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**FOODORA'S DIGITAL MARKETING PERFORMANCE AND CUSTOMERS' RESPONSES IN FINLAND**

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**ABSTRACT**

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<p>Foodora is a food order and delivery service company which operates in Finland and some other Nordic countries. Foodora has been running multiple marketing campaigns, among which those run online remarkably attract customers and help enhance customer experience. Online marketing, or digital marketing, is the use of Internet-based tools and platforms in promoting and selling to customers. It is, these days, known to perform as well as, or even better than, traditional marketing in enhancing brand-awareness, sales, and customer relationship. This thesis aimed to gain insights into how Foodora has been working on their digital marketing in Finland and how customers respond to it, from which solutions were developed for an enhanced digital marketing performance.</p> <p>The thesis had two main parts which were theoretical and empirical. The theoretical part gave an overview of digital marketing, personalization in marketing, content marketing, and means of digital marketing. It also gave an overview of marketing research, quantitative research method, data collection, and SWOT analysis. The theories acted as the background for the empirical research; nevertheless, some of them are only for reference purpose for readers. Most of the theories came from academic sources as well as some other trustworthy online sources.</p> <p>The empirical part included survey, data analysis, and solution development. The survey was done online and the respondents were Foodora's prospects and customers in Finland. The answers to the survey were analyzed using the SWOT method and generated into insights from which Foodora's digital marketing performance and customers' responses were learned. Possible solutions for improved performance were developed. Since customer experience in using Foodora's website and app was considered of key importance, most of the solutions were for website and mobile app development while the others were for email marketing, advertising online, and social media marketing.</p> <p>Through this thesis, the author expressed her thoughts on digital marketing performance by a successful food delivery service provider in Finland. She believes Foodora has remarkable potentials in digital marketing, and they would improve their performance much further in the future.</p>		
<b>Key words</b> customers' responses, digital marketing, digital marketing solutions		

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## **1 INTRODUCTION**

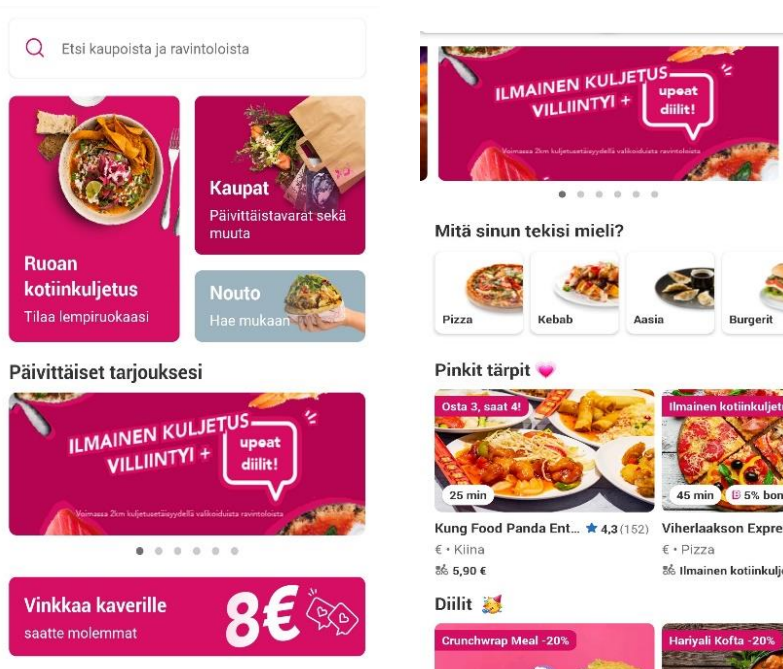
Delivery services that are separate from restaurants' own services have been emerging in popularity in Finland. Operating via a website or mobile app, they provide customers with convenience and flexibility for they can relaxingly stay at home, browse for their favorite food, order, and wait for the food to be delivered right to the door. In addition, they help promote restaurants, especially new ones, and various food cultures to people. These days, almost every restaurant in some big cities and also small and further ones in Finland have at least one delivery service apart from their owns, which is provided by one of the most popular delivery companies – Wolt and Foodora. In this thesis, Foodora and its digital marketing is the main subject.

As an Internet-based company, Foodora has been focusing on digital marketing for enhanced brand awareness and customer experience. For example, Foodora's ads frequently appear on YouTube, social media, and mobile app. Digital marketing is more than that. These days, customers spend plenty of time browsing the Internet to learn about a product, service, or brand. Digital marketing's role is to attract people, generate leads, enhance brand awareness, build and enhance customer relationship, yield higher sales, and so on via marketing activities conducted online. For Foodora, the company has been utilizing Internet-based channels such as email, social media, website(s), and mobile app for carrying out their marketing messages to customers. This thesis aimed to gain insights into how Foodora has been performing their digital marketing strategies on their customers and prospects and how the customers and prospects respond to those strategies in Finland.

### **1.1 Overview of Foodora**

Foodora is a service portal for food order and delivery developed by Delivery Hero Finland. According to Crunchbase – Foodora, Foodora was co-founded in 2014 in Munich, Germany by Emanuel Pallua, Julian Dames, Konstantin Mehl, Manuel Thurner, Sergei Krauze, and Stefan Rothlehner. It currently operates in Nordic countries. As claimed by Foodora on its website, in Finland, Foodora operates in approximately 90 cities, including Helsinki, Espoo, Vantaa, Turku and Tampere, and 3000 restaurants with 35000 couriers. Its purpose is “to gather all the restaurants in Finland under one roof and make home deliveries as easy as possible”. It covers home and individual orders as well as catering for businesses.

Foodora serves via their mobile app and main website where customers can browse for items, make orders, and have them delivered by their couriers. They include sufficient basic features as well as additional features, such as promotion news, help center, bonus program. The website has two language options – Finnish and English while the app only has Finnish. They have a good layout with pink as theme color.



PICTURE 1 & 2. Foodora's mobile app appearance

Picture 1 shows the screen which users see first when they open Foodora's mobile app and picture 2 shows the screen which users are taken to after they choose either 'ruoan kotiinkuljetus' – home delivery or 'nouto' – pick-up. As can be seen from the pictures, information about special promotions and offers is placed noticeably on the screen which can easily attract users' attention. The use of mobile app is one important digital marketing strategy by Foodora.

## 1.2 Goal, structure, and information sources of the thesis

The goal of this thesis was to learn about Finnish Foodora's digital marketing, including their marketing activities and customers' responses to them, and to come up with solutions for enhancing it. The thesis was divided into two main parts – theoretical overview of digital marketing and empirical research which included a survey, data analysis, and solution development.

Theories of digital marketing present in this research came from the books on digital marketing, social media marketing, and social media advertising. In the books, the theories included description, explanation, and interpretation of digital marketing and advertising including the authors' own-generated theories, case studies, and practical application of those. When getting deprived from the books to this thesis, the theories were selected and summarized to serve the main goal of it. In addition, some theories in the thesis were taken from secondary sources on the Internet.

The empirical research of the thesis consisted of four main parts – survey, data collection, data analysis, and solution development. Survey was online using Webropol tool and sent out to people via Centria UAS's international student groups and some other international groups on Facebook. The population sample was the people who had experienced Foodora's digital marketing activities in Finland, specifically young adults and foreigners living in Finland. Data analysis helped obtain insights into Foodora's digital marketing performance and figure out some possible ways to enhance it. The author's own experience as a regular Foodora's customer, were also used for additional support to the empirical research.

## 2 THEORETICAL FRAMEWORK

This chapter gives general knowledge on digital marketing, personalization in digital marketing, content marketing, and means of digital marketing.

### 2.1 Overview of digital marketing

Digital marketing refers to the use of Internet-based platforms and channels such as social media, websites, emails, and mobile apps in promoting and selling to customers. Digital transformation has brought significant changes to businesses and brands, together with the birth of mobile apps and artificial intelligence (AI), forcing them to come up with new marketing methods which are best to be automate and efficient for customers.

Paid, earned, owned (PEO) is a digital marketing concept that describes and categorizes common means of marketing used by organizations. Charlesworth (2018, 39) explained the concept as follows.

- *Paid* (also known as *bought*) is the marketing in any media that the organization has to pay for. This refers to advertising and direct mail. Besides ads that we commonly see on YouTube, websites, and mobile games, having influencers such as celebrities and KOLs to talk about the product, service, and brand on social media, is also a form of paid marketing.
- *Earned* is the marketing that allows customers to publicly evaluate the product, service, brand, or organization in any aspect. This refers to review sites and customer-generated content on social media. By means of this, viral marketing works at its best since customers share with other customers and probably the whole world about the product, service, and brand.
- *Owned* is the marketing in any media that the brand has total or some control over. This refers to its own websites, social media pages, and mobile apps. Public relations (PR) is commonly used in this model.



So far, there are six common types of digital marketing, which include search engine optimization (SEO), website and app development, e-commerce, advertising online, email marketing, and social media marketing. They are explained in separate subchapters in this thesis.

## 2.2 Personalization in digital marketing

As mentioned above, artificial intelligence is an important invention through digital revolution, some of remarkable examples of which are Apple's Siri and Amazon's Alexa. In digital marketing, one of the key AI uses is to enhance *personalization*. Personalization refers to that each customer receives a marketing message that is tailored for him or her or supposed to respond best to his or her buying preferences. In lots of cases, customers provide their personal information, for example via account register and online purchase, based on which marketers predict their buying preferences and tailor marketing messages to that. (Charlesworth 2018, 32.) Here are some common applications of personalization.

- Customers' location tracking and nearest physical shops recommendation (used by retail chains).
- Promotion emails to customers after they buy or search for a product, service, or brand online.
- Direct emails to customers with special offers that probably responds well to their buying preferences.
- Platform that allows personalized communication between the brand and customers, based on their online actions that indicate their interests and buying preferences.
- And so on.

Customers are highly likely to engage with brands that personalize their experiences. Quite many of them are willing to share their information to get tailored experiences. Businesses and marketers believe personalization enhances customer relationship. Here are some statistics of personalization as follows.

