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The effectiveness of Social Media Marketing in Modern Business

Amit Goyal

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Author(s) Amit Goyal	
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<p>In today's business world social media plays an important role. Social media marketing is the type of marketing which creates recognition, action and awareness of any business and products. Now a days social media is used as a tool for marketing to reach customer in different way.</p> <p>The aim for this thesis is to find out whether social media marketing is an effective marketing tool in modern business. The focus of this thesis to study and identify the benefits of social media marketing. In today's modern business world most companies using social media marketing to get attention of their target customers towards their products.</p> <p>This thesis will try to find out answers about the effectiveness of social media marketing in modern business by several methods and different sources. The advantages of social media marketing are compared with the marketing theory, Interview results and various articles found on internet. The author of this thesis conducted interview of marketing and communication team members of Kotikatu, and they have provided all the general support for this thesis. Those interview questions answers provided good support in research work of this thesis.</p>	
Keywords Social media marketing, Facebook, Twitter, Instagram, YouTube, LinkedIn	

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1 Introduction

The researcher did some courses on social media marketing during his master's program in Haaga-Helia and had an interest in social media marketing and its potential in the business world. After studying the course material, the researcher came up with the idea of writing a thesis about how effective social media marketing is in modern business. The researcher checked several companies and chosen Kotikatu as the case company which uses social media as one of their main marketing tools.

The main purpose of this thesis is to discover how effective is social media as a main marketing tool in the modern business world by using a case study of a company called 'Kotikatu', which is a real estate service company that provides property maintenance services. Kotikatu is having a marketing team that has a centralized marketing function for social media marketing. They have 26 regional content providers and also have a marketing and communication agency. For example, Facebook started on 1.4.2019 and today they have 2 635 followers. It's one of their social media channels and through social media platforms, they drive visitors to their company website. Whenever they have a new business area or acquisition, then their marketing team uses social media to raise awareness of the Kotikatu brand among their new customers or potential customers.

To find the answers to the research questions, this thesis will go through existing studies, online articles or journals, and some other sources on the internet. With the support of this data this thesis will aim to clarify the social media marketing landscape which helps modern businesses to form relationships with their potential customers by engaging with them, also aim to clarify the demand of social media marketing in the future, so that social media marketing effectiveness can be measured. Also, this thesis will use results from the interview questionnaire as additional supporting data.

Here are the research questions for this thesis:

- In what way does social media marketing provide benefits to a modern business company?
- What social media tools are needed in today's business world?
- How to measure the effectiveness of social media marketing?

1.1 Philosophy of the study

This is a qualitative research based on the theory and gathering information by interviewing. The researcher has done the study based on the existing literature, social media marketing books, and online articles. There are some studies available on social media marketing,

and they will serve as supportive material for this research. As marketing is changing in today's connected world so social media marketing is changing constantly to fulfill the demand of the modern business world.

There are some social media marketing books available, but they don't provide the exact information. An exact study is needed to find out the effectiveness of social media marketing in the modern business world.

1.1.1 Literature review

The researcher will provide the list of sources studied and will explain to provide a good understanding for the reader. After going through the various sources researcher concluded that news articles and journals are the best sources as they are based on current information on today's business world as social media is changing constantly to fulfil the demand of modern business. The researcher used some marketing theory books which provided good information on the marketing theory point of view.

The researcher also did below courses on social media marketing during his master study in Haaga- Helia which also provided very good information on social media marketing:

- Social Media Marketing in Modern Business,
- Digital Marketing in Modern Business,
- Paid Social Media Advertising in Modern Business

The researcher used the Statista company website which is a good source of the global business data platform. Statista is used to receive important information on social media users worldwide. Also, this website provided valuable information on Facebook stats, YouTube stats, Instagram stats, Twitter stats & LinkedIn stats. The researcher also studied some good books on the theory of marketing and got the basic idea of marketing.

Here is the list of books that provided a basic understanding of marketing theory and social media marketing:

- Principles of marketing by Philip Kotler, Gary Armstrong, Lloyd C. Harris & Hongwei He
- Marketing Management by Philip Kotler, Kevin Lane Keller, Mairead Brady, Malcom Robert Victor Goodman & Torben Hansen
- Social media marketing by Tracy L. Tuten & Michael R. Solomon
- Social media marketing by Dave Evans & Jake Mckee
- Social media marketing by Stephan Dahl

- Marketing with Social Media:10 easy steps to success for business by Linda Coles
- Social media marketing All in one by Jan Zimmerman & Deborah Ng

The researcher used Statista (2008, 2021) to receive valuable information on global social media users. As per the statistics received from Statista, there were 2740 million active users for only Facebook during Jan2021. Also, the stats of Youtube, Whats App, Instagram, and social media channels used by global users clearly shows the latest trend that social media is getting very popular. As the social media global users are growing day by day so there is a huge demand for social media marketing in today's business world. This is a really important point when finding the advantages of using social media marketing in today's business world. Also, the blog by elink (2021) and article by Ashwin Ram (2021) helped with the question about the advantages of social media marketing.

For finding an answer if social media marketing is the future of modern business, the researcher used some books, literature, and some articles. These articles were used to evaluate the future of social media marketing and identify the possible trend where marketing is heading. Also, as per statistics social media marketing is the future of marketing in the modern business world. The article by Stacey McLachlan (2021) gave the idea about how often to post on social media is important for the future by using statistics and projections which were important in trying to predict the future. Also, an article from Shane Barker gave a very good idea about future trends in social media marketing.

Lastly, Alfred Lua described top social media management tools for small-to-medium businesses and enterprise-level companies. These tools are important to streamline the workflow, save time, and ensure that content reaches the right audiences at the right time.

1.1.2 Managing the marketing effort:

Currently, most companies are good at marketing management, but they should also pay attention to the management. Managing the marketing process requires the five marketing management functions shown in the above figure. The company develops the company-wide strategic plans first and then directs them into marketing and other plans for each department, brand, and product. The company implements these plans into action. After implementing these plans there will be control which will include measuring and evaluating the results of marketing activities and taking remedial action whenever there is a need.

Finally, the process of marketing analysis provides the information and evaluations needed for all other marketing activities.

1.1.2.1 Marketing Analysis

The process of managing the marketing work starts with a complete analysis of the company's current market situation. The marketing team should plan to perform a SWOT analysis to know about the overall status of the company.

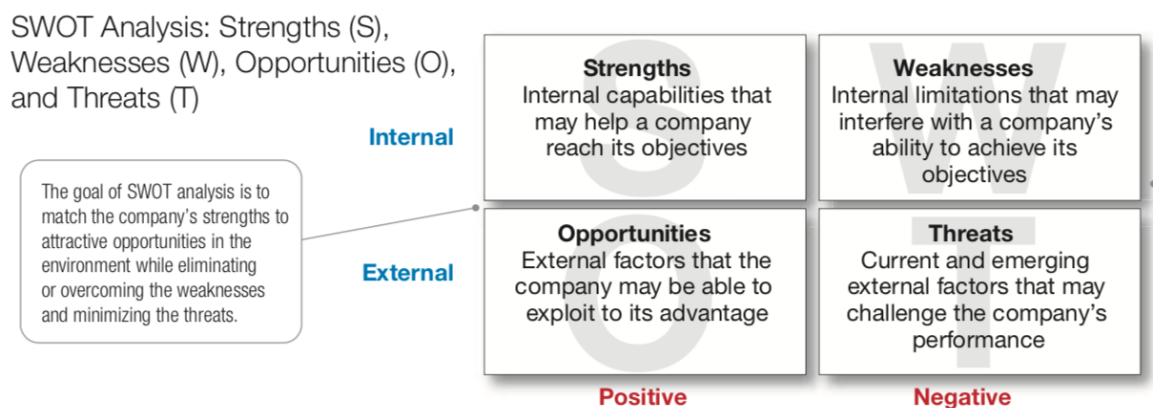


Figure 9: SWOT analysis: strengths(S), weaknesses (W), opportunities (O) and threats (T) (Kotler, 2020, 54)

The company performs the SWOT analysis to evaluate its overall strengths (S), weaknesses (W), opportunities (O), and threats (T) (see figure 5).

The company's strengths include resources, internal capabilities, and positive situational factors which may support the company to provide service to its consumer and receive its objectives. The company's strengths include resources, internal capabilities, and positive situational factors which may support the company to provide service to its consumer and receive its objectives. Weaknesses include inner restriction and negative situational factors that may obstruct the company's performance. In the external environment opportunities are helpful factors that the company may be utilized to its advantage. And threats are unfavorable external factors or trends that may present challenges to performance.

The company should try and find good opportunities and identify threats by analyzing its marketing environment and surrounding markets. It should analyze company weaknesses and strengths as well as current and possible marketing actions to determine which

opportunities it can best follow. Then the aim is to match the company's strengths to attractive opportunities in the environment while at the same time removing the weaknesses and minimizing the threats. Marketing analysis provides inputs to each of the other marketing management functions.

The goal is to raise the strength of the company to interesting opportunities in the environment while also parallelly eliminating or overcoming the weaknesses and minimizing the possible threats. Marketing analysis provides inputs to each of the other marketing management functions.

1.1.2.2 Marketing Planning

Then company performs the strategic planning and finalizes all the actions needed for each business unit. Then company performs the marketing planning which will involve choosing marketing strategies and that will support the company to achieve its overall strategic objectives. A detailed marketing plan is needed for each business unit, product, or brand.

1.1.2.3 Marketing Implementation

Marketing implementation is the process that rotates all the marketing plans into marketing actions to achieve strategic marketing objectives. And marketing planning addresses the Why and what of marketing activities, whereas implementation addresses the where, when, who and, how.

