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Increasing Brand Awareness for a Born Global Through Social Media Marketing

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## ABSTRACT

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Increasing the brand awareness and recognition among the consumers is one of the most important steps for a start-up operating in the global business environment where the competition is intense and risks are high. The lack of funds, personnel, experience, knowledge and managerial skills in the international business environment however limits the company's choices in terms of strategies chosen. Especially the lack of funds has a direct impact on the marketing strategy chosen through which the company tries to increase the brand awareness among the consumers and therefore sales.

However, showing the existence and being noticed by the consumers is vital for a born global company, as otherwise the application will not be downloaded and therefore not sold. Consequently, the social media marketing, particularly for a start-up in the field of applications, is a tempting part of the marketing strategy because it is cost effective as well as easy to use and access. Therefore, it can be used in order to increase the brand awareness among the consumers for example via social media marketing campaigns or electronic word of mouth. This research paper aims in studying the social media marketing strategies used by the local application developers in order to increase knowledge and facilitate application developers' activities in the Kymenlaakso region.

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## 1. INTRODUCTION

Earlier the Kymenlaakso region was known for the paper industries. However, as the paper markets have suffered and the paper mills have been shut down one after, a new type of industry is rising from the ashes of the paper industry. Kymenlaakso region has become a hub and an incubator for mobile application developers, especially for game developers. The region itself is supporting the developers with concrete help; camps, with professionals helping in developing the business idea until the business is ready to fly itself, are offered.

However, for all businesses the financial resources are limited in the beginning of the business cycle, prior the actual sales. For application developers, coding the actual application itself consumes already the existing budget in terms of salaries, limiting therefore also the eventual marketing budget. Yet, in the appstores, where the applications are sold, the supply of applications is endless and one needs to stand out from the mass in order to be found. This requires an efficient marketing of the application, otherwise it cannot be found by the users among the tens of thousands of other applications. Social media marketing can be a mean in increasing the visibility among the consumers with a potential global reach, while also being accessible due to the low cost and ease of access.

The commissioner of the study has been founded in Kotka on 2013 and has started its' activity officially in February 2014. The company in question is a small start-up operating in the field of Information and Communication's Technology. More precisely, the company has created an entertainment application, which gives the possibility for celebrities to commercialize their fan base in the social media via exclusive updates shared with their fans. The application itself is free and available on both iOS and Android platforms, but in order to follow a celebrities' VIP-style updates, an in-app purchase of 1,99 Euros is charged from the consumer on monthly basis. The application is targeted particularly for teenagers up to their late 20's.

## 1.1 Aim, objective and the research question

In order to be able to benefit the Kymenlaakso region based application developers' business activity, the research setting needs to be detailed. Below are detailed the aim, objective and the actual research question, where this study targets to reply. The target is to bring new information on the social media marketing strategies used and help the commissioner and the upcoming companies, with a moderate marketing budgets, to be more efficient in the marketing of their products (see figure 1).

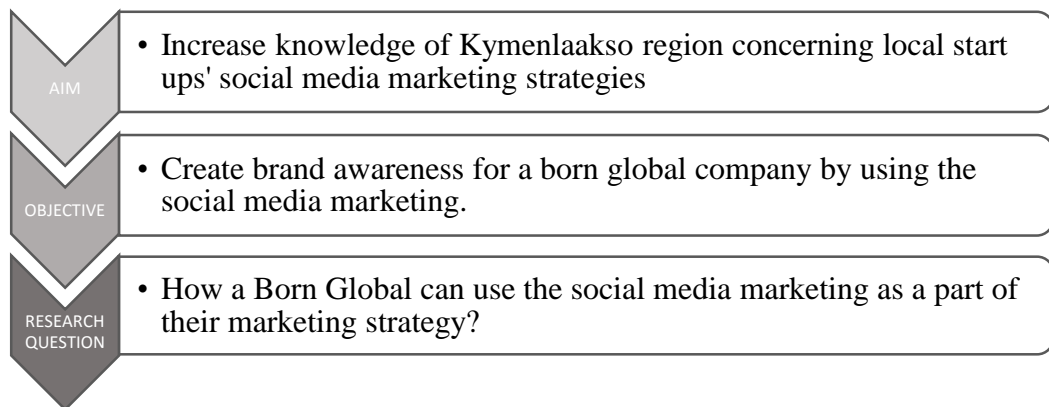


Figure 1. The research setting in detail

The aim of this study is to participate in increasing the Kymenlaakso region's knowledge of start-ups and support them within the region by giving an insight on how companies market their applications by using the social media. The goal is to facilitate the commissioner of this study, a local start-up, as well as the upcoming new application developers to market the applications by using the social media due to its economic nature.

The objective is to increase the brand awareness and visibility in the social media for the start-ups in order to be found by the consumers. The final outcome is to provide insights of the social media marketing strategies used, which can be integrated as a part of the commissioner's marketing strategy, in order to overcome the first challenging steps of the start-up company's business cycle. Finding the right solutions while sparing time and money facilitates a company to overcome at least some of the challenges faced.

Research question to answer therefore remains, how a born global could use the social media marketing as a part of their existing marketing strategy. This question will be answered through in-depth-interviewing five, Kymenlaakso region based application developers, providing an entertainment application, on the social media marketing strategies.

## 2. INCREASING BRAND AWARENESS OF THE BORN GLOBALS THROUGH SOCIAL MEDIA MARKETING

In order for the consumer to make a purchase decision on a mobile application, the product needs to be found from the appstore and the brand awareness has to be therefore increased among the consumers. At this stage the product's attributes, such as visual aspects, price and quality are the first features evaluated. If convinced, the word of mouth and communication spreads between the users and prospects in the social media through electronic word of mouth. Subsequently the consumer is able to consider whether to make the purchase decision or not.

A company can increase the brand awareness through various ways. This study concentrates on researching the local mobile application developers' existing marketing strategies and studying how have the companies managed to increase the brand awareness especially via the social media marketing.

### 2.1 Conceptual framework

The aim of this study is to research and provide information as well as valid patterns concerning the social media marketing strategies of the born global companies. In order to provide a clear understanding, a literature review covering the basic concept of born globals, their internationalization model as well as the challenges they face from the beginning of their existence will be presented. Below in figure 2 are detailed the concepts, drawn from the aim, the objective as well as the related sub-concepts forming the theoretical structure of the thesis.

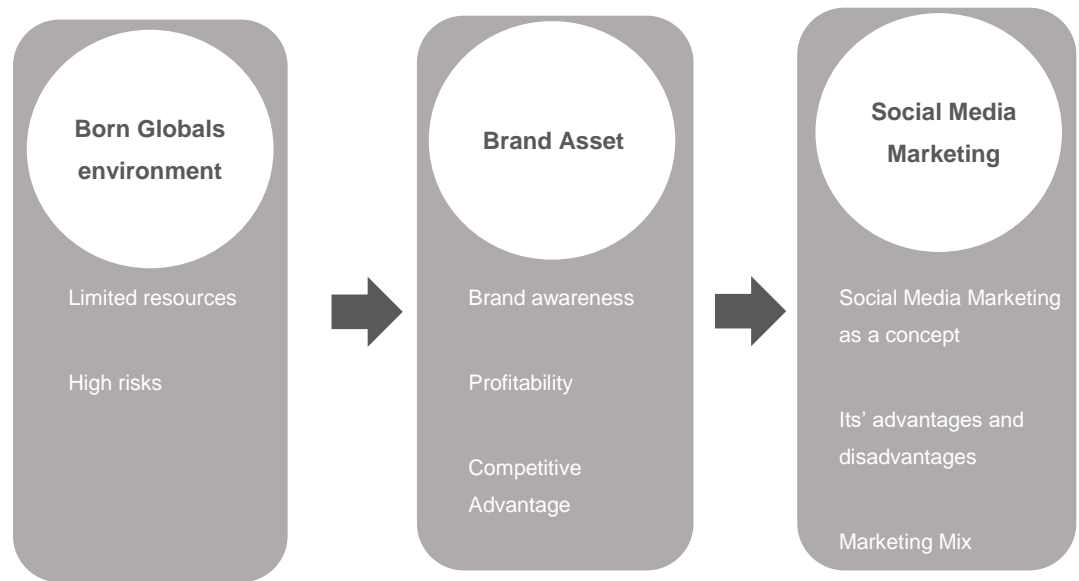


Figure 2. Theoretical structure of the thesis

First is introduced the development of the internationalization model, in other words how companies grow global as well as the concept of the born global companies. From the born globals -part the focus is brought to the brand and the nature of an application as a product. The concept of branding is opened up from the basics and the importance of increasing brand awareness for an application is explained. In the end is presented the concept of the social media marketing. In order to understand the social media marketing concept and how it can be used in order for an application to stand out from the mass in an appstore, it is necessary to learn how social media marketing functions today.

