

Saimaa University of Applied Sciences
Faculty of Lappeenranta
Degree Programme in Business Administration
Specialization in International Business

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Building brand awareness in Social Media industry

Case: Glostars Company

Thesis 2017

Abstract

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Building brand awareness in Social Media industry, XX pages, XX appendices

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The purpose of this thesis is to study about brand awareness, marketing, social medias, and Glostars' marketing strategies. The study was also aimed to measure the effective level of Glostars' marketing activities. The research areas involved marketing strategy, digital marketing, and competitors' analysis.

The research includes both qualitative and quantitative research methods. Data for the quantitative approach were collected by handing a questionnaire for target respondents. Moreover, the information was gathered during an interview with Glostars' team is used in the qualitative approach.

Based on the findings, the final results of this research suggest in which directions the company should advance their marketing strategies. Besides, recommendations for further research are also provided in the last chapter.

Keywords: brand awareness, marketing, Glostars

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1. Introduction

1.1 Background

The age of information technology and digital media offers a lot of new opportunities and supports for the market participants. Building and launching a new product or service has become much easier for businesses than ever by taking advantages of such characteristics. As a result, the number of start-up companies has been rising rapidly and competitions between those and existing ones have been tighter than ever as well. Thus, it can be said that digital era is bringing both chances and challenges for both organizations and consumers. To be successful, an effective digital marketing strategy that enables its competitive advantages is the key to unlocking such circumstance.

The case company Glostars is a start-up established by students from Lappeenranta University of Technology and Saimaa University of Applied Sciences. Starting business plan in 2015, Glostars has been placed in a very tough and competitive environment. In addition, being in small financial budget position has pushed the firm to apply digital marketing strategies, at least for short-term benefits before expanding its business at upper levels. Having started to operate globally since January 2016, Glostars offers a photo-sharing web-platform, which allows individuals, groups or organizations to share pictures among global audience. Until the moment, users of Glostars can share, star (or vote) uploaded pictures and grow their network among the global community. In other words, Glostars' key business runs under social media sharing platform, which provides users possibilities to share, evaluate, become popular and being rewarded. However, due to its small business scale at the present, data for this report were collected by conducting a small survey among users and an interview with Glostars team. By using all the valuable and useful information, facts, figures, and stories of how the company can achieve its position in today situation, the result of this study will illustrate detailed insights of Glostars' marketing strategy and perhaps possible solutions for improvement.

1.2 Purpose of the studies

The key purpose of the study is to answer the question: How to optimize Glostars current digital marketing strategies, in order to increase its brand awareness? To achieve that, a survey and an interview were conducted to gain the knowledge and insight of current marketing strategy of Glostars and how effectively it is operating, in the viewpoint of both users and founders.

The report based on certain theories of marketing fields in general and digital marketing in specific, combined with an empirical study to provide readers with an insight of a startup's brand building process in a tightly competitive business environment. Besides that, this report also essentially helps Glostars' team evaluate its current operation and promotion activities as well as provides suggestions for the company's future development of marketing activity and overall performance as well. Needless to say, the final destination of operating an effective marketing strategic plan is to generate differentiation and superior value for the consumer and gain profits for the firm. In addition, by analyzing the company strategies, this document can provide Glostars with an overview of the strengths and weaknesses, and by that, review their positioning strategy for better marketing campaigns. However, this vision requires detailed calculations and rigorous evaluations depending on a current situation of the company when they decided to implement the strategy, in order to avoid misleading to regrettable mistakes.

The first objective of this study is to measure the effectiveness and efficiency of Glostars' current marketing strategies by conducting a quantitative research. Based on the results, an overview of strengths and weaknesses, as well as opportunities and challenges of Glostars' marketing campaigns, is outlined clearly. In the meantime, a qualitative research is also carried out by using primary data gathered from an in-depth interview with Glostars' marketing team and information from books and online articles, which provide knowledge related to marketing, brand awareness and Glostars case in specific. The aim of this qualitative research is to gain an insight

from Glostars' marketing campaigns, based on which, the author can study and archive findings, which suggest how to optimize Glostars marketing as well as globally visualize their brand by using digital tools.

1.3 Delimitations

The study involves a number of theories relating to marketing field, especially in digital marketing and international social media. In addition, an introduction to positioning strategy and competitor analysis is also included in the theoretical framework. Besides that, Glostars' marketing analyses are also mentioned and studied in order to give a clearer and more completed picture of the object situation. However, since Glostars is currently focusing on implementing digital marketing to keep their marketing costs as low as possible, finance and accounting perspectives are excluded in the research process. The thesis, hence, does not involve any detailed information about financial analysis, or cost accounting and cost controlling, or budgeting for marketing campaigns.

Additionally, during researching, the limitation and confinement found are based on the nature, culture and current performance of the case company's business; therefore, the analysis and findings in the report are only valid for the case company and its situation and for study purpose, not for generalization.

Moreover, different models and figures mentioned in this research are carefully selected among a variety of similar frameworks in the same field. Thus, they are only appropriate for the analyzing purpose of the specific case company. Other approaches might contain different perspectives that might not capture the same value and hence, cannot be compatible.

2. Theoretical Framework

2.1 Marketing Strategies

Understanding customer-perceived value, creating, delivering, capturing and sustaining such value for customers are primary tasks of marketing and also the key of a successful one. The ability of to organize and respond effectively to changes in customer demands as well as to select and execute the right activities requires marketing strategies, which focus on three key areas: (1) managing a business as an investment portfolio, (2) evaluating business's strength by propositioning in consideration of growth rate and the market situation, and (3) releasing a strategy. A strategy that runs for long-term objectives and sustainability is what a company should aim for. (1, p. 86.)

2.1.1 Strategic Marketing Plan

A marketing plan is the central tool to direct and coordinate the marketing operating. Two levels of a marketing plan are strategic marketing and tactical marketing plan. Strategic marketing plan utilizes analysis of opportunities and challenges of target markets to offer customer-perceived value through the firm activities. (1, p. 86) In other words, strategic marketing planning requires information of customer experiences in combination with company's vision and mission in order to operate effectively and efficiently archiving its goals and objectives. Vision here refers to the forecast of future tendency and how trend could become. Mission is the long-term statement describing the company's purpose and direction. (2, p. 746, p. 737.)