- 80% of customers are more likely to buy from brands which offer personalized experiences (Bump 2021 [Epsilon 2018]).
- 67% of consumers think it is important that brands automatically adjust content based on current context. When brands do not, 42% of consumers will get annoyed (Adobe 2019).

- 83% of shoppers would exchange data for a more personalized experience (Accenture Interactive 2018).
- 79% of consumers believe companies knew too much about them, but 90% are still willing to share behavioral data for a better brand experience (Bump 2021 [SmarterHQ 2019]).
- Message personalization is the best tactic used by email marketers to increase engagement rates (HubSpot, Litmus & Wistia 2021).
- 99% of marketers say personalization helps advance customer relationships (Evergage & Researchcape International 2020).

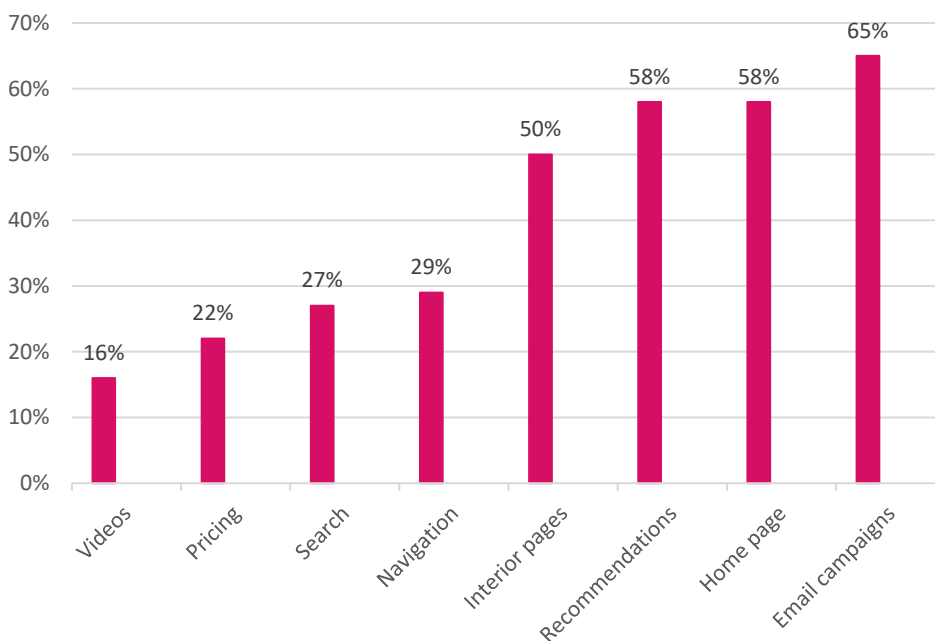


FIGURE 1. Types of personalization used by marketers (adapted from Charlesworth 2018, 34)

As shown in figure 1, email campaigns are mostly used by marketers for personalization, followed by home page and interior pages, and recommendations. Email campaigns are representative of email marketing, home page and interior pages are of website development, and recommendations are of online advertising. Those are, as mentioned above, ones of the six most common means of digital marketing.

### 2.3 Content marketing

As defined by Content Marketing Institute, content marketing is a strategic marketing approach focused on creating and distributing valuable, relevant, and consistent content to attract and retain a

clearly defined audience — and, ultimately, to drive profitable customer action. Some common formats of digital content include blog posts, social media posts, website content, emails, advertisements, online articles, pictures, videos, infographics, and so on. Heinze, Fletcher, Rashid and Cruz (2017, 222) believed one defining factor of a viral content marketing campaign is emotion and its ability to provoke an emotional response for targeted customers, such as joy, sadness, surprise, excitement, or empathy. In addition, Berger (2013) developed a list of six vital factors for improving the virality of the campaign, which is called STEPPS model (Heinze et al. 2017, 222). They are explained as follows.

- *Social currency.* Social currency is a brand's influence over its targeted communities (Colcol 2020). Social currency, in this context, refers to targeted audience's influence. When customers share a brand's content, they want to feel knowledgeable, capable, or caring, etc. of something (Heinze et al. 2017, 222); on another word, the content should be the one to make them feel influential towards those they share it to.
- *Trigger.* A trigger is something that would remind customers of the content while associate with marketing messages (Komatsu 2019). A trigger could be a catchy song, slogan, or hashtag (Heinze et al. 2017, 222), which would come first in the audience' mind thinking about the content or elicit a positive action from them watching it, such as making a purchase.
- *Emotion.* Generally, we make decisions based on emotion and justify them with logic as a later stage (Heinze et al. 2017, 222 [Carnegie 2010]). The content which can provoke positive emotions from the audience, such as pride, inspiration, amazement, surprise, shock, and knowledgeableness would have a remarkably high chance to go viral. On the other hand, those which provoke negative emotions such as confusion and disgust and those which go too practical might turn the audience off reading, watching, and sharing. (Woodford 2019.)
- *Public.* When the content is available to be seen, downloaded, and shared for everybody, there is a high chance it would go viral. The content itself should be suitable for watching, reading, and sharing, which means it should not contain inappropriate or irrelevant information, words, videos, or pictures (Komatsu 2019). Some public places suitable for placing the content are social media, public forums, and brand-related websites. Specifically, social platforms could provide data on how many views, comments, interactions, and shares the content has got, which support its logic of persuasion. (Heinze et al. 2017, 222.)

- *Practical value.* The content should be practical and full of helpful information, which can be learned and applied by the audience. For example, a furniture brand targeting at young people who look to setup their new home could provide tips on furniture choosing, furniture assembly, house organization and decoration, and so on. Practical content would earn higher sharing and engagement since the audiences would spend more time on it and return to it multiple times. (Komatsu 2019.)
- *Story.* A story embedded in the content would make it easier to be conveyed, absorbed, and remembered by the audience. A good story is associated with a brand's values and the marketing message while it resonates with the audience. It can either provoke positive emotions from the audience, bring educational values, or drive the audience to share and discuss it with other people (Decker 2021). Stories which are attached to the brand's image would help improve brand-awareness, keep the customers engaged, and evoke positive actions from them.

## **2.4 Means of digital marketing**

Digital marketing takes place via multiple means and channels that can be accessed on the Internet. According to a report by Statistica, there are globally 4.66 billion of active Internet users and 4.2 billion of active social media users as of January 2021. It is common that every Internet user has encountered at least one marketing tactic from brands by means of ads, emails, posts on social media, website performance, and so on. There are six means of digital marketing popularly used by brands and businesses, as follows.

### **2.4.1 Search engine optimization**

Search engine optimization (SEO) refers to a process of increasing a website's visibility to customers. When customers want to learn about a product, service, or brand, they would first search for it on search engines such as Google and Bing. Sites that come at the top of the result page would be highly likely to attract customers.

According to Search Engine Land (searchengineland.com), search engines use algorithms to analyze sites and determine in what order they would appear on the result page. They consider various factors, which are categorized into four main groups as follows.

- *On-page SEO – Content, Architecture, HTML.* This group includes factors that are within website builders' control, such as content quality, mobile friendliness, connection security, keyword search placement, and so on.
- *Off-page SEO – Trust, Link, User.* This group includes external factors such as a brand's reputation, user engagement, link quality (e.g., links from reliable websites, high-quality link content), user personalization (e.g., location, language, user experience), and so on.
- *Toxins.* This group includes factors that would cause a site's ranking lowered by search engines. Those are bad tactics used by site builders, such as cloaking, spamming, stealing content, ad-heavy content, unclear keywords, and so on.
- *Emerging verticals.* This group includes factors that represent new ways for users to find what they are looking for, such as voice (e.g., Alexa, Google, Siri), image, video, and local searches.

## 2.4.2 Website development

A website is the face of a brand online. Customers look at the website to learn what messages the brand is trying to carry. Website development includes visual development, content development, credibility, and global web presence.

### Visual development

Visual development includes *site architecture* and *website presentation*, explained as follows.

- *Site architecture* refers to the structure of content on the website. It includes arrangement of pages, considering convenience for users to find contents and for search engines to crawl pages.

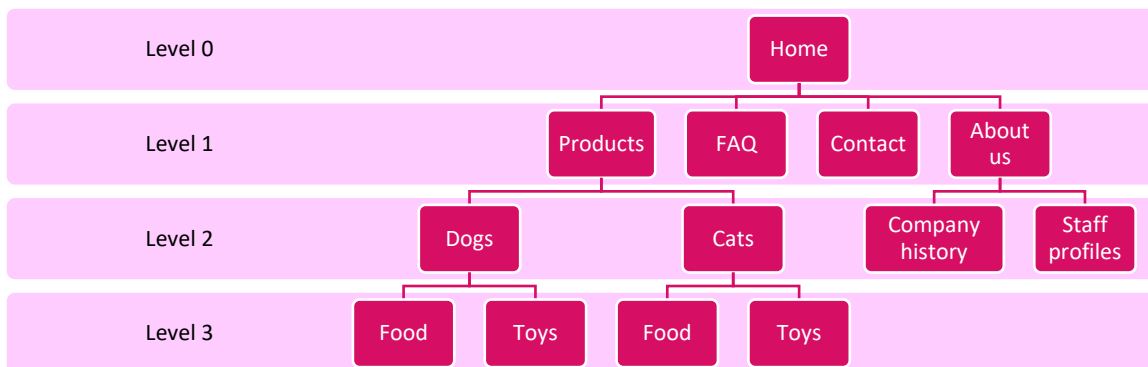


FIGURE 2. An example of simple website architecture (adapted from Charlesworth 2018, 126)

- *Presentation* refers to the manner the website is presented to visitors. For visibility, a good website includes design features such as font size, image size and quality, page size, color that first, represents the website’s objectives; second, are compatible in all browsers; and third, are pleasant to look at for most users. For general convenience, it has fast page loading, important contents to be on the screen, included home page link, few technical errors, and so on. (Charlesworth 2018, 127-129, 131.)