## 2.2 Internationalization models

Numerous studies have attempt to explain the rapid internationalization of the companies since the 1970's. The theories vary and especially the globalization with an increased speed has given insights and changed the concept since the last 50 years. One of the pioneers in the internationalization theories sector, Luostarinen has presented the internationalization through a stages model, which suggested that companies, especially multinational enterprises (MNE's) usually first develop their business activities in to mature stage on the domestic market and only after that,



wishing still to grow even more, enlarge their business first to nearby foreign markets and later on to more further countries. Furthermore, it has been added that the foreign operation mode would be first so called indirect, meaning that either the goods are sold via exporters or distributors to the foreign countries prior installing an actual subsidiary into a foreign country. Solely, when a company has gained enough cultural and managerial knowledge, the companies change their business activities to be direct operation modes, such as installing a production plant into a foreign country. Eventually when succeeding in the nearby foreign countries, the companies tend to move to more distant countries both physically as well as culturally. (Johansson and Vahlne 1977, 23-30; Luostarinen 1988, 36-54.)

However, according to Coviello and Munro (1997, 362) the internationalization patterns of the small and medium sized enterprises, (SME's), the born globals, differ greatly from the internationalization strategies of the MNE's, i.e. due to the limited resources which can be the financial resources, know-how, personnel or i.e. timely resources, the lack of managerial capabilities and the lack of network relationships. The theory suggests that a company doesn't have to wait to be at the maturity stage on the local market before extending to the international markets, but that a company can be "a born global" since it has been created. (Coviello & Munro 1997, 362.) This theory corresponds well the business environment a current application developer or other e-business faces; an access to a global market is available since the inception of the company. Oviatt and McDugall add that managers' capabilities of having a flexible manner to lead the business and the networks the company tends to establish with the MNE's in the beginning of their existence are the key success factors that born globals need to become international. (Oviatt & McDugall 1995, 47).

There are studies that stress the importance of the changing environment in the modification of internationalization patterns. According to Styles & Gray (2006, 14) different ease up's of international trade such as EU or ETA trade rules, sharing the same currency, development of the information and communication technologies as well as the internet, including the internationalization of the knowledge have played a key role in the changing internationalization patterns and the speed of it.

### 2.3 The concept of born global

A born global is an international operation mode, that has not been studied properly long enough, even though it seems to be more and more increasing trend among the internationalization studies. (Gabrielsson 2005, 199). According to Oviatt *et al.* (1994, 49) a born global is characterized as a company that “from the inception, seeks to derive significant competitive advantage from the use of resources and the sale of outputs in multiple countries” (Oviatt & McDougall 1994, 49). Gabrielsson (2005, 200) adds that born globals are often companies functioning in the field of technology where the internationalization is rapid. He continues, that born globals are equally characterized by the small size having only few employees, entrepreneurship as well as the lack of managerial experience in the international markets.

Internationalization operations are particularly challenging and difficult for Finnish born globals (Gabrielsson 2005, 199). According to Gabrielsson and Kirpalani the below factors play a key role in the difficulties born global face in their internationalization processes and marketing strategies (Gabrielsson and Kirpalani 2003, 557);

- Key factors are to have financial, executive and knowledge based resources in order succeed in the global markets, yet Finnish start up's often lack these.
- There are not sufficiently studies and therefore information on the possible marketing channels for born globals to use.
- The born global is vulnerable in terms of time: the speed of internationalization is slow as is the fund raising as well.

Taking into account all these factors, it can be concluded that being a start-up and trying to succeed is very challenging. Therefore it is suggested, that born globals must find new marketing channels in order to combat the difficult environment and to reach the global markets (Gabrielsson & Kirpalani 2003, 557.) As ways to access the information and knowledge which are necessary to accomplish the challenge, Gabrielsson *et al.* (2003, 560-564, 568) suggest that most efficient ways are either

using the MNC's as distributors, building up network relationships with each others on the market in a way that each company benefits somehow from each other, or to use the internet as a channel of marketing.

## 2.4 Brand is more than a simple product

Currently various markets are facing an oversupply and due to the extreme competition, most of the suppliers tend to start competing with prices. The same is true between mobile applications in different appstores. In order to stand out from the mass, price reductions and different sales campaigns are common especially when new suppliers enter the markets. However, by trying to compete only with the price, the supplier reduces the value of their product and decreasing the sales margins and therefore profits. Therefore, it is necessary for companies to find ways to provide a sustainable value for the customers rather than trying to attract them with a low price. (Aaker & Joachimstaler 2000, 34-35.)

Branding has been a known concept for consumers already for decades. A known brand permits a company to increase the pricing level and therefore obtain better financial results. Branding gives a possibility for a company to avoid using the price reduction competition. (Aaker & Joachimstaler 2000, 39). According to Marconi (1999, 3) charging a higher price for a brand is possible since "people want to associate themselves with the images of the things they like-and they'll pay extra to do it". Aaker and Joachimstaler (2000, 38) add that the brand equity raises from brand awareness as well as the loyalty and associations the consumers are willing to employ for a brand. According to Miletsky and Smith, the brand can be defined today as "a unique and identifiable symbol, association, name, or trademark that serves to differentiate competing products or services. It is both a physical and an emotional trigger to create a relationship between consumers and the products or services being offered." (Miletsky & Smith 2009, 4).

The branding strategies of the born globals have been considered as limited within the literature. The reason for this is not only the limited resources nor marketing resources the born globals face, but the fast speed of internationalization process where the companies are obliged to create the brand as soon as they have been established.

(Gabrielsson 2005, 201.) Branding strategies have been proved to depend equally on the stage of internationalization of the born global company. Very young companies seem to put much less effort on active brand building and a brand strategy rather than companies who are already global. Similarly, B-to-C born globals tend to use either their own brands or use co-branding with another company. (Gabrielsson 2005, 217). Using co-branding with another company maybe worth considering, especially for a mobile application developer; for example a more known brand could accept a high quality application to the product family through umbrella branding, bringing advantages for both parties.

Based on the study on the branding strategies of the born globals, Gabrielsson (2005, 200) has concluded that a born global's branding strategy should however be cost effective as well as simple, due to the limited resources possessed. A good marketing strategy demands good managerial skills and should allow fast impact on the global markets. (Gabrielsson 2005, 200).

#### 2.4.1 Brand attributes

A brand consists of the product features as well as the intangible features attached to it. Figure 3 illustrates the tangible product with its different features, such as the functional features of the product. When it comes to an application, a technical product, features, such as high quality, visual aspect or trustworthiness can be considered to be important for the consumers. Besides the core product there are the intangible features attached to the brand, such as the consumers' ideas about the product, perceived value or the emotional features attached to it. (Aaker & Joachimstaler 2000, 52).

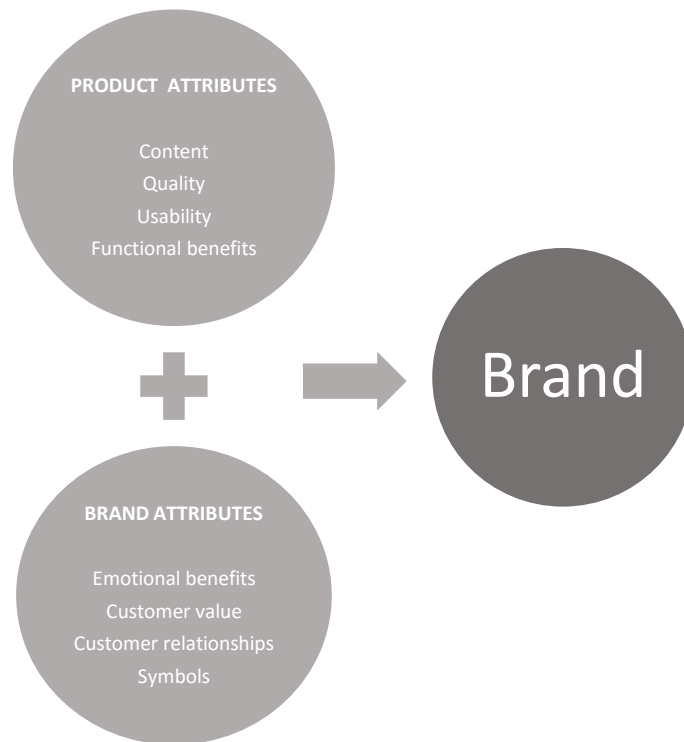


Figure 3. Brand is more than a product (Modified from Aaker & Joachimstaler 2000, 82)

Brand personality for a brand illustrates the personality characters the brand has gained, that differ from the product's technical features. One can associate features, such as innovativeness, excitement or trustworthiness as a brand feature. A person without a personality is not interesting and yet the same applies to brands. Therefore, it is better to have a personality that raises images and feelings in the consumers' minds rather than passing incognito. (Aaker & Joachimstaler 2000, 53.) Gobé (2001, 142) points out that consumers tend to seek brands, which reflect out the personality that the consumer wants to associate oneself with; brands are often used to express what kind of person the consumer would like to be. Gobé underlines equally, that brands that are appealing to consumers' emotions are successful brands, since they will not simply be a plain product or symbol (Gobé 2001, 142, 158.)

Symbols are the visible elements of the brand and they remind the consumer about the visual image of the brand, attached together to the brand name. A sustainable brand image creates solidity for the brand and eases it is the recognition. The symbol can be anything visual; a color, an image, a text or a way of writing. (Aaker & Joachimstaler

2000, 54.) Good examples of a symbols easy to remember can be that of Apple or Vaio. Gobé yet ads, that the simple logo is not sufficient, but in order to succeed a brand requires a vision, a passion that is created and communicated inside the company structure, all the way to the consumers. According to Gobé a brand lacking the vision will become a possibly known, but not loved. A brand having a poorly defined identity may be visible but will lack personality, and therefore is not faithfully cherished by the consumers. (Gobé 2001, 150; 158.)