A strategic marketing plan is a document summarizing the research outcome about the marketplace and how the firm achieves its marketing objectives. Nowadays, marketing plans have become more customer- and competitor-oriented than ever in the past with more persuasive and realistic points of view. Planning, hence, is an on-going process in order to follow-up the rapidly changing of market situations. Structure layout of a marketing plan includes five sections: executive summary and table of contents, situation analysis, marketing strategy, financial projections, and

implementation controls. In which, situation analysis normally contains a SWOT (strength, weaknesses, opportunities, threats) analysis. Marketing strategy concludes on company's mission, marketing and financial objectives, target group, the product line's competitive positioning and all other input requires e.g. purchasing, manufacturing, sales and so on. Financial projections include a forecast of sales and expenses, and a break-even analysis. The last section, implementation controls, is the control picture for monitoring and modified accomplishment of the plan. (1, pp. 109-110.)

2.1.2 Marketing Strategy Process

The business unit strategic planning process includes seven stages illustrated as below, in which every following step is in charge of examining the previous one. This model is applied to not only general strategic planning, but also to any type of strategic unit including marketing, technology or sourcing. (1, p. 101.)

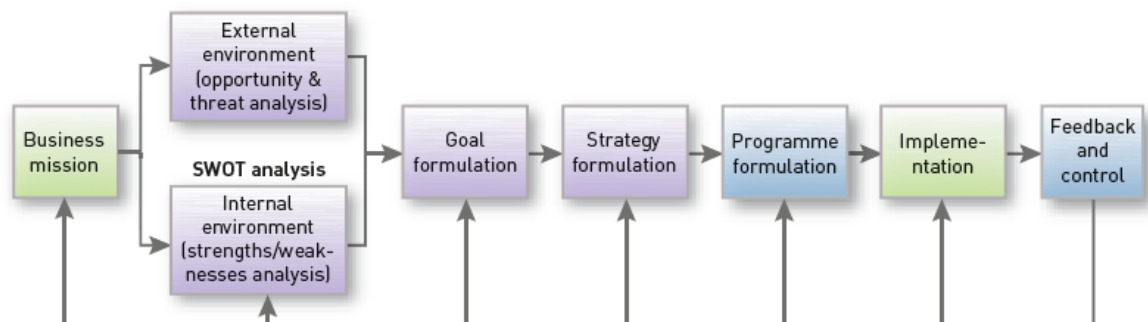


Figure 3.8 The business unit strategic-planning process

Figure 1. The business unit strategic-planning process (1, p. 101)

The business unit mission is the specific submission of the broader company mission. After defining such mission, the marketer performs a SWOT analysis, which is the overall assessment of a company's strengths, weaknesses, opportunities, and threats. The objective of SWOT analysis is to have an outlook and monitor the internal and external picture of an organization. More details of this analytical tool can be seen in chapter 2.6. The next step of the strategic planning process is goal formulation, which develops particular goals for the planning progress. Such goals

include objectives that are particularly set in term of importance and time. If goals reflect the pursuit of a business unit, a strategy is a formula created by a marketer to reach those. To get easier starting for strategic thinking, Porter suggested three generic strategies, they are: overall cost leadership, differentiation, and focus. In short, overall cost leadership strategy pursues the production and distribution cost deduction to appear more attractive and win a larger market share; differentiation strategy focuses on the unique and specialization of performance, customer benefits, and value; and focus strategy is one concentrating on one or limited market segments but operating these excellently or optimally. After having a good strategy, the next thing to do formulate marketing program and then implement it. The last stage of the planning process is feedback and control. One popular mindset operation and management is that to 'do the right thing' to be effective than to 'do the things right' to be efficient (Peter Drucker). However, most successful businesses manage to thrive both. (1, p. 101, pp. 105-108.)

2.1.3 Competitive Marketing Strategy

As already mentioned in the last chapter, Michael Porter suggested three basic winning strategies: overall cost leadership, differentiation, and focus. In practice, companies that follow clearly one of above strategies have a higher possibility of well performance. Common formula among these three strategies is called value disciplines, which means delivering superior value for customers. Value disciplines include three points accordingly to three winning strategies of Porter's: operational excellence, customer intimacy, and product leadership. (3, pp. 559-560.)

Operational excellence is the customer value provided by the company's leading its industry in price and convenience. The lower price offered is created by reducing costs and building lean and efficient systems for operations and delivery. Target group of this type is those who want reliable, good quality of product and service at a good price. A typical example of this business is Walmart.

Customer intimacy is achieved by precise market segmentation and designing its products and services to precisely meet and exceed target customer needs. The

superior value in this case is usually unique and specialization that requires close and intimate relationships with customers and makes them willing to pay a premium price to get such special products and services. High-end-designed products such as premium clothes, shoes, handmade bags often apply this strategy.

Product leadership is the strategy in which the company aims to offer a continuous progress of leading-edge products or services by making its own with brilliant ideas and value. Stay open and always up-to-date is a must to operate this strategy. Customers of product leadership companies are those who want the leader products and services at any cost. Famous brands like Apple and Samsung are typical examples.

Sorting our competitive strategies in term of value disciplines is a good approach to define marketing strategy and implement it in practice to build long-lasting customer relationships.

(3, pp. 559-560.)

2.1.4 7 P's of the Marketing Mix

Marketing mix is a strategic marketing tool utilized by businesses to achieve a higher position in the tightly competitive market. The cornerstone of marketing mix is 4 P's: Product, Price, Place, and Promotion. By identifying and analysing these 4 P's, the company aims to find the most suitable marketing mix for its business and create a corresponding marketing strategy to reach targeted customers and implement the desired positioning. (3, p. 34, p. 77, p.456)