1.1.2.4 Marketing Control

Marketing control includes four steps. The management team plans and decides some specific goals for the marketing. Then marketplace is used to measure its performance and evaluate the causes of any deviation between actual and expected performance. After identifying the causes of these differences, the management team takes corrective actions to fulfill all the gaps between performance and goals. This may need changing the action plan or even changing the goals.

1.2 Profile of target company: Kotikatu Oy



Figure 1: Kotikatu logo

The story originated in 1989 from a small locally based property maintenance company whose main mission was to serve customers in both small and large needs quickly and with high quality. One of the founders of the company, **Kimmo Helasuo**, already did snow work in a property **maintenance** company during his military holidays. After the army, Helasuo helped his friend Timo Kaisla in a car wash in Helsinki until they got the idea. Kaisla & Helasuo Oy was born, the first unit of Kh-Kiinteistöpalvelut.

Then they got one of the caretaker's scrubs and lawn repair. After the first year of operation, the company had a dozen houses as a customer and they hired their first employee. Eino Vesa is still working for the company.

From the beginning, the company has specialized in the maintenance of residential properties, but professionals can also be found in the maintenance of commercial properties. By organizing activities into local units, customers can be served quickly and with high quality.

The business name of Kh-Kiinteistöpalvelut Oy was changed to Kotikatu Oy in the spring of 2019. In addition, the company's structure has been clarified and its regional maintenance companies have been merged into Kotikatu Oy.

Kotikatu and PHM Group (Porvoo Huoltomiehet) merged into the same group on September 24, 2020. With the merger, They employ more than 4000 professionals. Their operating area covers the whole of Finland, in addition to which there are also operations in Sweden, Norway and Denmark.

1.3 Thesis structure

This thesis is mainly having five chapters. The second chapter will provide brief information about the marketing theory used in the business world. This chapter will go through the interview questions and provide information about them. The third chapter will include the findings of this thesis research. The fourth chapter will cover the analysis part of this thesis and the fifth chapter will have the conclusion part.

2 Concept and definition of social media marketing

Social media is used globally and people from all over the world talk about it daily, but do they know exactly what social media means?



Figure 2: Social Media Marketing (Digital Success, 2021)

In this chapter, the reader will get a good overview of the concept of social media, later there will be an introduction to social media marketing. How social media works in their daily life, and for what purpose social media is used, and its various forms are also explained, and then an introduction of its four zones follows.

2.1 Social Media

Before getting into social media marketing, understanding the concept of social media is important.



Figure 3: Social Media Group (EBU, 2021)

Social media is a series of websites and applications that are accessible via computer, tablet, or smartphone and, the main objective of social media is to enable content sharing efficiently and in real-time. It allows people to interact, connect and share content with their friends, family, or any social media user on Earth. The world of business is facing a change because of social media and nowadays businesses are utilizing the opportunity of social media to interact and reach out to customers.

There are plenty of forms of how users can take part in social media and the following are examples: photo and video sharing, blogging, social gaming, social networks, business networks, and virtual worlds. Individuals use the forms of social media to keep in contact and connect with people, a network for career opportunities, and to share content. On the other hand, social media offers the possibility to the companies to advertise and promote, evaluate trends and offer customer service, gain customer feedback, and most importantly, to find and interact with customers to elevate the brand.

2.2 Social media zones

There is a big number of different kinds of social media channels and new ones are created and arriving online all the time. Because of the big number of different channels, grouping together the similar channels helps to compare and contrast the options. They created four zones: social community, social publishing, social entertainment, and social commerce. The following figure introduces the social media zones and the components they consist of. However, these zones are only alternatives for grouping, as nature creates that some of the zones are overlapping each other. (Tuten & Solomon 2015, 8-9.)



Figure 4: Social Media Zones. (Tuten & Solomon 2015, 8)

2.2.1 Social Community

The channels that are classified as a part of social communities are the channels focusing on relationships and in which people participate together with others sharing the same interest or identification. This zone is created because the primary reason why people are taking part is to build and maintain relationships. The channels in social communities are social network sites, message boards, forums, and wikis, and the most popular ones are Twitter, Facebook, and LinkedIn. In addition, in the context of communication and conversation, collaboration, and community, individual contributions are emphasized in the social communities' channels. (Tuten et al. 2015, 9.)

2.2.2 Social Publishing

When social communities focus on building and maintaining relationships, social publishing has its focus on knowledge-sharing. Social publishing enables sharing content without the barriers and gatekeeping of traditional publishing and broadcast models. Social publishers are categorized into four groups which are the following: individual users, independent professionals, professional contributors that are associated with organizations, and brands. People can share their content via social publishing channels, such as blogs, micro sharing and media sharing sites, and social bookmarking. (Tuten et al. 2015, 10.)

2.2.3 Social Entertainment

This zone has its orientation in entertainment-sharing. It aims to provide pleasure and enjoyment by the use of different social media channels in which people can, for example, play and socialize while playing, listening to music, or watching videos. The social

entertainment channels offer a different kind of entertainment to the users and the channels can offer either social games, social music, videos, or social television. At this moment the social games are leading the zone of social entertainment by having a substantial margin. (Tuten et al. 2015, 10-11.)

2.2.4 Social Commerce

Then social commerce is the fourth zone of social media. This zone is for online shopping, buying, and selling of market offerings on social media. Social commerce includes social marketplaces, social shopping, and channels and tools which will allow shared participation in decision making. Both Sellers and buyers have easy access to marketplaces which is online, and to market and sell products and services have communities. Social shopping means, when people are sharing their experiences, opinions, and recommendations via social media, they are actively participating and influencing other consumers' decision-making process. (Tuten et al. 2015, 11-12.)

2.3 Social Media marketing

As there is a change in the behavior of global consumers due to social media usage, Businesses should carefully think and start participating in the right way to improve all their actions and reach their desired goals.

In the current business world, social media marketing is the practice of using social media channels to promote or sell a product or service. Businesses need a proper social media strategy that should outline their social media goals and action plan to achieve them. Social media marketing tools include, for example, Facebook, Twitter, and Youtube. (Hootsuite 2021.)

2.4 Marketing Theory

Two of the main customer-driven marketing theories necessary for any company are the marketing strategy and the marketing mix. The strategic plan defines the company's overall mission and objectives which will then summarize the strategy and marketing mix (Kotler, 2020, 49).

When planning for marketing then a company should have a proper marketing strategy which should consist of the marketing logic by which the company expects to create its customer value and achieve these profitable relationships. After deciding the marketing strategy, the company should decide which customers it will serve (segmentation and targeting) and how (differentiation and positioning). The marketing team should check and identify the total market and then should divide it into smaller segments, they should plan

to select the most promising segments, and should start on serving and satisfying the customers in these segments” (Kotler, 2020, 51).

Once the marketing team decided on the marketing strategy the company should start to follow it and should plan to add additional factors under its plan of action, these factors should include- price, product, promotion, and place, which are known as the four Ps (Kotler, 2020,52). See below figure. The Four Ps of the marketing mix.

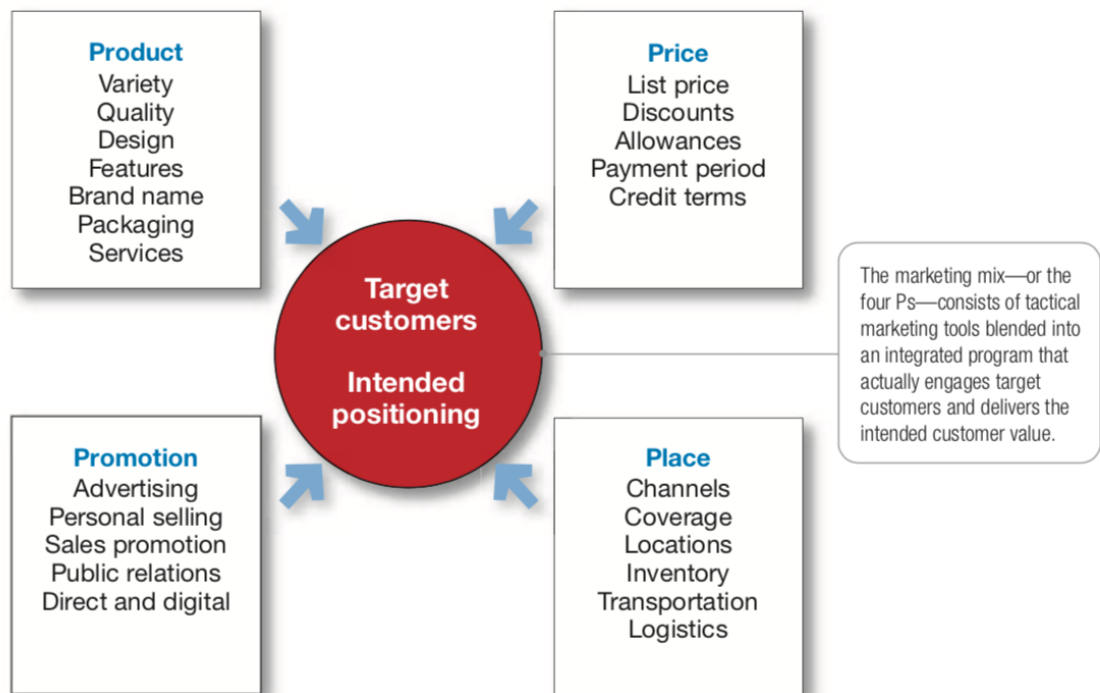


Figure 5: The Four Ps of the Marketing Mix (Kotler, 2020, 52)

Although there is a problem with the four Ps, they take the “seller’s view of the market, not the buyer’s view. From the buyer’s viewpoint, in this age of customer value and relationships, the four Ps might be better described as the four As (Kotler, 2020, 52). These 4 As relate closely to the traditional four Ps. Product design influences acceptability, price affects affordability, place affects accessibility, and promotion influences awareness. The marketing team will perform better if they think about these 4As before they start to build the four Ps on the platform.

