed at the same time, with customer participation in the process. |
| Perishability – it is not possible to store services in inventory. |

A figure above helps us understand the differences of the services. Every type of service offered can be analyzed separately and placed to the right place. This helps the service provider to understand in which area the service belongs and how it can be marketed in the

Figure 2. Different service types placed in the box depending on who is the recipient of the service and what the nature of service act is. (McDonald & Payne 2006, 20)
right way. Different types of services are placed in the boxes whether they are tangible or intangible actions, and whether the recipients are people or things.

Passiva Ltd. services are categorized to intangible and perishable services. The types of services nature are classified above. Passiva Ltd. offers accountancy services which are served to small and medium sized companies. The companies receiving the accountancy service are in the Figure 2 as things because the service receiver is not directly a person but a company. The service is offered mainly through Internet and phone contact so that Passiva’s employees don’t often necessarily make any face contact with its clients. The service is not also a product, which makes the service offered perishable. Perishable type of services is not possible to store in inventory like things in grocery or clothing stores. All the actions and work is done on the computer and via phone. This makes the service also intangible, because it is not a product and cannot be touched by the customers. As a conclusion the recipients of Passiva’s services are small and medium sized companies in any field. No matter what kind of business the company is in, accounting services is always needed.

Through analyzing of Passiva Ltd. nature of its service type and SWOT we come across with question; is the services of Passiva Ltd. easily available and found for seekers? As Wood (2011, 98), proposes “Features are specific attributes that enable a product to perform its function.” In this case we have an intangible and perishable service performing the product mentioned above. The features of Passiva Ltd. Services can only be visible through Internet, advertising online and in newspapers and also through social network. As we have observed we see that these features are in quite bad condition for several reasons mentioned above. The network cannot grow without visibility and the employees don’t have knowledge of marketing ways in South- Estonia. For example updating the website of Passiva Ltd. would be a good way of giving customers better image of the company. Through Facebook, Twitter or newspapers and online advertisement we also get more visitors to website, which highlights the importance of dated website. Nowadays websites are a kind of image of quality. Well presented and functional web page creates trust in customer who then is more prone to make contact with company.
3 Analysis of customers, competitors and market situation

This section is going to introduce the main competitors at the area of Tartu. These competitors mentioned below own in Passiva’s owner minds the highest risk in competition field. There will be also analyzed the competitors main strengths and weaknesses. The market where the client company Passiva Ltd. operates in is relatively scattered and full of small to medium sized competitors. Internet based research reveals that many firms that are listed in web, are vanished and/or dysfunctional. The tools for finding the competitor companies in question are following searching sites on the Internet: www.teenindusweb.com, www.1182.ee, www.krediidiinfo.ee and etc. These portals mentioned above are operation mode sense similar to Finnish searching web pages as www.directa.fi or www.fonecta.fi. For making sure that the company exists and does not have tax debts or equivalent problems, central commercial register of Estonia is used. The official web portal https://ariregister.rik.ee is free of charge and accessible to everyone.

3.1 Competitors

Tähe Raamatupidamisbüroo Ltd. is a bookkeeping company located in Tartu. Tähe Raamatupidamisbüroo Ltd. is established in beginning of 2007. Currently employs 2 bookkeepers that are specialized to different types of accounting. Their web page is www.raamatupidamisbyroo.ee. Tähe Raamatupidamisbüroo seemed to have same type of operating mode as Passiva Ltd. They employ 2 professionals (one employee and one owner). The CEO is founder and owner, also operates as bookkeeper for limited company clients. Their web page is excellent; the employee covers the services for sole trader and house cooperative clients. Passiva Ltd. does not have that kind of differentiation in services but they use client based dividing. They also introduce themselves with pictures and short presentation about their education and what kind of work they handle in the company. Tähe Raamatupidamisbüroo has link to Twitter and Facebook which nowadays are the biggest social networks. Passiva Ltd. doesn’t have any social network profiles, which could be very useful in marketing and to be seen on Internet.

AABIA Outsourcing Ltd. is a bookkeeping company that has a branch office in Tallinn, Tartu, and Võru. The enterprise is established in 1992. According to their homepage www.araamatupidamine.ee their main customers are limited liability companies, joint-stock company and constantly decreasing amount of self-employed entrepreneurs. AABIA Outsourcing Ltd. is a company that has the longest history and experience on the field among
the firms that are under surveillance here. They have situated offices in 3 Estonian cities that strategically cover pretty much the whole Estonia with their company’s services. It makes them reachable from all over Estonia but nowadays this is not essential and practical anymore. Every office has maintenance cost and keeping contact with the different offices is also an expense. The option of sending documents via Internet, Faxing and other, makes it easier and more efficient to have 1 main office where all procedure is run from. Also taken into consideration that Estonia as a market is relatively small and if partners decide to meet, it is possible to meet in person taking maximum 2 hour drive. The idea of having many offices is out of date and yet understandable in case of AABIA Outsourcing Ltd. because they are established in 1992. Back then the possibilities to outsource accounting service without meeting the bookkeeper face-to-face were unacceptable and technically impossible. It might have been good idea to establish more than one office before but in order to compete in current market, must keep up with the latest trends and technical solutions. Their web page is very simple white colored but has a quite confusing overview with different pictures under different headlines. Most of these pictures in our opinion don’t fit with the web page and accountancy theme. They also don’t have Facebook or other social media links.