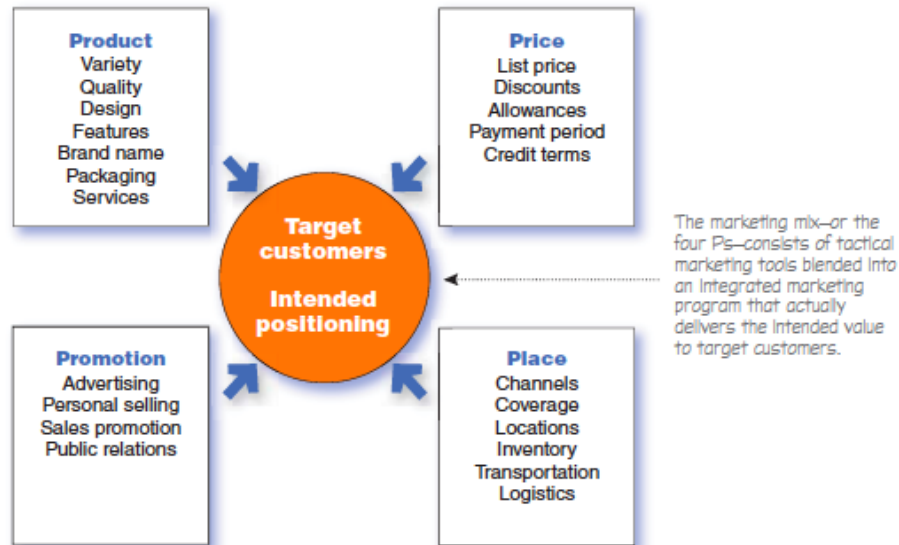


Figure 2. The four P's of the marketing mix. (3, p. 76)

Product

A product can be either anything that is offered to the market for attention, acquisition, use or consumption; or a service, which is an intangible activity, benefit, or satisfaction, offered for sale but does not appear in any kind of ownership. The core value of products and services is the core benefits and also what the customer is really buying e.g. functional features, performance, perceived value, image, technology. The next level of value is product attributes like brand name, design, price, quality, packaging and so on. Finally, support services like delivery and credit, installation, warranty, after-sales service, etc. are the augmented product. (3, p. 248)

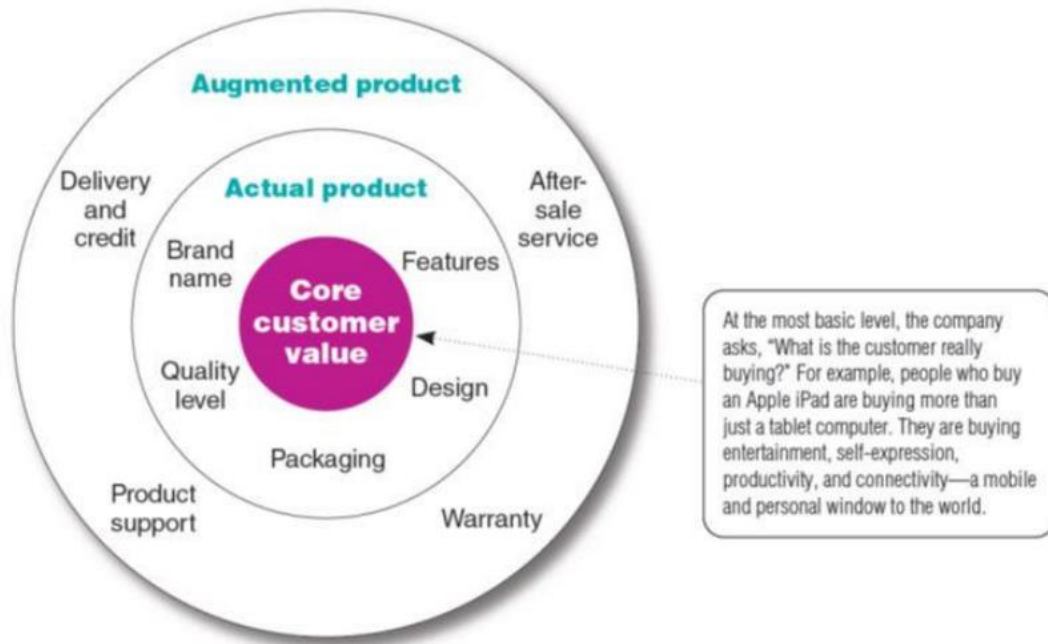


Figure 3. Three levels of Product (3, p. 250)

Price

Price is the amount of money paid by customers to obtain the product. Pricing policy is one of the most important elements of the marketing mix; however, often be neglect. While most other elements lead to costs, pricing directly links to revenue, which contributes to profit. Factors that affect on price decisions include internal factors (firm-level and product) and external factors (environment and market). These four sub-factors conclude and decide on pricing strategies, then combined with terms of business and three other Ps, result in the firm's performance through sales, shares, contribution margin, profit, etc. (4, pp. 475-476.)

When setting the price, a number of issues such as competitors' prices, product image, marker share/volume, stages in product life cycle, and a number of products involved must be considered carefully. Besides that, in an international context, additional factors e.g. foreign exchange rates, different competitive situations in each export market, labour costs and inflation rates, need to be taken into account as well. (4, p. 502.)

Place

Place in marketing context refers to the company's distribution activities that make the product available to target customers. After deciding market entry model and strategy, the next challenge is how to reach the target customer group through distribution activities and channels. (4, p. 506.)

The increasing growth of information and digital technology has accelerated an evolution in distribution that enables customers to bypass traditional way of connecting with manufacturers and service providers. Smart selection of distribution channels allows the company to cut down the operation costs as well as improve efficiency in reaching the target market. (4, pp. 506-508.)

Promotion

Promotion is one of the best concepts expanding business images and by that, increasing sales and profits. The activity of promotion brings the value proposition to customers through communication and various support tools. Five promotion methods, which are often used by international marketers, are advertising, public relations, sales promotion, direct marketing and personal selling. By creating the promotion mix in combination with a number of other elements of business, the company ensures that the right information is delivered by the right people or with the help from right people, through the right channel to the targeted customers. Besides that, the chosen promotion mix should be measurable for assessment and evaluation purposes afterwards. (4, p. 577.)



Figure 4. Integrated marketing communications. (3, p. 431)

Going into each of promotion tools, firstly, **personal selling** is the process of one (salespersons, sales representative, etc.) trying applying some skills and techniques to build personal relationships with others and gain mutual value. For example, personal presentations by a company's sales staff to persuade potential partners to invest in their new product development. **Public relations** is a mass promotional method conducting specifically designed activities to build good relations with the public. A well-setup public relations event not only leaves a stronger impact on public awareness but also achieves that at a lower cost than advertising does. **Direct marketing** means directly contacting with selected individual customers to obtain instance response as well as building a stronger and longer lasting customer relationships. **Sales promotion** is a short-term motive encouraging purchases, such as discounts and coupons. Last but not least, **advertising** is all non-personal promotion sorts of ideas, goods or services paid by a sponsor e.g. print and Internet. (3, p. 429, pp. 474-477.)

