Creating a customer-driven marketing strategy
Case company: Streamauto Oy
# Abstract

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Creating a customer-driven marketing strategy

**Case company: Streamauto Oy**

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## Abstract

The company achieves good results of marketing activity through the use of new marketing tools and approaches. An important role in this process plays the analysis of the marketing environment and the current marketing strategy of the company.

The purpose of the thesis is to analyze the marketing activities of the case company, create a customer-driven marketing strategy for the case company, and give recommendations to increase the number of customers. The case company is Streamauto Oy.

The thesis uses qualitative and quantitative research methods. The qualitative method is presented in the form of interviews with the CEO of the case company and with clients. The quantitative method is presented in the form of a survey of regular customers. Primary and secondary sources were used in the research. The primary sources are presented in the form of interview and survey. Secondary sources are presented in the form of literature review, journals, articles, and Internet-based sources. The thesis uses the method of deduction.

The conclusion of the research shows that concentrated marketing is the most beneficial for the case company. Focusing on the sale of used Honda and Kawasaki motorcycles can help the case company increase the number of customers and the number of sales.

**Keywords**
Marketing strategy, used motorcycles, concentrated marketing, customer-driven, Honda, Kawasaki, Streamauto Oy
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1 INTRODUCTION

This chapter presents basic introductory information about the research. It describes the research background, thesis objective, research questions, limitations, research methodology, theoretical framework, data collection, and structure.

1.1 Research Background

Marketing strategy for any company is one of the most important elements that directly affect its profit. The company has to monitor and change the marketing strategy during the company life cycle because the business environment is changing constantly and rapidly.

The successful result of good marketing activity is achieved through the use of the latest tools, approaches, and planning. Marketing can be considered a scientific and creative process of finding the most optimal solutions to difficult tasks for business in modern changing conditions. (Kotler & Keller 2012, 3.) In this regard, the marketing specialists of the organization should make a timely decision on the need to adjust or completely change the marketing strategy.

Instead of depending on past successes, the company should always develop through marketing, strive for new innovative solutions, and understand new customer needs. Marketing managers should try to properly allocate costs between existing marketing communication channels and new ones that appear in modern business conditions. This is especially important because every marketing action must deliver a return on investment today. (Kotler & Keller 2012, 16.)

The right changes in the marketing strategy or new marketing strategy can significantly reduce the costs of the company and increase profit. Despite the importance of this component of the business process, the owners of the companies do not always pay due attention to it. This is especially true for small new or already existing companies. In most cases, the reason is that their resources their (e.g., budget, staff, and time) are limited.

The thesis aims to create a customer-driven marketing strategy for the case company. The case company is Streamauto Oy. It is a small company in Southern Finland in the city of Lahti. The main business of the case company is the sale of used cars, used motorcycles, motorhomes, and small maintenance. (Streamauto 2022.) The author of the thesis was doing an internship at the case company. Currently, the case company has focused on the sale of used motorcycles. This research aims at studying and analyzing the used motorcycle market. The aim is to help the case company understand the market better and create a successful customer-driven marketing strategy. This customer-driven marketing strategy
can help the case company to attract new customers and to increase sales of used motorcycles.

1.2 Thesis Objectives, Research Questions, and Limitations

One of the most important elements of any research is the definition of the objective, research questions, and limitations. The objective of the research is to search for answers to research questions through the use of academic and scientific tools. The answers found should be new knowledge, something that has not been discovered up to this point. Each study is individualized with specific goals, but all of them can be combined according to the following indicators: familiarization with the subject of research, an accurate description of the subject of research, establishing the causes and consequences that arise as a result of changes in any aspects of the subject of research, determining the frequency with which a particular phenomenon that is the subject of research occurs. (Kothari 2004, 2.)

The objective of this research is to do in-depth study of the theoretical and practical aspects of the case company’s marketing activities, to create a customer-driven marketing strategy for the case company, and to give recommendations and ideas to increase the case company’s sales and customer base.

For an accurate specification and disclosure of the objective, the following main research question and four sub-questions are formulated for this thesis.

The main research question:

**How can the case company create an attractive customer-driven marketing strategy and increase its customer base and sales?**

The sub-questions:

1. **Who are the main competitors of the case company and what are their strengths and weaknesses?**

2. **What type of marketing strategy would be profitable for the case company?**

3. **What company positioning and unique sales proposition are beneficial for the case company?**

Every study has limitations. The limitations of this thesis are primarily geographic limitations. The case company mainly operates in Southern Finland and this thesis will concentrate on this specific geographic area. In addition, this is an industry-specific thesis as the case company operates in the field of used motorcycle sales, so the thesis is limited to discuss this industry.
The presented conclusions, findings, ideas, marketing strategy, and recommendations produced during the research process have practical and theoretical significance primarily for the case company. Finally, the thesis is limited by the specific resources of the case company, such as its budget, retail space, and human resources.

1.3 Theoretical Framework

The theoretical framework of the research consists of several components. The most important component is a literature review on the chosen topic. It helps to reveal the main scientific categories, terms, and various scientific points of view about the topic being studied.

The thesis is focused on creating a customer-driven marketing strategy for the case company. A customer-driven strategy consists of four key elements: segmentation, targeting, differentiation, and positioning. These four elements are designed to create value for customers. (Kotler & Armstrong 2012, 188.) Figure 1 below shows the elements of the customer-driven marketing strategy.

![Figure 1. Elements of the customer-driven marketing strategy](image)

The related literature reveals theoretical aspects of these categories for providing successful creation of a customer-driven marketing strategy for the case company.

The second chapter of this thesis discusses the concept of the market environment. In this case, related literature helps understand different marketing tools for analyzing it.

Understanding the brand concept is not limited to the usual visual identification of a product or service that is inherent in a particular brand owner. The word brand covers much more than just a functional set of product characteristics. Now it covers values, emotions, and specific individual characteristics that increase its value. Previously, animal branding was simply a physical separation of livestock with the indication of the owner’s data, but now the
role of the brand and branding is to emphasize the uniqueness of the product to increase its competitiveness and highlight the qualities that positively distinguish it from others. (McGurk 2020, 3.) Brands play an important role in the used motorcycle market. Companies that sell motorcycles pay attention to brand because many motorcyclists are in communities that are united by the subculture of the brand.

The subculture of the brand or brand community does not depend on the territory. It is based on psychological connections between the customer and the brand. It is also based on common traditions, rituals, and history. Examples of brand communities are Jeep, Saab, and the Harley Davidson motorcycle company. (Mothersbaugh & Hawkins 2016, 220.) In this regard, the company often concentrates on the sale of one or two motorcycle brands. A company needs to determine which brands it should focus on based on market analysis, its resources, and local cultural traditions.

The used motorcycle market is specific. For a deep understanding of marketing activities in this field and to create a customer-driven marketing strategy for the case company, the literature review is not enough. Articles, magazines, and internet sources are used for this research also.

1.4 Research Methodology and Data Collection

Research methodology is a system of logically related scientific methods, approaches, techniques, scientific theories and principles. With their help, the researcher collects data, analyzes them and forms conclusions. The research methodology justifies the researcher’s choice of specific methods and logically proves their convenience. This is a scientific concept that shows the vector of movement for the researcher in the process of achieving scientific goals. (Kothari 2004, 8.)

In this thesis, quantitative and qualitative research methods will be used to obtain initial data on the topic and form a conclusion. The quantitative method is used to analyze data expressed in numerical format (graph, table, public statistics) where the main value is numbers. The qualitative method is used to collect data or to analyze data expressed in text form (interviews) and where non-numeric information is of primary importance. However, choosing only one or the other method is not always affordable for research. The optimal solution is to use a mix of both quantitative and qualitative methods when information is processed at different angles of perception. When combining numerical and qualitative methods, the conclusions of the research become clearer and more multifaceted. (Saunders et al. 2016, 165.)
This research applies the qualitative method by conducting interviews with the CEO of the case company and customers. The quantitative method is applied by collecting data through a survey from the customers.