#### 2.4.2 Increasing brand awareness

Brand awareness refers to the capability of a consumer to be able to recall the brand if heard or seen somewhere and it can vary from a definite recognition into vaguer souvenir of having seen or heard the brand earlier. (Aaker 1996, 10-11). The better consumers are able to recall a brand, the more valuable it will be for a company. (Laakso 2003, 125). Below in the figure 4 is presented how Laakso has divided the brand awareness to four different stages, depending on how consumers perceive and recognize the brand and where companies should aim in terms of branding.

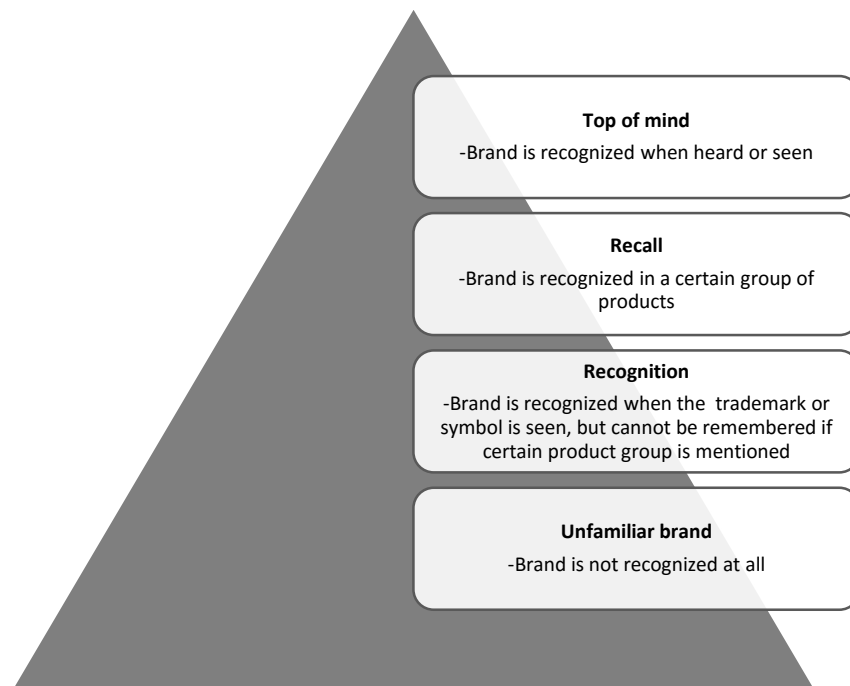


Figure 4. Brand awareness (Laakso 2003, 125)

Companies usually aim at the top of mind -branding, as it not only means being first in mind but also being the *only one* in mind. It often involves a great deal of marketing, targeting, important value delivery but also the word of mouth. (Laakso 2003, 125-126.)

The recall -stage indicates that the brand appears in consumers' minds when talking about certain product category. By recognition it is meant that the consumer is at some level aware of the brand. Aaker (1996, 10-11) has stated that recognizing a brand creates positive feelings, and consumers tend to choose a familiar brand over a non-identified brand, due to the feelings that a familiar brand raises. Unfamiliar brand is of course not recognized at all and therefore raises no feelings whatsoever.

In branding a mobile application, especially a game, where the users are considered to be between teenage and late 20's, the challenge is how to increase the brand awareness and how to attain the brand awareness and top of mind -stage. Gobé (2001, 26) underlines that one of the difficulties with the generation Y is the fast changing interests as well as difficulties creating novelties in terms of branding, as they have "seen it all".

Gobé (2001, 20-22) suggests that advertising for this age group should be kept simple and direct and brand should never look down to this age group, since they often have the purchasing power given by the parents. Yet, Gobé (2001, 22-28) argues with Laakso's the top of mind -stage by underlining that this age group wants to search for alternative brands and not go with the mainstream. He points out cleverly, that a brand, having attained the top of mind stage from the point of view of a company, meaning being visible everywhere and being used by everyone, soon becomes rejected by the generation Y as it is considered as too mainstream.

This actually has been seen with for example the Pokemon Go mobile application; first it expanded globally only within few weeks having millions of users and then within a time frame of few months, the popularity of it as well as the usage has tremendously decreased. Gobé's best advice for marketing for the Y generation is to simply observe this generation in order to know how to handle the branding, they will

show what interests them. Pushing or overdoing it for this generation will not work. (Gobé 2001, 28.)

## 2.5 The social media marketing

During the recent years social media has become familiar for people of different age groups. Individuals tend to use different kind of forms of social media on daily basis. The most popular sub-categories of social media are the blogs, microblogs as Twitter, social networks as Facebook or LinkedIn, media-sharing sites such as Youtube or Pinterest, social bookmarking, virtual worlds and different kinds of forums. (Zarella, 2010, 3.)

Consumers have always been keen on getting advice and information on products from someone familiar. With the help of the social media, it has become easier for the consumers to exchange their opinions about products or services via the social media platforms. The social media platforms permit individuals to connect in large networks and to exchange experiences, either the experiences are good or bad, and get trustable word of mouth from other consumers. (Saravanakumar & SuganthaLakshmi 2012, 4444).

Besides people, the companies have realized the advantages of being present in the social media and the usage of it as a platform for the marketing and branding operations. According to Brogan (2010, 2) the core concepts of the social media marketing include people and their engagement. In his book *The Everything Guide to Social Media* Waters (2010, 2) explains the two main characters that differ the social media from the traditional media used earlier by the companies, such as TV or magazines. These are (Waters 2010, 2;):

1. The content is created by the users of the social media themselves
2. It is interactive and fast moving. People do not simply read it passively, but they comment on it.

Both Brogan and Waters highlight that the social media is not passively received, but individuals involved with it are being the ones generating it. In other words, social



media marketing groups together the platform where it is used, the content generated by the users and their engagement through interacting, such as commenting, sharing and liking. (Waters 2010, 2; Brogan 2010, 2.)

### 2.5.1 Cost advantageous mean of marketing

Diverse type of products and services are today marketed in the social media by a number of companies. Integrating social media marketing in companies' general marketing strategy gives the company the potential to increase the brand visibility in a cost effective way and with a potentially immediate global reach. (Flanagan 2010, 98). Besides, due to the fact that the social media marketing presents much lower costs than the expensive paper or TV publications, the marketing budgets of the companies can be significantly reduced and the social media marketing gives the advantage for a company to interact with the customers in real time. (Brogan 2010, 78-79; Zarella 2010, 2; Saravanakumar & SuganthaLakshmi 2012, 4444-4445.)

However, it should be kept in mind that even though social media marketing seems easy, efficient, and cost effective mean of marketing for especially a born global company with limited resources, there are aspects to be kept in mind and some to be avoided.

As mentioned earlier, the financial costs of social media marketing remain rather small in comparison to traditional advertising costs. Creating a social media account or profile is free as well as blog creation, commenting or article writing. What costs is purchasing for example likes and therefore visibility, such as geographical visibility for a marketing campaign or the length of the campaign, and yet these costs remain relatively low. What truly costs in social media marketing is the time. (Waters 2010, 232-233.)

Even though it is technically easy and inexpensive to start marketing through the social media, it should be born in mind that it is a delicate and time-taking discipline. The first thing to understand is that it should not be considered as advertising but as promoting the product. Social media marketing can be used in order to increase the brand awareness, develop customer relationship and generate leads and buzz. It can be

also used in order to direct traffic to company's web page or simply listen what customers have to say about a brand. (Waters 2010, 230-231.)

In his book *Social Media 101* Brogan (2010, 1-2) equally stresses the importance of engaging people into conversations. Brogan advises to avoid taking people within the social media as an "audience", as it is considered as a passive and therefore an inefficient way of using the social media as a mean of marketing. Actually, if a company simply uses traditional type of advertising that it posts in the social media, it is considered to be near the traditional advertising as the company, since full advantage is not taken from the social media. Evans and others add that the social media marketing at best is "the smart use of the natural conversational channels that develop between individuals." (Evans et al. 2012, 13).

### 2.5.2 Electronic word of mouth

As explained earlier, the consumers form networks within the social media, where seek for trustworthy opinions from other consumers concerning different products, brands or services. Nothing is more convincing than an experience, coming from another consumer. Consumers also tend to verify marketers' offers via diverse blogs and other channels of discussions. (Saravanakumar & SughantaLaksmi 2012, 4444). This is called the electronic word of mouth. As the consumer is receiving the message from various users from different channels or platforms, at the best several times in a short period of time, it makes social media marketing even more effective way of promoting the goods or services (Flanagan 2010, 98.)

The problem faced within social media is that commenting or discussions between the consumers may quickly take positive or negative note. A company can comment on customer's discussions once the conversations are ongoing in the social media. Responding to comments concerning the brand, product or company should be done rather fast. (Zarrella, 2010, 193).