A blended mix of promotion tools needs to be planned, tested, measured and modified frequently to find the best combination and always stay up-to-date with the trends. Furthermore, marketing communication tells a lot more than just the product's design, its price, the shape and colour of its package. Hence, the entire

marketing department must be integrated and coordinated for the greatest impact. (3, p. 431)

Additionally, it cannot be denied that today's information technology and digital development and popularity of social media offers numerous opportunities for marketing strategy but at the same time, a number of challenges. In the circumstance of everything shared and connected, what a company should do is to find all the possibilities of any sort of links that consumers can encounter the company and use these to deliver messages of its business. (3, p. 431.)

People, Process and Physical evidence

As mentioned above, a digital marketing mix is another necessary to form a digital marketing strategy and a detailed explanation of the first 4Ps in a marketing mix. However, in the service industry, 4Ps structure is extended to 7Ps for better delivery. Three further elements added are: People, Process, and Physical evidence. This part is aimed at emphasizing the other 3Ps, as well as discussing the key issues of each of those Ps in the context of Internet marketing.

People, process and physical evidence are elements that should be taken care by customer relationship management and with online image maintaining. Specific components of each P of Internet marketing mix are listed below:

- People: Individuals on marketing activities, individual on customer contact, recruitment, culture/ image, training and skills, remuneration.
- Process: customer focus, business-led, IT-supported, design features, research and development.
- Physical evidence: sales/ staff contact experience of brand, product packaging, online experience. (5, pp. 215-216.)

2.1.5 Word-of-mouth

Word-of-mouth is a form of communication spreading interpersonal messages regarding products or services that are found or consumed. The receiver regarding

the communicator might be in a very impartial and credible way than any other communication forms, especially in marketing. The reason is because the messages are not intended or attempted for sales purpose of those products or services that are beneficial to the communicator themselves. (2, p. 746)

2.2 Digital marketing

The rapid growth of digital media and technology has transformed the whole world doing, and marketing is not outside of this impact. Concretely, consumers are given a much wider range of products, services and prices from various suppliers and the way of shopping and purchasing is also much more convenient. In the meantime, with multiple choices of technology platforms, organizations can take advantage of these digital media in combination with new online communication techniques to appear more and more attractive in the market. Not only that, the opportunity of getting new know-how, new skills and new tools grants organizations more than just a communication tool. However, there are always “two sides of the same coin”, the development of Internet and related digital technology platform also brings serious threats to any business, especially in the already-coming-true scenario of using social networks as part of everyone’s daily life. (6, xiii.)

Digital marketing is the concept of attaining marketing goals by applying digital technologies and media. Other terms can be called for this scope are Internet marketing, e-marketing and web marketing. (6, p. 11.)

2.2.1 Factors that affect a digital marketing strategy

Effective digital marketing always requires a well-structured strategy behind it to provide “consistent direction for an organization’s online marketing activities so that they integrate with its other marketing activities and support its overall business objectives”. The figure below illustrates **digital marketing strategy** as a channel marketing strategy of how a company should identify channel-specific goals and develop a unique channel proposition and communications, which are consistent with channel characteristics and user demands. (6, p. 178)

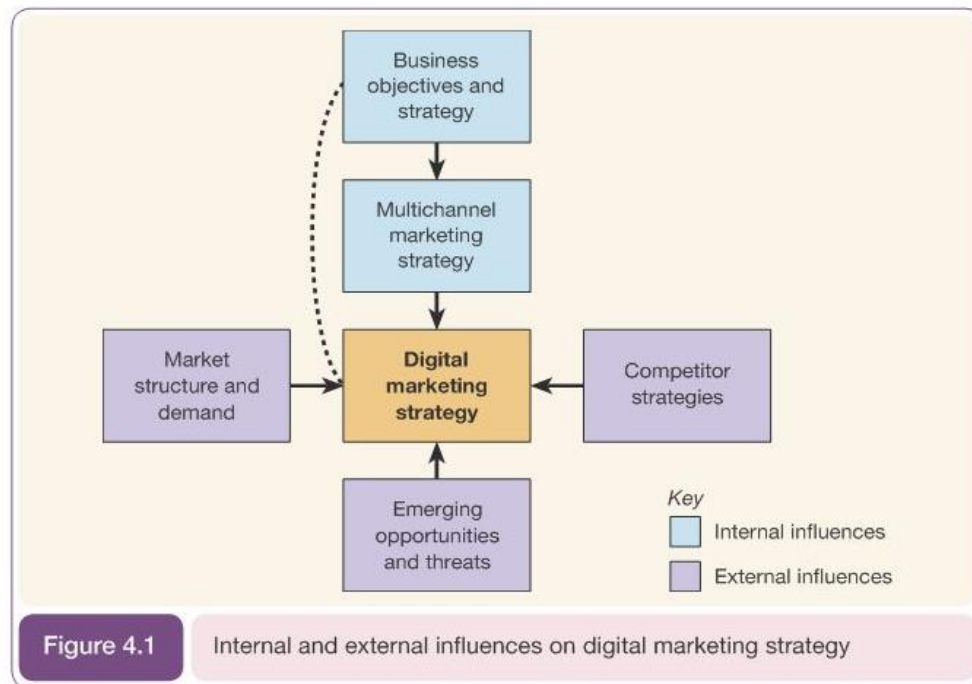


Figure 5. Channel marketing strategy for digital marketing strategy (5, p. 179)

2.2.2 Types of media

Digital marketing in practice is the combination of online company's image management and online communication techniques. For instance, managing websites and social media pages of a company through alignment with search engine, social media, online advertising, email marketing and other websites' partnership. The aim is to gain new customers and provide services to existing ones. However, there still needs a place of traditional media such as print, TV and direct mails besides digital techniques to succeed in multichannel marketing communications. There are three main categories of today media channels, they are: paid media, owned media, and earned media. (6, p. 11.)

Paid media refers to channels that are paid to gain visitors, reach or conversions through search engines, display advertising or affiliate marketing. Traditional media like prints and TV advertising, in this case, still play an important role and majority of investment. (6, pp. 11.)