**AGG Raamatupidamisteenused Ltd.** is a bookkeeping firm established in 2008. Firm’s webpage www.raamatupidamisteenus.ee is clear and up to date but with limited information about them in general. They only have front page which gives a brief introduction of company, services and contact details. According to the webpage, they currently operate in Tartu, Tallinn and Harjumaa. Compared to competitor’s web pages, AGG has simple, compact and easy to read site.

**Daemon Ltd.** is established in 1998. Mainly customers are limited liability companies from Estonia, England, Sweden, Australia and Georgia. Services are offered in Estonian, Russian and English. However the webpage www.daemon.ee overall design and arrangement is poor. It puts the reliability and accuracy of the information in doubt. Also all the links don’t always work with first click; they might sometimes need several clicks. Daemon Ltd. offers also IT-services and creates Joomla based web pages. It would be interesting to know, how this kind of Estonian accountancy company achieved clients from Georgia, Australia, United Kingdom and Sweden. For our opinion if the company is so big that it operates internationally and has IT-specialists, why does it then have such a poor web page itself?
Rimess Ltd. established in 1992. Operates in Baltic countries and have several branches in Latvia, Lithuania and Estonia. Based on the information that their homepage www.rimess.ee offers, they have considerable share of the market as international accounting company that offers wide range of services. The webpage is very thorough and professionally set. It is clear, what they offer what experience they have and etc. Also one of the strengths is that the webpage is multilingual.

There were chosen five competitors that were analyzed and compared with Passiva Ltd. Although there are many more competitors on that particular market, these five were the most outstanding from the Internet and which are also located in Tartu. They all used various tools to advertise the company and had all a webpage where appeared at least minimum general information.

Competitors are mainly young companies under 10 year history. These mentioned competitors of Passiva Ltd. are excellent examples, who are the competition and what they have or don’t have. In other words, this report shall reveal the strengths and weaknesses of competition and how it can be taken advantage of. For example what can be learned from others and what steps could be possibly avoided.

To sum up the competition analysis, there are companies that have been in the business for a long time but unfortunately have not gone along with the development and there are new companies that are up-to-date in sense of using the latest technology and software. The competition is strong and complex, especially on such a small market as Estonia is.

3.2 Customers

Commonly small and medium sized organizations don’t have the skills and neither the time to do bookkeeping by themselves. They also might not have the resources to hire their own bookkeeper. That is why bookkeeping companies are needed. They offer quality bookkeeping and they have the skills which the customers don’t need to have. They are also not as expensive as hiring an own bookkeeper. It is easier to rely on an office of professionals than hire one person that is responsible of all accounting related duties. At the moment Passiva Ltd. has few different customers from different branches. For instance construction company; furniture producer; small magazines; candy factory; housing cooperatives and private persons. Recently, autumn 2011 Passiva Ltd. has acquired new clients that have increased annual turnover significantly. Worthy to be mentioned are two larger companies – MGR Transport and Saloni Büroomööbel. In the following we introduce Passiva Ltd.’s customers and tell a little bit what they do and how big they are.
**MGR Transport OÜ** – Limited company that is established in 2008 by single young entrepreneur. It operates on domestic market and offers transportation service all over Estonian. Currently employs four employees.

**Saloni Büroomööbel AS** – Joint-stock company established 1998. Company produces office furniture mainly for export. On payroll have currently 20 employees.

**Ravelin OÜ** – Relatively young limited company established in 2010 but the owner has over 30 year experience on field and as an entrepreneur. Industry involved in is general building and all that is connected with that. Mainly operates in Estonia but has done and doing smaller under contracting in Finland.

**ProInkasso OÜ** – Limited company that is established in 2005. Currently have two owners and three employees. Operates on debt collection field – usually represents enterprises but sometime also single persons. They offer from helping to fill in the debt collection form to legal actions and actual collection service behalf of the client.

**Elva Koolituskeskus MTÜ** – Non-profit organization that is established in 2008. Purpose is to help over 50 year old people to get hired. 100% supported by EU social recreation fond.

**Elva Postipoiss** – Local newspaper established in 1993 by a local enthusiast and citizen Kersti Koosa. Currently financed by the city Elva endowments and advertising sales. It is much respected by its home town citizens and even bought by nearby living country side people. It is published once a week on Fridays.

**Meistritöö OÜ** – Car repair shop, established in 2009 by one experienced auto repairman.

**Schütt OÜ** – Ltd. company that offers management services to its subsidiary company.

**ProAssets OÜ** – Provides financial services to private persons and companies. Established in 2007 and owned by two brothers.

These customers are providing very different services and are doing very different work; still they all need accountancy services.

Until the day of creation of this marketing plan, Passiva Ltd. has not determined exactly what kind of customers they are looking for. Only condition is that the potential client is SME
(small and medium sized enterprises), housing cooperative or sole traders. It has been clear and decided that it lacks the human resources to cover big companies bookkeeping because those enterprises would need to have a bookkeeper onsite daily and that situation would not leave much time for other clients. Besides then the company would not benefit much outsourcing a service if it´s full time employee.

So far the customers are mainly located in Tartu city and nearby regions. Customer companies field of business vary from construction to newspaper. In that sense Passiva Ltd. has not also done segmentation but it involves logic – the service Passiva Ltd. offers is relatively same to all fields.