As the social media and ongoing discussions there might take a negative tone quickly, the representative of the company should pay attention on what are they responding and how. It should be born in mind that the way responding will not generate a new

negative wave of commenting among the customers. Brogan (2010, 71) advises to remove extremely bad taste conversations, but he stresses that one should never remove the criticism towards the company or product itself: This is considered as poor choice which will solely generate a negative wave of conversation among the consumers. (Brogan 2010,72).

Nevertheless, in spite of the negative publicity the marketer may still interact and effect on the social media marketing by keeping up the conversation and good experiences via creation of i.e. exceptional events. (Evans et al. 2012, 13). The events can be either physical events or very common is to see different kinds of promotion events i.e. Facebook, offering the customers either a discount, gift or something perceived as superior value to the customer.

### 2.5.3 Tools and techniques; listening, monitoring & measuring

Establishing a social media profile or a blog is fast and free. Once it has been done the company actually is using the social media marketing. However, needs to be taken into account is that keeping social media profiles up-to-date and reacting on visitors' comments is considerably time-taking. This is even more true if a company has several social media platforms or profiles, such as LinkedIn, Facebook, Twitter and a blog for instance. All of these channels require attention on daily basis and actually even several times a day. Customers turn away easily if they have to wait a response for days or if it looks like that the company's last post dates weeks ago. It gives an inactive image to the customer, as the social media is rather hectic and there people have learned to be served instantly. This is a great difference between how company acts with social or regular media. In terms of marketing budget, it should be taken into account that often a person is hired as a community manager in order to keep all the profiles up-to-date and to respond to customers. The advantage when one person handles all the external communication is that it is similar and constant in all the social media channels and in each social media activity. (Zarella 2010, 8; Waters 2010, 232-233.)

Equally finding correct segments and targeting ideal groups of people has become a fairly easy task today through the social media marketing and various tools available

in the internet. Facebook tracks down likes in the social media, collects user statistics and then sells the marketing advertising space accordingly to companies. Therefore the social media can be used as an effective mean by a company in order to gather valuable information about how their product, service or brand is perceived by the consumers. It can also be used as a consideration-phase tool letting potential customers and customers to connect about their experiences and therefore to move from the awareness to the purchase. (Evans et al. 2012, 39).

Monitoring what is being said should be done daily. Zarrella (2010, 187) advises to check the search results two times per day first by subscribing to search results via RSS and then by setting up then an account on Google Reader. Equally Google Alert is a tool helping in monitoring what is being said; it sends e-mail alerts whenever a set up keyword, for instance a company name, has been written on the web. Various free or payable monitoring tools are available also, such as Radian6, Scoutlabs or Trackur. (Zarrella, 2010, 191.)

However, Alpert (2012, 21-28) has a point when it comes to measuring and monitoring the likes, shares and visits on for example company's Facebook page: Indeed, according to Alpert it is tremendously easy to obtain all the user statistics on how many likes and shares have been received and how successful are the posts or marketing campaigns companies have in the social media. However, what company does with this information is another thing. According to Alpert, there is no point in gathering all this data, if there is no strategy what to do with it. The question companies should ask themselves is, how to convert these likes into actual sales. Yet, Alpert points out that most of the people liking in Facebook are already existing customers and not new ones; they actually already buy the product. An interesting question raises; If the likes do not convert to sales figures which often is the case with social media marketing campaigns, is there any point in spending time in counting the conversions to sales and move all the marketing operations i.e. to Facebook? (Alpert 2012, 21-28.)

The most important tool with the social media marketing is listening what the customers say about a company, brand or product. (Waters 2010, 230; Brogan 2010, 79; Zarrella 2010, 185). The authors underline that listening what customers truly think

and say is highly intelligent and permits the company get insights what customers really think, what they appreciate and what not. Commenting can be done only after knowing what exactly is being said. While listening, it is important to recognize the “influencers”, bloggers, tweeter or other influential people driving the traffic. In other words listening in the social media is simply searching brand, company or product name within the hashtags, comments and discussions. (Waters, 2010, 234.)

### 3. DATA ACQUISITION AND RESEARCH METHODS

The purpose of this study is to gather a large amount of information on successful social media marketing strategies used by Finnish Born Global companies that help in gaining brand awareness. The most suitable research method in order to produce the primary data is the case study method, as it is targeted to give replies on why and how questions and used particularly in obtaining information on organizational as well as on managerial processes. (Yin 2009, 4.)

The data acquisition will be conducted through in-depth interviews as this method permits to obtain thorough information on companies marketing strategies. Yet a questionnaire would not permit to reply deeply enough on these questions. According to Yin, an in-depth interview permits for the interviewee to give not only facts but also opinions concerning the interviewed topics. In fact, the interviews are “guided conversations rather than queries”. (Yin 2009, 106-107.)

The population in question was targeted for the Finnish Born Globals’ marketing managers or CEOs , being the key persons having all the necessary information concerning the successful strategies used. A suitable size of the sampling estimated to be five companies and each should have passed the stage of introduction and be either on growth or mature stage, as it should be best to learn from successful companies.

The primary data needed will cover the following topics: Marketing strategy used, social media marketing channels used (what, when, where and how), social media marketing strategy’s efficiency in terms of visibility and sales, its contents, budget invested in the social media marketing, whether any other mean aiming to increase the brand awareness has been used, targeting, content and how the company handles

negative feedback. All these questions are in line with the themes of the theoretical frame. The detailed questions can be reviewed in appendix 1. Secondary data will be used for gaining an insight on the mobile application markets.

The in-depth interviews were decoded in a written form, including hesitations and nuances of speech as the speed of speech as the tone of voice may give a different meaning to the words said. The interviews were read several times in order to be familiar with the data. Simple color-coding was used in order to identify patterns, similarities or differences in the usage of social media marketing, comparing and analyze these together. Finally the key strategies on brand awareness creation was highlighted and conclusions on the most successful means of social media marketing drawn and discussed. The case company may use the managerial implications as a source of knowledge for the upcoming marketing strategies.

### 3.1 Research plan

The case study process according to Yin (2009, 2) is a linear but equally an iterative process. Below in figure 5 is illustrated Yin's research process with each necessary step that aid in successfully concluding the case study.

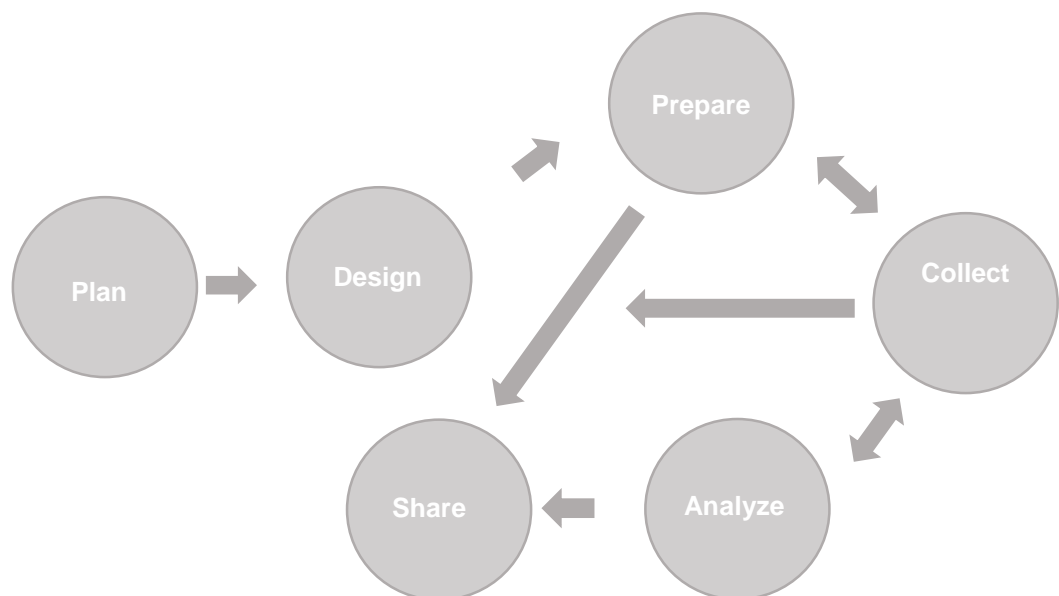


Figure 5, Case Study Process (Yin 2009, 2)

The case study process starts from planning the research. The most important element is to identify the research question since the research question helps in creating the research plan and therefore to be certain of the methodology chosen. A case study permits to study either a process or a phenomenon, since it replies particularly on how and why questions instead of what questions. (Yin 2009, 8-9). By designing the study Yin explains the importance of defining what actually will be expected from the research, helping to develop theory relevant to the research. (Yin 2009, 24-25). When collecting the information, Yin suggest that six different sources of evidence should be used; besides the interviews, the researcher should use the direct observation as well as the participant observation, all the relative documents, archives as well as physical relics. (Yin 2009, 98).

Prior collecting the data, Yin (2009) recommends that the researcher improves the skills in conducting a case study as it, according to Yin, remains the most challenging research method. The reason for this is that in the case studies, the data may remain unrecognized and collecting it correctly is therefore particularly depending on the researcher's skills. Therefore, the skills that a good case study researcher should obtain are (Yin 2009, 68-69);

1. Developing good questions and understanding the answers.
2. Listening what interviewee truly says and not letting one's own understanding affect the interpretation.
3. Adapting towards new and therefore surprising situations.
4. Having good background knowledge concerning the issues studied, meaning having properly studied the theoretical frame in order to help forming the questions and having a good understanding on the subject.
5. The researcher should remain sensitive for contradictory evidence obtained from the research, even if it would be contradictory against established theory.