Owned media is ones owned by the brand such as own website of companies, blogs, mobile apps or social presence on social networks like Facebook, LinkedIn, or Twitter. Such presences should be seen as alternatives to other media to do promotions. (6, pp. 11-12.)

Earned media are named for the audience reached through PR to raise awareness of the brand. In the past, they are the publicity and targeted influencers; today, they can be anybody connected through viral and social media marketing, online conversations, blogs, shares and so on. A good way to think about earned media is taking advantage of the partnership with e.g. publishers, bloggers and other influencers to achieve the sharing of engaging content. Besides that, having various forms to contact with consumers and business can also be another approach of this type of media. (6, pp. 11-12.)

The figure below shows the intersection between these three types of media, in which to achieve this overlapping, there needs to be the integration of campaigns, resources, and infrastructure. (6, pp. 11-12.)

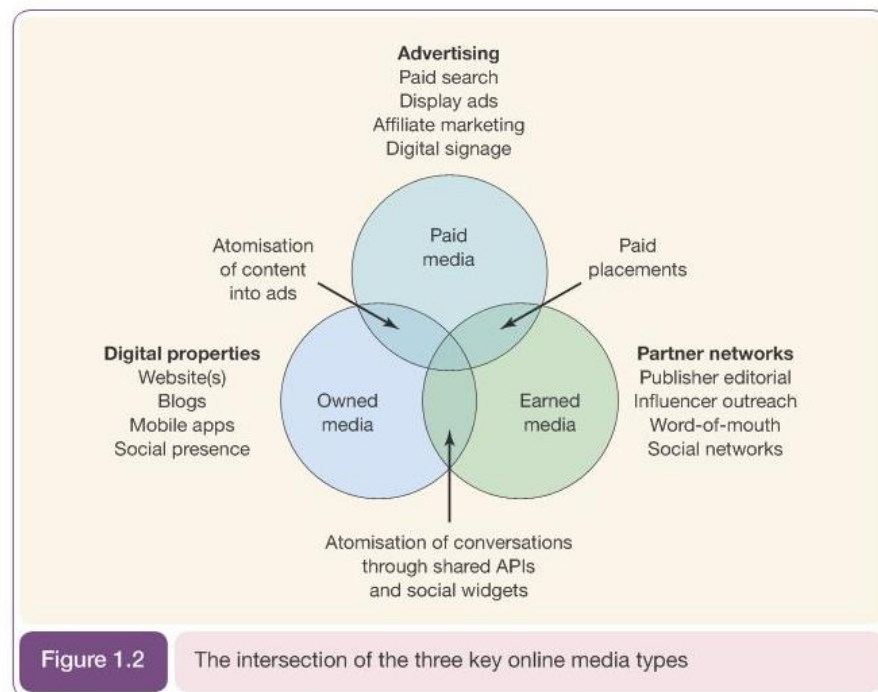


Figure 6. The intersection of the three key online media types (6, p. 12)

2.2.2.1 Digital media channels

There are six key types of digital media channels: search engine marketing, online PR, online partnerships, display advertising, opt-in email marketing, and social media marketing. (6, pp. 32-33.)

Search engine marketing is an online function placing messages on a search engine that attracts users entering a specific keyword or phrase to click-through to a website. This placement technique can either be pay-per-click type when you have to pay for every click from the search engine, or natural/organic listings when there is no-charge for those.

Online PR is the tool that optimizes the appearance of a company, images, brands, products, or websites on third-party websites potentially visited by target audience e.g. social networks, blogs, podcasts, feeds and so on. This platform also accesses the company to respond to negative mentions and setup public relations in a way much cheaper and more effective.

Online partnership promotes online services on third-party websites or via email communications under a long-term arrangement. Several forms of partnerships are link building, affiliate marketing, aggregators, online sponsorship, and co-branding.

Display advertising concludes online ads and rich media ads in order to increase brand awareness and attract click-through to target sites.

Opt-in email marketing is the method using email lists both in-house or rent ones or putting ads in third-party e-newsletters to increase awareness, activation, and purchase of customers.

Social media marketing is the strategy in which by taking advantage of social networks and online communities, companies join and promote to reach and engage with audiences. Other terms can be related to this are viral marketing and online word-of-mouth messages. Through sharing and forwarding activities, the awareness

of companies' existence, as well as their content and messages, reaches to users more easily and efficiently. (6, pp. 32-33.)