Four Ps	Four As
Product	Acceptability
Price	Affordability
Place	Accessibility
Promotion	Awareness

Figure 6. The four Ps to four As (Kotler, 2020, 52)

The reason for this is that customers see themselves as buying value or solutions to their problems, they are interested in more than just the price, they want the product or service to be conveniently available and they also want two-way communications. Especially the theory of communication can be directly related to what Con (2015) found as well. Both sources state the importance of two-way communication and that social media acts as a major customer service channel.

In addition to the views presented above, there are also other ways of altering the marketing mix or “four Ps”. It can also be modified to suit businesses that provide services, rather than a clear product. “Most authors now mention an additional ingredient of the marketing mix: people. Originally suggested by services marketers who acknowledged that consumers often view the personnel providing a service as part and parcel of the service “product” being offered, the people aspect of the marketing mix has become an accepted part of most businesses’ marketing programs, and not only for organizations marketing services” (Dibb, 2012, 644).

As social media is changing the behavior of consumers, it is important to react in the field of marketing. Because of the changing environment, it is necessary to add one more P, people, to the marketing mix’s Four P-strategy. So, the marketing mix consists of the five elements of a successful marketing campaign that reaches the right viewers at the right time.

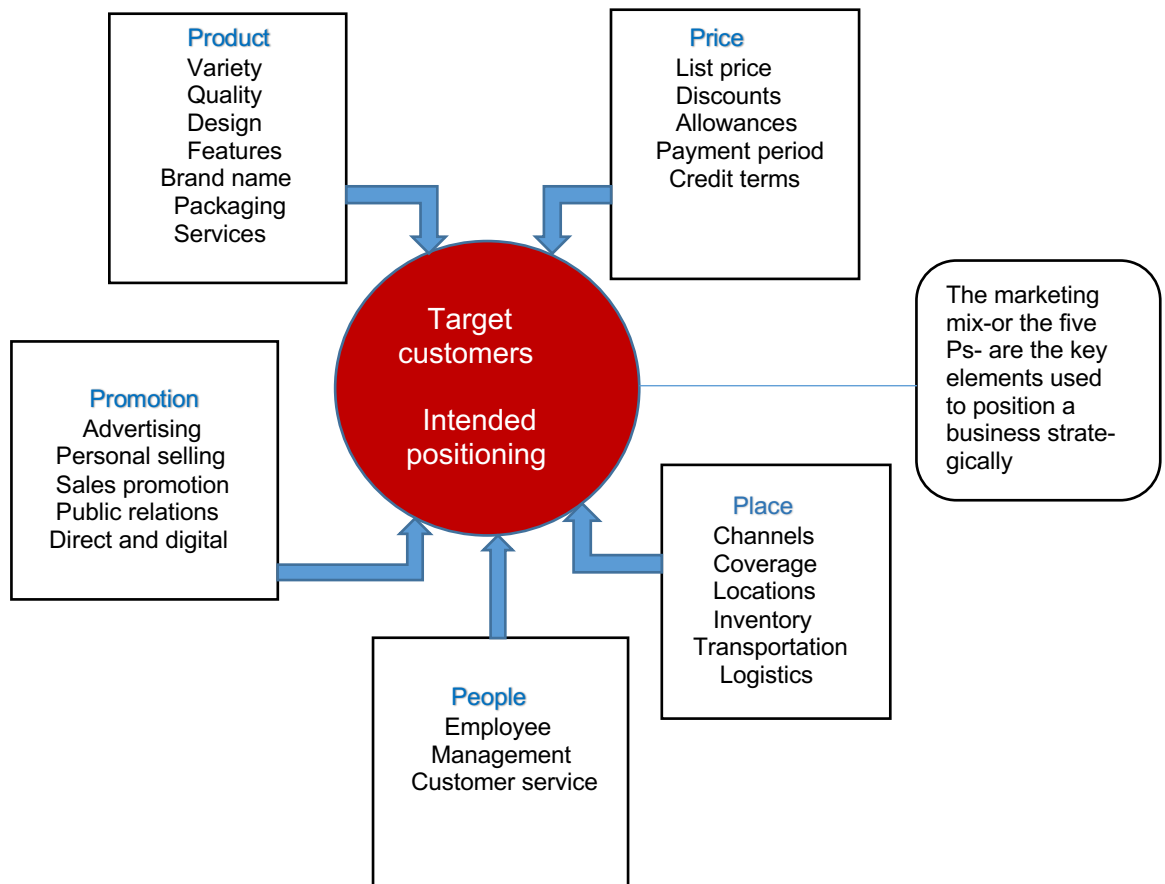


Figure 5: The Five Ps of the Marketing Mix (Kotler, 2020, 52 adopted by Amit Goyal)

The 5th P: People is one of the most element of the marketing mix and it is about the people who are an integral part of the company business. This P of marketing is about to people who are an integral part of any company business. This element refers to all the company's staff and management, also all the people included in their business who takes care of all the tasks related to sales and marketing strategy. This element also includes all the HR peoples who are involved in hiring new people, providing training and takes care of staff benefits.

As the brand value of any company depends on the service provided to its customers, so they should understand the needs of their customers and set the targets and measure the service levels. It will help companies to keep their loyal customers happy. This shows the importance of people working in the company so management should arrange training to their staff so that they can have skills to offer best customer service to customers.

The promotion part is especially important when the industry is a property maintenance one. A company that provides this kind of service must do branding well because it is very

important to help to differentiate between other rival services, equally important is the promotion of the service providing personnel.

A maintenance company needs to provide the maintenance service with a user guide. It should make sure that its personnel is highly-skilled professional, and nice because “the employees in a service organization are an important secondary audience for service advertising. This provide a service providing company a good opportunity to promote the company and gain the customer’s trust because “when customers enter into a service transaction, they must, as a general rule, interact with the service organization’s employees. Customer contact person can be trained to use this opportunity to reduce customer uncertainty, give reassurance, reduce dissonance and promote the reputation of the organization”.

Following the previous theories, it is also good to look at another important one, when doing marketing analysis then the most important tool is called SWOT analysis. This consists of the company’s overall strengths, weaknesses, opportunities, and threats.

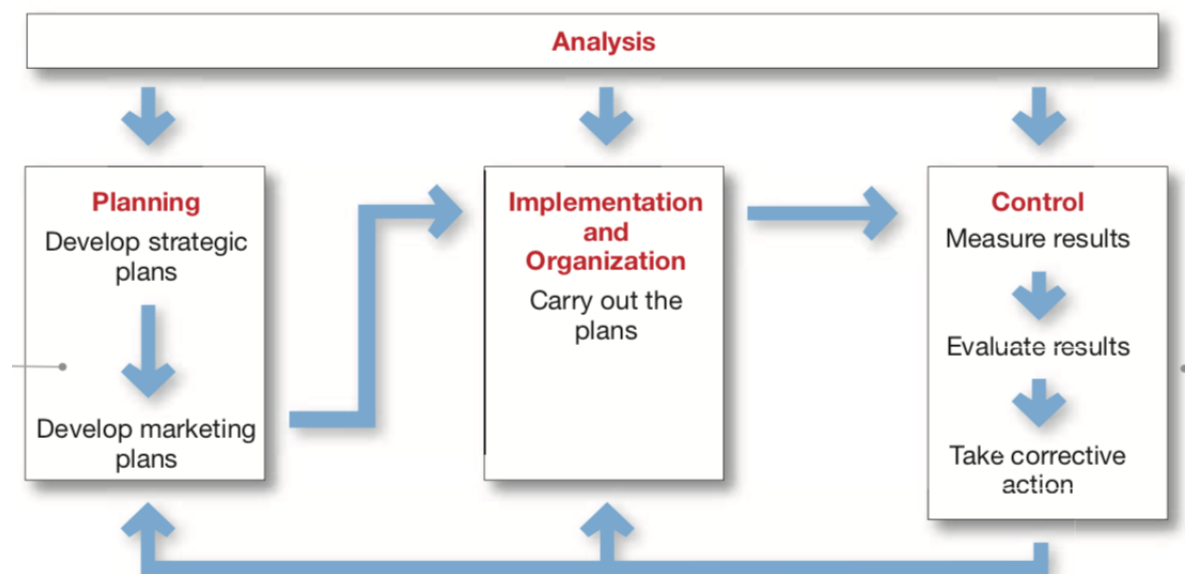


Figure 8: Managing Marketing: Analysis, Planning, Implementation, and Control (Kotler, 2020, 53)

2.5 Benefits from using social media marketing



Figure 10: Internet usage in a minute during 2021 (Austin, 2021)

Global users are using social media more than ever to connect with their favorite brands. Over three billion people use social media around the world every day. Social media search is having so many advantages. Back-links a social sharing provides support to increase the ranks. Also, users can increase the hits to their blogs and other social content by using social media outlets. Social media is beneficial in building relationships. When a company is having a good relationship with its customer then it helps to build trust and trust builds sales. A social media company can get good results from their clients all the time by putting some time and effort into it.

- Nowadays most global consumers are using social media and most companies are aware of this fact. So, companies use their marketing team to identify such

audiences based on the social media data available with their profile and what are they looking for. This is a big advantage for the companies which are having brands with local markets.