Only additional narrowing index could be geographical and this has few reasons. In the first place one of the owners is not willing to travel far distances because of different personal reasons. Secondly handing over paperwork like contracts or documents which include discrete information needs face to face contact. And thirdly there might always be different issues to solve in person which requires travelling.

Thanks to digital era it is nowadays possible to send digitally protected and signed documents also via computer. This makes accountancy companies life much easier and work quicker. To sum up customer identification and understand who is a good customer for Passiva Ltd. – SME, housing cooperative (-s), sole traders that are located nearby max.100 km from the office. That is all it narrows down to according to Passiva Ltd. board members. They don´t see point of segmentation of market when the situation is still unstable and clientele is insufficient. If the company would concentrate on certain segment, it could either be fatal or successful. Since the firm´s owners are not ready to take that risk, they prefer to be flexible and adjustable to offer the service as many customers as it is possible to handle in their preferred area. Their policy is that when they have enough clients and turnover, they would start doing segmentation, specialization and et cetera.

### 3.3 Marketing mix

Marketing mix is a popular tool which has been used for decades in marketing and which helps the company to target its marketing to the right place. “The marketing mix is the set of controllable, tactical marketing tools that the firm blends to produce the response it wants in the target market.” (Kotler & Armstrong 2008, 50.) Kotler and Armstrong have summed up the idea of marketing mix in one sentence. Marketing mix consists of four different analyzing elements which are called four P’s. These are product, price, place, promotion.
**Product** means the goods or services which the company is offering. The product can be tangible or intangible. Tangible products are for example goods like clothing, cars, phones etcetera, meaning that tangible products are things or goods which are material. Intangible products are services which are sold. These can be accountancy-, consultancy-, and travelling-, insurance- etcetera services. (Kotler & Armstrong 2008, 50; McDonald & Payne 2006, 17.) Passiva Ltd. offers accounting services and financial consultation. The services include tax accounting, payroll accounting and administrative services. Services are usually charged based on cost accounting. It means that amount of time spent to cover customer bookkeeping needs is multiplied with the hourly rate and the result is the annual fee. Sometimes individual agreement is advised and parties agree on package price that is fixed for certain time period and is revised time to time.

The company aims to offer best quality service to its customers which are based on Passiva´s employee’s long-term experiences. The employees of Passiva Ltd. have applicable education and are under constant training. Firm´s board members make sure in person that they and the employee are always up to date for example aware of legal and administrative changes that concerns bookkeeping in client´s companies. In addition the company´s vision is to provide trustworthy and reliable relationship with the clients.

**Price** means the price of goods or services that the customer has to pay. Price has to be re-evaluated regularly because of changing economics and markets. Price includes also discounts, payment periods and credit terms. (Kotler & Armstrong 2008, 50.) Service rates are fixed and published annually on the homepage of the company. Nature of services Passiva Ltd. offers, demands to use hourly rate basis charging since it is intangible and there is no other options to evaluate the value. This kind of pricing method is widely used for instance in Finland, Baltic countries. Depending from a potential company´s attitude, size and length of the relationship, Passiva Ltd. offers discount from the services they offer. On certain times, they have special offer for example latest offer was that two months with half price if you join within a certain time frame. The customers have also payment period or due date when they have to pay for the service.

**Place** means the way how the company makes the service or the product available to customers. (Kotler & Armstrong 2008, 50.) It is kind of distribution which includes channels, locations, transportation and logistics. The last three are more meant to evaluate in the companies which are offering goods in shops and web. But when thinking about availability of
products which are services, these are nowadays principally available through Internet and advertising channels.

Passiva Ltd. operates in South-Estonia and main customers come from area of Tartu. However Internet creates a possibility to provide the service around Estonia. Passiva’s main channel to customers is homepage and information on Internet and advertising in newspapers and on Internet. The Internet offers several of channels, such as social networks like Facebook and Twitter, web based magazines, data maintenance service like Directa and Fonecta et cetera. In addition to already mention are advertising in magazines and newspapers.

**Promotion** means the communication actions what the company operates to sell its products or services. (Kotler & Armstrong 2008, 50.) These can be for instance advertising, sales promotion and public relations.

The main promotion tools for Passiva Ltd. will be online services such as social network and web newspapers and normal newspapers and magazines. It is also important to keep good relations with existing clients. There are not many promotion opportunities for companies which are selling services, because they don’t sell products which clients can try. The main tool in our opinion is having good contact network and good relations with clients. The best way of be seen to new clients is advertising in various places which are mentioned below.
4 Developing marketing strategies and programs

As we can see this marketing plan is implemented through strategy plan, tactics and programs pyramid. The pyramid shows step by step how to achieve the right program used to market. What is the mission of the plan, what are the objectives? Briefly said, what does the company need? These aspects are analyzed in previous paragraphs. The analyzing strategy has led us to choose the right actions. The strategy supports the tactics and helps to find right way of marketing. The tactics are analyzed through SWOT, nature of service marketing and marketing mix. Also customer and competitor analysis clarifies the whole picture of Passiva Ltd. and competitor companies around the company. After analyzing work the company is ready to use right program for marketing. In this report the most important program are different advertising possibilities online and in newspapers.