There are several ways to analyze the data obtained in a case study; it can be either categorized, tabulated, examined, tested or recombined. As analyzing the case study data is challenging, Yin recommends to establish a general strategy to analyze data in order to reduce the potential analytic difficulties. The general strategy may be based on e.g. theoretical propositions or descriptive frameworks that reflects the theoretical

frame. Once the strategy has been chosen, one of the following five analytic techniques can be used; “cross-case synthesis, explanation building, logic models or pattern matching”. (Yin, 2009, 162).

The final stage in case-study is sharing the findings. The audience needs to be selected properly to whom the results are explained. The written report as well as visual presentation needs to be drawn displaying the outcome for the selected audience. Finally the report needs to be written as many times as necessary in order to be clear for a reader. (Yin, 2009, 164).

### 3.2 The expected results

The results of this research will benefit the recently born start-ups as well as the case company on the debut of its journey by giving the possibility to concentrate its marketing efforts on a proofed social media marketing concept and to avoid unnecessary ways to market applications. This will avoid wasting resources, such as time or money and it aims in adding the know-how on how should be proceeded. Hopefully this will contribute in increasing the knowledge and understanding on the application developers’ social media marketing strategies. The research shall accumulate the author’s personal skills in overall social media marketing strategies as well as the know-how inside the company. The secondary objective of the research is to giving insights and ideas in helping the case company to renew the social media marketing strategy.

In order to be able attract the interviewees and withdraw information from them, the research is proposed to be conducted anonymously. Equally, the findings will be proposed to be shared among all the interviewees, in order to give a possibility to benchmark the most successful marketing strategies and help the Born Globals coping in their turbulent environment.

## 4. DATA ACQUISITION AND ANALYSIS TROUGH IN-DEPTH INTERVIEWS

The author had a target of gathering in-depth interviews from five game application developers from the Kymenlaakso region. The author established a list of companies



covering the selection criteria. However, there were actually only five companies in the region meeting the criteria and of which only three were willing to give an interview. In order to gain more information on application developer using the social media as a mean of marketing, an application from the health- and fitness category was accepted in as well as a health application developer that had not yet commercialized the application.

The interviews took place during spring and autumn 2015 and the average length of an in-depth interview for the thesis was 30 minutes. Three of the interviews were made face-to-face, however two company representatives were so busy they were able to provide the answers only by e-mail. This however resulted partially in misunderstanding of questions and not all questions were therefore properly answered.

A list of questions was established beforehand, covering the overall environment the start-ups face, branding and the social media marketing. The final target was to research the how the companies use the social-media marketing, its' importance and how significant it is in terms of sales. The aim was to establish a frame for the analysis, covering these three topics that reflect the theoretical frame and to analyze the obtained results in the light of that frame. According to Yin, establishing a frame in advance helps the author by maintaining the focus on the essential while analyzing. (Yin 2009, 162.)

In the following chapters the author first presents each case company in order to enlighten the different backgrounds of the companies. After that, the interviews are analyzed by themes; the case companies are analyzed in terms of the social media marketing mix; as well as social media marketing tools. Finally the conclusions and managerial implications are drawn.

#### 4.1 Background of the case companies

The company A is a Kotka based application developer. It has had a business cycle of four years, though the activity initially started by developing a video game before continuing to the mobile application sector. The company has developed only one game. The game is available besides the iTunes, Windows and Google Play appstores

also on PlayStation as well as on PC. The company considers the fact being present on several platforms as a mean marketing in order to increase their visibility, as they are available essentially to everybody, despite of the device used. In February 2015 the company's game application had over 15 million of downloads.

The company B is a three-year-old application developer that represents the health application category and not actually a game. However, the company is local and use the social media marketing as a mean to market their application and were therefore chosen. The company practices the umbrella branding and has two different applications, one free and other one payable. The company advertises the payable application within the free-to-use application. The applications are available only on iTunes appstore.

The company C has been funded eight years ago and is therefore the senior company of this study, though similarly as company A, company C specialized earlier in PC-game development. In the application sector company C is rather young, their application has been commercialized since January 2015. The application is available on iTunes and Samsung Galaxy Apps. The company has developed several other games and therefore practices umbrella branding.

The company D has developed applications already earlier, such as games, and is now developing an application that also falls into the health category. The application is not itself yet commercialized, so the company was not able to provide responses concerning the social media marketing part.

The company E has an entertainment application and has been established in 2013. Inside the application are profiles of celebrities, updated by the celebrities themselves. The application is distributed both on iTunes as well as Google Play and is free-to-play, meaning that downloading the application is free and the income model is based on in-app purchases, in other words on purchasing celebrities profiles on monthly basis.

Developing and designing the applications take years and therefore launching the applications take time. In this study 80% of the interviewed companies have reached

the level of publishing the applications. Only the company D has not yet reached the stage of commercialization, and therefore has no true value from the point of view of market experience for this study. Therefore, only the companies A, B, C and E were able to provide information concerning the strategies used and experiences gained with the social media. Also, it is important to notice that even though the companies have been existing for few years, they have very little experience on the market knowledge, due to the fact that commercialization of the application is rather recent.

## 4.2 Social media marketing mix

The social media marketing mix –chapter is analyzed in sub themes, which are product price place and promotion. In the section concerning the product, the product features as well as brand attributes are analyzed. In the chapter concerning the price, the pricing strategies are gone through and finally in the place-chapter the author concentrates on analyzing the sales channels the case companies use.

The social media marketing mix analysis is focusing on the part concerning the promotion, as it is the core of this study. Especially the usage of distributors, different social media marketing channels, visibility in the social media, electronic word of mouth as well as different promotion-networks are analyzed. Finally different tools for social media marketing are presented and analyzed.

### 4.2.1 Product

As Aaker and Joachimstler (2000, 52) state, a product can have tangible and intangible features. In the theoretical frame the core product and the emotional benefits attached to it were presented. The interviews revealed, that the case companies tended to stress and think that customers especially valued the tangible features of an application, such as functionality, ease of use, visual aspects or accessibility. This is logical, since as the competition in the application markets is hard, for example a malfunctioning application would definitely not interest consumers, if the usage of it is inconvenient.

However, Aaker and Joachimstaler (2000, 52) presented also intangible features, such as customer value and emotional benefits that can be attached to the product. Even though the case companies did not state the intangible benefits among the product features, it should be kept in mind that especially among the teenagers, the emotional benefits rise high; playing a popular game or having an access to it, especially if it is payable, brings customer value especially in terms of teenagers' world, where the popularity plays an important role.

The case companies were asked to state the tangible or intangible product features, brand attributes that each company believes to bring superior customer value for their customers. Depending on the nature of their application, whether it was a game or a health application, the responses somewhat vary. In the below figure 6 are illustrated the product and brand attributes the companies stated.

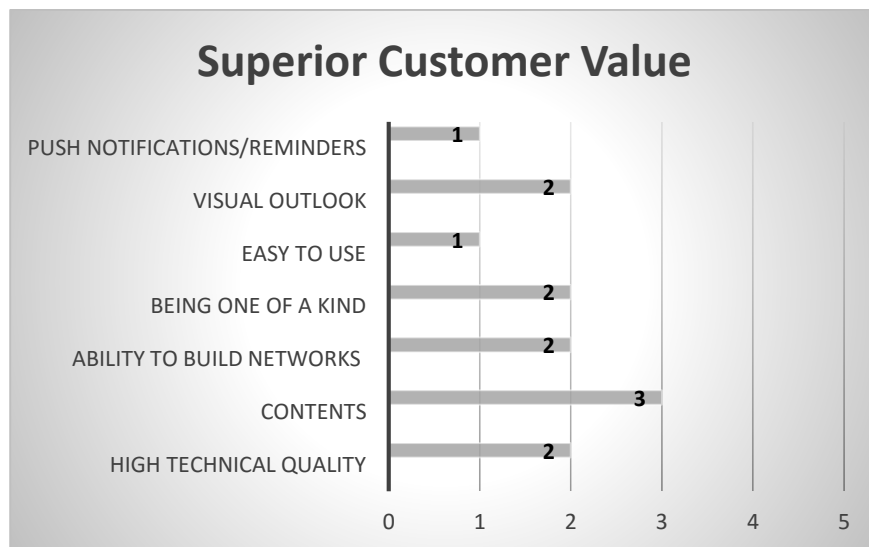


Figure 6. Product and brand attributes, evaluated by the case companies

The most significant feature, that customers are believed to appreciate within the mobile applications, is the contents provided. This is believed to hook the customers to the applications. After the contents, the case companies evaluated that the visual look, high technical quality, ability to build networks and being unique are features that bring value to their customers and separate themselves from the competitors.

(Aaker & Joachimstaler 2000, 82.) The contents, ease of use and technical functionality are definitely important features when it comes a mobile application attributes. Below are detailed yet each case company's response.

Company A, the mobile game application developer, stated that what brings value to their customers in comparison to their competitors are the high technical quality of the mobile game they provide, the complexity or structure of the game as well as the contents.