## Content development

Content development includes *textual content*; *picture andv video content*; and *interactive web content*, explained as follows.

- *Textual content*. The website should be customer-centric rather than brand-centric. It should focus on four main factors as follows.
  - The solution. The website provides a clearly identified solution to customers’ need when they choose to visit it.
  - The information. It provides the information that meets the need.
  - The presentation of information. The information is appropriately presented in a manner that best represents the solution, product, service, or even brand.

- The development of information. The information is developed by professional content developers. It is also developed differently for different contexts and purposes.
- *Picture and video content.* These are added for a better demonstration of the product. Some factors to be considered for them are quality, length (for videos), benefits for customers, and keywords.
- *Interactive web content.* Widgets, forums, chat bots, virtual reality (VR).

### **Online credibility**

Online credibility is usually applied to businesses or brands that mainly operate online (Charlesworth 2018, 132). Literally, the website is the brand. Whether the website is built good or bad would significantly affect customers' impression and perception about the brand. In addition, interactions and transactions on the Internet seem to be riskier than those in real life and building online trust is a big challenge for businesses to compete in digital world. Charlesworth (2018, 133-134) explains the factors which should be considered to reach web credibility as follows.

- Included staffs' profiles and contact information
- Included terms and policies for transactions and data security
- Customer support, e.g., FAQ, real-time conversation
- Easiness in verifying information on the website
- Showing the business does exist and have trustworthy people behind the site

And so on.

### **Global web presence**

When the brand moves to a new country, the website developed for it would either go for *standardization* or *localization* or *between the two*. Standardization means there is only one website whose content is applied for global customers, usually in English. Localization means that there are different websites developed for different countries where the brand is operating. What between the two, which is preferred by brands who want to become worldwide, refers to that local websites are developed, with standardized brand image and web layout and localized content. (Charlesworth 2018, 157.)

Charlesworth (2018, 158-159) explains the factors which should be considered in global website development as follows.

- Languages and automatic language translation for each local website
- A web design template for all local sites
- Links to local sites from the domestic site and link presentation, for example, flags to represent countries.
- Cultures and practices of countries
- Units of currency and units of measurement
- Colors

And so on.

### 2.4.3 E-commerce

E-commerce is the selling of goods online. There are two categories of e-commerce done by brands, which are *pure play* – brands that only sell online and *multichannel* – also called bricks and clicks, brands that sell both offline and online (Charlesworth 2018, 164). An important form of e-commerce is e-marketplace, such as Amazon and eBay. An e-marketplace is a platform where various sellers sell their products and share a percentage of their revenues with the owner of the marketplace. In the thesis author's opinion, Foodora can be considered an e-marketplace specifically for restaurants.

Since e-commerce involves attracting and selling to customers online, the website and/or mobile app serving for this purpose are essential factors. They are supposed to increase sales opportunities and enhance customers' experiences shopping with the brand. It was mentioned in sup-chapter 2.4.2 that website development basics include site architecture and presentation. This section covers another important issue of a website and/or a mobile app used for online trading – *checkout facility*. Charlesworth (2018, 187-189) explains the following criteria which a good checkout facility is supposed to satisfy.

- *It is easy to use.* For it comes to personal data and credit card details, customers do not want to take risk with a complicated checkout facility or one with frequent technical errors.
- *It is constantly available.* Customers want their basket in sight in every viewing page.



- *It has abandoned carts checked.* Sometimes customers do not go through with the payment. Brands need to find out why and if it is some technical problem of the website, seek to fix it.
- *Re-marketing.* Customers would abandon a cart for their personal reasons, such as they change their mind, they do not have credit card details with them, they have some other business and leave the purchase for later, and so on. Re-marketing is to figure out the reasons for abandoned carts and get customers' attention back to the purchase. An email to customers asking about their shopping experience and reminding of the abandoned cart may work.
- *It accepts multiple methods of payment.* Customer might want to pay by cash when delivery comes or use other payment facilities such as Pay Pal or lunch benefits besides credit or debit card.
- *It provides delivery options.* Customers want to be provided with different delivery options to choose from.
- *It has good security.* A checkout should take place on a secure server. Otherwise, it would negatively impact the website's credibility.

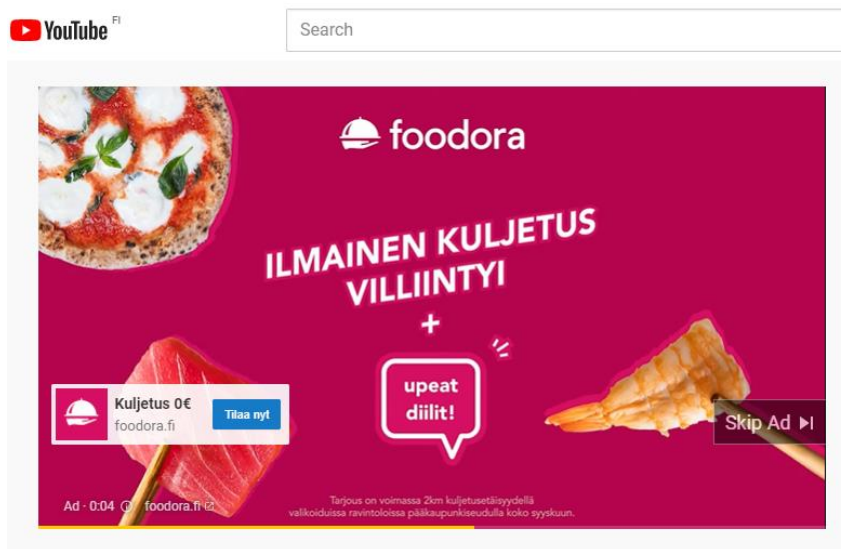
In addition to checkout facility, the website should also include the following factors – product pages with proper textual and visual description, calls to action such as “add to basket” button, wish list, in-site search facility, contact information, price details (not only sole selling price but related costs such as delivery fee or tax), product comparison facility, website personalization, and so on (Charlesworth 2018, 191-193).

#### **2.4.4 Advertising online**

Advertising online refers to the use of ads on the Internet such as digital media and social media. The primary purpose of most online advertising is to direct people to online sites that are of interest and value to them (Kelley, Jugenheimer & Sheehan 2012, 152). Ads are meant to either elicit an action from customers, such as ‘click for 20% discount’ or promote a product, service, or brand by regular appearance. There are several types of online advertising which are commonly divided into two groups – *display advertising* and *native advertising*, explained as follows.

## Display advertising

Display advertising is the placement of visual ads on third-party websites. When customers click the ads, they are taken to the brand's website. Some forms of display ads include banners, videos, texts, square ads, pop-up ads, wallpapers, and flash. Sites to be chosen for ad placement are supposed to be similar to the brand's website to some degree, such as keywords or topic. Display advertising also commonly takes place on mobile devices via mobile apps and some social platforms such as YouTube.



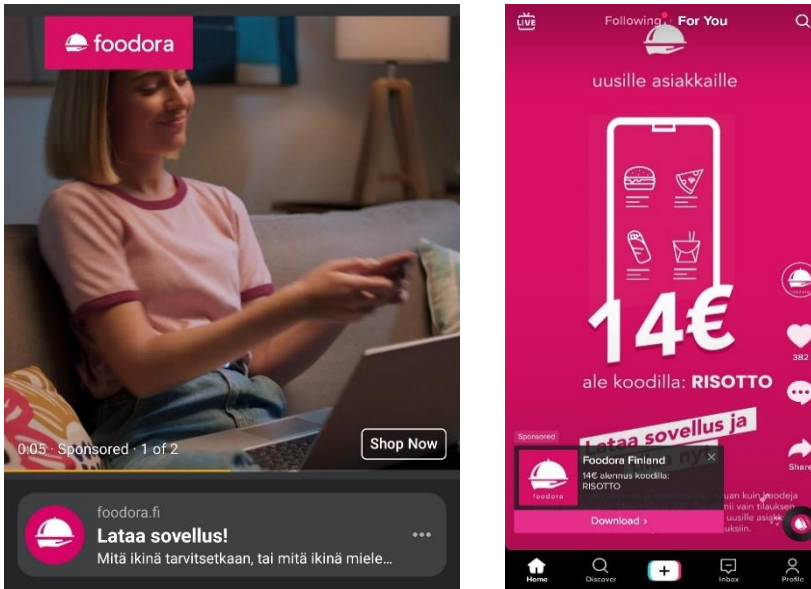
PICTURE 3. A Foodora's pop-up ad on YouTube

Picture 3 shows a Foodora's pop-up ad on YouTube which appears in the beginning of the video. The ad contains information about a promotion and a link to the website or the app where the promotion is presented.

## Native advertising

According to Outbrain (outbrain.com), native advertising refers to placing ads in their so-called natural or native environment. In a sophisticated manner, ads look and function similar to the other contents of the web pages where they are standing. They seem to be a part of those pages. Social media advertising and SEM are the best applications of native advertising, explained as follows.

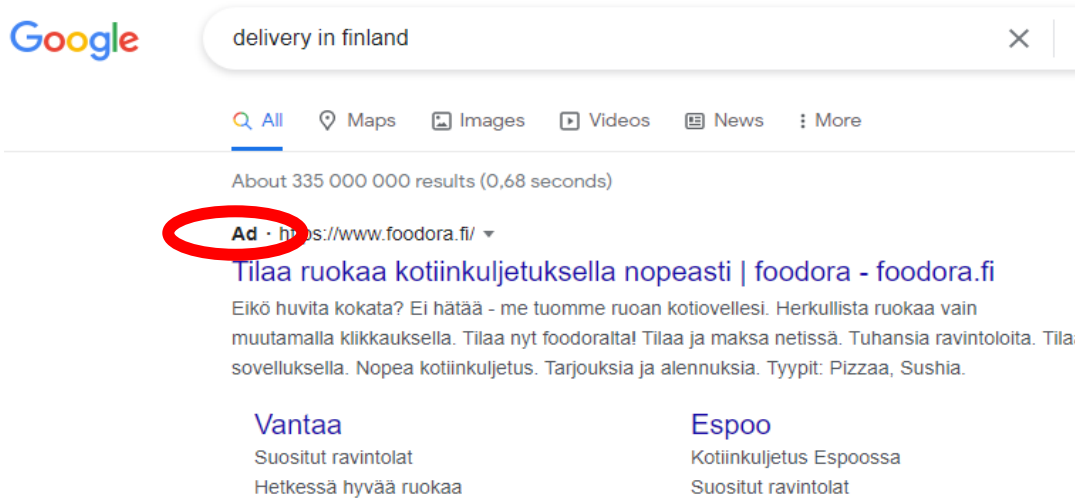
- *Social media advertising.* Social media advertising is the placement of ads on social platforms, which are commonly called *in-feed ads*. It is commonly seen that ads appear in news feed with “sponsored” (Facebook and Instagram) or “promoted tweet” (Twitter) tag which tells users that they are ads. These types of ads could be non-disruptive, and users would scroll them away in a second if they are not interested.