- The great advantage of social media is that it provides the platform for the marketing team to connect with their target customers, prospects, and market at any time. Some platforms even allow the marketing team to import customer contacts into the account of the company to get connected with them. A company can use this opportunity to promote special offers instantly to their targeted customers and also introduce new products and more. This is a really good way to boost their sale by connecting with more buying customers.
- Social media is a great platform that allows marketers to promote their products to billions of consumers around the globe at any time. There is no time constraint no issue of geographic locations or type of customers that their brand can reach. Every time company is having an online event or launches new products, and any other marketing campaign then social media enables it to reach more and more consumers around the globe.
- Through social media, it's very cheap to post anything to global consumers. For companies, it's very cost-efficient to launch ad campaigns through Facebook, YouTube, and other social media channels. Social media allows companies to make ad campaigns that are very focused on their product or brand and in a very cost-efficient way.
- Nowadays companies use social media to build a relationship with their consumers. Consumers have a tendency to buy the product which they already know and have trust. Due to this reason, most companies try to connect with their consumers using social media to build a relationship and then plan to sell their products.
- Nowadays consumers like to give more online reviews than used to be before. Consumers are providing their reviews based on their experience with the product or service. This is a good opportunity for the companies to receive honest feedback from the actual consumers who are using their product or service. So, for companies, this is a great way to improve the quality of their product or service.
- As nowadays companies are having a big group of the subscribed user for their brand so the marketing team can create big word of mouth for their brand.

Most popular social networks worldwide as of July 2021, ranked by number of active users
(in millions)

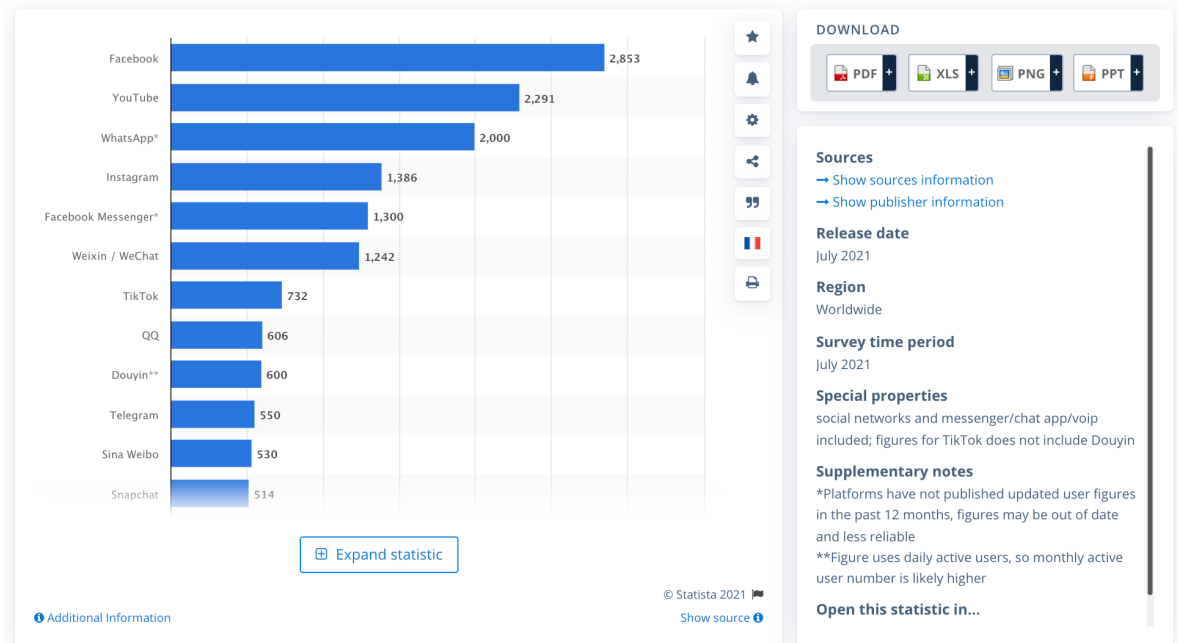


Figure 11: Social media platforms ranked by the number of active users (Statista, 2021)

2.5.1 Facebook

As we all know that Mark Zuckerberg was a computer science student in Harvard University. He and his three classmates Chris Hughes, Dustin Moskovitz & Eduardo Saverin thought and invented Facebook. This idea of Facebook was inspired by the idea to get internet users to rate one another's photos.

Number of monthly active Facebook users worldwide as of 2nd quarter 2021

(in millions)

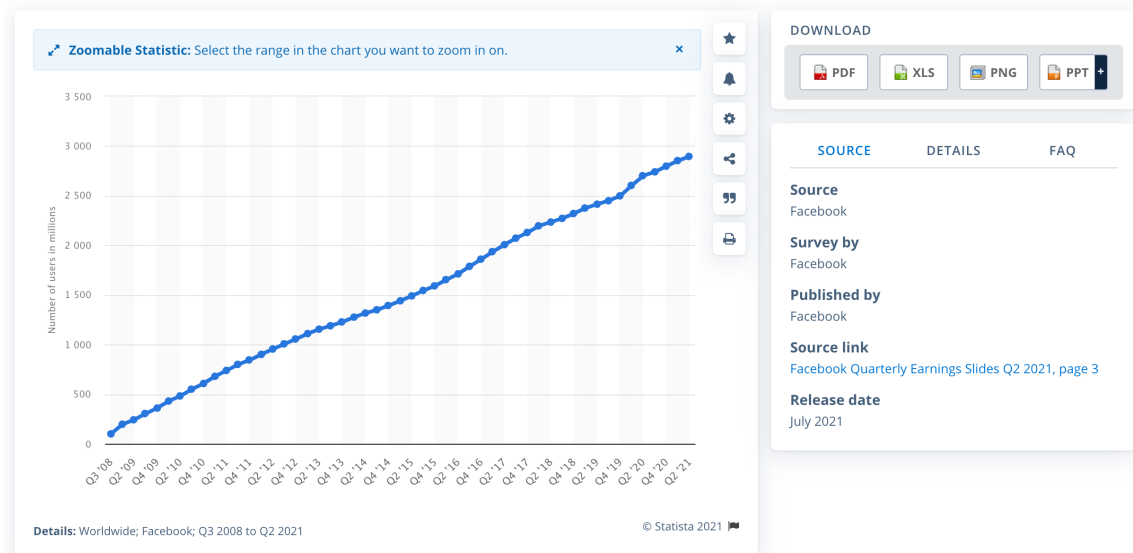


Figure 12: Number of Facebook users (Statista, 2021)

In the current business world use of social media is very popular. Facebook is the most popular of all the social media channels. Earlier Facebook was mainly used to keep in touch with friends and family, share things and discover the news, and share photos. Nowadays it is also used by the marketing team to launch ad campaigns, to connect with global users, and get feedback about the product and service and paid marketing.

In the modern business world, Facebook is one of the biggest social media channels, which is used globally, It is having almost 2.85 billion monthly active users worldwide. Mostly all active users have at least one Facebook account, and due to this is a top social media channel used by the marketing team in most companies.

The Facebook channel provides opportunities to the marketing team to receive desired exposure in front of their major customers when their interesting marketing content which is created in different formats reaches global users and is appreciated. They feel connected with the customer and get experience to reach global users as soon as they receive instant feedback from the customers for their product or service.

Facebook messenger is a very good tool for businesses that provide different ways to communicate with their existing and potential customers, it includes sending newsletters, automated customized messages, and instantly showing ads as per selected criteria by customers. There are some very intersecting features in Facebook ads that are used to create, manage, launch also analyze paid campaigns. It allows Facebook Newsfeed and stories,

Facebook messenger, Instagram newsfeed & Stories & partner websites to use textual and visual ads.

2.5.2 YouTube

Steven Chen founded YouTube in the year 2005. YouTube allows billions of global people to discover, watch and share videos. It is also a big community of people around the globe who inform, connect and inspire each other. For small and large advertisers, it provides a good distribution platform. (YouTube, 2014.)

Currently, there are about 2,240 million global people which are using YouTube. The no of YouTube users is projected to reach about 2,284.1 million by the year 2025. If we talk about video marketing of any product or service, then YouTube is the most popular social media channel. It is very easy to explain anything with the support of video marketing and marketing companies use this to demonstrate their product. People can also think of YouTube as a resource channel to find answers to their questions and can treat it as an entertainment center. (Coles, 2015: 127)

YouTube is very popular as the marketing team also has an opportunity to make the video, they also get exposure and at the same time have millions of views by global users. The value of a good video depends on how tastefully it is made and how captivating. A good quality video means that it should have all the emotions needed based on the topic. If it is a funny video, they should have all laughter emotion and the same way other feelings like sadness or love based on the topic. As all these videos have a direct effect on the human experience so YouTube is getting more and more popular over the years. If video is made with all desired emotions then it creates more impact on the viewer's brain and they feel more engaged while watching. The purpose of creating videos is all about communicating and educating the user community. (Coles, 2015: 128).