In the next paragraphs we will analyze the options of Internet marketing in respect of Passiva Ltd., research the newspapers advertising channels in South-Estonia, discuss the implementation of social media and optimization and divide budget between marketing instruments.

Figure. 3 The figure below describes marketing mix step by step. The figure is based on Woods theory of Strategy Pyramid (Wood 2011, 92)
This empirical part describes the process throughout from idea to finalized marketing plan. Extra attention is paid on budget, suitability to company profile and efficiency. In sense of making the project for the company with minimum risk financially and imago wise.

We have come to conclusion that Passiva Ltd. will be marketed mainly through online channels. This includes social media for example Facebook and Twitter. Also the newspaper and magazine advertising possibilities in South Estonia will be investigated and analyzed. Main interest and aim is on virtual marketing though. Authors of this report are interested in homepage branding, Google AdWords option and specific tools for optimizing a homepage. These terms are quite specific and are explained in the following chapters.

4.1 Online marketing

There are various ways of marketing. For example direct marketing, online marketing, newspaper marketing, telephone marketing etc. For this marketing plan is found essential to use online marketing. Nowadays the online marketing is the major marketing channel being used. Online marketing has four major marketing domains. These are B2C (business to consumer) marketing- mostly used to sell goods and services online to final consumers. The second is B2B (business to business) marketing. B2B marketing is used for online to e-mail, show online product catalogs, online trading networks and other online resources to reach other organizations. The third way of online marketing is C2C (consumer to consumer) marketing where people can sell worldwide products and subjects for example in Ebay.com or Amazon.com. Fourth way is C2B (consumer to business) marketing- mainly used for giving feedback to companies online, compare prices of different services, like airline ticket, hotels, rental cars etc. (Kotler & Armstrong 2008, 494-496.) In this report will be used B2B online marketing because Passiva Ltd. offers mainly services to other companies.

What kind of ways there are to show online? The figure below is demonstrating different online marketing possibilities. The arrows point possible channels to be used. Using different channels helps the customers to find the target company better.
Firstly online marketing requires establishing a proper website. The website also works as a key factor giving a reliable image when companies are searching services online. Websites usually contain basic information about company’s branch, supply, prices, and address. Also the looks of the website is important, because it gives a reliable image to customer. (Kotler & Armstrong 2008, 499.) Web communities represent Facebook, Twitter or blogs. In these social media channels companies can create their own profiles. The profiles include the short information about the company, the link to its website and possibly also a picture of the logo. These channels give the possibility to place ads or promotions online for free. There are also chargeable channels like online magazines and newspapers and websites that maintain the company’s information for charge, like www.directa.fi, www.fonecta.fi. These two companies mentioned previously operate also in Estonia.

Using email is one of the direct marketing forms. Email advertising is a fast, easy and cost free way of advertise the company and keep contact with customers. Usually companies send an email to target customers advertising for example discount offers. There are also companies nowadays which hold the information of different target companies. For a charge they send your company’s advert to certain amount of target companies. It is also possible to buy target companies information and send the adverts by yourself. The extra attention must be paid in the way of advertising by e-mail. The reason for this is that there is so much “junk e-mail” sent to the companies that the target companies might not pay attention to e-mail adverts at all. (Kotler & Armstrong 2008, 503-504).
4.2 Printed marketing

Printed marketing means advertising in newspapers, magazines, leaflets and other. Marketing, advertising, announcing is the oldest way of getting visibility. For ages reading the newspapers and magazines has been the certain and reliable way of getting information about news in the world. In addition to reliability, newspapers are timeliness, flexible and have good local market coverage. However newspaper ads have short life and small pass-along audience. (Kotler & Armstrong 2008, 436). Although the Internet is the major channel used to search information; still people order also magazines and newspapers to read. That is why it is also crucial to research some printed marketing channels in South-Estonia.
Research of marketing channels (particularly in South-Estonia)

Investigating the available options of marketing, starts from Internet because it is the most convenient way of reaching the information nowadays. Also personal connections with the area and advertisers are used on behalf of this project. Unfortunately Finnish way of marketing or the common way of advertising cannot be adapted to Estonia. Although it is a neighboring country, it still has own unique standards, beliefs, favors and etc. amongst the people.

According to common knowledge, there are three dimensions of promoting: Internet based portals such as newspapers, magazines; printed editions and social media networks for example Facebook, Twitter, and various blogs.

Searching started from biggest newspapers in Estonia, and especially the ones that readers of Tartu and rest of South-Estonians read.

Most influential places to advertise are the newspapers like Postimees, Tartu Postimees, Linnaleht, and Elva Postipoiss. The reason why we picked up these four newspapers is partly because of our own experience and knowledge of them and we ourselves are amongst the readers of mentioned newspapers as also our families, relatives, friends and people who we know from the area.