PICTURE 4 & 5. Foodora’s ads on Facebook and Tiktok

Picture 4 and 5 show Foodora’s in-feed ads on Facebook and Tiktok which users see while they are scrolling their feeds. In picture 4, the ad is meant for introducing Foodora and it contains a link to Foodora’s website. In picture 5, the ad contains information about a promotion and a link to the website or the app where the promotion is presented.

- *Search engine marketing (SEM).* SEM promotes websites by increasing their visibility in search engine result pages (Kelley et al. 2012, 153). It is different from search engine optimization (SEO) when brands utilize relevant keywords and content quality instead of paying to get high ranking. It is commonly seen that top results in the search result page go with ‘ad’ tag which tells they are paid, still, they are non-disruptive and match what users are searching for.



PICTURE 6. A Foodora's SEM ad on Google

Picture 6 shows Foodora's SEM ad on Google. As can be seen, Foodora is the top search result. Next to the link address is an 'ad' tag which shows it is sponsored to be on the top.

### 2.4.5 Email marketing

Email marketing is the use of email to promote a product, a service, or brand to customers. Email marketing can be divided into *direct marketing* and *non-direct / personalized* marketing.

#### Direct email marketing

Direct email marketing refers to the direct sending of promotional campaigns to current and potential customers. Charlesworth (2018, 240-247) explains seven elements of direct email marketing as follows.

- *Determining objectives of the campaign.* Normally, direct email campaigns aim to gain relevant actions from the recipients, such as registering for newsletter, going through offers and/or making a purchase, donating. Besides action, other factors such as attention, interest, desire can also be acquired using email.
- *Developing a mailing list.* The chosen recipients are either potential customers in the target market or customers who have given permission to be contacted for promotional emails.

- *Developing the content.* The content of the email is considered in technical and textual context. For technical, the content is meant to be accessed by multiple devices, browsers, and systems. For textual, the content is meant to elicit expected actions from customers, hence relevant and impressive, with an appropriate subject line.
- *Developing the landing page.* The landing page is meant to be relevant to the content. When customers click the link in the email, they are supposed to be taken to the page that represents exactly what has been said in the mail.
- *Testing content and technology.* The testing is meant to cover technical and content aspects. For technical, testing is to detect loading presentation issues on different devices and browsers. For content, testing is to evaluate the effectiveness of different contents and subject lines, and design features such as fonts, colors, images.
- *Sending.* The email is sent after testing.
- *Measuring the results.* Key performance indicators (KPIs) are used to measure the objectives being met. KPIs for generic email campaigns include delivery rate, open rate, clickthrough rate, viral rate, and campaign comparison. Those for email campaigns with specific objectives include sales unit, sales value, orders, total profit, downloads, leads generated, and responses rates. Two other use metrics to evaluate the campaign's results are churn rate – number of emails that do not exist, and list growth – number of people joining the mailing list in the light of list-building campaign.

### **Non-direct or personalized email marketing**

In this section, email is used to carry marketing messages to customers. Content of such email campaigns is tailored to individuals. Charlesworth (2018, 250-252) explains the common types of personalized email marketing as follows.

- *Welcome message or registration confirmation.* An email is sent to customers who have registered with the brand, such as creating an account, registering to newsletters, clubs, forums, to welcome them.

- *Order confirmation.* An email is sent to customers who have made an order online to inform them that their order has been received. This is an important factor of online credibility for customers need to know about their order status.
- *Shipping confirmation.* An email including details about order tracking is sent to customers, enabling them to track the process of their order.
- *Delivery confirmation.* An email is sent to customers to confirm the delivery has been completed. It is to check if customers have actually received the orders and/or they are satisfied with them.
- *Reservation reminders or status updates.* An email is sent to customers to remind them about their reservation or promote relevant services.
- *Opt-out.* An email is sent to customers when they want to unsubscribe from the brand, asking about their reasons, accepting their decision, and looking forward to them back soon.
- *After first / frequent / infrequent purchase.* Relatively, an email is sent to welcome customers / keep regular customers / show customers that the brand remembers them even though they are infrequent.
- *Event related.* An email is sent to greet customers on special events, such as birthday or seasonal holidays, including relevant offers.

#### **2.4.6 Social media marketing**

Social media marketing is the use of social platforms to promote a product, service, or brand to customers. Many people all around the world are active users of social media, a remarkable number of whom follow their favorite brands to keep in touch with promotional programs and new products and services, leave ratings and reviews, or create their own brand-related content. Brands create their own social sites to communicate with customers and look for prospects based on their activities in the sites, such as 'like', 'follow', 'comment', or 'rate'. Some marketing tactics that brands use on social media include visual contents, hashtags, regular posting and commenting, regular promotional campaigns, and

so on. Marketing on social media also compose of social media advertising. Social media advertising can be highly targeted since some social platforms provide the brands with customer data in both demographics and psychographics. (Kelley et al. 2012, 164-165.) There are three main types of social platforms which are used by brands for marketing, which are blogging platforms such as WordPress and Blogger; business-to-consumer (B2C) platforms such as Facebook, Twitter, and Instagram; and business-to-business (B2B) platforms such as LinkedIn and YouTube (Heinze, Fletcher, Rashid & Cruz 2017, 118-200).

Here are some statistics about marketing on common social platforms – Facebook, Instagram, Twitter, and LinkedIn.

### Blogging

- There are over 600 million active blogs globally in 2021 (Buyers 2021).
- 55% of companies say blog content creation is one of their top marketing priorities for 2018 onward (Buyers 2021 [State of Inbound Marketing Industry 2018]).
- 40% of content marketers say original visuals, such as infographics, perform best in their articles (Khoja 2021).
- 42% of bloggers reported “strong results” when adding images to their content (Crestodina 2021).
- 90% of bloggers use social media channels for driving traffic to their content in 2019 (Crestodina 2021).

### Facebook

- As of Q3 2021, there are 2.91 billion monthly active Facebook users (Statista).
- 81% of businesses prefer video marketing on Facebook (Buffer & Social Chain 2019).
- Videos between 2 and 5 minutes gather more engagement from social media users (Carmicheal 2021 [Social Insider 2020]).
- In 2018, 78% of US consumers made purchases through discoveries on Facebook (Carmicheal 2021 [Kleiner Perkins 2018]).
- 62% of people said they were more interested in a product after seeing it in stories (Meta for Business 2019).

## Instagram

- There are approximately 1 billion Instagram monthly active users worldwide (Dean 2021).
- 98% of marketers say Instagram is the most influential platform for influencer marketing, which is 44% higher than Facebook (Barnhart 2021).
- 83% of people use Instagram to discover new products and services and 87% said they took specific action, like making a purchase, after seeing product information (Meta for Business 2019).
- Posts with a tagged location result in 79% higher engagement than posts without a tagged location (HubSpot & Mention 2020).

## Twitter

- Twitter reached 211 million daily active users in Q3 2021 (Statista).
- Twitter generated 87% of its revenue through advertising services in 2019 (Statista).
- Video views on Twitter increased 62% from 2019 to 2020 (Newberry 2021a).

## LinkedIn

- LinkedIn has approximately 740 million users with over 55 million registered companies (Osman 2021).
- LinkedIn is mostly used by marketers as both paid and organic social channel for B2B businesses. (Content Marketing Institute & MarketingProfs 2020).
- 82% of B2B markers report finding the greatest success on LinkedIn (Needle 2021 [LinkedIn Marketing Solutions]).
- Over 46% of all social media traffic to company websites comes from LinkedIn (LinkedIn 2021)

## YouTube

- In 2021, there are approximately 1.86 billion YouTube users worldwide (Semrush 2021).
- YouTube is the second most popular search engine after Google (Newberry 2021b).
- 62% of businesses use YouTube as a channel to post video content (Mohsin 2021 [Buffer 2019]).
- 90% of people say they discover new brands or products on YouTube (Mohsin 2021 [Thinkwithgoogle 2019]).
- 70% of viewers bought from a brand after seeing it on YouTube (Newberry 2021b [Google 2020]).



- YouTube ads targeted by intent have a significantly higher impact on customers than those targeted by demographics (Hensler 2020).

### **3 EMPIRICAL RESEARCH**

This chapter presents research methodology that the author used and the research process, data collection, data analysis, and solution development.

#### **3.1 Research methodology**

This research aimed to learn about Foodora's digital marketing performance and customers' responses to it. Therefore, marketing research was conducted. Marketing research is the process of designing, gathering, analyzing, and reporting information that may be used to solve a specific marketing problem (Burns, Veeck & Bush 2017, 37). Three marketing research methods that businesses most commonly use these days include quantitative method, qualitative method, and quantitative-qualitative-mixed method. In this research, quantitative research method was used.

##### **3.1.1 Quantitative research and survey**

Quantitative research is defined as research involving the administration of a set of structured questions with predetermined response options to a large number of respondents (Burns et al. 2017, 143). Compared to the other two methods, quantitative method is more suitable for a big group of respondents, from which data collected are statistically inferred to the group. Since the research aimed to learn about how Foodora's customers respond to their marketing activities in general, quantitative method worked best for it.