Forecast of the number of Youtube users in the World from 2017 to 2025

(in millions)

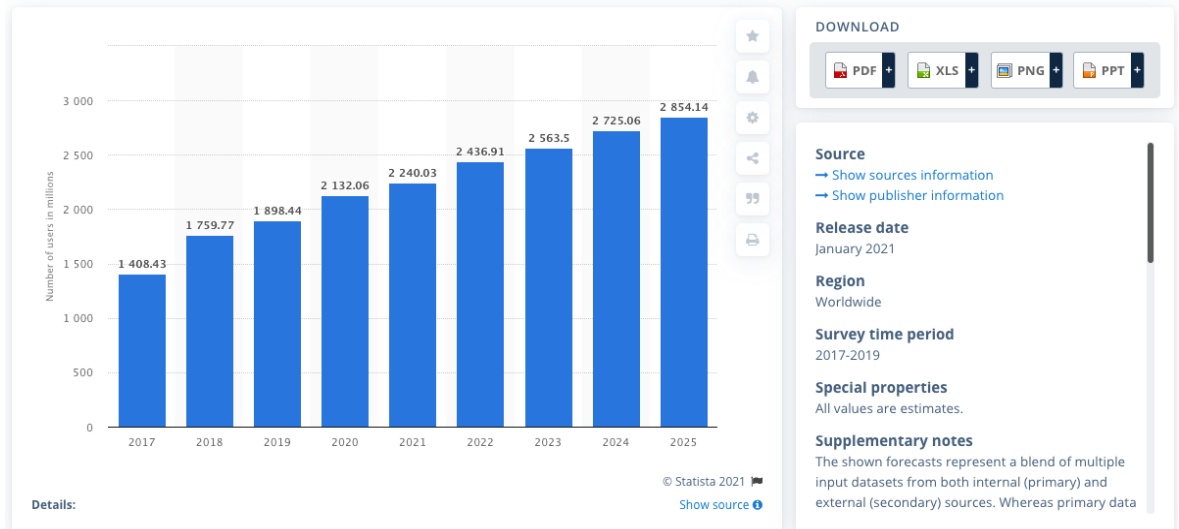


Figure 13: Number of Youtube users (Statista, 2021)

2.5.3 Instagram

In the year 2010 Mike Krieger and Kevin Systrom founded Instagram which is an online photo- and video-sharing service. It got some popularity so in the year 2012 Facebook bought it and it has about 1 billion active users. It is an image-sharing tool and is great for sharing pictures on various other social media sites. (Coles, 2015: 163)

Instagram images can be shared on both Facebook and Twitter. It is advised for a company to add a link to their website in the description and it is possible for users to comment on pictures. Instagram is a great marketing channel for any company and it also makes marketing mission easier. For example, users have a chance to post their pictures of wearing a particular brand's clothes and hashtagging the company in question. (Coles, 2015: 168).

Companies similarly use Instagram to YouTube. They try to post attractive marketing material there and get likes and shares. Just like on Facebook, in Instagram companies also use the more popular users to advertise their products.

Number of Instagram users worldwide from 2016 to 2023

(in millions)

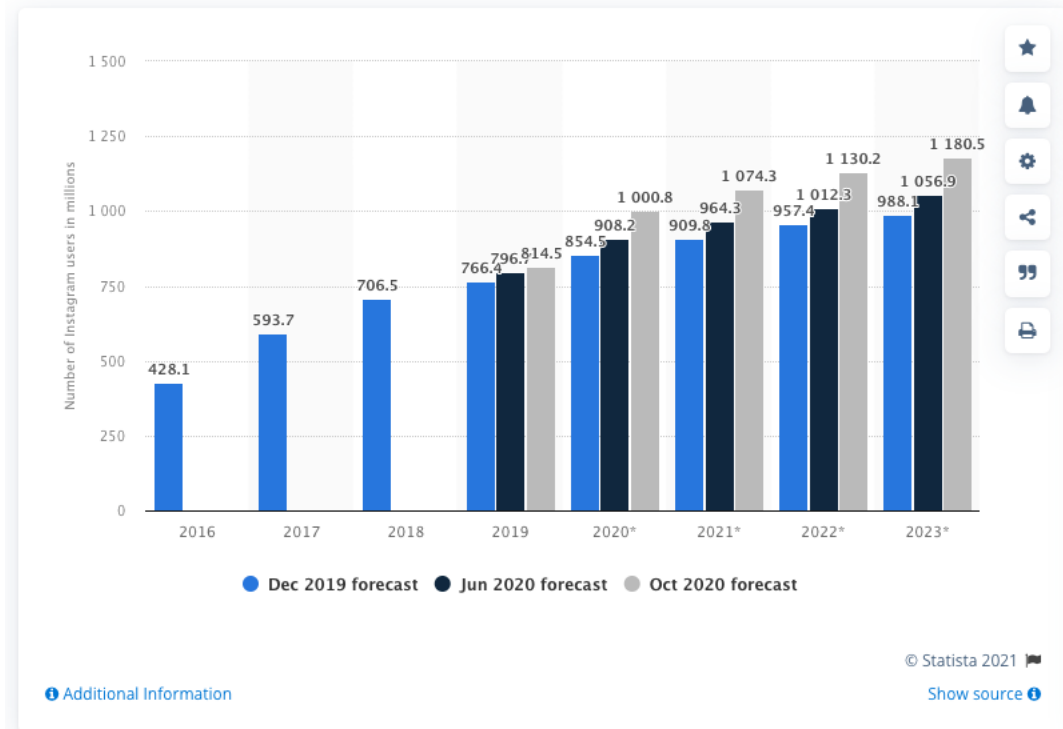


Figure 14: Number of Instagram users (Statista, 2021)

For any marketing brand, Instagram is a very popular social media channel or service because of its all-visual design. As human has the tendency to remember visual than written text and customer responds much better to visual contents. That's why it's a good tool for marketing.

Following are some of the advantages of using Instagram for marketing:

- The engagement rate of Instagram is much more than Facebook and Twitter. There are over 48.8 % of businesses that are active on Instagram.
- Instagram works as a gateway to any brand's success by providing reach to the whole new community of customers.
- It provides an opportunity for customers to review the company's product or service on their own stories by tagging the company's page. This way company name will appear in the feed of a big number of audiences, and they might start following the brand.

- The layout of Instagram enables users to check the company's product easily and the Instagram app enables the company to add a sell button, so it is easy for the customer to make a quick purchase of the product.

So using Instagram would mean more followers which would mean an increased reach and that means more sales to the company.

2.5.4 Twitter

Twitter is a social networking service; it allows users to send and read "tweets" which is a short message of 140 characters. As it only allows to send a limited number of characters for the people to send their feedback, so it is a kinda form of microblogging. Twitter is a social networking service that is available online, it allows users to send and read "tweets" which is a short message of 140 characters. As it only allows to send a limited number of characters for the people to send their feedback, so it is a kinda form of microblogging.

Twitter is a powerful tool that is used for researching, networking, listening, and publishing. Many companies use Twitter to welcome and warm up the beginning of conversation and networking. There are about 206 million daily active users. Twitter was founded in 2006 by Jack Dorsey, Biz Stone, Evan Williams, and Noah Glass. (Coles, 2015: 81)

Many businesses are using Twitter to share information about their products and services. Twitter is a common tool to use when there is a need to address some hot topics urgently or arrange unwanted press conferences. Twitter is widely used by people of different professions and companies because of short tweets which are easy to understand and save time to read and respond to. Normally Twitter users read the "tweet" message, understand it, and then move on. (Coles, 2015: 82)

The below image gives information on the number of Twitter users worldwide from 2014 to 2024. In 2019, the social network's audience size was 290.5 million monthly active users worldwide and was projected to keep increasing up to over 340 million users by 2024.

Number of Twitter users worldwide from 2014 to 2024

(in millions)

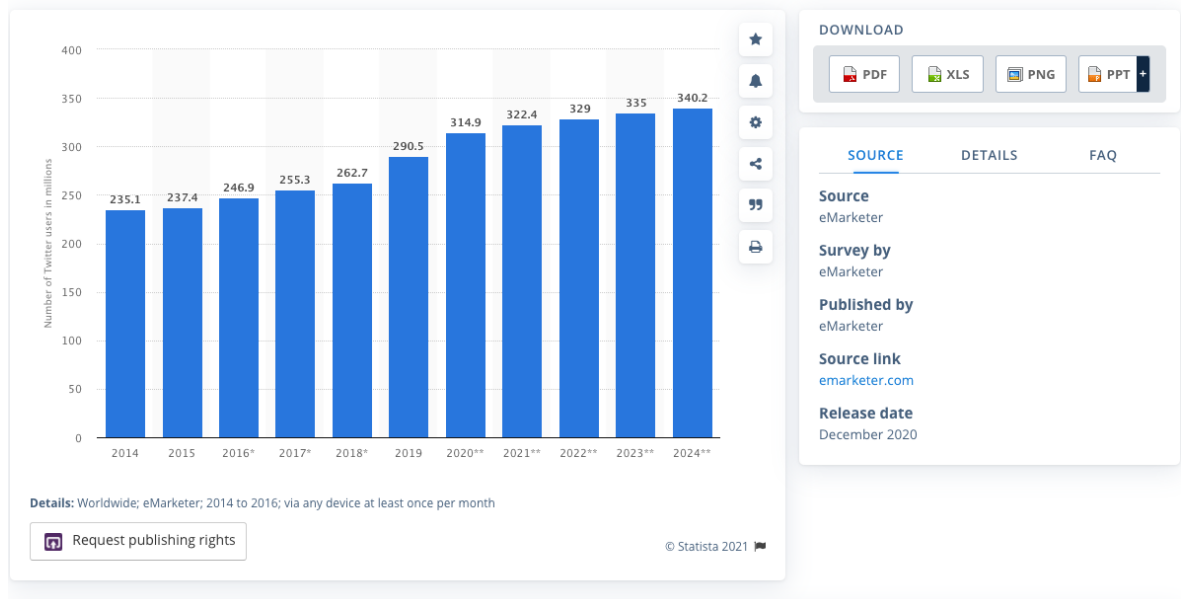


Figure 15: Number of Twitter users (Statista, 2021)

2.5.5 LinkedIn

LinkedIn operates via websites and mobile apps, It is an American business and employment-oriented online service. It was launched in the year 2003 and since then it has become the biggest professional network in the world. The vision of LinkedIn is to serve every global workers by providing economic opportunities, also has the mission of the social network is to connect all professionals in the world. (LinkedIn 2018.).