Company B, the health application, found that the ease of use of the application is one of the key attributes they have in comparison to other similar applications, such as calorie counters. Also the fact that it sends push notifications in order to remind of the regular eating times is considered to bring value to the application in comparison to the competitors not forgetting the food related tips it gives daily.

Company C, a mobile game developer estimates that the superior customer value they deliver for their customers is essentially the technical and graphical qualities as well as the social networking and chatting platform that hooks the players into the game by creating a dense player community.

Company D considers itself as an application developer that will be creating a new need for the users. It believes to bring superior customer value for patients by being a mean of facilitating the patients and doctors relationship.

Company E believes that the exclusive contents the celebrities publish within the application, that is not available on anywhere else on the social media or traditional media is what brings the superior value to their customers.

It is somewhat surprising, that only one of the case companies, company C was the only one that had realized the importance of the social networking and chatting platform that helps the users to link together. The social networking and ability to share thoughts and feelings with other users add the emotional benefits to the simple commodity, application. By adding the emotional hook to the commodity, the users are more loyal to the application.

#### 4.2.2 Price and place

Four out of five case companies have released their applications by using the “free-to-play” -model. This means that downloading the application is free on the appstores, but the income formation for the company is based on in app-purchases. This means that different features or options can be purchased within the application itself. These can be different ease up’s that fasten the users’ progression within the game or these can be other benefits, that make the application more complete.

Company A had initially launched their first application as a purchasable model, but as soon as they realized that in app-purchases bring 70% of their income, they changed their income model to free-to-play model. It was stated that the supply of different applications is so dense and the competition is so tough, that as most of the applications are free-to-play, it is difficult to place oneself as payable application. Their price range varies between 0,89€-89,99€.

Companies C, D and E operate as company A, however company C’s price range is similar to company A; in-app purchases vary between about 1€-100€ and both have downloads that can be counted in millions. Company E instead has decided to sell the in-app-purchases on 1,99€ per purchase, counting on mass purchases on celebrities profiles in order to bring income to the company. Company D has not yet commercialized their product, but already knows to use free download model where incomes come via in app-purchases.

Only company B, being a health application operates differently. They have two applications, of which one is free and the other one payable. Their income model is based on solely downloading the payable application, which is being promoted within the free application. The payable application costs 3,99€ for the download, but it offers more and more complete features than their free application.

In the marketing mix the place, where the product is available, matters. Applications are not available of course on physical stores, but on various mobile application markets, accessible via a mobile device. The case companies have been interviewed on the distribution of their applications via different sales platforms. In the below

figure 7 are presented the distribution of these sales platforms the case companies use for the applications.

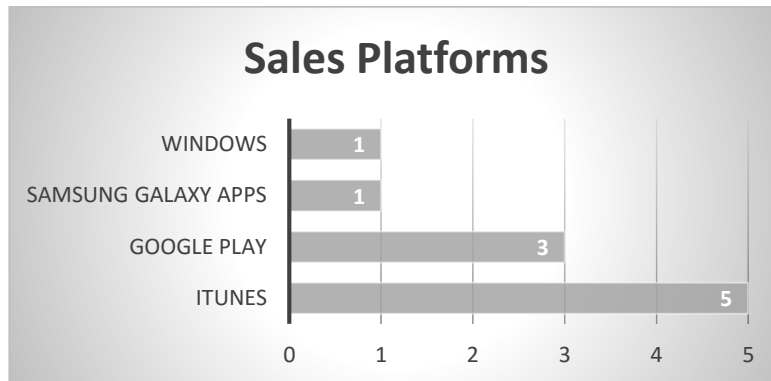


Figure 7. Distribution channels of the applications.

It can be seen in the figure 7 that the most popular sales channel used in order to distribute the application is the iTunes app store. Full 100% of the case companies, including the company D that plans to launch their application soon, use at least iTunes as a distribution platform. As the App Annie Index report stated, iTunes brings 50% of incomes in comparison to Google Play and is therefore the most beneficial sales channel to the application developers. (App Annie Index Q3 2015, 3).

From the case companies 80% use another distribution channel besides the iTunes appstore. Only company B stated that their application is yet solely available on iOS platform due to the lack of financial resources and that indeed, it has hindered the forthcoming business opportunities.

The rest of the companies have developed the application also for at least one other platform and therefore sales channel. Company A instead uses the distribution of their app via various platforms, such as iTunes, Google Play and Windows appstore as a means of marketing; they believe the more widely it is available, the less barriers there will be for the consumers and the greater the visibility is.

The more there are platforms, the better customers with different devices are reached and the better the consumers' word of mouth passes from a consumer to another without stopping on a difference of device. However, a company should always assess carefully, whether the costs of building the application on a new operation system will be reasonable in comparison to the financial and marketing benefits it brings.

#### 4.2.3 Promotion - Distribution of the application

The author had initially assumed that the companies handle the marketing as well as the distribution of the applications themselves, as born globals have very limited financial resources (Gabrielsson and Kirpalani 2003, 557.) However, during the interview it was discovered, that two case companies, A and C used both a distributor in order to sell and market their mobile applications, A for the distribution and marketing of all versions and C depending on the version. The rest of the companies handled the distribution and marketing in various social media marketing channels themselves.

The tasks of a distributor, kind of a sales agent, is to distribute, promote and sell the application to the different appstores as well as market it via different marketing channels to the consumers. Therefore it was discovered that the role of social media marketing for these companies using a distributor in terms of sales or downloads is rather very narrow. Company A's application has been well ranked within the appstore, meaning gaining visibility. The company ended up on the best new games global ranking list on the positions 3-8 on the first week they were launched. This brought over million downloads per week and therefore made the application visible for the consumers among the hundreds of thousands of other applications.

The distributor uses the good relations they have with the different appstore representatives in order for the applications to be well ranked on the weekly ranking lists. Of course the applications visual features and high quality play an important role in order for a distributor to be well represented or even accepted to their product portfolio. The application is then distributed under the distributor's name and not on the company's own name, making the distributor practicing umbrella branding in a way.



Company A stated that when a company is a newcomer, with no known company or brand name yet, with modest budget and without any personal contacts for a representative of the appstores, using a distributor is vital in order to be visible. A distributor helps in gaining visibility among the consumers, in other words the application to be found by the users in appstores. There are hundreds of thousands of games in appstores, however consumers tend to try the applications they can see among the first well ranked ones.

The drawback of using a distributor by the case companies using it was stated to be the commission taken, though a suitable commission for the distributor should be somewhere between 30-50% of the sales price. Once the company's game has gained visibility and is recognized by the consumers, the usage of the distributor becomes less useful. The only drawback for this is that often a company, by using a distributor and their name in order to be distributed, the company sells the rights for the game for the upcoming years. In other words the product's name belongs for the distributor and yet the company's own name is not known among consumers.

The three remaining case companies, B, D and E did not use a distributor for selling their applications. These companies handle the sales and marketing of their applications themselves, yet the company B counted also on third party PR-relations to market their product in different medias. It should be noted also that B and E have thousands of downloads and D has not yet released the applications on the markets, whereas company A, the company using the distributor, has several millions of downloads.

#### 4.2.3.1 Social media marketing – channels and contents

In spite of the fact that companies A and C were using the distributor for selling and marketing the applications, all the case companies however found it important to yet use the social media marketing channels. All the five companies however handled it differently. How it has been conducted depends on the company's internal resources; chosen marketing strategy, financial-, timely- as well as qualified personnel resources. (Gabrielsson and Kirpalani 2003, 557.) As explained in previous chapter, all the

companies are present within the social media, but the strategies vary. Especially company E relays on the power of the social media as the principle marketing tool.

The case companies had each in average five different social media marketing channels. In the below figure 8 are detailed the case companies' most used social media channels. The case companies A, B, C and E, having commercialized their applications, were able to respond to the questions concerning the usage of the social media channels for their marketing operations.

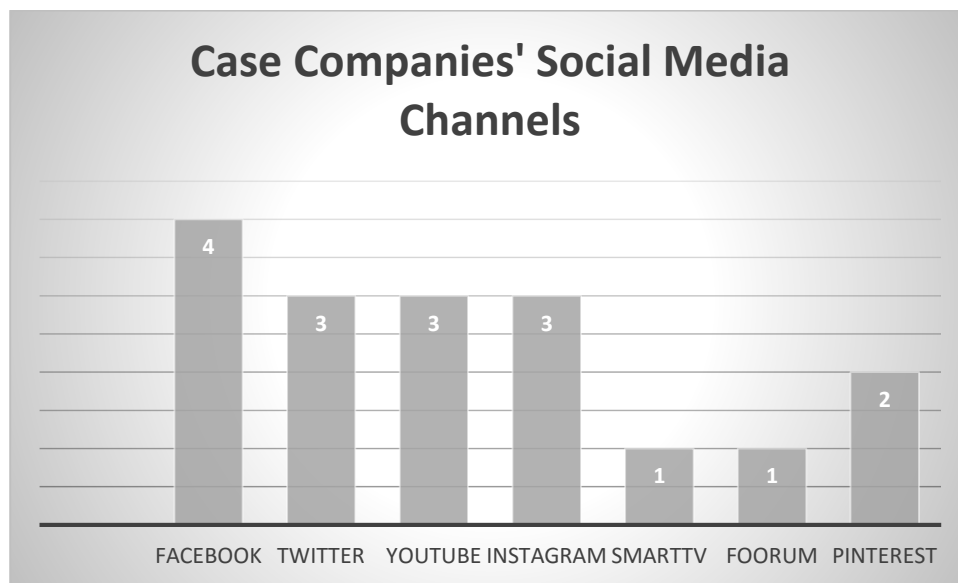


Figure 8, social media channels used by the case company

As it can be seen in the figure 8, the most used social media channel for the case companies was Facebook, where each of the case companies were present and active either with a profile of the product, company or both. Equally Twitter, Youtube and Instagram were considered as popular channels besides Facebook, Pinterest, Smart-TV and Foorum being less used.