Online survey was used as the main data collection method in the research. A survey, which is one of the most common data collection methods in quantitative research, refers to the use of predesigned questionnaire for interviewing a large number of respondents (Burns et al. 2017, 171). Online survey is a type of computer-administered surveys which is considered convenient, inexpensive, and able to collect authentic answers from respondents. In this research, an online survey was created on Webropol and sent out to respondents via email, text, and public link. The population sample of the survey was the people who had experienced Foodora's online marketing activities in Finland, specifically young adults

and foreigners living in Finland. The sample was not diversified in ages and nationalities which is an issue to be discussed in chapter 4 of the thesis.

The survey questionnaire came in multiple forms such as multiple choices and open questions. It included six parts which were demography, brand awareness, website and mobile app development, email marketing, and advertising online. The questions in specific were as follows.

#### Demography

- 1 What is your age?
- 2 What is your occupational status?

#### Brand awareness

- 3 How do you mostly get aware of Foodora online?
- 4 How do you get informed about promotions and updates by Foodora online?
- 5 How likely do you read messages from Foodora which reach you via any of these channels?

#### Website development

- 6 Have you ever visited Foodora's main website?
- 7 Do you find the appearance of the website friendly with the eyes?
- 8 Do you find it easy to look for the information you need on the website?
- 9 There are instructions and FAQs on, e.g., browsing, ordering, paying, delivery tracking on the website. Do you find them helpful?
- 10 Have you ever made an order via the website?
- 11 There are filters for restaurants based on your preferences and location on the website. Do you find them helpful?
- 12 There is delivery tracking on the website. Do you find them helpful?
- 13 Have you ever encountered any technical problem when ordering or paying on the website?
- 14 There is no chat box for real-time conversation with Foodora's customer service on the website. Do you think it should be added?
- 15 Would you suggest any changes to Foodora's website for enhanced customer experience? (Open question)

#### Mobile app development

- 16 Have you ever made an order via the app?

- 17 There are filters for restaurants based on your preferences and location on the app. Do you find them helpful?
- 18 There is delivery tracking on the app. Do you find it helpful?
- 19 Have you ever encountered any technical problem when ordering or paying on the app?
- 20 The app is mainly in Finnish. Do you think some other language options such as English and Swedish should be added?
- 21 There is no chat box for real-time conversation with Foodora's customer service on the app. Do you think it should be added?
- 22 Would you suggest any changes to Foodora's mobile app for enhanced customer experience?  
(Open question)

#### Email marketing

- 23 Do you usually read emails from Foodora?
- 24 What types of emails have you received from Foodora?
- 25 Do you find the emails informative, considering their subject and purpose of sending?
- 26 Do you find the information of the emails clearly presented?
- 27 Do you think the e-newsletters and other promotional emails are sent to you in an appropriate frequency?

#### Advertising online

- 28 What types of advertisement do you most frequently see from Foodora?
- 29 Do you find the ads catchy and easy to remember?
- 30 Do the ads contain a call-to-action link (e.g. link to the app downloading) or button (e.g. 'click here', 'order now', 'learn more')?
- 31 Do you think the ads appear in an appropriate frequency?

### **3.2 Data collection and data analysis**

The survey was released on 1<sup>st</sup> September 2021 and opened for one month. It was sent to respondents via student email groups of Centria University of Applied Sciences as well as Facebook groups, which include Welcome to Finland, Foreigners in Finland, International Students in Finland, and Expat Helsinki. There were 56 respondents in total. The answers are collected and analyzed in the following sections.

### 3.2.1 Data collection

The answers to multiple questions are collected and explained as follows.

#### Demography

TABLE 1. Age distribution of the respondents (n = 56)

	<b>n</b>	<b>%</b>
12 – 17	0	0
18 – 24	30	53.6
25 – 39	25	44.6
49 – 50	1	1.8
60 and above	0	0

For question 1, there were 56 respondents. 30 of them are of the ages 18 – 24 and 25 of them are of the ages 25 – 39. (TABLE 1.)

TABLE 2. Occupational statuses of the respondents (n = 56, x = 68)

	<b>x</b>	<b>%</b>
Student	41	73.2
Full-time employed	16	28.6
Part-time employed	11	19.6
Unemployed	0	0
Retired	0	0

For question 2, there were 56 respondents and 68 selected answers. 41 of them were students, 16 were full-time employed, and 11 were part-time. (TABLE 2.)

## Brand awareness

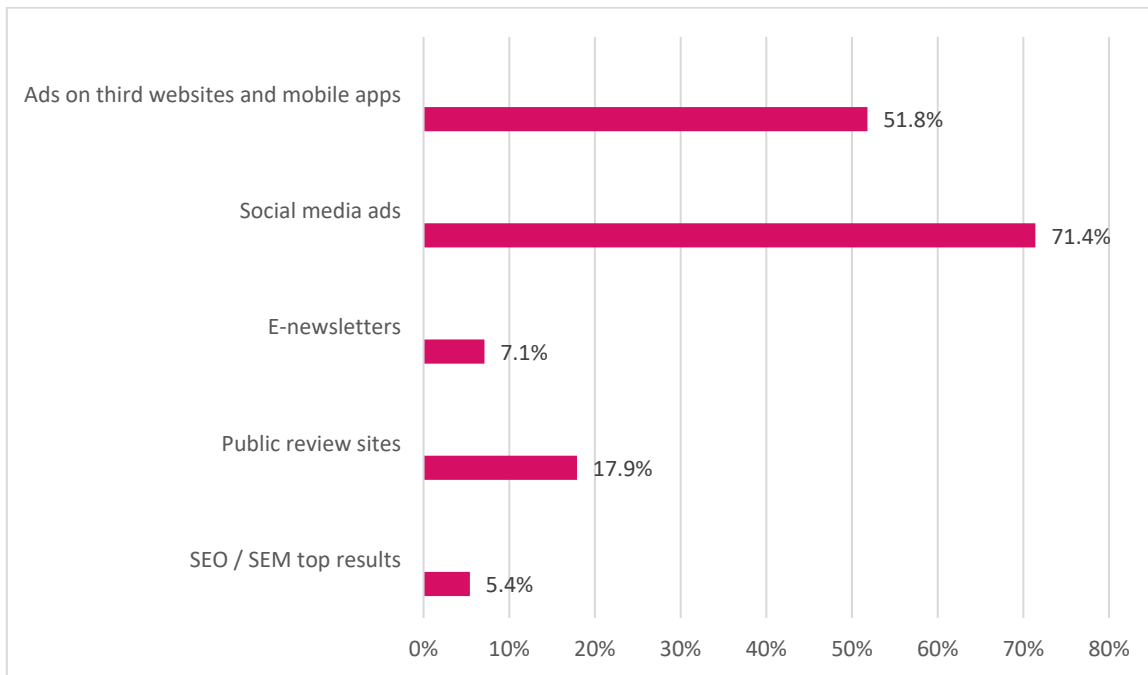


FIGURE 3. Foodora's brand-awareness

TABLE 3. Foodora's brand-awareness (n = 56, x = 86)

	x	%
Ads on third websites and mobile apps	29	51.8
Social media ads	40	71.4
E-newsletters	4	7.1
Word of mouth on public review sites	10	17.9
SEO / SEM top results	3	5.4

For question 3, there were 56 respondents and 86 selected answers. 40 of them got mostly aware of Foodora via social media ads, 29 via ads on third-party websites and mobile apps, and 10 via word of mouth on public review site. (TABLE 3 & FIGURE 3.)

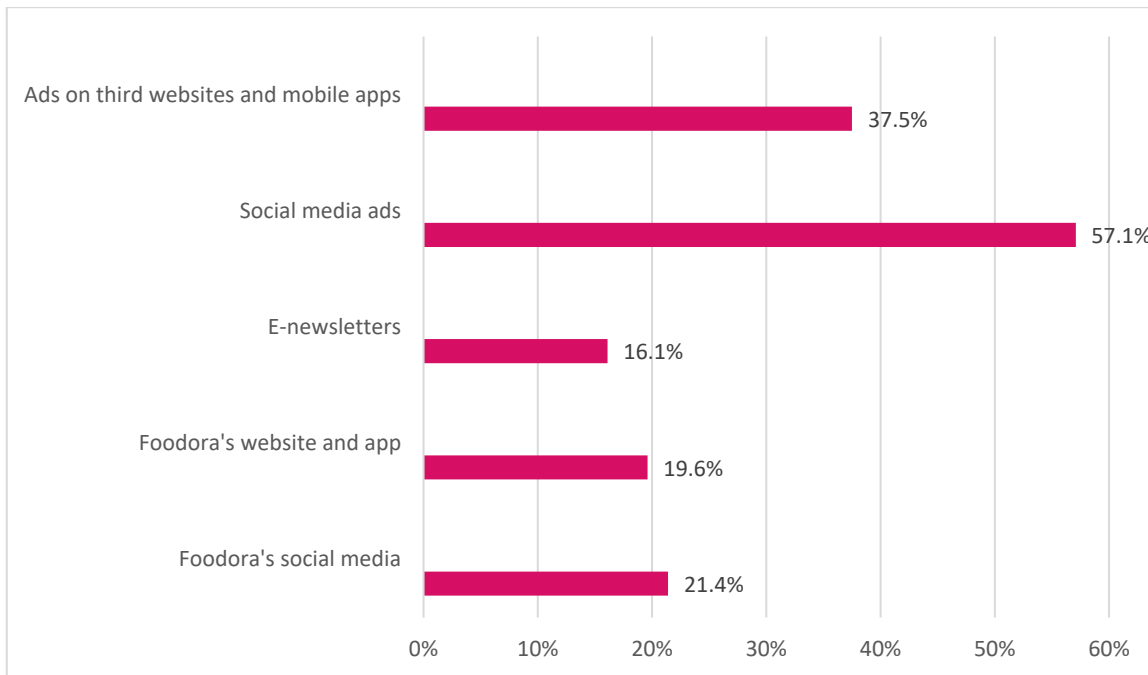


FIGURE 4. Foodora's means of informing about promotions and updates

TABLE 4. Foodora's means of informing about promotions and updates (n = 56, x = 85)

	x	%
Ads on third websites and mobile apps	21	37.5
Social media ads	32	57.1
E-newsletters	9	16.1
Foodora's website and app	11	19.6
Fodoora's social media sites	12	21.4

For question 4, there were 56 respondents and 85 selected answers. 32 of them got informed about promotions and updates by Foodora via social media ads, 21 via ads on third-party websites and mobile apps, and 12 via Foodora's social media sites. (TABLE 4 & FIGURE 4.)