Data collection by any research could be divided into two categories: primary and secondary sources. Primary sources include all raw information about the subject of the study that comes directly from the research participants, or that is closely related to a specific subject of the research. In most cases, it is expressed in the form of numerical indicators and is processed by the researcher to derive a subsequent conclusion. Usually, primary source is obtained from direct surveys or the activities of the researcher in close contact with the subject of the research. (Habib, Pathik & Maryam 2014, 4.)

The research contains primary sources in the form of information from the case company. This information is contained in the interviews with the CEO of the case company and customers, and in the questionnaire. This information shows the sales history of used motorcycles of various brands, expresses different customer points of view about motorcycle brands, demonstrates the conditions that affect the purchase, and shows in which price categories sales take place.

In addition to insider information from the case company, the researcher uses secondary sources. Secondary sources are information from scientific articles, journals, books, public data, Internet sites (Habib, Pathik & Maryam 2014, 4). In this research, the secondary sources were obtained from public and informational data on the used motorcycle market, business literature, articles, websites, and Internet-based sources.

The deductive approach was used to accurately and logically process information. The deductive approach is based on the fact that the researcher creates assumptions that are subsequently tested through empirical observation and become a statement. The deduction method is the implementation of a theory in practice to prove its validity or to assess how real the theory is in a practical environment. (Lancaster 2005, 22-25.) The use of this approach is based on the fact that the thesis contains information from both a large existing scientific base, insider information of the case company, and personal experience.

Figure 2. Research Methods, approaches, and sources used in the thesis
Figure 2 above shows the research methods, research approaches, and research sources used in this thesis. It should be noted that the methodology, approach, and sources are directly focused on achieving the research objective and help to reveal the research topic more deeply and broadly.

1.5 Thesis Structure

The research consists of three parts: theoretical, empirical and conclusions. The theoretical part contains chapters 1-4, the empirical part contains chapters 5-6 and the conclusions contain chapter 7-8. Figure 3 below shows the structure of the thesis.

![Thesis structure diagram](image)

Figure 3. Thesis structure

Chapter 1 presents basic information about the thesis, which describes the background of the topic and the objective. Also, this chapter describes the theoretical framework, limitations, formulate research questions, methodology, data collection, and research structure.

Chapter 2 discusses theory about analyzing the market environment. The chapter discusses the following two concepts: macroenvironment and microenvironment. The concept of macroenvironment is described based on the so-called PESTEL analysis. The concept of microenvironment is discussed based on Porter’s five forces analysis.
Chapter 3 presents theoretical aspects of the marketing strategy. It should be noted that this chapter describes such elements of marketing categories as market segmentation, targeting, differentiation, and positioning.

Chapter 4 presents basic information about the case company and describes its economic activities. Moreover, there are shown industry competitive level, partners, and products of the case company in the chapter.

Chapter 5 is focused on empirical research. It presents data from the analysis performed during the research, interviews, and online survey. Also, this chapter describes how data collection and data analysis were done.

Chapter 6 describes the customer-driven marketing strategy developed based on the data obtained in the thesis. The SWOT analysis shows the internal and external weak and strong sides of the case company. The chapter presents what kind of marketing segmentation beneficial for the case company, characterizes the target audience, case company offerings that are able best satisfy targeted customers, and unique selling proposition.

Chapter 7 and chapter 8 conclude the thesis and present answers to the research questions. In addition, the validity and reliability of the research data are determined, and suggestions for further research are given.
2 ANALYZING THE MARKET ENVIRONMENT

Any business conducts its operations under the influence of various factors. These can be external factors and internal factors. To clearly understand exactly which acting forces influence the company, it is necessary to characterize each of them and analyze the market environment. The market environment is also divided into a macroenvironment, a microenvironment, and an internal environment. (Kotler & Armstrong 2018, 92). Often the success of a company depends on how the company reacts or adapts to an ever-changing environment. This chapter gives the characteristics and definitions of the market environment, which is divided into a macroenvironment, a microenvironment, and an internal environment. Also, the SWOT analysis is described in this chapter.

2.1 Macroenvironment

The macroenvironment consists of six main factors that have an external impact on the company regardless of it. These include such factors as demographic, economic, natural, technological, political, and cultural. (Nwankwo & Gbadamosi 2020, 48.) Figure 4 shows the six main forces of the macroenvironment.

![Figure 4. Main forces of the macroenvironment](image)

For a deeper understanding of the macroenvironment, it is necessary to describe each of these factors in more detail.
Demographic

The demographic factor of the macroenvironment focuses on the population. It considers categories such as age, size, density, location, gender, nationality, profession. Any changes in these have an impact on the state of the market. (Proctor 2000, 124.) Companies focus their business on the relevant representatives of the population.

Economic

For any commercial relationship, a prosperous economic environment is an essential element, because it provides such a resource for business as money. The economic environment consists of purchasing power, living expenses, the ability to borrow money and take out a loan. The scale of the economic environment is measured by the country, region, or city. (Gilligan & Hird 2013, 35-41.) The economic environment considers not only the purchasing power or the general welfare of a country or state but also deeper categories.

The distribution of income between poor and rich people also plays an important role in this context. In some countries, the gap between rich and poor is very deep and the features of the market are very different from those countries where the gap is small. It should also be noted that there is such a thing as changes in consumer spending. They appear, for example, after a crisis in the economy or after changes in the stock exchange. (Gilligan & Hird 2013, 39-40.)

Natural

Many companies produce their products using raw materials or extracting these raw materials from the ground. Others commit large emissions into the atmosphere in the course of their activities. Many companies simply depend on weather conditions. Thus, they all depend on the natural environment.

Emissions into the environment have increased significantly in recent decades. And the number of resources is decreasing. In this regard, marketers identify three trends. The first is the shortage of raw materials, first of all, such as drinking water, air, oil, forests. The second is an increase in the number of emissions, which leads to global environmental pollution. The third is the focus of states on environmental issues. Modern companies try to participate in the process of preserving and being loyal to the environment. (Armstrong, Kotler & Opresnik 2020, 105-106.)
The natural environment is in close contact with the activities of modern companies. It becomes one of the main elements because, without an adequate and respectful attitude to the environment, the normal functioning of all mankind is impossible.

**Technology**

Almost all spheres of people’s life are closely connected with technology. Production, online trading, RFDI emblems, digital marketing, the Internet of things, big data, and much more are all technologies.

Technologies are changing very quickly, and new technologies are replacing the old ones. A company becomes successful if it quickly applies new technologies. Therefore, marketers should ensure that they are not outpaced by competitors. Also, companies must respond quickly to changes in technology and adapt to them. (Brassington & Pettitt 2013, 51-53.) For a long time in the motorcycle market, most motor vehicles were equipped with two-stroke uneconomical engines. Now, most motorcycles, snowmobiles, ATVs, and other equipment are equipped with more economical and more reliable four-stroke engines. The situation is similar in the car market.

**Political**

The political environment consists of such active forces as the government, departments, political groups, and parties. A political regime also characterizes a political environment. Some regimes may be less attractive for business, others more so. Also, a stable political environment affects the attractiveness of the business. If there is the policy of low taxes and tax benefits in the country or there is no mass unrest, this has a positive effect on business. (Willan 2021, 23-24.) The use of certain technologies in business may be prohibited by law, such as, for example, the sale of motorcycle equipment made from environmentally harmful materials for drivers.

Legislation, state standards, codes of conduct, and state bodies that control and ensure the normal order of life are political environments. The political environment has an impact on business.

The legislation regulates and establishes the order of business activity. Many representatives of companies and economists believe that legislative regulation is useful for business. Laws and regulations ensure fairness, give equal opportunities to all participants in the commercial process, stimulate competition, limit monopolism. In addition, laws protect both companies and buyers from various illegal or fraudulent activities. The current trend of the political environment is not only the strict regulation of business operations but also the formation of socially responsible behavior or cause-related marketing among companies.
Socially responsible behavior in marketing is a concern for the environment, careful attitude to the personal data of customers. Cause-related marketing is the participation of a company in solving environmental problems or achieving goals related to charity. (Kotler & Armstrong 2018, 108-109.) Socially responsible behavior is undoubtedly a positive aspect of any marketing activity that benefits society. It prevents businesses from committing not only illegal actions but also bad ones from the point of view of moral norms.