Nowadays LinkedIn has become so popular and powerful network that every job seeker should have a profile in it. It is a social networking site that is created to provide support for job seekers and companies, and for its registered users it works as an online resume, offering other functions on the side. (Bradford 2018.)

As of January 2021, In the United States, LinkedIn had about 170 million registered users. So far, the United States is the leading market of the professional jobs networking service, with India as runner-up to 71 million registered users.

Leading countries based on LinkedIn audience size as of January 2021

(in millions)

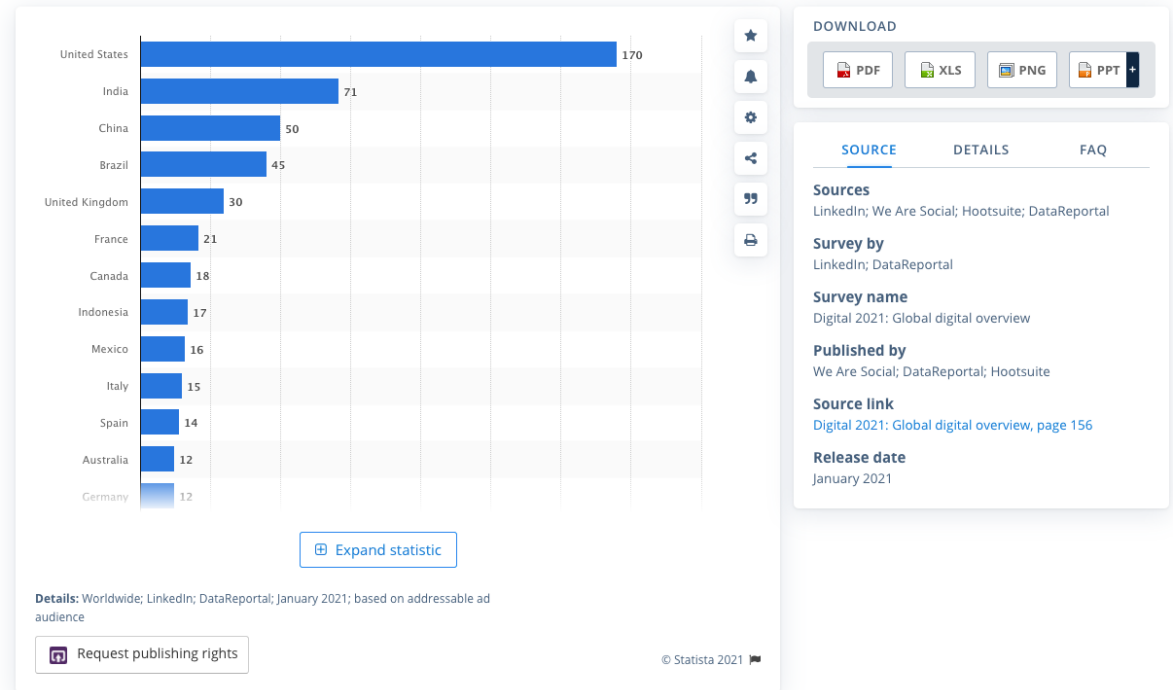


Figure 16: Number of LinkedIn users (Statista, 2021)

Internet > Social Media & User-Generated Content

Forecast of the number of LinkedIn users in Finland from 2017 to 2025

(in millions)



Figure 17: Number of LinkedIn users in Finland (Statista, 2021)

2.6 Advantages of using social media marketing

Companies enter the world of social media to strengthen their brand image for customers. They become more appealing to consumers, but also current and future employees. Social media can consequently benefit in building the company a better reputation amongst

people. It helps strengthen the brand name in the minds of consumers. When applying for a job, it is now a standard for the potential employee to check the future employer's website. This is an easy way to find information about company history, but also how they act on social media. If the company has a strong client base, for example on Facebook, the more likely they are to have a positive image in the minds of future personnel.

Companies profit from social media, especially when searching for help in communication. It is excellent for corresponding between current and potential customers, receiving feedback from products, and giving customers service faster. Communication on brand value and brand attributes to potential customers is furthermore simplified. If a customer needs more assistance, the company asks for the customer's phone number and calls them, thus serving clients made easier and faster.

Benefits of social media marketing

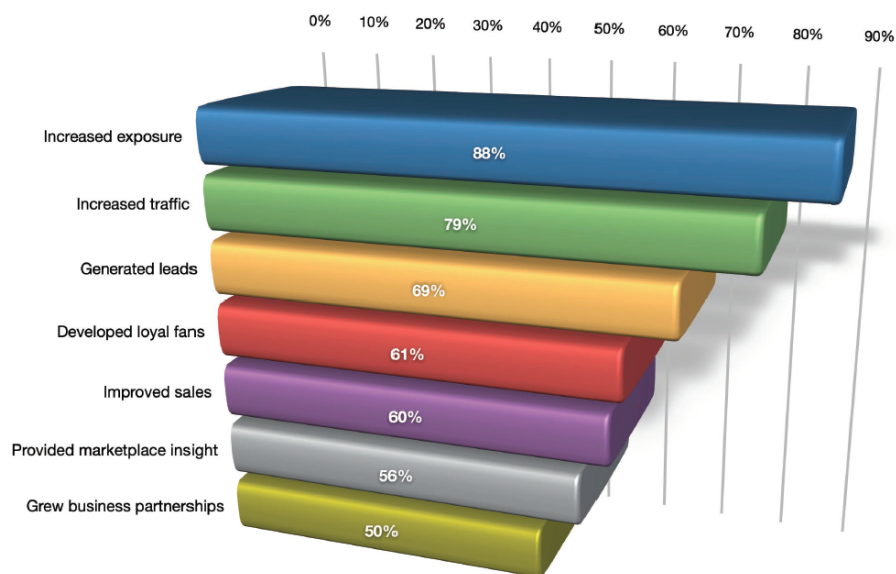


Figure 18: Benefits of social media marketing (Tuten, 2015, 55)

Social media is having a large audience community, also it is significantly low-priced compared to other marketing strategies, and engaging with customers is easier. If a company prefers using more traditional methods of communication, it should be kept in mind that social media can be used alongside them.

Social media is having the large group audience in the target market of companies. The most popular usage of social media is the attempt to get more visitors to the company website. The more clicks to a site, the more chances to leads the potential customers.

2.7 Risk of social media

As in all marketing, social media also has risks that users need to be aware of. Social media has millions of users (depending on the platform), so it is getting more and more difficult to gain the amount of visibility to get noticed. The biggest obstacle for new companies going into social media is the need to invest a relatively large amount of time to see results. Employers must review and respond to comments quickly, but also remember to deliver new material frequently. Now it is not enough to set up a social media profile, it needs serious commitment and long-time planning, not to mention quality of content.

There is another risk due to the type of social media trends and terms and conditions to use its site. It is crucial to know the latest social media sets and keep on when a social media platform has reached its peak and when it is coming down.

Of course, other risks involve not knowing how to use social media platforms, not everything needs to be Facebooked, Tweeted, or Youtube. This can be seen as a lack of having a clear social marketing plan, but also not knowing how to execute it. Competitors are often aware of other similar companies' social media statuses, thus making the risk of exposing valuable insight into their strategies and activities high. (Marsh, 2014.)

2.8 Future of social media marketing

Over time, social media has become a great tool for marketing. The social media landscape is changing at a quick pace to fulfill the demand of the modern business world. Social media enables companies to keep up with the latest trends.

2.8.1 Influencer Marketing

Recently Influencer marketing has become popular in social media. If there are people who have thousands of followers, then they can collaborate with brands and leverage their followers. These influencers are paid by the companies to promote their products or service to their followers. Companies are looking for reliable influencers to collaborate with and then reach their target customers.

2.8.2 Chatbots and AI

Nowadays social media is having the latest tool called chatbots. It is very important for brands to communicate with their customers and respond to their queries as soon as possible. With chatbots, It has become very easy for people to reach out to brands through social media and get answers to their queries.

2.8.3 Employee Advocacy

As nowadays influencer marketing is becoming popular so there has been a rise in the number of fake influencers. These people try to do fake partnership with brands to promote themselves and if they succeed then becomes real influencers.

Employees of the company can become influencers for their brand among their circles. Companies can encourage their employees to talk about their brand on social media to promote it among their groups.

2.8.4 Driving Sales Through social media

Social media plays an important role to generate customer engagement with brands and promote sales. Nowadays companies are necessary tools to their brand for the promotion of their brands on social media to improve their sales. Companies are using various advanced tracking tools such as Facebook Pixel to check the buyer journey.

2.8.5 The Importance of Engagement

Customer engagement has always mattered on social media now it has even more popular with the change in Facebook's algorithm that emphasizes meaningful interactions, nowadays companies focusing their marketing content and trying hard for their content to be highly engaging.

2.8.6 The Rise of Groups

Nowadays groups have become the go-to place to connect with their customers due to the changes in the algorithm of Facebook. With the help of these groups, companies can get additional engagement with their customer and receive feedback about their brand and service.

2.8.7 Transparency

According to Sprout Social, only 55% of customers felt that brands were transparent to some extent on social media. On the other hand, only 15% of them felt that they were very transparent.