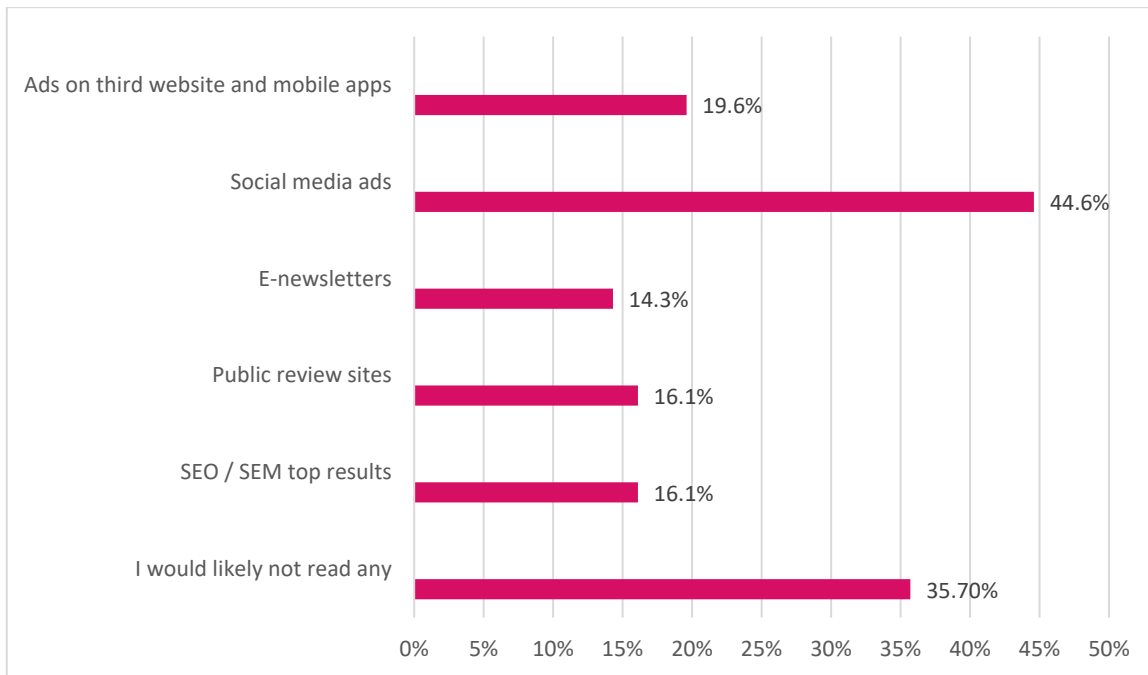


FIGURE 5. Reading of Foodora's messages via the following channels

TABLE 5. Reading of Foodora's messages via the following channels (n = 56, x = 82)

	x	%
Ads on third websites and mobile apps	11	19.6
Social media ads	25	44.6
E-newsletters	8	14.3
Public review sites	9	16.1
SEO / SEM top results	9	16.1
I would likely not read any	20	35.7

For question 5, there were 56 respondents and 82 selected answers. 25 of them read messages from Foodora via social media ads, 20 did not read messages at all, and 11 via ads on third websites and apps. (TABLE 5 & FIGURE 5.)

### Website development

TABLE 6. Visit to Foodora's main website (n = 56)

	n	%
Yes	24	42.9
No	35	57.1



For question 6, there were 56 respondents, 24 of them had visited the website (TABLE 6). They were forwarded to questions 7 – 10. The rest 32 respondents were forwarded to question 16.

TABLE 7. Eye-friendliness of the website's appearance (n = 24)

	n	%
Yes	18	75
No	6	25

For question 7, there were 24 respondents, 18 of them found the appearance of the website friendly with the eyes (TABLE 7).

TABLE 8. Easiness to look for information on Foodora's website (n = 24)

	n	%
Yes	18	75
No	6	25

For question 8, there were 24 respondents, 18 of them found it easy to look for the information they need on the website (TABLE 8).

TABLE 9. Helpfulness of instructions and FAQs on Foodora's website (n = 24)

	n	%
Yes	21	87.5
No	3	12.5

For question 9, there were 24 respondents, 18 of them found the instructions and FAQs on the website helpful (TABLE 9).

TABLE 10. Purchase via Foodora's website (n = 24)

	n	%
Yes	12	50
No	12	50

For question 10, there were 24 respondents, 12 of them had made (an) order(s) via the website (TABLE 10). They were forwarded to questions 11 – 15. The rest 12 were forwarded to question 16.

TABLE 11. Helpfulness of the filters for restaurants on Foodora's website (n = 12)

	n	%
Yes	11	91.7
No	1	8.3

For question 11, there were 12 respondents, 11 of them found the filters for restaurants on the website helpful (TABLE 11).

TABLE 12. Helpfulness of the delivery tracking on Foodora's website (n = 12)

	n	%
Yes	11	91.7
No	1	8.3

For question 12, there were 12 respondents, 11 of them found the delivery tracking on the website helpful (TABLE 12).

TABLE 13. Encounter with technical problems of Foodora's website (n = 12)

	n	%
Yes	7	58.3
No	5	41.7

For question 13, there were 12 respondents, 7 of them had never encountered any technical problems when using the website (TABLE 13).

TABLE 14. Thoughts about adding a chat box on Foodora's website (n = 12)

	n	%
Yes	11	91.7
No	1	8.3

For question 14, there were 12 respondents, 11 of them thought a chat box for real-time conversation with Foodora should be added on the website (TABLE 14).

For question 15 (open question), the answers are as follows.

- Foodora should add real-time delivery tracking and cancellation button for unwanted orders.

- They should make delivery tracking more informative for customers to follow.
- They should change the colors and the size of the texts, so they are easier to see.
- They should fix the filters for restaurants based on location to be more accurate.

### Mobile app development

TABLE 16. Purchase via Foodora's mobile app (n = 56)

	n	%
Yes	31	55.4
No	25	44.6

For question 16, there were 56 respondents, 31 of them had made (an) order(s) via the app (TABLE 16). They were forwarded to questions 17 – 22. The rest 25 were forwarded to question 23.

TABLE 17. Helpfulness of the filters for restaurants on Foodora's app (n = 31)

	n	%
Yes	29	93.5
No	2	6.5

For question 17, there were 31 respondents, 29 of them found the filters for restaurants on the app helpful (TABLE 17).

TABLE 18. Helpfulness of the delivery tracking on Foodora's app (n = 31)

	n	%
Yes	31	100
No	0	0

For question 18, there were 31 respondents, all of them found the delivery tracking on the app helpful (TABLE 18).

TABLE 19. Encounter with technical problems of Foodora's app (n = 31)

	n	%
Yes	18	58.1
No	13	41.9

For question 19, there were 31 respondents, 18 of them had never encountered any technical problems when using the app (TABLE 19).

TABLE 20. Thoughts about adding English and some other language options on Foodora's app (n = 31)

	n	%
Yes	29	96.4
No	2	3.6

For question 20, there were 31 respondents, 29 of them thought some other language options, such as English, should be added on the app (TABLE 20).

TABLE 21. Thoughts about adding a chat box on Foodora's app (n = 31)

	n	%
Yes	23	74.2
No	8	25.8

For question 21, there were 31 respondents, 23 of them thought a chat box for real-time conversation with Foodora should be added on the app (TABLE 21).

For question 22 (open question), the answers are as follows.

- They should add real-time delivery tracking and cancellation button for unwanted orders.
- They should add English.
- They should add an open review or feedback section which is similar to what Wolt has.
- They should have better customer support. One time I got my order made wrong, I got no customer support and nowhere to complain, I had to accept what I received.
- The app should be improved, login errors constantly happen.
- They should make it easier to sign up as the new customer. They should give a place to write reviews about restaurants and our experiences.

## Email marketing

TABLE 23. Reading Foodora's emails (n = 56)

	n	%
Yes	7	12.5
No	49	87.5

For question 23, there were 56 respondents, 7 of them usually read emails from Foodora (TABLE 23). They were forwarded to question 24 – 27. The rest 48 were forwarded to question 28.