Cultural

Every society has its cultural environment. This affects such aspects of life as traditions, beliefs, norms of behavior, attitudes, preferences, life values, and worldview. Cultural values are passed down from generation to generation and are strengthened by public institutions, family, religion. Cultural values can be fundamental and non-fundamental. Fundamental cultural values related to family or religion are difficult to change. Non-fundamental cultural values can easily change under the influence of various factors. Thus, different views on business, society, ourselves, others, and the universe form new beliefs. Marketers need to carefully monitor these changes and respond to them in time and sometimes act ahead of the curve. (Kotler & Armstrong 2018, 111-114.)

These six main elements of the marketing macroenvironment have an important role in the formation of a customer-driven marketing strategy. The analysis of these acting forces gives an understanding of how to build business relations most favorably. One of the tools for analyzing the marketing macroenvironment is PESTEL analysis.

PESTEL analysis provides information on political, economic, social, technological, environmental, and legal factors affecting the market macroenvironment. It consists of assessments, observations and logical connections between each other. PESTEL analysis helps to see the general view of the macroenvironment and identify threats and opportunities from external factors. The results of PESTEL analysis help marketers assess the current macroeconomic environment and minimize possible risks. This data is used to develop the most profitable marketing strategy and create customer value. (McManners 2014, 71.)

2.2 Microenvironment

The microenvironment contains the following elements: the company, consumers, intermediaries, suppliers, the public, and competitors. Each of them has a significant impact on the microenvironment. The influence of factors on each other and on the company is not always positive, so the task of marketers is to build mutually beneficial relationships with them. Factors such as the consistency of interaction with each other, the rapid reaction of the
company to changes in one or more actors help marketers create the most attractive customer value. The microenvironment is closely interconnected with the company and the change of one of its elements affects the others. It is more sensitive than the macroenvironment. (Kotler & Armstrong 2018, 92.) Figure 5 below shows the actors of the microenvironment.

![Figure 5. Elements of the microenvironment](image)

**Company**

In the context of a microenvironment a company is considered as a system of internal departments, management, personnel, finance, and accounting. This system of the company is also called the internal environment. The better the work within the company is structured, the greater the positive impact it will have on the marketing microenvironment to create a better value proposition and satisfy the needs of consumers. (Armstrong, Kotler & Opresnik 2020, 93.) The company occupies a core place in the microenvironment. All elements of the microenvironment are connected, but the strongest and mutual ties are established with the company. Therefore, to create a customer-driven marketing strategy, marketers place the greatest emphasis on the company. The company has a decision-making center for choosing a supplier, establishing links with the public sector, or developing a strategy to meet the needs of consumers.
Suppliers

Suppliers play an important role in the business process related to the supply of resources for the company. Marketers control the quality, delivery time, and costs. Changes to one of these components can lead to adverse consequences for the company. A necessary measure for the successful functioning of the company is the creation of strong relationships with suppliers and encouraging them to make high-quality deliveries. (Jobber & Chadwick 2020, 60.) Marketers need to understand and analyze the activities of suppliers to create the highest quality value proposition for consumers.

Intermediaries

Intermediaries help the company deliver a value proposition to end customers. Intermediaries are divided into resellers, marketing service agencies, physical distributors, and financial intermediaries. Resellers resell the product through wholesale and retail stores. Marketing service agencies help the company to organize promotion and advertising. These can be various PR agencies, advertising firms, and marketing consulting firms. Physical distributors help to store and transport the product from the place of production to the places of sale. Financial intermediaries provide financial services. Financial services include banking services or insurance. Marketers need to build partnerships with intermediaries. The best result is achieved when the company participates and helps intermediaries in the sale or promotion of the product. (Armstrong, Kotler & Opresnik 2020, 94.)

Competitors

For the success of the company to be higher than that of its competitors, the company must create more favorable conditions, a more interesting product than that of its competitors. The job of marketers is to constantly analyze the marketing activities of competitors, their products, and based on this create something new that will favorably distinguish their company. It is not always possible for a company to compete with giant firms that spend a large budget on marketing activity. But marketers can find a niche that has not yet been occupied by a large business and focus their efforts on its development. (Fahy & Jobber 2012, 49.)

Publics

In the process of conducting a commercial activity, companies come into contact with the public sector. These are organizations or communities of people who achieve their goals with the help of the company. Often these goals are charitable or socially useful, sometimes financial. The public sector includes various media platforms such as radio, television, the press, newspapers, social networks, banks, credit organizations, advertising and PR agen-
cies, communities of people, and some government agencies that promote business. Marketers need to interact with the public and adjust their activities to them. (Armstrong, Kotler & Opresnik 2020, 95.)

Customers

Customers are the most important element of the microenvironment. Buyers are those who bring profit to the company. All the activities of marketers are ultimately aimed at ensuring that customers buy the product of the company. Buyers as participants of the microenvironment form markets that can be divided into five groups: consumer markets, business markets, reseller markets, government markets, and international markets. (Armstrong, Kotler & Opresnik 2020, 95-96.) Figure 6 below shows the markets and a description of those participants who form them.

Figure 6. Consumer markets

One of the tools for analyzing the microenvironment is Michael Porter’s five forces. This tool helps to determine the competitiveness of the company in the market. Figure 7 below shows a diagram of Michael Porter’s five forces analysis.

Figure 7. Analysis of Michael Porter's five forces
Michael Porter’s five forces are expressed in the following categories: the threat of new entrants, the power of buyers, the threat of product substitution, the power of suppliers, and rivalry among existing firms. Each category is analyzed and the result of the analysis affects the creation of a marketing strategy. (Porter 1985. 4-6.)

The threat of new entrants gives an understanding of the possibility of obtaining market share by new companies. The easier it is for new entrants to take market share, the bigger the threat to companies already existing in this segment. Low barriers to entry for new entrants increase the level of competition in this industry. (Porter 2008, 80-81.)

The power of buyers can express in their pressure on the company in the process of concluding a deal. They can influence the price, especially if the number of buyers is small. Also, buyers can ignore the offer of the company if they have many alternative proposals from other companies. (Marburger 2012, 94-95.)

The threat of substitution shows the level of ease of switching the buyer to an alternative product. If the industry has a large number of products with similar characteristics, then the threat of substitution is high. In this case, the price is an important factor. The buyer easily switches to a product with a low price. (Marburger 2012, 33.)

The supplier power directly depends on their number. If there are many suppliers in the industry, then their influence is small. If there are a small number of suppliers in the industry, then their influence is significant. Interruptions in the supply or the lack of an alternative of the suppliers can lead to significant costs for the company. (Porter 2008, 82-83.)

The competitive rivalry shows the level of competition depending on the number of competitors in the industry. So, a large number of competitors with the same characteristics in a small area leads to a high level of struggle for buyers. (Porter 2008, 85-86.)

2.3 Internal Environment and SWOT Analysis

The internal marketing environment consists of many components that make up the company itself. These components include budget, employees, management, and production departments. These components interact closely within the company. All of them could be defined as internal resources of the company. (Nwankwo & Gbadamosi 2020, 47-48.)

One of the analytical marketing tools for analyzing the internal and external environment of the company is a SWOT analysis. SWOT analysis stands for strengths, weaknesses, opportunities, and threats. Strengths and weaknesses relate to the internal factors of the company. Opportunities and threats relate to external macro or microenvironment factors that affect the company. Strengths and weaknesses are associated with such characteristics of
the company as strong and weak management, a large or small budget, the strong or weak reputation of the company. Opportunities and threats are associated with such factors as the level of competition in the industry, political support for business, tightening of legislation in the field of business. (Randazzo 2014, 33-35.) Figure 8 below shows the SWOT analysis table.