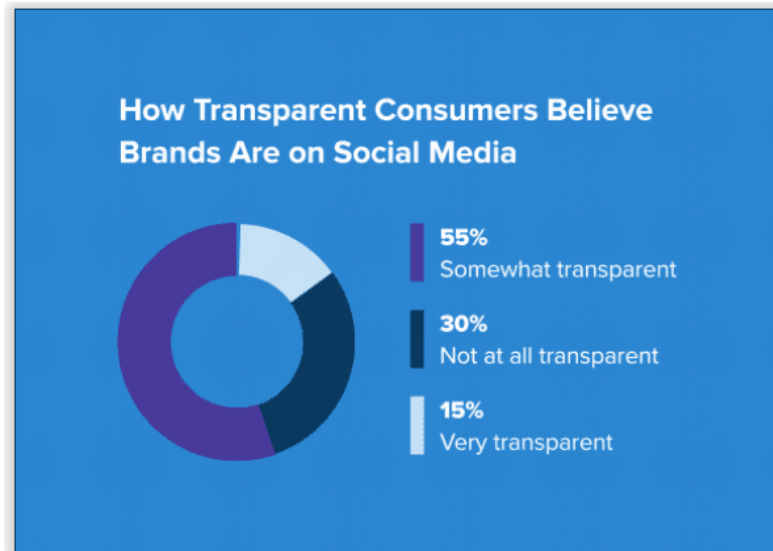


Figure 19: Transparency (Shane Barker, 2021)

As per this statistic, brands need to put a lot of effort to raise their transparency on social media.

2.8.8 Stories

Now WhatsApp, Facebook, and Instagram quickly started story features.

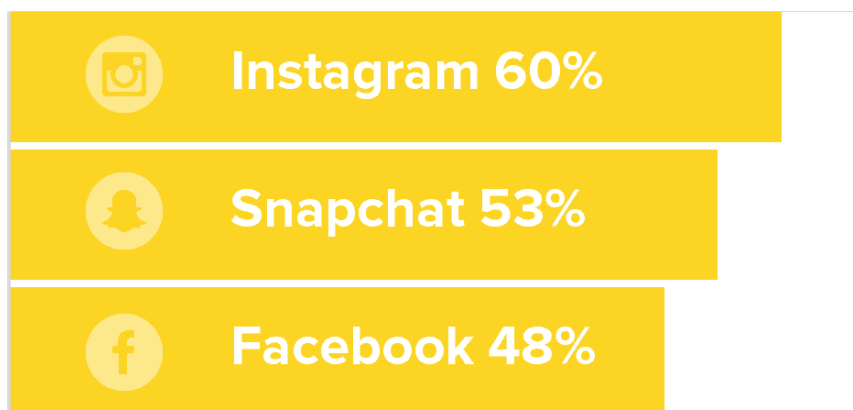


Figure 20: Stories (Shane Barker, 2021)

They have very good customer engagement and that's the reason they have become a popular marketing tool for brands.

Also, they are easy to create and don't need a lot of post-processing. Also, the main reason for their popularity is that they are not too long to watch.

2.8.9 Live Videos

Now Live videos are also getting popularity on social media. Live videos were launched on Youtube first then on Facebook. After seeing the popularity of this feature Instagram

also added this feature later. Nowadays around 95% of marketers are planning to add live videos to their social media marketing strategies. There are Q&A live video sessions that can provide more human touch and due to this more and more companies are adding this feature. This feature adds a human element and also allows the customers to receive answers to their queries during the video.

3 Research findings

For the research to be sufficient enough qualitative research method was chosen. The qualitative research method is appropriate when working with open research questions (Jonker, 2010, 78), also qualitative research methods are equally suitable when one of the main sources of data is an interview and an interview-type questionnaire (Saunders, 2016, 390).

In addition to the above, the researcher has done a project on the target company, which enabled a couple of important types of research methods. That gives the researcher a slightly more inside view of the company which helps the researcher from the start to formulate a deeper understanding of the operations of the target company.

3.1 Data collection

After getting enough prior knowledge the researcher prepared interview questions for the case company marketing team and for the marketing and communication agency. So, it was beneficial to have enough knowledge on this topic prior to conducting the interview and research work. The researcher gained a lot of information while working on the thesis work and collected the secondary data. So received good results and some additional information on this topic.

Since one of the main data collection methods was an interview done with the Marketing and communications manager of the case company. This also justifies the use of the previously mentioned methods. The questions used in the interview were open questions, "An open question is designed to encourage the interviewee to provide an extensive and developmental answer and may be used to reveal attitudes or obtain facts" (Saunders, 2009, 337), the open questions also "encourages the interviewee to reply as they wish" (Saunders, 2009, 337). This then gave the interviewee the opportunity to speak and discuss freely the subject in hand to ensure that the interviewee would receive truly open and honest opinions. The researcher made the decision based on answers received from the Marketing and communications manager and from the marketing and communication agency person.

The researcher conducted an interview with (T.Suontausta), who is the marketing and communications manager of Kotikatu. Also conducted an interview with (K.Vairinen) who is the customer relationship manager of the marketing and communication agency – Perjantai Markkinointiviestintä Oy. Perjantai is a strategic marketing and communication agency. The

interview was conducted by using a set of open-ended questions. The same questions were used for both teams.

The interview focused on gaining an in-depth all-around view of the case company's way of handling their social media marketing. This was achieved by concentrating the interview questions on the company's social media history and marketing.

3.2 Content analysis

Secondary data was analyzed by examining the relativity of each source to the research questions and information needed and then by carefully grouping the information accordingly based on the research questions. This enabled the researcher to efficiently examine the data in relation to the research questions and made it easier to keep track of the obtained data.

The qualitative research gathering data for the analysis is used is mainly comprised of the interview answers and social media figures acquired from the case company. This helped to formulate a sufficient analysis of the qualitative data in relation to the information needed to form a solid picture for the appropriate research questions.

4 Summary

Social media marketing is truly beneficial for a company in many aspects. It provides an opportunity for the company to operate in virtual marketing conditions, also it provides a great opportunity for the companies to reach a large pool of customers that may be interested in the product service offered by the company. Also, social media provides a platform for any company to reach directly with its audiences, it helps to provide more valuable content to the audience by knowing them better.

In this analysis section of this thesis, the researcher will put together the primary research finding and will analyze them so that they will provide the answers to the research questions.

The researcher studied several sources to gain an extensive overview of social media marketing and marketing theory. The researcher conducted an interview with the marketing team and marketing agency to get an overview of social media marketing used in the case company.

In the next section, it is confirmed that many people use social media and this number is growing day by day. Also, more and more companies using social media as a marketing tool nowadays. The researcher also checked the interview answers and there is a clear link with the research findings. All the interviewees of the case company were agreed that most of their marketing is done through social media, as per the interviewee they believe if a company wants to be modern and reach its target groups then social media marketing play a vital role in that. They can't even imagine, that they aren't on any social media platform. It's one of their channels and through social media platforms, they drive visitors to their website. Whenever they have a new business area/acquisition, they use social media to raise awareness of their brand among their new customers or potential customers.

5 Conclusion

Concluding this research about the effectiveness of social media marketing in modern business, I will state out with pleasure that after my research on marketing websites and forums, blogs, books, and results received from the questionnaire. Social media is an effective marketing tool that can make a company's brand or product very successful online. The researcher can't say that the same methods can provide the same effectiveness and can guarantee a full success rate.

The case study company Kotikatu was a relatively small company, which started in 1989 from a small locally based property maintenance company and now they employ more than 4000 professionals have a turnover of more than EUR 345 million.

Until 2019 Kotikatu didn't have a strong media presence and they have started using Facebook in year 2019 and now they around 3000 followers on Facebook. Also, on LinkedIn they have more than 1000 followers. Facebook and LinkedIn are optimal for sharing information, but Facebook is very popular as it reaches a wide range of Kotikatu customers. Kotikatu is using LinkedIn to mainly focus on B2B target groups. In Kotikatu social media marketing plays a crucial role as they have people related business and this is part of their channel mix and will remain in future also.

For Kotikatu Social media marketing is cost effective channel to communicate various target groups and reach to people in those channels. Using social media platforms, they drive visitors to their website. Whenever Kotikatu have a new business area / acquisition, they use social media to raising awareness of Kotikatu among their new customers or potential customers.

With the use of Social media marketing Kotikatu is receiving the following advantages:

- Raise awareness of their services to viewers
- Provide housing relating information and tips to their customers
- Increase the awareness of Kotikatu brand specially in new areas
- Use social media as customer service channel
- Kotikatu sales and leads collection is increased
- Create engagement with their followers and their employees
- More and more users visited Kotikatu websites

According to the response from the interviewees in appendix. Respondents agreed that role of social media is important in communication and marketing. It really helped Kotikatu to

become modern and reach their target group. Engagement is the key. Constantly executes, engaging with their target audience keeps them in top of mind.

It has to be taken into account that the interview in the case company gave the fact-based concrete evidence of the functional success, other results may be different for other companies which are having business in different sectors. Other industries can also achieve good results after using social media marketing. As per research finding social media marketing is cost-effective and successful for any industry when it is used with the right approach, tools, and method. Social media marketing is also having the big advantage that it can be used as a highly effective and low-cost customer service channel. Also, word of mouth marketing is very important for any company as it helps to get new customers and also boost sales with the existing customers. Also, good reviews are crucial for any company.

Summing up in a nutshell social media marketing is really key and effective in today's modern businesses, so I will recommend according to this research that most of the company management should put this into their priority list and strategize accordingly so that they can take full advantage of its huge opportunities.