The company B used only two social media channels, Facebook and Twitter, whereas the company C were present on 10 different channels. The rest of the companies had in average three different social media accounts. Depending on the amount of the social media channels and of course the frequency of posting, the time spent within the social media accounts varied significantly between the case companies.

Company C, having 10 different social media accounts and a community manager in charge of listening, monitoring and communicating in these channels, posted approximately once a week to Facebook and between one to three times per week to Twitter. Videos to YouTube were rarely created due to the limited time- and personnel resources of the company. It should be also kept in mind that simply posting to the social media is not only what consumes time, but monitoring, listening and commenting in real time for the customers, is what is a time-taking operation. (Waters 2010, 232-233.) The community manager explained that the company C usually posts screenshots, novelties, tips and advices concerning their app. Also, the frequency of posting or usage of certain hashtags was denser when there was an event related to applications, such as Slush.

The companies were also interviewed on who, one or more persons and with what kind of qualifications is in charge of commenting and posting to the social media marketing accounts. The researched showed that 40% of the case companies use a community manager or a marketing manager who is solely in charge of applying the social media marketing strategy throughout the chosen media in forms of posting, commenting and interacting. These are companies B and E. Likewise, 60% have distributed internally the social media tasks inside the company due to the lack of resources. Equally, both companies B and E claimed yet to lack time in order to handle the social media channels properly, due to the lack of resources in terms of personnel in other sectors in the company, obliging the person in charge of the social media marketing participate in to other kind of activity within the company.

Company A stated that different persons at the company are in charge of different social media channels and profiles. However, each of the persons are professionally qualified in handling the accounts, such as the CEO or the publisher's representative. The difference between having one or several persons being in charge of the content affects directly uniformity and the constancy of the communication. Also having several persons in charge of the social media marketing, challenges the listening, monitoring and to replying in real time. This may hinder the customers' image about the company, as in the social media the customers are used to being replied quickly. If a channel is left unintended for (Zarella 2010, 8; Waters 2010, 232-233.)

#### 4.2.3.2 Techniques of social media marketing: visibility, networks and e-wom

All the four case companies, A, B, C and E used Facebook for the organic visibility gained by peoples' spontaneous likes and shares. However, Facebook was also used as the channel for payable social media marketing campaigns; Facebook permits to buy more likes and therefore widen the visibility the advertisement gets in people's feeds, as the company B stated. According to companies C and E it also permits companies to target campaigns geographically to the wanted markets, so that the target audience of certain sex, age, interest and geography will be seeing the ad during a given period of time, if they are connected to Facebook on a chosen period of time of day. That is, how the company C stated, used also as a meter in order to investigate, whether their application would be successful in a certain, new geographical market.

The annual social media marketing budget for three companies vary first of all monthly for all the companies, but generally the marketing budget spent on Facebook campaigns annually was from couple of hundreds of Euros (companies C and E) up to few thousands Euros (companies A and B).

The company A raised another interesting point, when being interviewed. It had been noticed that the target audience of the mobile application they provide was teenagers to the late twenties. However as known, teenagers does not use Facebook as their primary social media channel as people around their 30's do, but rather channels such as Instagram or Kik. Teenagers also get information greatly via watching Youtubers's channels, for instance game reviews. Therefore targeting teenagers via i.e. Facebook can be considered somewhat useless, if the target customers are not present there.

With this age group, teenagers, the electronic word of mouth as well as regular word of mouth plays an important role when friends show and recommend applications to another. When an application is recommended by a friend rather than seen via an advertisement in the social media, it makes the information much trustworthy.

As a mean to reach the teenagers that use the mobile game, the company had come to an idea where they wanted to use the social media audience of an influencer. The aim was to increase the visibility of the mobile application among the teenagers and reach

the target group with an efficient way. In this purpose the company A listed 500 top YouTube channels, searched their contact information and started contacting the channel representatives in order to make an evaluation of the mobile game. Company A realized however that minor channels had not sufficiently wide audience and therefore visibility. A known influencer, with a sufficiently large public in Youtube was contacted, but the issue company A faced was the price that for a relatively short review, the marketing cost was extremely high. Social media influencers know what they are worth now and set the prices likewise.

Equally the company E, besides their own social media profiles, used the social media networks of the influencers present in their application. The aim was to gain benefit from the wider audience the influencers had for instance in Facebook or in Instagram, reaching out therefore a greater number of the target audience. The issue however was that posting at the right time or the right content was challenging as the company was not responsible of posting via celebrities own profiles. Equally when the Facebook algorithms decreased last year cutting the percentage of people that sees the posts in their feed, the payable Facebook marketing became evident in order to efficiently be seen in the social media.

The electronic word of mouth – what people say and think about of a brand, product or a company- is what companies are interested in within the social media. For teenagers especially the “e-wom”, electronic word of mouth, has a significant impact nowadays, but also adults are more convinced of downloading an application if it is recommended by a person known.

All the case companies agreed that the e-wom has a huge impact on how their application spreads among the consumers. Company A had been thinking different strategies in order to affect efficiently on the e-wom and creating a buzz about their game, but had not yet come up with an affordable and efficient strategy.

To the question on whether all the case companies had experienced any negative word of mouth and how they reacted on it, all were familiar with the concept. Also each of the companies took the negative word of mouth very seriously and handled it as advised by the literature; calmly and professionally, by not setting up a new fire.

Company A stated that if a user reported of a technical problem or misunderstanding, they replied promptly and took corrective actions. However for out-of-line and rude commenting they chose to hide the comments. All the rest of the companies had equally very positive approach on the negative e-wom and as company B stated, they were willing to reimburse the cost of purchase for any unhappy customer, as one unhappy user may contaminate several other users via the social media and electronic word of mouth.

#### 4.3 Tools for measuring and monitoring the social media

All of the four companies had a clear understanding about the target group's user demographics. The game application developers stated their target group for the application to be generally males, from the late teens to the early 30's. In the health application sector it was stated to be food and health concerned people who had approximately 10 kg to be lost. However, the company A raised an interesting point while being interviewed; actually, it is impossible to know from the application the exact user demographics. Mobile devices, appstores nor mobile applications as such do not permit to withdraw this data from the users. The only possibility to be sure of the user demographics is to code a questionnaire into the application itself. There the user, after having downloaded the application, either chooses to give or not to give the gender, geographical region, age and so forth.

However, as stated by the company E, there are tools such as Flurry or App Annie, which permits to monitor limited a data from the application itself as well as data gathered via the appstores. This data is sales figures, downloads and an estimation of the user demographics, based on what kind of applications have been downloaded by the user earlier or if the user has given some demographic data about oneself earlier. Nevertheless, this information is not true as such and can be very misleading. In order to monitor the traffic on company's website or a blog, the Google Analytics is a great tool. It tracks where the users came to the site, with what kind of device and what were the mostly clicked links. It also offers an estimation of the user demographics. Through these kinds of tools the company is able to get an idea about the target group's user demographics.

Facebook offers the most complete and suitable set of statistical tools for companies in order to follow the efficacy of the marketing campaigns. Three case companies out of four, companies B, C and E were testing and monitoring their Facebook campaigns via Facebook's statistics, wanting to investigate how Facebook campaigns affected the downloads and sales figures. Companies B, C and E did not claim to have set exact goals set in terms of objectives for the social media marketing, but all the companies replied that they are testing and trying various things in order to see what type of posts work and how. It became clear that all three companies were aware of the posting hours, when their audience were at best present in front of Facebook, what kind of posts engaged most people through shares and likes and what kind of posts resulted to direct downloads.

The company C stated that what contributes on the efficacy of the posts is the quality of the image posted and the length of text used. The core words need to be right in the beginning of the sentence in order to catch the eye and attract the person to read the posts and not to ignore it. Yet the representative of the company C claims that paid traffic versus organic traffic is far more efficient.

Company B instead replied that it is difficult to target the correct group of persons within the social media via posts, as their application suites best for persons having 10 extra kilograms to loose and this is often considered as very personal information that does not want to be publicly shared. This data is difficult to get and therefore posts reaching people willing to have a diet is hard to target. However, the company B is present actively in Facebook and Twitter, but wishes to be able to invest more time in blog conversation and finding suitable groups from the internet where to post and where to discuss actively on health and diet topics with the application profile. Similarly company B wishes to be able to post more frequently for example on Twitter, such as three times a day. The representative wishes to change the delicate approach they now are in into more courageous and direct approach. Nevertheless, all companies agreed, that the conversions of likes and shares on a marketing campaign in the social media did not bring downloads and sales in the same relation. Generally only a small increase could be seen, if any. The most successful conversions came by using other means of marketing than social media marketing.