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
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<td>Internal factors</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Opportunities</td>
<td>Threats</td>
</tr>
<tr>
<td>External factors</td>
<td>External factors</td>
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Figure 8. SWOT analysis

After the company understands its strengths and weaknesses, threats and opportunities, it needs to carefully analyze each of the points and establish links between them. The company also needs to develop the list of actions. Each action should be aimed at improving the company's performance, taking into account the data obtained during the SWOT analysis. (Randazzo 2014, 35.)
3 MARKETING STRATEGY

Nowadays the market is huge and there are a huge number of buyers. Marketers recognize the fact that they cannot reach all customers and meet all their needs. Therefore, mass marketing is gradually becoming a thing of the past. The company needs to decide which market sector and which customers it can serve best and profitably. To do this, marketers create a customer-driven strategy. The basis of a customer-driven strategy is building the right relationships with the right customers. Market segmentation, targeting, differentiation, and positioning are the main elements of a customer-driven strategy. (Kotler & Armstrong 2018, 212-213.) This chapter provides the theoretical foundations of the basic elements of the customer-driven strategy.

3.1 Market Segmentation

Market segmentation is the division of the market into segments with different consumers. Consumers of each segment differ from each other by age, preferences, location, behavior, gender, and other characteristics. The entire market is divided into 3 main market segments: consumer markets, business markets, international markets. Each of them is also divided into even smaller market segments. The task of marketers is to choose the market segment that they will be able to serve as successfully and profitably as possible. (Armstrong, Kotler & Opresnik 2020.) For a better understanding of market segmentation, it is necessary to describe in more detail how these three main market segments can be divided into smaller parts.

Consumer market

The main representatives of the consumer market are ordinary individuals. Therefore, segmentation occurs according to the differences between these people from each other. People are divided by gender, age, the territory of residence, habits, level of wealth, life cycle. (Baines et al. 2021, 124-125.) So, motorcycle manufacturers produce motorcycles for teenagers, which are characterized by a low-power motor and a low price, or for wealthy motorcyclists with powerful motors, a lot of chrome, and a high price.

The consumer market can be divided according to the following criteria: demographic, behavioral, geographical, psychographic, and benefits variables. The demographic criterion segments the market depending on the personal characteristics of consumers. These characteristics include such as gender, age, profession, marital status. The behavioral criterion is related to the behavioral characteristics of consumers. Behavioral features can be such as tastes, preferences, habits, hobby. The geographical criterion is related to the location
of consumers. These can be residents of rural areas, urban residents, foreigners. The psychographic criterion is related to the lifestyle of consumers, position in society, personal achievements. The benefits variables criterion is based on the consumer receiving any benefit from the purchase. (Reid & Bojanic 2006, 126-135.)

**Business market**

The peculiarity of the business market is that it consists of companies or company structures. It, as well as the consumer market, can be divided by geographical, demographic characteristics, purchasing approach, situational factors. (Kotler & Armstrong 2018, 219-220.) Companies choose the segment of the business market with which it is most profitable for them to work. The factors of convenience are the proximity of the location, a similar logistics policy, a similar line of business activity. An example is a relationship between a motorcycle parts manufacturer and a motorcycle seller.

**International market**

The participants of the international market are companies that are located in different countries. International markets can be segmented by geographical criteria, for example, the markets of South Africa or Eastern Europe. International markets can be segmented depending on the level of economic well-being of the population of countries. Segmentation also occurs depending on the cultural characteristics of the population of countries and the political situation in the state. (Kotler & Armstrong 2018, 220-221.) In this thesis, the main emphasis is on the segmentation of the consumer market.

3.2 **Targeting**

The first step after the segmentation of the market in which the company is ready to work is to decide in which specific market segments it plans to operate and the needs of which consumers it is ready to satisfy as well as possible. To do this, it must analyze three important criteria: the purpose of the company and its resources, the size of the selected segment, and the internal structural features of the segment. After selecting the target market segment, the company must decide which customers in the selected segment it will target. (Kotler & Armstrong 2018, 221-222.)
Depending on which consumers the company plans to serve, four types of marketing strategy can be chosen: undifferentiated or mass marketing, differentiated marketing, concentrated marketing, micromarketing. (Armstrong, Kotler & Opresnik 2020, 209.) Figure 9 below shows the types of marketing strategy.

Figure 9. Types of target marketing strategy

An undifferentiated or mass marketing strategy is aimed at creating a product that meets the needs of the majority of customers. Marketers base their offer on those product features that are suitable for almost all consumers. Metal, flour, and wood are examples of undifferentiated marketing products. An undifferentiated product is a product that practically has the same properties regardless of the manufacturer. (Kotler & Armstrong 2018, 222.) The sale of universal glue for gluing motorcycle, bicycle, and automobile tyres or the sale of universal tools for vehicle repair is an example of mass marketing.

The differentiated marketing strategy differs from the mass marketing strategy in that the company selects several market segments and creates a separate product for them. Each offer is strictly individualized for a specific market segment. With such a strategy, the company can understand which market segment to direct more resources to increase profits. But the development of a separate trading offer for each market segment requires additional expenses of the company, so this type of strategy is more convenient for companies with large budgets. (Armstrong, Kotler & Opresnik 2020, 210.)

When applying the strategy of concentrated marketing (niche marketing), the company begins to serve customers of one small or several small market segments. In this case, marketers carefully analyze the needs of the chosen small niche. Such a strategy does not require large costs, therefore it is most suitable for small companies. (Baines et al. 2021, 139.) Thus, the strategy of concentrated marketing is almost similar to the strategy of differentiated marketing, but it serves consumers of a smaller and narrower segment of the market.
The micromarketing strategy differs from concentrated marketing in that it is even more narrowly individualized concerning its consumers. Micromarketing is divided into two types: local and individual. A local type of micromarketing adapts its trade offer to the needs of representatives of certain territories to their habits or local peculiarities of life. The individual type of micromarketing focuses on meeting the needs of individuals. It takes into account their personal preferences. (Kotler & Armstrong 2018, 224-226.) The application of the micromarketing strategy can be shown by the example of a case company when it makes custom tuning of a motorcycle or replaces the windshield of a car following the wishes of the client.

3.3 Differentiation and Positioning

The most important detail of building a successful custom-driven marketing strategy is the development of a broad concept of a value proposition for buyers. The value proposition is expressed in the form of a product, service, staff, brand awareness, approach to logistics. To create a good value proposition for customers, it is necessary to differentiate it from other offers of competitors. To do this, marketers need to create several advantageous differences. Finding the key differences between a company product and competitor products is the goal of differentiation. The product can be differentiated according to the following criteria: performance, environmental friendliness, style, reliability, economy, safety, and other characteristics. To differentiate, marketers must carefully research the trade offer of the competitors and then find differences in their products or create them. The consciousness of the modern consumer is overloaded with information, so these differences should not be more than three. (Santiago 2014, 35.)

Differentiation and positioning are closely interrelated. Positioning is based on creating a positive perception of the product in the minds of customers. This is a set of specific actions that marketers must-do for a unique selling proposition developed with the help of differentiation to be real. If a company claims that its product has unique attractive properties, it must ensure the veracity of such a statement. Promises must be backed up by concrete actions. (Kotler & Armstrong 2018, 229-232.) The positioning map is also used as a means of demonstrating the position of the product in the mind of the buyer. Figure 10 below shows a positioning map.
Using the example of a case company, it is possible to consider how differentiation and positioning can be implemented in practice. So, the case company sells used Honda motorcycles. Honda already has a strong position in the market, so the case company should differentiate its offer, for example, by adding a one-time free oil change in the engine or make adjustments to all systems. This small addition to the sale of the main product can be considered as a unique selling proposition created by differentiation.
4 CASE COMPANY: STREAMAUTO OY

4.1 Case Company Products and Partners

The case company was founded in 2015 in Southern Finland in the city of Lahti. The company sells and rents used motorcycles, cars, and motorhomes of different brands and classes. The case company also provides small-scale vehicle maintenance. The small service is mainly focused on motorcycles. It does engine oil changes, changes brake pads and chains, and does motorcycle body repairs and minor tuning. (Streamauto 2022.)