5.1 Validity and reliability

Validity and reliability are those factors that should be confirmed at the end of the research. Reliability concerns the consistency of the information, which was collected during the study. Reliability does not focus on the truthfulness of the data, but rather on the consistency of the results. Finally, internal reliability focuses on how the study was conducted (as with internal validity). If the study is not conducted in a manner that has good internal validity, then the internal reliability is negatively affected as well. The threats to internal validity can affect the consistency of the results or the internal reliability. reliability is referred to as dependability. This examines what the researcher reports and what was happening in the area being studied. (Blankenship, 2010, 140).

Answering the research questions was the main aim of this thesis. The researcher gathered information from various range of reliable data sources. Also, he collected the primary data through the two interviews and from a global business data platform. The first interview was with the Marketing and communications manager of Kotikatu company and the second one with the Customer Relationship Manager, Marketing, and communication agency – Perjantai Markkinointiviestintä Oy. According to thesis criteria, this study can be considered valid and reliable.

5.2 Suggestions for further research

Regarding some limitations on the research, the researcher suggests further investigating the usage of social media marketing on some other companies.

Therefore, if further research could be conducted, then an in-depth survey among a large number of respondents should be carried out in tackling the research objective. A survey can be conducted among the marketing persons in various companies.

if desired, a mixed research method of quantitative and quality data could be applied to deliver a deeper understanding of a particular issue. However, for any company, it is critical to apply these two methods when they have to reach a definite level of business development. As during this, some details are exposed behind the numerical data, although there are some advantages when personalized data is collected. Depending on the purpose of specific research various ways of data collection, implementation and evaluation can be taken into account.

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Attachments

Appendix 1. Interviewee profiles

Interviewee 1: Tiia Suontausta 24.5.2021, Marketing, and communications manager

Interviewee 2: Kati Vairinen 26.5.2021, Customer Relationship Manager, Marketing, and communication agency – Perjantai Markkinointiviestintä Oy

Appendix 2. Interview questions

Questions for interviewees 1 & 2

1. As your company is using various social media platforms for marketing so which social media platform will suit you the most?
2. What is your general perception of social media marketing, and do you believe that it is going to play a crucial role in marketing?
3. Do you think that using social media marketing as the main marketing tool was an intentional choice for the company?
4. What do you hope to achieve using social media marketing? How will you know you've achieved it?
5. How does social media marketing fit into your growth plan? And in your opinion is it possible to measure the profitability of social media marketing?
6. What are the challenges you encounter when using social media marketing to get reach your target market?
7. Do you think it is really necessary for Kotikatu to use Social media marketing? Why?
8. In your opinion in what way can the company benefit the most from using social media marketing?
9. In your opinion what is the future of social media marketing?

Appendix 3. Interview questions and answers from interviewees 1

1. As your company is using various social media platforms for marketing so which social media platform will suit you the most?

Platforms and target groups

- Facebook
 - residents and the general public, job seekers, property managers, real estate professionals
- LinkedIn
 - property managers, real estate professionals, job seekers
- YouTube
 - videos distribution, all audiences

A centralized marketing function is responsible social media marketing.

2. What is your general perception of social media marketing, and do you believe that it is going to play a crucial role in marketing?

Social media is definitely something where must be, if you want to be modern and reach your target groups. Different social media platforms interests different groups, but overall it's role in communication and marketing is significant. I can't imagine, that we aren't in any social media platform.

3. Do you think that using social media marketing as the main marketing tool was an intentional choice for the company?

Social media is not our main marketing tool, but it's one of the main tools. Multi-channel solution is our choice: we use SEM, SEO, newsletter, our own magazine Kotikadulla etc. And a heart of all is website, where we publish articles, tips etc, our customers and residents can have information and leave maintenance request etc.

4. What do you hope to achieve using social media marketing?

OUR GOALS FOR SOCIAL MEDIA:

- Raising awareness of our services
- Provide housing-related information, tips etc
- Increasing the awareness of Kotikatu especially in new areas
- Customer service channel
- Increasing sales and collecting leads
- Drive website traffic

- Employee engagement
- Creating an employer image and supporting recruitment
- Create engagement with followers

We have decided that we publish various kind of content especially in FB:

- Company stories – growth, responsibility, occupational safety etc
- Tips – window cleaning tips, how to save energy, how to cool your residence etc
- Commercial content – gardening, renovation, sewer maintenance etc
- Pieces of everyday life – personnel, cars, equipments, locality etc

How will you know you've achieved it?

We monitor closely the effectiveness of the measures through data studio, where we have created our own view for FB. LI we monitor through analytic which the system itself provides. For example, with FB we started 1.4.2019 from 0 and today we have 2 442 followers. In addition, we monitor the effectiveness of the posts, costs etc.

We meet with content providers once a month. We go through for example the analytics, the contents, the ideas for the next month. We also hold trainings on the subject: how to make an efficient post, how to take an impressive photo...

5. How does social media marketing fit into your growth plan?

It's one of our channels and through social media platforms we drive visitors to our website.

When we have a new business area / acquisition, we use social media to raising awareness of Kotikatu among of our new customers or potential customers.

6. And in your opinion is it possible to measure the profitability of social media marketing?

Yes, but it's not quite simple. Even if you set goals, there are many factors that affect your results. But systematic work, interesting contents, learning platforms features and use money – that's a good start.

7. What are the challenges you encounter when using the social media marketing to get reach to your target market?

So many channels and things compete for decision-makers' time. They use social media personal and professional purposes – what would be the right time to reach?

8. Do you think it is really necessary for Kotikatu to use social media marketing? Why?

Yes, because it's important to be in those medias which our customers spend.

9. In your opinion in what way can the company benefit the most from using social media marketing?

I think our social media strategy is efficient: provide entertaining content, facts and tips, fluent customer service - genuine content and dialogue.

Appendix 4. Interview questions and answers from interviewees 2

1. As your company is using various social media platforms for marketing so which social media platform will suit you the most?

Facebook and LinkedIn are optimal for sharing information and they're both found generally effective depending on the objective of the content. Facebook reaches the broadest range of Kotikatu's audiences, hence the content there is also the most diverse. LinkedIn's main purpose is to be more focused on B2B target groups which are more difficult to reach with programmatically target in Facebook. A centralized marketing function is responsible social media marketing.

2. What is your general perception of social media marketing, and do you believe that it is going to play a crucial role in marketing?

Social media plays crucial role especially in people related business' and because of this social media is and will be part of the channel mix in the future too. Beyond existence, it's also cost-effective channel to communicate throughout diverse target groups and reach people in channels they choose to use. Diverse, though quite precise targeting options and measurability play a key role in reaching the correct target groups.

3. Do you think that using social media marketing as main marketing tool was an intentional choice for the company?

In 2020 digitally oriented channel mix is more of a necessity than an option. If you want to be heard among people-oriented business competition, you must communicate where the people are. Huge amount of our days is used in different social platforms and that is something you can't discard while creating your channel mix, hence it was definitely an intentional choice to include it.

4. What do you hope to achieve using social media marketing?

OUR GOALS FOR SOCIAL MEDIA:

- Raising awareness of our services
- Provide housing-related information, tips etc
- Increasing the awareness of Kotikatu especially in new areas
- Customer service channel
- Increasing sales and collecting leads
- Drive website traffic

- Employee engagement
- Creating an employer image and supporting recruitment
- Create engagement with followers

We have decided that we publish various kinds of content especially in FB:

- Company stories – growth, responsibility, occupational safety etc
- Tips – window cleaning tips, how to save energy, how to cool your residence etc
- Commercial content – gardening, renovation, sewer maintenance etc
- Pieces of everyday life – personnel, cars, equipments, locality etc
- Topics / calendar – Christmas, Eastern...

How will you know you've achieved it?

Channel specifically designed key performance indicators (KPIs), which are matched to business objectives, support our goal achievement monitoring. KPIs include performance indicators in all objective areas. We have created channel specific dashboards, which updates real time – all based on the platform's and website raw data sources. Comparison to history results indicates the amount and direction of development, from which we can determine whether we have achieved the goals in channels as desired.

5. How does social media marketing fit into your growth plan?

Social media marketing is only one aspect in a bigger picture – it's purpose is to support the growth of awareness in new areas by efficient and up to date communication to different target groups. However, it's critical to understand that social media channels alone would never fix the business needs and objectives by themselves. It's all about multi-channel communication.

6. And in your opinion is it possible to measure the profitability of social media marketing?

It's possible to define values to conversions and to measure the profitability of the social media marketing, but it requires systematic development and it's not black and white. Assumptions can be made quite easily but setting up and gaining numeric values on your media spend is another story. Digital multi-channel communication enables precise measuring, but it's more difficult to determine

unambiguously which channel created the last push for the results – especially in long customer journey type of products or services.

7. What are the challenges you encounter when using the social media marketing to get reach to your target market?

Competition and the amount of messages the target groups face within the same session creates a constant need of repetition. As the “noise” is so loud in all social media channels, it requires a lot to get their attention. We can also target the marketing only based on the information the users have themselves provided and in property maintenance business there are a lot of decision makers “underlying” It’s also difficult to determine in which part of the customer journey is ongoing as many of the digitally measurable choices are made only after they have indicated interest and personal communication starts.

8. Do you think it is really necessary for Kotikatu to use social media marketing? Why?

Yes it is. These days absence is more of a message than just existing in social media. If you want to be easy to reach and proactive to customers, you must be available in all “everyday” channels.

9. In your opinion in what way can the company benefit the most from using social media marketing?

Engagement is the key. Constantly executes, engaging with your target audience keeps you in top of mind and that way supports your other communicational inputs in different channels. It’s also a matter of customer service, to be easy to reach in channels which customers are accustomed to communicate with businesses.