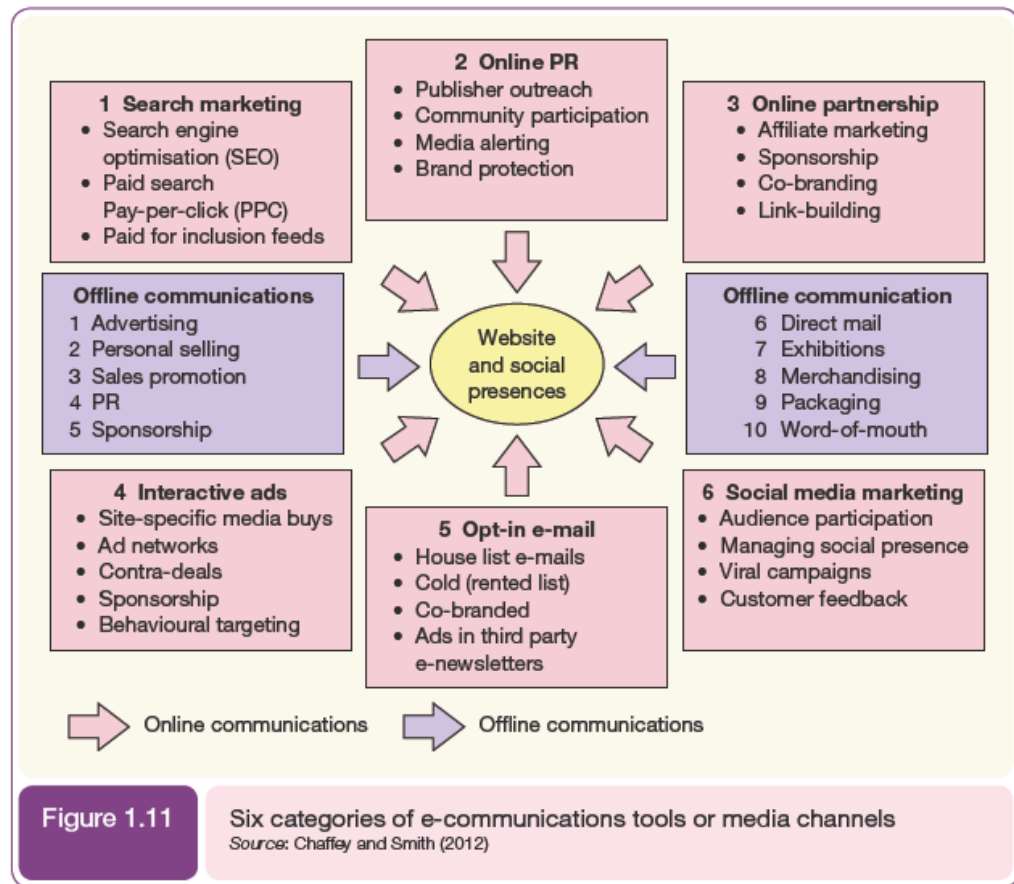


Figure 7. Six types of digital media channels (6, p. 33)

2.2.2.2 Social Media

Social media appear in various forms and are supported by a number of tools i.e. social networks, social publishing and news, social commenting in blogs, social niche communities, social customer service, social knowledge, social bookmarking, social streaming, social search, and social commerce. As we can see, there are a number of options to use social media in order to connect and contact directly to customers, hence it will save time and efforts for marketers to concentrate on its traditional aims of business. (6, p. 35.)

2.2.2.3 Social Networking Sites

Boyd and Ellison (2007) defined social networking sites (SNS) as web-based services that provide users with three main actions. First, creating and designing public or semi-public profiles by its system and within its boundaries. Second, connecting to other users on the same platforms or partner sites. Last, viewing and crossing by such connections of their own and others as well within the system. (6, p. 34.)

2.2.3 Social Media marketing

Social media marketing, as mentioned in the previous chapter, is the customer encouraging method to involve them to the own site, social presence, blogs, forum etc. of the company. Especially in the era of using social media such as Facebook, Twitter, Instagram and more as a part of daily lives, social media become important than ever in the business of engaging with customers in every possible way e.g. promotions, providing supports, customer behaviors research in order to improve company's services and the way it is perceived. (6, pp. 33-34.)

International Social Media marketing

Nowadays, international social media have become a significant consideration in strategic marketing, especially for international operations. However, different market has different characteristics, demand, customer behaviors and more, which requires the organization to be localized for each target market. To overcome this challenge, it is necessary to follow these five steps. First, ***select the right social networks***. A research on the foreign market will help the firm identify which networks are holding most of potential audience's attention. The aim is to ensure the business going through the most 'populous' channels at the foreign market. The second step is ***seeking for what people like*** e.g. their purpose of using social media, to recognize customers and react exactly to their needs. Third, ***develop a strategy***, which includes the business content and firm's capacity as well as meets as many particular requirements of the international target market as possible. The next step is ***content localization***. Similarly to the third stage, but this process involves more detailed tasks and modifications. The last step is ***interacting***, which plays an

essential role in any social media plan. Understand the culture of communication in the target market to adapt and take advantages of local social interaction will make big differences in the outcome performance. (7.)

2.3 Positioning Strategies

Positioning is the process of designing offering and image of a company in order to take a differentiate position in the mind of target market. The aim is to maximize the potential profits as well as guide marketing strategy going in the right direction of providing perceived value for customers. (1, p. 361.)

Positioning strategy bases on the company's existing strength or weakness and competitive objectives. If the market lacks suppliers, sellers and volume competitors could desire for the same positioning strategy. In the position of buyers, there is tendency to look for positively differential brands in the fastest-developing market segments. In short, positioning is how the company wants customers to perceive their offerings and hence, appropriate strategies are chosen to achieve that. (1, p. 370.)

The most important concept in positioning strategies is differentiation, including: personnel differentiation, channel differentiation, and image differentiation. Among these options, competitive advantage plays a vital role in setting any of positioning strategies, which is the ability of a company to perform what competitors cannot. For example, Microsoft Office of Microsoft, iOS and macOS of Apple. In customers' eyes, competitive advantages are also their advantages. From these points of view, **personal differentiation** means better-trained employees; **channel differentiation** means a better design of distribution channels' coverage, expertise, and performance; **image differentiation** means powerful image generators. (1, pp. 373-374.)

2.4 Market Segmentation Analysis

Market segmentation is the separation of markets into groups of customers with distinctly similar needs (2, p. 737). The key benefits are to create a better match to customer needs, more effective communicating with target customers, enhance the opportunities for growth and profitability, improve customer retention and create opportunities of segment dominance. Again, differentiation is an important concept in market segmentation. (1, p. 334.)

There are two broad bases for segmenting consumer markets. The first one is descriptive characteristics, including geographic, demographic, and psychographic. The second one is behavioral considerations e.g. customer responses to benefits, use occasions and frequencies or brands. Whether which type of market segmentation outline is used, the bottom-line is to modify the market strategy and planning to identify, meet and match customer differences. (1, p. 341.)

Geographic segmentation means dividing the market into different geographical units (1, p. 341). For example, in a local area or regional area, in whole nation or in EU, in different climates or within a certain population density.

Demographic segmentation refers to market division into groups of variables e.g. age, family size, gender, income, occupation, education, religion, social class, and more. As such variables are close to customer needs and want that is the key of marketing, demographic segmentation is very popular. Some of the most popular demographic concepts often used for market segmentation are: age and life cycle stage, life stage, gender, income, the new customer, generation, and social class. (1, pp. 342-349.)

Psychographic segmentation is the method using psychology and demographics to understand customers and the market. Three basic groups of this segmentation strategy are: psychological/personality traits, lifestyle, and values. Each group has distinctive characteristics and consuming behaviours that are shown under three

forms: activities, interest, and opinions. The mission of marketers is to identify the target group, and understand its features and behavioural tendencies in the marketplace to create a corresponding segmentation strategy. (1, p. 349.)

Behavioural segmentation is targeting people based on their knowledge of, attitude towards, and response or use of response to a product. An analysis of behavioural segmentation should consider decision roles (initiator, influencer, decider, buyer, user), behavioural variables, and conversional model of customers' psychological commitment. (1, pp. 351-353.)