The author of this thesis had a training internship in the case company from June 2021 to January 2022. The author independently obtained data on the specifics of the case company.

In 2021, the case company decided to increase the number of used motorcycle sales. To support the goal, an agreement was reached between the CEO of Streamauto Oy and the author of the thesis on the creation of a customer-driven marketing strategy.

The company works closely with several other specialized partner companies. The company Karhulla Oy specializes in the sale, replacement, and storage of tires. The company LasiOrava Oy is engaged in tuning cars and motorcycles, as well as replacing windshields. The Lahden Autohoito Oy company repairs and adjusts engines and main units of vehicles. All these companies help each other, which leads to mutual benefit. For example, a case company buys a motorcycle from a customer or changes its motorcycle to a cheaper one for subsequent sale or exchange. In most cases, the motorcycle or car that was purchased has any technical problems.

A case company cannot always fix these technical problems on its own. Such problems as worn tires, a crack on the windshield, scratches on the body, broken parts that require welding, the case company cannot solve itself. All these problems are fixed by Streamout Oy very quickly and with a big discount with the help of partners. Partners help the case company quickly and at a discount because they are also interested in mutual assistance.

Mutual assistance from the case company is expressed in increasing the client base of partners. So the case company has a large number of clients who turn to the office to solve any technical problem with the vehicle. In case the case company cannot solve problems itself, it makes a recommendation to contact its partner firms. Before departure the client to the partner, the case company itself conducts the process of negotiations with the partner. An attractive condition is that the client does not waste time searching for a company that can help him, filling out a special booking form, explaining the breakdown. In most cases,
the client immediately goes from the office of the case company to the partner company. After that, many of these customers begin to service their motorcycles or cars from partner companies. (Shkleynik 2021.)

4.2 The Industry and the Main Competitors

The sale of used motorcycles is a specific type of trade and is aimed at a target audience consisting of people who treat a motorcycle neither as an ordinary means of transportation, for example, a car, but as a means of getting pleasure from riding it. Riding a motorcycle in most cases is considered a hobby, and not an ordinary means of transportation in space. (Motorcycle sport & leisure 2021.)

Thus, the sale of used motorcycles in comparison with the sale of cars consists of more components. Of great importance are factors such as membership in a motorcycle community or club, a class of motorcycles that the company is focused on selling. Most motorcyclists are members of motorcycle clubs united by specific interests. It is typical for motorcyclists to meet at various motorcycle festivals in themed motorcycle bars and other similar events. (Hot Bike Magazine 2018.)

Motorcycle classes are divided into high-speed motorcycles, classic motorcycles, motorcycles designed to travel over rough terrain and dirt (Motorcycle 2022). Thus, motorcyclists are focused on a specific class of motorcycles.

Harley Davidson motorcycles are for drivers who prefer classic powerful heavy premium motorcycles with their characteristic appearance, the presence of more chrome on the parts, and the characteristic sound of the exhaust system specially developed by the company engineers (Harley-Davidson Europe 2022). Honda motorcycles, on the other hand, are aimed at a wide range of motorcyclists who prefer a very reliable, affordable, and utilitarian motorcycle (Cycle World 2022).

The used motorcycle market in Southern Finland is represented by several companies that sell them. This thesis considers only companies that are strictly focused on the sale of used motorcycles. Official dealers of motorcycle brands are not considered in this thesis because they focus mainly on the sale of new motorcycles. Also, this thesis does not consider other small companies located outside the city of Lahti.

One of the largest and most well-known companies is Aarbike. It is located in Southern Finland in the city of Sippo at a distance of 106 km from the location of the case company. This company is also located in the Helsinki region. (Google Maps 2022.) Thus, the Aarbike
A company covers clients of the metropolitan region. Aarbike sells used motorcycles of different brands and classes. According to the information on the website company, the number of used motorcycles as of January 28 is 147. (Aarbike 2022.)

Two other companies that sell used motorcycles in the city of Lahti one of them is Motobross Oy. This company specializes in the sale of both new and used scooters and motorcycles with a small engine capacity of different brands and classes. The company focuses on working with official dealers of motorcycles and scooters of the RIEJU, Kymco, Derby, Keeway, Benelli, CPI brands. According to the data on the website, the company is focused on selling motorcycles with an engine capacity of up to 50 cc. (Motobross 2022.) The second company is RikuMotor Oy. It also sells motorcycles of various brands and classes. As of January 28, 2022, the company offers only seven motorcycles for sale. All motorcycles on the site differ by class. (RikuMotor 2022.)

To determine the level of competitiveness of the case company in this thesis, an analysis of Michael Porter’s five forces was carried out. Table 1 below shows the level of influence of each force on the case company.

<table>
<thead>
<tr>
<th>Michael Porter’s five forces: Streamauto Oy</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FORCES</strong></td>
</tr>
<tr>
<td>Competitive Rivalry</td>
</tr>
<tr>
<td>Threat of New Entry</td>
</tr>
<tr>
<td>Supplier Power</td>
</tr>
<tr>
<td>Threat of Substitution</td>
</tr>
<tr>
<td>Buyer Power</td>
</tr>
</tbody>
</table>

Table 1. Levels of influence

**Competitive Rivalry**

Streamauto Oy partly depends on competing forces because the level of competition in this industry is middle. There are several competitors in Southern Finland that have an impact
on the industry. All of them have approximately equal selling offers. The level of competitiveness is middle.

**The threat of New Entry**

The emergence of new entrants is possible. But it should be noted that the selling of used motorcycles is a specific type of business. Also, a large trading area and special technical knowledge are necessary for business. The level of threat is middle.

**Supplier Power**

The power of suppliers is low because the suppliers are owners of used motorcycles who live in Southern Finland. They are interested in selling their motorcycle case to the company for resale or changing it. An important aspect is the price. Also, there is a huge and affordable spare parts market in Southern Finland.

**Threat of Substitution**

The threat of substitution is low because motorcycles are a narrow specific product. Motorcycle brands have a long history and they have already gained popularity among customers. Such vehicles as hoverbikes are currently only under development and do not pose a threat to the industry.

**Buyer Power**

The Streamauto Oy depends on the power of the buyers. Because the buyers have equal access to every competitor. Competitors also offer a similar product in a similar price category. The level of power is middle.
5 EMPirical reseArCh AND dAtA AnAlySIS

This chapter describes the research process in detail. The chapter shows which research methods were applied and which data were analyzed and taken into account. In addition, this chapter contains data on interviews and surveys that are used in the thesis.

5.1 Empirical Research

In this thesis, empirical research is conducted using quantitative and qualitative research methods. The qualitative research method is used in this thesis in the form of an interview. The venue for interviews was in the office of the case company. The interviewees are the CEO of the case company and not regular 10 customers.

The CEO of the case company was interviewed twice. Questions for the CEO are aimed at finding out information about the most popular brands and classes of used motorcycles sold over the past 2 years, as well as the prices. Also, the CEO was interviewed for understanding the interaction case company with partners.

The content of the questions for customers is aimed at finding out the opinions of customers about the most preferred brands, classes, and the price of used motorcycles that is attractive to them. Also, questions for clients are related to understanding the needs of clients when contacting the case company and the service.

The quantitative research method is used in the form of an online survey of Google Forms with subsequent analysis of the data obtained. The survey participants were 10 regular customers of the case company. The survey is aimed at understanding the age of a regular customer of a case company, attitude to the price of a used motorcycle, attitude to the brand and class of motorcycle, attitude to after-sales service.

The interviews and the online survey in this thesis refer to the primary sources. Also, in addition to the primary sources, secondary sources are used in the thesis. Secondary sources are expressed in the form of a literature review and Internet sources.