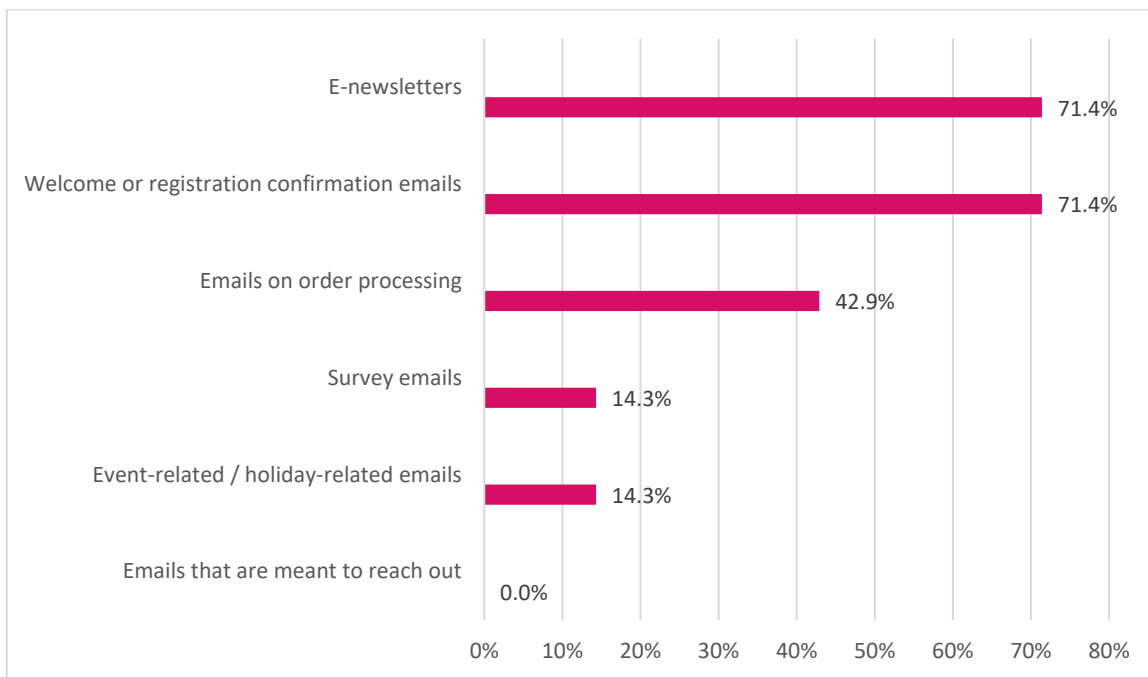


FIGURE 6. Types of Foodora's emails

TABLE 24. Types of emails from Foodora (n = 7, x = 15)

	x	%
E-newsletters	5	71.4
Welcome email or registration confirmation email	5	71.4
Confirmation emails on order placement, shipping, or delivery	3	42.9
Survey emails	1	14.3
Event-related or holiday-related emails	1	14.3
Emails that are meant to reach out after a while	0	0

For question 24, there were 7 respondents and 15 selected answers. 5 of them had received e-newsletters, 5 had received a welcome email or a registration confirmation email, and 3 had received confirmation emails on order placement, shipping, or delivery. (TABLE 24 & FIGURE 6.)

TABLE 25. Informativeness of Foodora's emails (n = 7)

	n	%
Yes	7	100
No	0	0

For question 25, there were 7 respondents, all of them found the emails' content informative (TABLE 25).

TABLE 26. Clarity of info presentation on Foodora's emails (n = 7)

	n	%
Yes	7	100
No	0	0

For question 26, there were 7 respondents, all of them found the emails' information clearly presented (TABLE 26).

TABLE 27. Frequency of Foodora's emails (n = 7)

	n	%
Yes	6	85.7
Very high frequency	0	0
Very low frequency	1	14.3

For question 27, there were 7 respondents, 6 of them thought the emails were sent in an appropriate frequency (TABLE 27).

## Advertising online

TABLE 28. Types of Foodora's advertisement (n = 56, x = 74)

	x	%
Ads on third websites and mobile apps	22	39.9

Social media ads	43	76.8
SEM ads	9	16.1

For question 28, there were 56 respondents and 74 selected answers. 43 of them usually saw Foodora's ads on social media and 22 saw ads on third website and mobile apps. (TABLE 28.)

TABLE 29. Catchiness of Foodora's ads (n = 56)

	n	%
Yes	34	60.7
No	22	39.3

For question 29, there were 56 respondents, 34 of them found the ads catchy and easy to remember (TABLE 29).

TABLE 30. Included call-to-action link or button on Foodora's ads (n = 56)

	n	%
Yes	44	78.6
No	12	21.4

For question 30, there were 56 respondents, 44 of them saw the ads contained a call-to-action link or button (TABLE 30).

TABLE 31. Frequency of Foodora's ads (n = 56)

	n	%
Yes	27	48.2
Very high frequency	28	32.2
Very low frequency	11	19.6

For question 31, there were 56 respondents. 27 of them thought the ads were sent in an appropriate frequency, 18 thought it was a very high frequency, and 11 thought it was a very low frequency. (TABLE 31.)

### 3.2.2 Data analysis

The collected data were analyzed using the SWOT model. SWOT is a model used for evaluating four essential aspects of a business, which are strengths, weaknesses, opportunities, and threats. SWOT analysis gave some insights into what Foodora is strong or weak at, what challenges and opponents they are facing, and what opportunities are for their improvements, regarding their digital marketing. Besides the subjects which were present in the survey, the author also assessed Foodora's social media marketing based on her own experiences visiting their Facebook and Instagram pages.

TABLE 32. SWOT analysis of Foodora's digital marketing

Strengths	Weaknesses
<p>Brand-awareness</p> <ul style="list-style-type: none"> <li>• High brand-awareness due to frequent advertising</li> <li>• High possibility of customers' checking marketing messages via ads</li> <li>• Top search result on search engines</li> </ul> <p>Website development</p> <ul style="list-style-type: none"> <li>• High number of customers making orders via the website</li> <li>• Eye-friendly appearance</li> <li>• Easiness to look for the information</li> <li>• Sufficient and helpful instructions</li> <li>• Two language options – Finnish and English</li> <li>• Accurate filtering of restaurants and dishes</li> <li>• Accurate delivery tracking</li> <li>• Few technical problems in ordering or paying</li> </ul> <p>Mobile app development</p> <ul style="list-style-type: none"> <li>• High number of customers making orders via the website</li> <li>• Accurate filtering of restaurants and dishes</li> <li>• Accurate delivery tracking</li> <li>• Few technical problems when ordering and paying</li> </ul> <p>Email marketing</p> <ul style="list-style-type: none"> <li>• High number of e-newsletter sent to customer</li> </ul>	<p>Website development</p> <ul style="list-style-type: none"> <li>• No real-time delivery tracking</li> <li>• No chat box for real-time conversation with Foodora's customer service</li> <li>• Technical problems</li> <li>• Less users than the app's users</li> </ul> <p>Mobile app development</p> <ul style="list-style-type: none"> <li>• Very few language options</li> <li>• No real-time delivery tracking</li> <li>• No chat box for real-time conversation with Foodora's customer service</li> <li>• Frequent technical problems</li> </ul> <p>Email marketing</p> <ul style="list-style-type: none"> <li>• Low rate of opening and reading by customers</li> <li>• Very low frequency of emails, according to some respondents</li> </ul> <p>Advertising online</p> <ul style="list-style-type: none"> <li>• Very high frequency of ads, according to some respondents</li> </ul> <p>Social media marketing</p> <ul style="list-style-type: none"> <li>• Lack of hashtags in the posts on social media, such as Instagram</li> <li>• Very few public interactions between Foodora and social media users on social media</li> </ul>



<ul style="list-style-type: none"> <li>• Informativeness and well presentation of information</li> <li>• Appropriate frequency of emails</li> </ul> <p>Advertising online</p> <ul style="list-style-type: none"> <li>• Catchy and easy-to-remember ads, with brilliant color and powerful images and sound</li> <li>• Call-to-action link or button included</li> <li>• Appropriate frequency of ads</li> </ul> <p>Social media marketing</p> <ul style="list-style-type: none"> <li>• Interesting picture and video content (pictures of good food, creative and hilarious videos which reflects Foodora’s values, etc.)</li> <li>• Regular posting of pictures and videos with long / medium long / emoji-included captions</li> <li>• Regular updating of new offers and campaigns</li> <li>• High awareness to holidays and special events, such as ice hockey matches between Finland and the others</li> <li>• Mini games with rewards</li> <li>• “Order” button included</li> </ul>	<p>The author is working in a restaurant who uses Foodora delivery service. According to her, Foodora’s restaurant-version app has a remarkable drawback which is <i>inability to set a time limit for every order</i>. The app sets the time limit itself, which is always around 10 minutes, but when the restaurant is busy, 10 minutes is never enough for making the orders. As a result, the orders are made late, which leads to inaccurate delivery time estimation on customer-version app and unhappy customers.</p>
<b>Opportunities</b>	<b>Threats</b>
<p>During the Covid pandemic, there has been a remarkably increasing need for food delivery. People also spend more time using the Internet at home. This is an opportunity for Foodora to focus on improving their digital marketing for higher customer experience and engagement.</p> <p>The author made a visit to Wolt’s social media pages such as Facebook and Instagram. They also have engaging text, picture, and video content; regular posting and updating; and high awareness to holidays and special events. On the other hand, Wolt also have some drawbacks such as lack of hashtags in every post and low interaction with social media users. In her opinion, Wolt and Foodora perform similarly in designing their own social media pages and in the effort of enhancing them. This is an opportunity for Foodora to keep watching out for</p>	<p>The biggest opponent of Foodora – Wolt – has some remarkable advantages over Foodora in website and mobile app performance as follows</p> <ul style="list-style-type: none"> <li>• Real-time delivery tracking</li> <li>• Chat box for real-time conversation with customer service</li> <li>• English language option for non-Finnish speakers</li> <li>• Rating and review place</li> <li>• Accurate delivery time estimation.</li> </ul> <p>Wolt’s restaurant-version app allows the restaurant workers to set a time limit for each other by themselves, which goes up to 25 minutes per order.</p> <p>As the author’s own opinion, Foodora has NO better website, mobile app, and restaurant-version app, regarding their appearance, layout,</p>

their opponent and coming up with strategies for outdoing Wolt in social media marketing.	and additional features, compared to Wolt. In terms of website and app development, Wolt is outperforming Foodora.
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### 3.2.3 Solutions for Foodora's digital marketing

Based on the SWOT analysis, some possible solutions for enhanced Foodora's digital marketing were developed, as follows.