5.1 Postimees the largest newspaper in Estonia

Postimees is first Estonian daily newspaper, established in 1857. They started web version of the newspaper in 1995. Since then it’s virtual importance has grown rapidly and nowadays it is most influential and reliable source of information in Estonia. Naturally because of that, it is also the most demanded space for advertisement. <http://reklaam.postimees.ee/?op=body&id=30> 01.11.2011. Unfortunately for Passiva Ltd., this opportunity is at the moment a bit expensive and can be used for only small scale advertising. Although it’s price is high, it is still wise to be considered because it has the largest group of readers, approximately 58 200 people in whole Estonia. <http://www.eall.ee/eall_liikmed.html>. 26.02.2012. Postimees has also attachments every week at the areas of different Estonian municipalities Tartumaa, Pärnumaa and Harjumaa (area of Tallinn). The biggest of these to be mentioned are Tallinna Postimees, Tartu Postimees and Pärnu Postimees. These newspapers are attachments between main Postimees every workday and in larger scale every Saturday telling of the events that take place at these different municipalities. For Passiva Ltd. we will bring out Tartu Postimees because of its circulation at the municipalities of Tartumaa, Valgamaa and Jõgevamaa. These three
municipalities are all close to each other and areas where Tartu Postimees comes out for its subscribers. To understand the scale of Estonian municipalities in Estonian called maakond, you can see the figure below. As mentioned before it was the owner’s wishes to gain clients mainly from the closer areas which are well known for them. The circulation will be investigated under implementation chapter.

Therefore if a company would launch an advertisement or a campaign in main Postimees and Tartu Postimees, it would most likely have a great response because it would reach majority of Estonians including entrepreneurs that are in need of the services that Passiva Ltd. offers or considering changing the service providers. Possibilities of why the readers would contact are endless if not to mention that commercial in the oldest and most respected newspaper creates positive reputation and certain kind of belief in the company. Postimees not only offers wide range of readers to the advertiser, it also includes the respect and trust to the readers. Common sense of a usual reader says that if a firm can afford and is willing to pay for a commercial in Postimees, it must be telling the truth and is worthwhile to be contacted.
Besides, according to surveys that evaluate the Estonian readers trust for magazines, newspapers and others, Postimees has always been highly respected and trusted.

5.2 Linnaleht - free news for everybody

Linnaleht is a cost free newspaper to everybody appearing in Tartu, Tallinn and Pärnu. This newspaper is out for everybody in shopping centres, universities, railwaystations, busstations etc. Linnaleht is established in 1998 and it has gained quite hugereputation amongst people. <http://www.linnaleht.ee/?page=7>. 22.01.2012. According to Linnaleht’s official web page www.linnaleht.ee – it is cost free newspaper which gives information and offers some entertainment time for its readers. It writes about facts and does not have any of so called „yellow journalism“.

5.3 Elva Postipoiss

Elva Postipoiss means in translation – Elva’s post boy. According to the owner of Elva Postipoiss this little newspaper has been with Elva residents since 1993, soon after Estonia became independent (Koosa,K. 22 Jan 2012.) Why we picked this newspaper is because we know it well since our childhood, we are one of the readers and also because it is Passiva’s bookkeeping client. This newspaper is very popular amongst citizens of Elva and surrounding village’s people. Knowing also that there are many small and medium sized companies and entrepreneurs reading this local newspaper, Elva Postipoiss is a good choice.

5.4 Circulation of selected newspapers

Postimees has a country-wide circulation which explains why it is most expensive newspaper. Postimees is comparable with Finland’s biggest countrywide newspaper Helsingin Sanomat because of its style, contents and attachments on weekends. Postimees comes out six times per week from Monday to Saturday. According to Estonian Newspaper Association Postimees’ circulation on business days is approximately 58 200 pieces per day. <http://eall.ee/tiraazhid/index.html> 22.01.2012. Postimees Extra which emerges every Saturday including attachments like Arter (comparable to Finnish Helsingin Sanomat Nyt attachment) and wider Tartu Postimees with culture and opinion writing has circulation of approximately 70 000 pieces every Saturday. <http://www.eestimeedia.ee/?id=1078>. 22.01.2012.

Second in rank, is Tartu Postimees, which is circulating at the area of Tartumaa municipality and cities of Otepää and Jõgeva. As mentioned before Tartu Postimees comes out between
Postimees from Monday to Friday. Usually it is about 5-10 page section between Postimees. From Monday to Thursday there is smaller section writing about main events at the area of Tartu’s municipality. Tartu Postimees cannot be ordered or bought alone; it is always emerged between Postimees.

The third option is Linnaleht which has quite cheap advertising prices compared to Postimees and Tartu Postimees. One of the reasons being cheaper is that Linnaleht is cost free for everybody and is circulating at the area of Tartu, Tallinn and Pärnu. You can get Linnaleht from the biggest grocery stores, shopping centers, big office buildings, universities and trams. Its’ circulation is 20 000 in Tartu, 30 000 in Tallinn and 5000 in Pärnu. <http://www.linnaleht.ee/?page=8&sub=28>. 22.01.2012. We are concentrating on Linnaleht which is coming out in the city of Tartu and is quite popular there.

Elva Postipoiss is a very small newspaper which is published in Elva and small surrounded villages and towns. Its circulation is 1400 pieces and it comes out every Friday. You can also order this magazine to any address in Estonia. Because Elva Postipoiss is a bookkeeping client for Passiva Ltd. it has its special offers for advertising.