The process of empirical research took place during the period of practical training in the case company from June 2021 to January 2022.

5.2 Data Collection

The entire data collection process for this thesis lasted from October 2021 to February 2022. The main stages of data collection are shown below in Table 2.
<table>
<thead>
<tr>
<th>DATA</th>
<th>ACTION</th>
<th>PURPOSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Okt 2021 – Feb 2022</td>
<td>Research of the theoretical sources of the chosen topic</td>
<td>understanding the theoretical foundations of the chosen topic</td>
</tr>
<tr>
<td>November 15, 2021</td>
<td>Interview with CEO №1</td>
<td>finding out information about key partners</td>
</tr>
<tr>
<td>November 18, 2021</td>
<td>Interview with CEO №2</td>
<td>finding out information about customer preferences and company capabilities</td>
</tr>
<tr>
<td>November 15, 2021- November 27, 2021</td>
<td>Interview with customers</td>
<td>finding out information about customer preferences</td>
</tr>
<tr>
<td>December 10, 2021- December 24, 2021</td>
<td>Online survey results</td>
<td>finding out optional information about customer preferences</td>
</tr>
<tr>
<td>Jan 2022 – Feb 2022</td>
<td>Analysis of the received data</td>
<td>answering research questions, forming a development plan and conclusions</td>
</tr>
</tbody>
</table>

Table 2. Main stages of the Data Collection

The actual process of writing the thesis began in November 2021, since by this period the author had formed a complete understanding of the activities of the case company and this industry. Also by this date, there was a decrease in motorcycle sales in the case company. The decline in motorcycle sales occurred due to the closure of the motorcycle season due to autumn weather conditions.

Interviews with the CEO and clients of the case company were taken in November 2021. The results of the online survey were received in December 2021. After conducting interviews and receiving the results of online surveys, the author began to analyze them.

For the entire period since the beginning of data collection, the author has researched the Internet resources of the necessary scientific literature on the topic, which were also used in the process of writing the thesis.
5.3 Data Analysis

This subchapter shows the results of an analysis of interviews with the CEO and regular customers of the case company. In addition, the subchapter contains the results of an analysis of an online survey of motorcyclists.

5.3.1 Interview with CEO of the Case Company

The interview with the CEO of Streamauto Oy was twice conducted. The first interview was on the 15 of November 2021. The second interview was on the 18 of November. The interviews took place in the office of the case company in a face-to-face format. All questions were prepared in advance and were immediately written.

According to the first interview of the CEO, the most popular 3 motorcycle brands that were sold over the past two years were the Honda, Kawasaki, and BMW brands. In the first place in terms of sales were Honda, in the second Kawasaki and the third BMW. The price range in which these motorcycles were sold was in the range from 3000 to 5000 Euros. Also, the most popular classes of motorcycles among customers were touring motorcycles and sportbikes.

The CEO responded positively to questions related to attracting new customers. So, the case company could provide a free one-time service for those persons who bought a motorcycle. In this case, the service is understood as a free oil change in the engine, lubrication of the chain, and the main units of the motorcycle with the condition that the engine oil is provided by the customer. Also, the case company could organize motorcycle events every 2 months to attract customers.

According to the second interview of the CEO, information about the interaction between the case company and partners was obtained. The details of it were described in the Case Company chapter.

Thus, after the interview, insider data about the most popular brands, interaction with partners, and the price were found out. In addition, answers were received about the possibility of carrying out actions to attract new customers and increase the loyalty of old customers to the case company.

5.3.2 Interview with Customers

Interviews with 10 customers were conducted in the period from 1 of November 2021 to 25 of November 2021 in the office of the case company. All interviews were conducted in the face-to-face format. The answers were immediately written.
Most of the answers give reason to believe that the most popular classes of motorcycles among customers are touring motorcycles and sportbikes. Classic motorcycles, enduro, and cross-class motorcycles were less interesting for buyers.

The most popular brands among the surveyed customers were Honda, Kawasaki, and Suzuki. Brands such as Ducati, Aprilia, Triumph, BMW, Harley Davidson, Indian, Agusta, KTM were less popular among the respondents because these brands are more specific and more expensive.

The preferred price for buying a used motorcycle was no more than 5,500 euros. For a higher price, buyers would prefer to buy a new motorcycle.

According to the respondents, many of them would like to service their motorcycles in a case company. An important component for motorcycle maintenance in the case company is the speed of order execution, a loyalty card, and the availability of basic consumables (spare parts). Also, the surveyed consumers would like to participate in motorcycle events organized by the case company. Thus, interviews with customers gave an understanding of the main preferences of clients.

5.3.3 Survey

In order to find out additional information about the preferences of regular customers in relation to the brand of motorcycles, class of motorcycles, prices, and participation in events organized by case a survey was conducted. The survey was conducted among 10 regular customers of the case company in the period from the 10 of December 2021 to the 24 of December 2021. The survey contains seven questions, each of which reveals the age of customers, preferences for the brand of motorcycles, class of motorcycles, price, participation in events organized by the case company. The survey was done in Google Forms tool and send personally to each of the regular customers. The response to the online survey takes about 5-7 minutes. All responses of the participants are anonymous. Question one is related to finding out the age group to which the buyer of used motorcycles belongs. Figure 11 below shows that 80% of respondents are people aged 35 to 50, 10% from 51 to 60 years, and 10% to 30 years.
Question two is related to the gender difference among buyers. Male buyers make up 80%, female buyers - 20%. Figure 12 below shows the gender difference among buyers.

Question three is related to the occupation of buyers. Businessmen make up 40%, company employees make up 20%, students 30%, pensioners 10%. Figure 13 below shows the occupation of clients.
Question four is related to the most popular brand of used motorcycles among the respondents. The first place is Honda (50%), the second place is occupied by Kawasaki (20%) and Yamaha (20%), the remaining 10% are other brands. Figure 14 below shows the popularity of brands among the respondents.

Question five is related to the attitude of buyers to motorcycle classes. The most popular class is touring motorcycles (40%), the second place is sportbikes (30%) and classic is the third place (30%). Figure 15 below shows the relationship to motorcycle classes.
Question six is related to the importance of the motorcycle service in the case company after purchase. 70% of respondents would service their motorcycles in the case company after purchase. Customers who are already constantly serviced by another company make up 20%. The remaining 10% are buyers who service their motorcycles in their garage. Figure 16 below shows the importance of motorcycle maintenance in the case company.

Question seven is related to the attitude to participation in motorcycle events organized by the case company. Customers who are willing to participate in such events make up 60%. Customers who are neutral about such events make up 20%. Customers who do not want to participate in such events make up 20%. Figure 17 below shows the attitude of customers to participate in events organized by the case company.
To summarize the information received during the interview and survey, the author placed it in a separate table. Table 3 below shows the key takeaways from the interviews and survey.

<table>
<thead>
<tr>
<th>Factor</th>
<th>CEO</th>
<th>Customer interviews</th>
<th>Customer survey</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brands</td>
<td>Honda</td>
<td>Honda</td>
<td>Honda</td>
</tr>
<tr>
<td></td>
<td>Kawasaki</td>
<td>Kawasaki</td>
<td>Kawasaki</td>
</tr>
<tr>
<td></td>
<td>BMW</td>
<td>Yamaha</td>
<td>Suzuki</td>
</tr>
<tr>
<td>Price</td>
<td>3000-5000 Euro</td>
<td>Max 5500 Euro</td>
<td>-</td>
</tr>
<tr>
<td>Class</td>
<td>touring</td>
<td>touring</td>
<td>touring</td>
</tr>
<tr>
<td></td>
<td>sportbike</td>
<td>sportbike</td>
<td>sportbike</td>
</tr>
<tr>
<td>Events</td>
<td>Positive</td>
<td>Positive</td>
<td>Positive</td>
</tr>
<tr>
<td>Service</td>
<td>Positive</td>
<td>Positive</td>
<td>Positive</td>
</tr>
</tbody>
</table>

Table 3. Key takeaways from the interviews and survey

Based on the interview and survey, it was found out that the most popular brands of used motorcycles are Honda and Kawasaki. The most reasonable price for the above motorcycles is in the range of 3000-5500 Euros. The most popular motorcycle classes according to the responses of customers and the CEO of the case company are touring class and
sportbikes. Also, most buyers are loyal to getting service in the case company and participating in motorcycle events.
6 DEVELOPMENT PLAN FOR THE CASE COMPANY

This chapter describes what external and internal factors affect the case company. It is done with the help of the SWOT analysis. In addition, the chapter contains a description of the created development plan for the case company, and unique selling proposition.