## 5. CONCLUSIONS

The aim of the in-depth interview was to answer to the research question, how a born global company can use the social media marketing in order to increase their brand awareness as a part of their marketing strategy. Also the author wanted to know how the social media marketing is conducted within the case companies and what kind of internal resources, such as personnel, know-how and financial resources have been used. The aim of the research was to ease up the path of marketing for the case company as well as upcoming application developers with the research data.

The answer to the research question, how a born global company can use the social media marketing as a part of the marketing strategy in order to increase the brand awareness is somewhat complex. The study revealed that all the case companies are active and present within the social media and find it important, however it was discovered, unlike expected, that the social media marketing plays a very narrow role in terms of increasing the brand awareness as well as sales results.

The literature suggested, that when used correctly, the social media marketing is a powerful tool. The research revealed, that it is important to be present and active on different social media channels in order to be able to reply to the consumers in real time and to show that the company is still alive. However, the case companies agreed that the social media marketing, what comes to posting to social media accounts, doesn't permit to reach sufficiently audience in order to be attractive and efficient in terms of downloads and therefore sales figures.

In order to use the social media marketing correctly, the literature stated that the person in charge of the content should be qualified to the task and the content should be activating consumers. A partial reason for social media marketing's inefficiency for the case companies might be the fact that companies do not have sufficiently resources to exploit it properly. Only two of the case companies had a community manager taking care of the social media marketing. However, both community managers had also various other tasks, diminishing the time that could be used in researching, listening and commenting on customer feedback and queries.



It was discovered, that most of the case companies considered it important to have the content of the social media marketing to be created by a qualified person, even though only two of the companies had hired a community manager or equivalent to handle it. Also the content of the posts was studied and preferred to be consumer activating content, as suggested by the literature as well. The research also revealed that the case companies had studied and put emphasis on the timing of posting as well as visibility; more visibility had been purchased in order to reach more consumers and new geographical sectors. Yet, it was noticed, that the even though the Facebook campaigns activated the users there, it did not bring considerably downloads on application.

It was discovered, that as the follower numbers in Facebook are small and the visibility yet smaller, less than 10% of the followers see the publications organically, the companies do not gain enough visibility via social media marketing in terms of posting, commenting and marketing within social media profiles. Therefore, using an influencer's networks, which the literature suggested to be a possible social media marketing channel, would help a lot in order to gain visibility from a bigger network. A drawback for using the influencer's, such as Youtuber's network is of course the budget required, which for a born global usually is very limited at the early stage of the business journey. Also timely resources of the companies are limited.

The research showed that the most successful application developers used a distributor as a vendor and marketer for their apps, relying on the good relations cultivated with the Appstore representatives and therefore guaranteeing an access on good Appstore rankings. More than on the social media marketing, the case companies counted on PR-publicity, publicity for example by the SmartTV or stakeholder's networks in terms of marketing and selling their application. The importance of the electronic word of mouth was stated, however it was not properly recognized and exploited by most of the case companies.

These findings change indeed the assumption of the expected results, where the author assumed to have findings supporting the usage of mainly social media marketing channels due to their affordability in the beginning of the start-up's business cycle. As stated above, the interviewed companies however are present on social media

channels, but most of them do not rely on social media as a main vendor and marketing channels.

## 6. MANAGERIAL IMPLICATIONS AND FUTURE DEVELOPMENT

The research was conducted through five in-depth interviews. Initially, the scope had been defined to be the young game developers of the region and the author considered that indeed five in-depth interviews would have been sufficient in order to give an insight on the matter. However, as three other game developers were not keen on participating to the study leaving only two other game developers left, application developers were accepted in from the health sector in order to give an insight on how the young application developers use social media marketing to market their applications. Also the commissioner was interviewed, since it used equally the social media marketing as main mean of marketing.

The assumption of the author initially was that all these companies, as they were present in the social media accounts, used the social media marketing as their principal marketing tool due to its affordability and the questions of the interview were concentrating on who, how, what and when -words what came to social media marketing.

However, the first interview revealed that the social media marketing at least for some of the companies was not the main and most successful mean of marketing and that a distributor had been used in order to sell and market the product. Therefore, the author had to revise the questions during the interviews and interview the case companies also on all other means of marketing used and what was considered to be successful. The aim was to have an outcome, which could help the commissioner as well as the new-comer application developers of the region to focus the resources more wisely without losing time in terms of marketing of the product, which is vital for the companies in order to be found on the markets.

The interview revealed, that in order to be able to obtain user data and therefore measure the user data with more precision, the developers should integrate a questionnaire within the application itself already when coding it in the first place. It

would help in obtaining user data of the users, which otherwise cannot be obtained and therefore makes it difficult to analyze the customer data. The commissioner could also code a questionnaire to their next version or update of the application, in order to track and measure correctly the user data, helping targeting the marketing operations in the future.

Also it is worth to mention, that the product features, especially the technical features, ease of use, good graphics, trustworthiness and networking could help a company to, if not stand out from the application mass in the appstores, at least assume ones place by providing the customers with a well-functioning, high quality product. The author could have interviewed more on the resources used in coding the product in the first place and study, what is the financial- and product quality difference with an application developed by i.e. students or a team of true professionals.

The social media marketing has the advantage as a fairly low cost marketing tool in comparison to the usual marketing costs and through social media marketing a company can show to the customer being still “alive”. Yet, according to the study, a company should consider using a distributor in the first years of their existence, even if it means giving up on 30-50% of the sales income. A distributor has already ready-made networks and contacts with different sales and marketing channels, it permits a company to be found right from the beginning by the customers and not loose time in searching a building networks. The commissioner should consider the usage of the distributor as well, since it counts on volume of in-app-purchases rather than expensive in-app-purchase prices. It would therefore permit great masses of consumers to be reached immediately.

If a company does not still want to use a distributor, but prefers creating a brand with either the company or the game’s name, the company could reserve a significant marketing budget and invest some tens of thousands of euros in using stakeholders’ networks. In this way the company would be reach visibility among the potential customer and using an influencer could encourage the consumers to download the application.

However, the social media marketing's drawback is that it develops and changes so quickly, that the literature has difficulties in renewing itself in the speed it actually develops. It might already be too late to use the regular social media channels, such as to be boosted by a vlogger, since Youtube is full of different vloggers who publish so many different reviews on different games within a week that even there it is difficult to stand out. In the social media marketing succeeds an avant-gardist in terms of the content of the post or campaign. Therefore a company should give the task of social media marketing to a qualified person, such as qualified content manager, being aware of the novelties in the sector of social media marketing.

The research question was somewhat answered. However the fact that the author had assumed by the beginning that the companies use mainly social media marketing as their primary marketing channel, and had not thought that the social media marketing is not the main marketing channel nor an important channel changed the scope. The research question in the beginning should have been "how important the social media marketing is as a part of the marketing strategy" or "how to use social media marketing" or "how to increase sales". In other words the study now focused much on how the social media marketing is handled, and yet it was revealed during the interviews how little importance it had in terms of sales and downloads. Then again, this subject has not been researched and as stated earlier, the literature turns into old information almost as quickly as published.

The advantage of this study is to show, that the social media marketing as a part of the marketing strategy has not a big role in terms of sales. Also, this study may help an application developer to reserve some marketing budget for other marketing operations than social media marketing. The upcoming studies could concentrate for example on the usage of distributors or other means of marketing. Also, studying companies that have succeeded would be beneficial to know via which marketing channel has the success been reached, as having a ready-made product is one thing, but to be found by the consumers is another.

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### **Born Globals**

How many years of activity have you had so far in the field of mobile application developing?

Is your application free for installs? How has your income model been drawn? (income based on in-app-purchases?) What price range do you have for the in app purchases or downloads?

On which app stores is your app distributed?

Do you do it yourself or use a distributor?

### **Brand**

What do you think brings the superior customer value to your customers in your product/service? Why do people buy it?

Do you do umbrella branding?

What other means aiming to increase the brand awareness has been used (i.e. co-branding)?

### **Social Media Marketing**

Who's your target audience? How do you reach them?

DO you know is your target group in both social media and appstore the same? (Gender, age, region, interests)



What are the social media marketing channels used? (e.g. Facebook, Youtube, Instagram)

Who is in charge of content of the posts?

How do you post in social media (what is the frequency of posts, timing, content?)

Is traffic organic or paid?

What has been your budget for the social media marketing?

Cost vs benefits -Is the social media marketing sufficient to bring you enough downloads and sales or do you consider other means as well?

Do you use other means of marketing than the social media marketing? If yes, what?

How much is your marketing budget?

Do you measure and follow the visibility gained via social media marketing and compare it with sales? If yes, how?

Are you aware what kind of social marketing operations and campaigns work for your company? What brings downloads and what brings in app purchases?

In what are you satisfied with your marketing strategy? What would you improve or do differently? What has been particularly successful?

Have you had any negative feedback in the social media?

If yes, how did you react on it?

What do you do in order to prevent it?

Have you taken any corrective actions? If yes, what?