2.5 Competitors Analysis

To be able to develop competitive marketing strategies, the beforehand process is analyzing competitors. The objective is to understand and compare the company's marketing strategies, products, prices, channels and promotions among close competitors in the same market. By learning from that, the company can come up with certain potential competitive advantages and disadvantages for planning competitive strategies. Steps in analyzing competitors consist of three stages as the figure below. (3, p. 550.)

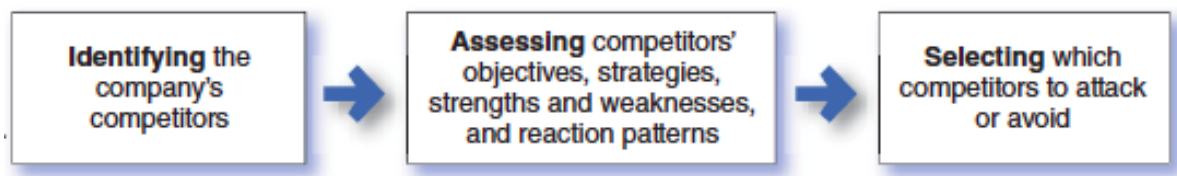


Figure 8. Competitor analysis steps (3, p. 550)

The first step is **identifying competitors**. Generally, this task can be seen as simple. At the lowest level, competitors are other companies offering similar products or services to the same customers and at the similar prices. At the much wider level, competitors might be all firms with the same product and class of products regardless its price and target customers. (3, p. 551.)

Next step is **assessing competitors**. Once identifying the main competitors in the market, marketers now have to determine what are their objectives, what strategies they use, evaluate their strengths and weaknesses, and estimate competitors' reactions. At this stage, the marketer must understand competitor's mentality at a much deeper level to be able to forecast its act and react to the market. (3, pp. 553-554.)

The final step is **selecting competitors to attack and avoid**. Having selected key competitors based on customer targets, positioning, and marketing mix strategy, management now has to choose which one(s) to attack and which one(s) to avoid. Most companies will compete with weak and close firms rather than strong and distant ones. Besides that, good or bad competitors also affect the needs and benefits of a company. Finally, considering all these factors and possible scenarios to find uncontested market spaces instead of competing head to head with competitors might be a wiser decision for competitive strategies. (3, pp. 555-556.)

2.6 SWOT analysis

SWOT analysis is a methodology used by organizations to understand their strategic position. It involves analysis of an organization's strengths, weaknesses, opportunities and threats. (2, p. 745.)

Two factors that need to be monitored in a SWOT analysis are macro-environment and microenvironment. **Macro-environment** is the external origins from the market, which bring both opportunities and threats to a company's performance. Good marketing takes advantage of these opportunities to develop and profit by spotting any possible sources of these by using one of three methods: supply a product or service that is in short supply, supply an existing product or service in a new or superior way, or uncover possible and potential product or service. In contrast, environmental threats lead the business to an unfavorable trends or development that needs to take action to overcome and improve the situation. Microenvironment is internal origins which can be strengths or weaknesses of an organization, similarly to macro-environment, to take advantage of and to fix it. (1, pp. 101-105.)

In digital platforms, conducting a well-structures SWOT analysis is a core task for situation analysis. Companies should draw the picture of strengths and weakness in the Internet marketing environment and though digital channel-specifics to clearly see the opportunities and threats of online marketing activities. Concretely, in the fields of customer acquisition, conversion, retention and growth. The figure below illustrates a typical digital SWOT analysis for a multichannel brand. (6, pp. 195-196.)

The organisation	Strengths – S 1. Existing brand 2. Existing customer base 3. Existing distribution	Weaknesses – W 1. Brand perception 2. Intermediary use 3. Technology/skills 4. Cross-channel support
Opportunities – O 1. Cross-selling 2. New markets 3. New services 4. Alliances/co-branding	SO strategies Leverage strengths to maximise opportunities = Attacking strategy	WO strategies Counter weaknesses through exploiting opportunities = Build strengths for attacking strategy
Threats – T 1. Customer choice 2. New entrants 3. New competitive products 4. Channel conflicts	ST strategies Leverage strengths to minimise threats = Defensive strategy	WT strategies Counter weaknesses and threats = Build strengths for defensive strategy

Figure 4.6 A generic digital channel-specific SWOT analysis showing typical opportunities and threats presented by digital media.

Figure 9. An example of a digital SWOT analysis (6, p. 196)

2.7 Post-Purchase Evaluation

Post-purchase evaluation is the behavior of rethinking or reconsidering a previous decision before taking the final action of purchasing a product or service. It is one of the stages in Buyer Decision Process that relates mostly to the perception the customers have for the product or service in their hands in comparison with their level of satisfaction and dissatisfaction. (8.)

3. Glostars Company

3.1 Introduction

Glostars is a photo-sharing platform for individuals, groups, and organizations to share their pictures or photos to chosen audience and globally. Unlike other existing systems, Glostars operates competitions that let users feature their photos to community and the winners will receive exciting prizes. The business idea of Glostars won 2015 Summer Launchpad startup competition operated by LUT Entrepreneurship Society. As a reward, the team received supports from investors for early stages of the project. Until 1/2016, the number of Glostars' users had reached over a thousand and they also started launching globally at this same time. Only in a short period, there are more than a hundred pictures coming from all over the world rewarded. Now, the company has organized four photo exhibitions, each of which involves about 50 top-voted pictures across the world from Glostars' community. (9.)

3.2 Glostars' service

Being not simply a photo sharing service or a competing-for-prize-system, Glostars is a social media platform encouraging everyone from all over the world to share their artwork, moment, hobby or any kind of activity performed under a picture. The slogan of Glostars is "We value the content you share!" The purpose of the business is to reward and recognize photography on regular basis via rewarding and organizing exhibitions. More importantly, it is a totally free experience. Unlike a number of large companies that take profits from the content providers, Glostars does not take copyrights of the shared picture, and the author rights remain totally with the photographer. The business offers better motivation, service and control in the user's picture online. (9.)