5.5 www.teenindusweb.com

Web-based portal www.teenindusweb.com offers an option to promote the company´s service (-s) to the webpage and they would for exchange help to make that company´s service more accessible to potential customers. For example if a company has a webpage and it is not optimized or properly adjusted, it is not helping much for getting new customers via Internet. The main reason is that if somebody is trying to find a service/product that he or she needs through search motors for example Google or neti.ee; there is good chance that the contacts of particular companies are found on the 15th page. As most of the consumers don’t spend time going through so much information, they are likely to stop on first one they find and satisfies the needs or demands. In this stage www.teenindusweb.com comes into action and offers companies opportunity to be one of the first results of search. The system is quite easy but few people realize the gravity of this feature. When a company agrees to be part of www.teenindusweb.com, it´s contact details, location, and line of business they are in and adds couple of keywords that connects with the business. As soon as the professionals of that web portal have done that, company is visible on the results whenever somebody is searching with the same keywords or looking for a business in that particular field. This service is relatively cheap and affordable to most. Also they provide different levels of the same service. It means that they are added to the program for free and automatically
stepped forward in results but if a company desires more active approach of promotion, they need to pay extra. These prices are presented in the plan of implementation.

5.6 Social media (Facebook, Twitter, blogs)

The importance of social media has grown high with the recent years. Current situation shows that many companies use to chance to advertise products and/or products via various communication portals. It is cheaper than calling or posters on walls but yet with downside. First of all, although the services are usually free of charge, somebody still needs to maintain the firm’s page or a blog. Someone that is aware of the discounts, campaign, and general changes in structure and answers to questions that probably occur. That means that updates are crucial in order that social media would have positive effect. If something needs upholding, a person is hired and a person gets paid. Therefore it is not as cheap as it seems at first. We are talking about wage, holiday benefits and etc. Naturally sustaining it, can also be done by an employee or even the owner if happens to have spare time. It is really matter of thinking and attitude, just how expensive it would turn out to be. Because Facebook is extremely popular along Scandinavian and Baltic people, we found very important to add Passiva Ltd. to Facebook. Passiva Ltd.’s Facebook profile includes company’s name, logo as a profile picture and some crucial information about its field of activity. Passiva Ltd. could also be added to Twitter where the company can announce about updates and discounts for example. Twitter is in our opinion as blog but the difference is short text announcements, no long stories as blogs usually have.

Also links that lead to important websites like credit information site www.krediidiinfo.ee, Estonian bank http://www.ee/epbe/et/, Estonian business register www.eer.ee etc. These links are also found from Passiva’s official website www.passiva.ee.

5.7 Optimization

SEO, Google Ad Words, website optimization are a few tools for getting more attention in virtual world we call the Internet. Passiva Ltd. has no earlier experience with these mentioned tools or ways that are used for marketing the company’s website. Usually this is done by specialist who is professional IT-specialist or Ad Words specialist and the service is definitely not cheap or even affordable for many companies. Search Engine Optimization (SEO) idea is to make the website more visible to search engines. For example company is involved with selling water balloons and somebody uses google.com to find retailers that are selling it. The SEO creates a bridge between the marketer and potential customer that is looking for
product/service. The process itself is a lot more complicated and is probably not understandable for people who do not have interest in the field. According to one of service providers www.meedium.ee, the SEO costs minimum 1000 €. The same organization offers Google Ad Words and Social Media services.

This particular company Meedium Marketing Ltd. is considered to be well respected and solid enterprise with prosperous future. It’s office is situated in Tartu, Southern Estonia. Although internet service provider’s office location does not have remarkable influence anymore on selection criteria’s, it is easier to trust and communicate with people that can be reached in person when needed. Meedium Marketing employs four internet marketers, and two certificated Google Ad Words specialists. Essential is to understand that Meedium Marketing is only firm in Estonia that has two Google Ad Words specialists. It is considered to be great honor and rarity to have two of these specialists in a same firm.
6 Plan of implementation

Authors plan consists of individual but connected parts for example budget, goal, tools, expected results, unexpected effect, and unanticipated expenses. Therefore proposal has to be well justified, carefully planned and potential benefits and/or negative side-effects forecasted as accurately as possible.

Usually every plan is based on a goal they want to achieve through doing certain things. This thesis is not different, firstly goal (-s) have to be clear and then try to figure out what are the efficient ways to implement.

The founders of Passiva Ltd. have stated that the goal is to increase turnover significantly on the next fiscal year and gain new clients to achieve total of 20 clients. Passiva Ltd. has currently 15 certain and monthly paying customers. So the aimed growth would be five new clients from any area of business, preferably small and/or medium sized firms. It might seem unrealistic regarding the circumstances in EU generally but after all, goals have to be high, otherwise there is no growth or development.

6.1 Marketing instruments

As stated in earlier chapters, focus is on virtual means for example Facebook, Twitter, Google and www.teenindusweb.com. As the trends show, more entrepreneurs every day are using the Internet for finding business partners, and other necessary information. Therefore the authors of the plan and the owners of the target company have decided to follow the trends and desire to achieve the best results.

Google campaign is a process through out the company grows from just another anonymous company to among the ones that are out there and reachable via largest Internet search engines available.

The Facebook site will be also prepared fully for Passiva Ltd. and connected with owners and employees own profiles. We also advise Passiva Ltd. to use Twitter and Facebook to announce news and changes related to the company or legislation.
Figure 4 reflects the approximate division of the budget between separate marketing tools. As the chart shows, Google campaign receives the largest proportion 40%, webpage reformation 25%, creation and maintenance of Facebook account 20% and the last but not least advertising in newspaper receives 15% of the budget.