#### Main website and mobile app development

- *More language options, such as English, for non-Finnish speakers.* Although Foodora is operating in Finland and most of their customers are Finnish, there are a big number of foreigner customers who use English as their preferred language. Included English and/or more other language options would help customers avoid making mistakes and feel more comfortable rather than confused when using the app.
- *Chat box for real-time conversation with Foodora.* Customers might need help with something. A chat box will allow customers to quickly connect with Foodora's customer service. So far, customers need to look for Foodora's or restaurants' phone number when they need help in making changes to the orders. A chat box which always stays visible in the corner of the screen would help save a lot of time. This also means Foodora should invest in a real-time customer support team who would help with customer issues.
- *Real-time delivery tracking.* Real-time delivery tracking allows customers to see where their couriers are going on the map. Some customers might not find it necessary to track the moving of the couriers while some others might do in order to get prepared to go pick up their orders when they see the couriers are close. They might also find it more guaranteed to see how their orders move when they are delivered.
- *Rating and review section.* Customers would like to rate or leave reviews about restaurants, their experiences, and their expectations. The reviews would not only help other customers make a

better choice of restaurants but also show Foodora what they need to do for improving the app and the website.

- *Reduced technical problems.* Reducing technical problems as much as possible would help improve the website and the app as well as customer experience using them.
- *Ability to set a time limit for restaurant-version app.* Currently, the app sets the time limit itself, which is always around 10 minutes; but when the restaurant is busy, 10 minutes is never enough for making the orders. There should be longer time limit, which is around 20 – 30 minutes, and restaurants' workers should be enabled to set it themselves. That the orders are made on time would lead to more accurate delivery time estimation on the customer-version app and happy customers.

### **Email marketing**

- *Increased frequency of e-newsletters.* Some customers want to be informed about news and promotions via emails. They might also want to get e-newsletters daily or weekly. Higher frequency of e-newsletters would keep customers always updated, hence close to the brand.
- *Emails of holiday- or event-related promotions.* Holidays or special events are a good occasion for people to party and get more food. The emails, which start with a holiday wish such as Merry Christmas and continue with relevant promotions, would interest customers and lead them to make a purchase. In addition, personalized emails which are sent on customers' own special events, such as birthday, with relevant promotions would place a strong impression on them. Many customers are willing to provide their personal data or pay more to get personalized experiences.
- *Emails of surveys.* Sending out regular surveys to customers asking about their thoughts and suggestions may show them that the company cares about their opinions. Obviously, this may only work when the company takes it seriously, being able to make improvements in their services based on data collected from the surveys.
- *Emails that mean to reach out.* Some regular customers might stop using Foodora for some reason, such as they are busy, they have no need for ordering food at the time, or they have found

a better service. The emails, which say something like ‘hey, how are you doing’, ‘we have not seen you for a while, hope you are doing good’, would show customers that the brand does remember them and hope they would come back. This is also a type of personalized experience for customers, and they would probably love it.

- *Infographics and pictures.* Text-only mails might get boring no matter how well presented the information is. Creative infographics and pictures would interest customers into reading the mails and even taking an action, such as going to check out the offers or making a purchase.
- *Link to where the promotions are presented.* If the promotions mentioned in the emails interest customers, they would want to check them out quickly. A link that leads them straight from the emails to where the promotions are presented on the website / app would help save time and effort, instead of going to the website and looking for the promotions themselves.

### **Advertising online**

- *Reduced number of pop-up ads.* Pop-up ads might be annoying sometimes since they disrupt web users’ doing. If customers are not interested in the ads, they would immediately close it and go back to their business. Pop-up ads might be one of the best ways to promote a brand and increase brand awareness. However, too many ads might cause annoyance and even dislike to the brand. For prospects or new customers, pop-up ads or display ads would work. For regular customers, improved website / mobile app, e-newsletters, and social media ads would probably work better.
- *Increased number of native ads.* Foodora has been performing well in two forms of native advertising which are social media ads / sponsored posts and SEM ads. The ads appear in a high frequency as sponsored posts on social media and as top search results on search engines. Another form of native advertising that should be practiced is ‘content recommendation’. For example, an article about Foodora is recommended to readers after the one they just read on the same web page. Native ads are non-disruptive and would have higher rate of click-in by interested customers.
- *Personalized ads.* Personalized ads are created using personal data which customers, willingly or accidentally, give on third-party websites and apps. They possibly respond well to the

customers' buying preferences and behaviour. This is a good means of providing them with personalized shopping experiences.

- *Commercials.* Commercials (TV ads) are an ideal place for interesting, creative, and engaging content since they usually have longer length than that of online ads. An outstanding example are commercials created by IKEA. They contain catchy songs, slogan, and hashtags; bring practical values, such as giving tips on home decoration; embody stories which are applicable in daily life; while reflect core values of the company and messages they want to carry to their customers. Although TV is not included in digital marketing media, the alternative place for re-posting those commercials is YouTube. A YouTube channel, if done properly, would help improve customers' buying and customer engagement.

### **Social media marketing**

- *Hashtags to social media posts.* Hashtags are an important part of your social media activities, as they offer a shared designation for all the interactions that happen in relation to a single topic (Heinze et al. 2017, 203). Hashtags should be brief and creative which reflect the values of Foodora and messages they want to carry to people.
- *Public interactions with social media users.* Reacting to customers' reviews and comments, replying to them with a positive attitude, creating surveys and encouraging participation, etc. are some examples of interactions that Foodora should make with their customers on social media. Customers should never feel they are left out but included and engaged in a conversation with the company whenever they raise a relevant issue or question.
- *Customer support on social media.* Foodora should spend more resources on real-time customer support on both website / mobile app and social media. That is how customers would feel the company truly cares about their needs and is always willing to support them.
- *YouTube.* As mentioned above, a YouTube channel with engaging video content would help customers learn more about Foodora, keeping and enhancing the company's image in their mind, and improving customer engagement. At present, some videos which mention Foodora on

YouTube are about the couriers' shipping journey, which could be a good content to be put on official YouTube channel, if Foodora plan to have one.

## **4 DISCUSSION AND CONCLUSION**

This chapter presents a discussion of the reliability and validity of the research and a summary the research results and solutions.

### **4.1 Reliability and validity of the research**

As discussed in the previous chapter, online survey was used as the main data collection tool for the research. The research aimed at Foodora's customer base in Finland. Online survey enabled access to many respondents regardless their ages and occupation statuses. The survey was sent out for responses via Centria groups and Facebook groups whose members were Finnish residents and foreigners residing in Finland. The respondents were those who had experienced Foodora's digital marketing in Finland, which responded well the goal of the research. On the other hand, there were 56 respondents, most of whom were in the age range 18 – 24 and 25 – 39. This means the sample could only be representative of young adult customers instead of the whole customer base. Nevertheless, young adults are those who spend a remarkable amount of time on the Internet, which means Foodora should focus digital marketing on this population of customers.

Since the research covered various areas of digital marketing, the survey contained a long list of questions which contributed to addressing basic yet remarkable issues related to those areas. On the other hand, the questionnaire for the survey needed to be simple and straight to the point to not confuse the respondents and save their time. This made it impossible to get deep insights into the respondents' thinking, such as why they choose to respond in a specific way to a specific marketing activity by Foodora. A quantitative – qualitative mixed research method, which combines a survey and (an) interview(s), could have performed better in achieving the goal of the research.

In summary, the biggest weakness of the research is the survey's sample being small and undiversified in terms of ages and nationalities. It was understandable that non-Finnish speakers would want an English version of the app. Nevertheless, it was impossible to tell if Finnish speakers would want the same and why. In addition, since the questionnaire was made as simple and general as possible, the answers were predictable to some degrees and nothing deeper could be studied. To be able to assess Foodora's digital marketing and its influences on customer base in a thorough manner, a complicated

and long-lasting research would have had to be conducted. Nevertheless, in this thesis, the research was successful in gaining the most general insights into the subjects by means of online survey. It contributed to defining Foodora's digital marketing, identifying the problems that it had, narrowing down the population on which it should focus, and developing solutions. To the author, this research is among the beginning steps in the process of studying digital marketing and it may act as the basis of sophisticated researches in digital marketing for later.

## **4.2 Summarization of the research results and solutions**

The thesis gave a detailed look into Foodora's digital marketing and customers' responses in Finland. Foodora has been implementing website and app development, email marketing, online advertising, and social media marketing. Customers respond to their marketing activities in both positive and negative way. They are highly aware of Foodora due to high frequency of catchy and powerful ads. They also have high mobile app usage partly due to the excellence of the app itself. On the other hand, they have complaints towards the website and app about some specific inconveniences such as lack of necessary language options, lack of real-time customer support, and technical problems. Fixing those inconveniences would help enhance customer experience and increase website and app usage.

On the other hand, customers are not interested in reading emails from Foodora. To my knowledge, people hardly care about emails from brands since they are barely for promotions. However, email is a great tool for carrying personalized experience to customer which show the brands truly care about them. Therefore, the emails with tailored messages based on customer data such as their date of birth or buying preferences would leave a strong impression on customers and attract them into receiving and reading the emails regularly. In addition, survey emails, as an effective tool for collecting customers' opinions and suggestions on Foodora's services, may make customers feel important and influential over the company's improvements.

Same as email, advertisements can also be personalized using the data that customers, on purpose or by accident, provide via third-party websites and apps. According to some customers, they encounter Foodora's ads everywhere, many of which are bare pop-up ads. Although those ads are important for improved brand-awareness, they can be disruptive and annoying sometimes. Non-disruptive ads (native ads) and personalized ads would be much more preferable. Furthermore, Foodora should also spend



more resources on improving customer engagement on social media by increasing public interactions and customer support, adding hashtags, and including YouTube in their social media marketing.

In general, Foodora is not performing poorly in digital marketing. It has high brand-awareness. It creates catchy and powerful advertisements. It creates interesting and engaging content on social media. Furthermore, the Covid pandemic has brought good opportunities for increased customer base and sales to Foodora, since people have a higher demand for food delivery. On the other hand, since people spend more time using the website or the app, they pay attention to the inconveniences of Foodora's digital services and compare them with those developed by the opponents, such as Wolt. Therefore, Foodora still has some vital improvements to do to go further in enhancing customer experience and even customer relationship.

With this thesis, the author wanted to express her thoughts on Foodora's digital marketing and its influences on customer base. She also wanted to contribute her knowledges to improving it and to see a far better performance in the future.

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