6.1 SWOT Analysis

To develop a marketing strategy for the case company, it is necessary to identify its strengths and weaknesses. It is also necessary to find out which factors create threats and which ones provide opportunities. To do that, the marketing tool SWOT analysis was used. SWOT analysis was developed based on the data obtained during the study. This data is described in chapters 4 and 5. Figure 18 below shows the SWOT analysis of the case company.

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>strong position in the market since 2015</td>
<td>lack of a clear marketing strategy</td>
</tr>
<tr>
<td>low price policy</td>
<td>weak advertising activity</td>
</tr>
<tr>
<td>highly qualified staff</td>
<td>limited budget</td>
</tr>
<tr>
<td>own maintenance workshop</td>
<td>lack of knowledge about preferences of the customers</td>
</tr>
<tr>
<td>strong partner network</td>
<td></td>
</tr>
<tr>
<td>good reputation among customers</td>
<td></td>
</tr>
<tr>
<td>fast service</td>
<td></td>
</tr>
<tr>
<td>concentration on the sale of motorcycles</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>expansion within the region</td>
<td>high level of competition</td>
</tr>
<tr>
<td>motorcycle after-sales service</td>
<td>seasonal fluctuations</td>
</tr>
<tr>
<td>increasing market share in the Honda and Kawasaki segment</td>
<td>restrictions due to Covid 19 and reduced motorcycle tourism</td>
</tr>
<tr>
<td>increasing market share in the touring and sportbike class</td>
<td></td>
</tr>
<tr>
<td>development of motorcycle rental</td>
<td></td>
</tr>
</tbody>
</table>

Figure 18. SWOT analysis of Streamauto Oy

Strengths

The strengths of the company are formed by such factors as the recognition of the company among customers. The case company has been around for more than six years. During this
time, she was able to earn fame among the motorcyclists of the city of Lahti. Also, this time was enough to earn motorcycle sales experience and study their characteristics.

The case company sells used motorcycles of reputable brands at low prices. In addition, the case company can quickly independently repair and tune motorcycles. Such a complex of factors is convenient for customers.

Currently, the case company has decided to concentrate on the sale of motorcycles. This means that the number of resources for the development of this area of the company will increase.

**Weaknesses**

The case company currently does not have a clear marketing strategy aimed at selling used motorcycles. This thesis is aimed at creating a customer-driven strategy for the case company. A concomitant factor is the lack of a strong advertising campaign. The limited budget of the case company also negatively affects its development.

**Opportunities**

Opportunities include the following factors: expansion of activity of the case company within the Southern Finland region, such as the opening of branches. In addition, the case company can increase the market share of sales of used Honda and Kawasaki motorcycles in the touring and sportbike class. Also, the case company can provide a quick one-time free after-sales service for motorcycles. The development of motorcycle rental of different classes and categories is also considered an opportunity.

**Threats**

Threats to the case company are primarily expressed in the fact that the used motorcycle sales industry has a high level of competition. Also, this type of business is seasonal and sales stop in Winter. In addition, restrictions from Covid 19 are currently introduced in the world. This reduces the level of motorcycle tourism because the crossing of borders between states has become problematic. The consequence of this is a decrease in demand for motorcycles.
6.2 Marketing Strategy

This subchapter contains data about the most suitable marketing strategy for the case company. This result was obtained based on data from interviews with the CEO of the case company, with customers, and a survey with regular customers.

According to interviews, the best-selling brands of used motorcycles were Honda and Kawasaki. The interview data and online survey showed that the most popular class among the respondents was the touring and sportbike class. Also during the interview, it was found out that the most suitable price for used motorcycles is in the range from 3000 to 5500 euro.

SWOT analysis shows that one of the weaknesses of the company is its limited budget. Also, it should be noted that the case company does not occupy a leading position among competitors in the used motorcycle market in Southern Finland. Therefore, it needs to find or develop its competitive advantage.

Based on the analysis of the key competitors of the case company, it was found out that they all sell used motorcycles of different brands and different classes. They do not emphasize strictly defined vehicles.

According to these generalized data, the conclusion is formed that the most beneficial marketing strategy for the case company will be a concentrated marketing strategy. The case company with a limited budget is advantageous to concentrate on a small niche of the used motorcycle market. This niche should be occupied by used Honda and Kawasaki motorcycles in the touring and sportbike class. In addition, the case company focuses on the price range of 3000-5500 euro. This type of marketing strategy will be successfully differentiated among competitors.

6.3 Development Plan

The final stage of creating a marketing customer-driven strategy is the creation of an development plan. The development plan is based on theoretical and empirical research data. It contains recommendations and ideas that can help increase the number of customers and sales. In addition, the subchapter contains a description of the unique selling proposition of the case company.

One of the key recommendations for the case company is the development of a unique selling proposition. A unique selling proposition for the case company can be made by providing a one-time free motorcycle service after the purchase. As it was written above, the service means a free oil change in the engine, lubrication of the chain, and the main units of the motorcycle with the condition that the engine oil is provided by the customer.
Also, to attract customers and increase the awareness of the case company, the case company can organize motorcycle events. These interviews with the CEO show that the case company can organize three motorcycle events during the motorcycle season (May-October).

Also, as described in the previous sub-chapter of the thesis, the company should concentrate on selling used Honda and Kawasaki motorcycles in the touring and sportbike classes in the price range of 3000-5500 euro. Such a marketing strategy will create the positioning of the case company as a company which is specializing only in two brands and classes that are popular among customers. If the company concentrates only on these two brands, then after some time it will be able to understand not only the big but also all the small needs of its target audience. It will also create a positive positioning of the case company in the mind of the customers. Table 4 below shows recommendations for the case company.

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>concentrated marketing</td>
<td>concentration on the sale of used Honda and Kawasaki motorcycles in the touring and sportbike class</td>
</tr>
<tr>
<td>unique selling proposition</td>
<td>providing a one-time free motorcycle service after the purchase</td>
</tr>
<tr>
<td>organising of motorcycle events</td>
<td>organising of 1 event every two months during the motorcycle season (May - October)</td>
</tr>
</tbody>
</table>

Table 4. Recommendations for the case company
7 CONCLUSION

This chapter contains answers to the research questions, describes the validity and reliability of the research, and a summary.

7.1 Answers for Research Questions

The purpose of this thesis is to create a customer-driven marketing strategy for the case company. Understanding the meaning of creating this strategy is reflected in the main research question, “How can the case company create an attractive customer-driven marketing strategy and increase its customer base and sales?”. To answer the main question of the research, three sub-questions were formulated. Therefore, first of all, it is necessary to answer the sub-questions.

1. Who are the main competitors of the case company and what are their strengths and weaknesses?

One of the main competitors of the case company is Aarbike Oy, which is located in Sippoo in Southern Finland. Its strengths are its proximity to the capital of Finland. The company also sells many more motorcycles of different brands and classes than the case company (more than 150 motorcycles are on sale on the website of the company).

Aarbike Oy applies an undifferentiated marketing strategy and it can be seen as a weakness. Undifferentiated marketing implies that the product of the company satisfies the needs of all customers, but motorcycles are divided by brands and classes and cannot be a universal product for all customers. Also, the weak side of Aarbike Oy is that it does not provide service and tuning of motorcycles.