6.2 Google campaign

The campaign consists of SEO and Google Ad Words. „Search Engine Optimization (SEO) is a process that increases your website’s authority in the ‘eyes’ of search engines and therefore improves the position of the site in relevant search results”.

<http://www.meedium.ee/services>. 22.01.2012. Idea of SEO is to raise the visibility of the company’s webpage. It is achieved through optimizing the webpage; exact process is done usually by professional and is not recommended to do it by itself. Reason, why it is led by an Ad Words specialist, is because ordinary person does not have the knowledge to use it and wrong step can cause harm instead of good. It can reflect on budget, efficiency and other.

”Google Ad Words is the brand name for Google's popular pay per click advertising.” <http://www.refreshedmedia.com/glossary/google-adwords/> . 22.01.2012. As the definition says, campaigner pays per click. Therefore the subscriber pays only if a potential customer clicks on the ad and is directed to the webpage. The service is relatively simple to use but some rules and exceptions has to be known before using, for example what keywords are
inviting and how to set up the parameters to get cost-efficient results. Before creating concrete campaign, the Ad Words specialist should understand what is the service and/or product they are selling. Based on that, establish a list of keywords that connect directly with the field the company is in. So, keywords define the company in the internet, parameters are another thing that needs attention. Parameters define geographically where the campaigned company situates and to who and what is shown. The Google ad can be optimized show that only those internet visitors sees the ad that are searching same service/product from the same location the company offers. The Google ads are shown in all Google search engines.

6.3 Passiva Ltd. webpage

Current www.passiva.ee portal does not unfortunately meet the requirements of a webpage that is fully optimized based on SEO. Meaning that a web page consist of source code that connects with the Internet, in this case with Google. Even a well done Google Ad Words campaign shall fail or be insufficient if the homepage is not set on correct parameters. Therefore before conducting Internet campaign, the webpage has to be re-established and improved to level that it corresponds with the latest trends. It is possible to make a webpage yourself as the previous is done but referring to the specialists experience we have, it is better to use professional help. That is why Passiva Ltd. has decided to use Meedium Marketing Ltd’s services in new web page development.

Since Meedium Marketing Ltd. has such a good reputation, we recommended contacting them. Owners of Passiva Ltd. asked Meedium Marketing Ltd. to give a calculation of developing a new web page and to do SEO, in addition a brief analysis of current website and its position on the Internet. Unfortunately due to confidentiality issues, the concrete price for everything is not published. Instead of that, they offered a sample quote, which does not include the webpage. Price offering (attachment 1) includes on-site optimization, technical optimization, and international link building (social submitter). Services costs in total of 1.200 euro, which is slightly higher than average according to the Meedium Marketing Ltd. specialist (Koort, M. 22 Jan 2012.) Mr. Koort explains that their prices are higher than the competitors because they simply do things 100% and never bargain with quality. Their experiences show that although their prices seem higher, the outcome shows that they were even cheaper than the originally cheapest offers. Reason is simple – usually cheaper offers are not all-inclusive and/or quality is not acceptable.

Meedium Marketing Ltd. has performed a ranking analysis on www.passiva.ee (attachment 2). Meedium Marketing Ltd. internet marketer, Mr. Koort has used 10 keywords to evaluate, how and what links to the company. The Internet marketer measured the website position in four
search engine (Bing, Google, Yahoo, NETI) results. It was known that the results are not even satisfying, and unfortunately the analysis confirms our doubt and even darkens it. The webpage is hardly found through four biggest search engines, if found at all - ranked so badly that the probability a potential customer would browse it, is almost zero.

6.4 Facebook account

Facebook is considered mainly because the portal has the largest amount of visitors in the world and many firms are using it very successfully. Other options could be a blog, Twitter or other similar but then we would need to rely on the webpage visitors. The visitor’s frequency of the www.passiva.ee is very low. Facebook account could be used for giving hints and ideas about anything related to accounting in general or changes in the legislation. Although the information is spread for free, this raises people’s awareness of the firm. Nowadays almost everyone has Facebook account and it has become a great way of spreading information quickly amongst friends and acquaintance people. Our opinion is that Passiva Ltd. needs a Facebook account and should share its information and bookkeeping offers to wider audience.

6.5 Advertising in newspaper

Advertising in newspaper is the oldest way of advertising. We came to the conclusion that in this report we will use newspapers such as Postimees, Tartu Postimees, Linnaleht, Elva Postipoiss. These newspapers are published in the area of Tartu and southern Estonia. We researched the prices of these three newspapers and brought out the most suitable prices of advertising for Passiva Ltd.

In the table below you can see the prices for different sized adverts. There are three different sizes picked for adverts that Passiva Ltd. can use. ¼ is the biggest advertisement we have chosen to be used. It is a quarter of one newspaper’s page which in our opinion is quite big for Passiva Ltd. The second choice we chose 1/8 size per page which still is in our opinion very normal size for bookkeeping company to advertize itself. We also found that 1/24 business card size is a good size for advertisement and which should look like real businesscard to draw attention. Nowadays changing a businesscard is very common habit and businesscard style advert should draw attention for the bookkeeping service seekers. As you can see the prices are very different in different newspapers. This is caused by size of the circulation of these newspapers. The circulation is analyzed later in this caption.
At the moment Passiva Ltd. will not be using advertising companies to create the ad. That is because we, the authors of this report have made a logo for Passiva Ltd. about two years ago. The logo has been in use ever since. As a major saving we are able to use logo and create a simple advert with normal Office tools if needed. Presented below three different sizes and prices give an opinion to choose suitably to company’s economical situation.