Two more competitors of the case company are located in the city of Lahti: Motobros Oy and RikuMotor Oy. These companies have similar strengths and weaknesses. The strengths are that they were founded earlier than the case company and have a long history. Weaknesses are that they also use an undifferentiated marketing strategy as Aarbike Oy, and the number of motorcycles sold is less.

2. What type of marketing strategy would be profitable for the case company?

Based on the data obtained from primary and secondary sources, as well as during the analysis of the collected data, it was concluded that the most profitable marketing strategy for the case company is a concentrated marketing strategy.

3. What company positioning and unique sales proposition is beneficial for the case company?
The case company is positioning in the minds of customers as a company that perfectly knows all the features and characteristics of Honda and Kawasaki motorcycles of the touring and sportbike classes in the price range of 3000-5500 euros. Also, the fact that the case company can quickly and efficiently meet the needs of its customers. The unique selling proposition is based on the provision of a one-time free motorcycle service that was purchased from the case company.

After the data on the selected topic was collected and analyzed, the answers to the sub-questions of the research were received, the answer to the main research question can formulated.

Main question

How can the case company create an attractive customer-driven marketing strategy and increase its customer base and sales?

Thus, to create an attractive customer-driven marketing strategy and increase the customer base and sales, the case company must adopt several changes in its activities. First of all, the case company needs to concentrate on the sale of used Honda and Kawasaki motorcycles of the touring and sportbike classes in an affordable price segment (3000-5500 euro). In addition to selling used motorcycles, the case company must provide fast and high-quality service for motorcycle models of these brands. Also, the provision of a one-time free motorcycle service after buying it in the case company is considered a unique selling proposition. The personnel of the case company should be well versed in all the features of these motorcycles. This is necessary so that clients always feel when visiting a case company that they have come to professionals. Such principles of activity will contribute to the advantageous positioning of the case company in the minds of customers and will favorably distinguish it from competitors.

Also, the case company should conduct activities to attract new customers, create strong ties with them and increase the awareness of the firm. To do this, it must organize themed motorcycle events at least once every two months during the motorcycle season (May-October). The Table 5 below contains the key findings of the research questions.
### RESEARCH QUESTION | KEY FINDINGS
--- | ---
Who are the main competitors of the case company and what are their strengths and weaknesses? | - Aarbike Oy sells about 150 motorcycles, long history undifferentiated marketing strategy  
- RikuMotor Oy long history undifferentiated marketing strategy  
- Motobross Oy long history undifferentiated marketing strategy

What type of marketing strategy would be profitable for the case company? | • concentrated marketing strategy

What company positioning and unique sales proposition is beneficial for the case company? | • company that perfectly knows all the features and characteristics of Honda and Kawasaki motorcycles of the touring and sportbike classes in the price range of 3000-5500 euros  
• provision of a one-time free motorcycle service that was purchased from the case company

How can the case company create an attractive customer-driven marketing strategy and increase its customer base and sales? | • concentration on the sale of used Honda and Kawasaki motorcycles of the touring and sportbike classes in an affordable price segment (3000-5500 euro)  
• company has to provide fast and high-quality service for motorcycle  
• provision of a one-time free motorcycle service after buying it in the case company  
• organizing themed motorcycle events at least once every two months during the motor-cycle season (May-October).

Table 5. Key findings of research questions

### 7.2 Validity and Reliability

The achievement of the research purpose and the answers to the main and sub-questions of the research were made via the collected and analyzed data on the topic. All the data contained in this thesis are obtained from primary and secondary sources. The primary sources include the results of two interviews with the CEO of the case company, an interview with 10 clients of the case company, as well as the results of an online survey of 10 regular clients of the case company. Interviews with the CEO of the case company were
aimed at obtaining data on the internal activities of the case company and the capabilities of the case company. Interviews with clients and an online survey were aimed at obtaining data on their preferences. In addition, the research used the observation of the author gained during an internship in the case company. It should be noted that the case company is a young company and does not have a large customer base. Therefore, the number of respondents for the survey is only 10 people and the number of interviewed clients is also only 10 people.

Secondary sources of research include theoretical data obtained from a literature review on the topic and Internet-based sources.

The above-described data on the sources, the process of data collection and analysis, and formulated answers to the main and sub-questions give reason to consider that the research is valid and reliable.

7.3 Suggestions on Further Research

This research focused on creating a customer-driven marketing strategy for the case company. The case company focuses only on the sale of used motorcycles and their small maintenance in Southern Finland. Thus, it would be possible to research the motorcycle rental market. This type of activity could also be beneficial for the case company. In addition, the case company can expand its range by selling snowmobiles, ATVs, and other special vehicles. These areas of activity could also be researched in more detail and their results could be useful for this business.
8 SUMMARY

The main purpose of this research is to help the case company create a customer-driven marketing strategy. To do this, it was necessary to answer the main research question and formulate an development plan. To answer the main research question and draw up an development plan, the author carried out work on the search and analysis of the theoretical and empirical foundations of the thesis.

Chapters 1-4 of the thesis collected theoretical data on the marketing environment, marketing strategy, and a detailed description activity of the case company. In chapters 5-7, an empirical analysis of the topic under research was carried out. To do this, marketing tools such as the analysis of the case company with the help of five forces of Michael Porter and SWOT analysis were used. Interviews with the CEO of the case company, interviews with clients, and an online survey were also conducted. These data were also analyzed. In the conclusion, an answer was given to the main research question and an development plan was formulated. Thus, the purpose of the research was achieved.
REFERENCES

Printed references


Electronic sources


Oral sources:

Appendix 1. Interview with the CEO of the case company №1

1. Who are key partners of your company?
2. How they do help your company?
3. How your company does help them?
4. Which is the benefit of the interaction with partners?
Appendix 2. Interview with the CEO of the case company №2

1. Which 3 brands of motorcycles have been sold the most in the last 2 years?
2. Of these three brands, which brand is the most popular among customers?
3. In what price range were these three brands represented?
4. Could the company provide a one-time free motorcycle service to customers who bought a motorcycle from the company?
5. Could the company organize motorcycle events to attract new customers and increase loyalty to the company among regular customers? If so, at what intervals?
6. Which class of motorcycles is the most popular among customers?
Appendix 3. Interview with customers

1. What class of motorcycles do you prefer to use?

2. Which motorcycle brand is preferable for you?

3. What price do you consider the most suitable for a used motorcycle?

4. Under what conditions would you service your motorcycle in a case company? Does the speed of execution, the availability of basic spare parts, the loyalty card affect this?

5. Would you like to participate in motorcycle-themed events organized by the case company?
Appendix 4. Survey

Thesis Research: Customer Expectations and Preferences

Hello, all survey participants!

My name is Aleksandr Naumov, and I am a student in the final year at the Lab University of Applied Sciences in Finland. Currently, I work on my thesis in collaboration with Streamauto Oy. Streamauto Oy sells used motorcycles in Southern Finland in the city of Lahti. It also provides a small motorcycle service.

Your answers will help to create a better value proposition for customers. The survey consists of 7 questions. All questions are anonymous and will be used only for the aims of this thesis.
1. How old are you?
   - 18-30
   - 31-34
   - 35-50
   - 51-60
   - 61-80

2. Which gender do you identify with?
   - Male
   - Female
   - Other
   - Prefer not to say

3. What is your current occupation?
   - Own business
   - I work in the company
   - Student
   - Pensioner

4. What is your most preferable motorcycle brand?
   - Honda
   - Kawasaki
   - Yamaha
   - Harley-Davidson
   - Suzuki
   - Other
5. Which class of motorcycles do you prefer?

- Touring
- Sportbike
- Classic
- Cross and Enduro

6. Would you like to service your motorcycle after purchase in Streamauto Oy?

- Yes
- I already have a permanent place of service where I maintain a motorcycle
- I prefer to service the motorcycle myself in my garage.

7. Would you like to take part in motorcycle events organized by Streamauto Oy?

- Yes
- No
- Maybe