Table 2. The prices of different size adverts of four chosen Estonian newspapers

<table>
<thead>
<tr>
<th>SIZE</th>
<th>Elva Postipoiss</th>
<th>Linnaleht</th>
<th>Tartu Postimees</th>
<th>Postimees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/4, free positioning</td>
<td>by agreement</td>
<td>383.47 €</td>
<td>600 €</td>
<td>1 350 €</td>
</tr>
<tr>
<td>1/8 , free positioning</td>
<td>by agreement</td>
<td>191.73 €</td>
<td>300 €</td>
<td>600 €</td>
</tr>
<tr>
<td>1/24 business card size, free</td>
<td>by agreement</td>
<td>70.30 €</td>
<td>15 €</td>
<td>200 €</td>
</tr>
<tr>
<td>positioning</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The diagram below eases and helps to visualize differences in prices between four different newspapers. The prices are presented from cheapest to most expensive one. The prices are collected from attachments 3-4.

![Different prices between selected newspapers](image)

Figure 5. Advertisement prices in newspapers from cheapest to most expensive
6.6 Teenindusweb.com prices

The portal offers package based pricing. There are 3 different levels, starting from the least to fully supported service – bronze, silver, and gold. The higher package you order, the better your company is visible to potential customers. As earlier mentioned in paragraph 5.5 the idea of this service is to make a company more visible in searching engines.

<table>
<thead>
<tr>
<th>Price € /month</th>
<th>Gold member</th>
<th>Silver Member</th>
<th>Bronze member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visibility</td>
<td>9.95 €</td>
<td>2.56 €</td>
<td>4.79 €</td>
</tr>
<tr>
<td>Before bronze and silver up to 20</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Keywords</td>
<td>All keywords</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Introduction of company Logo</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job announcement</td>
<td>Free of charge</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advertising</td>
<td>Every month one ad for two weeks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Introduction of company Logo</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Free of charge</td>
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<td>Free of charge</td>
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<tr>
<td>Free of charge</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Introduction information on company’s page</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Figure 6. Prices of teenindusweb.ee visibility services for companies.

7 Discussion and conclusion

The idea of this thesis was to investigate how and what means would potentially help to boost sales of a small accounting firm. Having free hands from the company it was actually quite hard to find at first the right direction and right tools. At first the main purpose was to figure out in what kind of marketing situation the company was. Through the marketing analyzing tools as SWOT, nature of service marketing and marketing mix we came to conclusion that Passiva Ltd. is practically invisible to audience. Also analysis from Meedium Marketing Ltd. specialist supported our fears that Passiva Ltd. has very bad visibility online. It was clear that employees have not used any of the opportunities of online marketing and will need guidance. As a result of researching the marketing channels and it prices in South-Estonia, we selected the newspapers and Internet tools to be used. It is also important to mention that some of the newspapers are known to us beforehand and the cultural background of Estonia made it easier. This also played role in our selections.

This report confirmed that Passiva Ltd. needs effective marketing to grow. Personal connections cannot help the company to grow in the long run because personal contacts are limited. In order to develop the company further Passiva Ltd. needs to invest in marketing, for example certain percentage of annual budget. It is understandable that a small company does not have the budget to implement all the marketing ways mentioned in this report at the same time. But we suggest the company to take these steps and start building a solid virtual marketing. These aspects include new webpage, visibility growth through optimizing, Google Ad Words, Facebook, Twitter, www.teenindusweb.ee and newspaper ads. In ideal world the company gains visibility by taking these steps and through that it increases quantity of customers.

It is highly recommended to re-evaluate how these marketing tools have worked and how the company has been affected. The marketing can change company in many ways and if the growth of company is positive it might later raise many questions in owner’s minds. Has there been growth and in what scale? Are the customers happy with the service and prices? Is the new webpage working and what do customers think of it? Did this implementation of marketing tools change the company to positive direction and should there be evaluation of marketing plan? All these questions give reason for new researches.

The project had its ups and downs but authors think that the results force the CEO to face the truth and that it is going to help the company operate better. The fact that one of the
authors is also the co-founder of the company, made it easier to collect data and understand the inside operations better. It was also a bit shock that company’s visibility is very low. It is understandable that employees and CEO are not aware of marketing ways but in nowadays working culture everything works through Internet.

The main reason why we concentrated on South- Estonia is that Passiva Ltd. is located there. It was also the CEO’s wish to gain customers with printed marketing from nearby locations. Naturally by being visible on Internet gives the possibility to get clients also from further away.

It was clear that the marketing plan needs to concentrate on improving homepage, Google Ad Words, and Facebook – in other words the digital marketing. But not also forgetting printed marketing such as newspapers because it has still a great influence to people’s lives. The CEO who is doing the majority of the company’s work wanted to know the advertising opportunities for the company. It was the head bookkeepers wish that by demonstrating the newspaper’s prices and sizes they could be for the nearby newspapers. But we also wanted to leave the opportunity for all country wide adverts in Postimees. The range of available online and printed adverts is very wide. We tried to narrow it down to suit Passiva Ltd.
Bibliography


Attachments