The web-based platform performs three main functions: sharing – rating – competing. The sharing can be set in the close circle, or for followers only, or for everyone globally. Thus, the power of sharing at Glostars is unlimited and with full

freedom. Secondly, users can vote (star) shared pictures to feature themselves and their artwork, as well as others'. The last function, also the most appealing one, is competition term. Every week, every month, the prize will be granted for the highest-starred photos; and after every four months, the final grand prizes will be given for the best-of-the-best ones, also based on this vote term. The exhibition is also set up afterwards with top 50 pictures of every four-month-period. (9.)

3.3 Glostars' marketing strategies

Digital media has been selected as Glostars' key marketing and communication tool right from the beginning. A specific list of digital channels and the role of each channel in Glostars' strategy is analyzed in chapter 4. There are a number of reasons for such decision.

First of all, it cannot be denied that e-marketing has changed the structure of marketing industry. While traditional methods predominantly push marketing messages to the audience, online is a pull mechanism creating the visibility for customers to search for and initiate contact with companies and products (Chaffey & Chadwick 2016, 37). Hence, Glostars believes that digital marketing, especially with social media channels, could help them gain more benefits than traditional marketing methods do. In addition, digital media enables two-way interactivity that is way more powerful and effective in marketing.

The second reason is due to cost efficiency of social media marketing. As mentioned in the chapter- Background above, the company has just started their business and on their way to complete their services; therefore, marketing activities are currently not on top of their primary list. That is why the team members have decided to invest a small budget on marketing in this beginning stage, and digital marketing is assumed to be the most reasonable and economy option for its business situation.

Finally yet importantly, digital media allow Glostars to communicate with international users and to expand its business to global market with fewer barriers, which might be a lot more challenging without social media help. However, besides

such a number of opportunities, digital communication method has brought some challenges to Glostars as well. For instance, performers who are using social media channels as a marketing tool should have a high level of flexibleness and sensibility enough to quickly recognize and catch up with the trends on the Internet. To be more specific, in Glostars case, highly paying attentions to new Internet trends and catching up with the seasons is one of the essential tasks for the marketing team. More specific information about Glostars' marketing strategy can be found in chapter 4.2 - Qualitative approach.

3.4 Methodology of the study

3.4.1 Research Approaches

Research is a search for facts, in other words, answers to questions and solutions to problems. Research is a purposive activity seeking explanations to a phenomenon that has not been reasoned, to clear up unclear propositions, and to correct misconceptualized facts. Scientific research is one using systematic rational approach to study of such mentioned issues. (10, p. 2.)

Objectives of research are varied depending on the topic. However, they all aim to these common purposes: to extend knowledge of human beings, to reveal generalizations and general laws in various fields, to verify and test existing facts, to find solutions to problems, to develop new tools, concepts and theories for the better. Concretely, an applied research aims to find a possible solution to an issue faced by community. For example, marketing research through applied research studies on social media marketing strategies. (10, pp. 3-5.)

3.4.1.1 Quantitative Approach

Quantitative approach is the research method based on the quantity or the amount, such as sales, income, profits of a firm to study on its supply chain management operations. Further classification of quantitative method can be in inferential, experimental and simulation approaches. Inferential researches require a mass data with certain characteristics and variables. Those data can be collected through

survey conducting, observing, and statistical tools. Meanwhile, experimental researches have more freedom and control. Simulation method needs construction of artificial environment to achieve research objectives in a numerical model basement. The research result of the study is also presented under numerical terms. (10, pp. 5-7.) In this study, a quantitative approach is used to collect data from Glostars' users in order to answer sub-question of the thesis: How effective is the marketing strategy of Glostars?

3.4.1.2 Qualitative Approach

Qualitative approach is the method using subjective evaluation to find the behavior of people under research, such as customer behaviors, worker attitude, opinions, taste and fashion trends, etc. The outcome of qualitative research is mainly achieved by conducting group discussions, interviews, projective techniques, etc. (10, pp. 5, 7). To be more specific, an interview with Glostars' team was conducted using this approach to gain detailed information about their marketing strategy from the interior view.

3.4.2 Research Process

According to Vimal Shah, a research process consists of three major stages: Planning – Operation – Reporting (10, p. 18).

In practice, the first step, planning, includes the discussion with Glostars' to select a thesis topic. After that, we formulated the chosen issue and reached an agreement between three parties: the university, the author and the company. Finally, we designed the questionnaire for the survey and a timetable for analyzing collected data and writing the final report process.

The second stage, operation, the author chose Google Form as a tool to collect, processing and analyzing data. Data was collected during approximately two weeks and the result is interpreted in chapter 4.1.2.

The last step, reporting, is the writing process. The final report describes the research process, findings summary, suggestion for solutions and further research.

3.4.2.1 Target Respondents

Defining target respondents is a crucial part of research design, especially in descriptive research. To implement it effectively, a researcher has to identify characteristic of respondents to classify groups of them and hence, a better understanding of traits or behaviors in the related object. (11.)

In this case, target respondents of the quantitative research are people among Skinnarilar's area, where Glostars' office currently placed. Most of them are students from two nearby universities. Besides, respondents must be the people who have known or heard about Glostars or experienced the service before to be qualified to evaluate Glostars' current marketing strategies.

3.4.2.2 Questionnaires

Questionnaire is a useful instrument for collection of diverse data i.e. factual information, psychological information, and behavioral information. A question construction progress includes four defining tasks: question relevance and content, question wording, response form, and question order and sequence. (10, p. 125.)

In more details of quantitative approach to this study, the survey conducted has sixteen questions including thirteen multiple-choice questions, two check-box questions and one free-writing form. In the qualitative approach, the interview questions are designed by following the key objectives needed in a strategic marketing plan model. Also, being attached at the end of the report is the questionnaire that was used.

3.4.2.3 Data collection methods

Data, in scientific research, are the raw materials for analysis. Three major types of data are: data coming to human beings, data relating to organizations, and data concerning to territorial fields. In those, personal data or data coming to human beings include: demographic and socio-economic characteristics of individuals (age

sex, social class, religion, etc.), and behavioral variables (attitudes, opinions, awareness, etc.). (10, p. 85.)

Data collection ways are varied; however, most important methods are: observation, interviewing, mail survey, experimentation, simulation and projective technique. Observation means collecting related data through viewing and listening. Interviewing refers to face-to-face conversations between the conductor and the respondent. Mailing is the type created under questionnaires for respondents. Experimentation consists of independent variables under controlled conditions. Simulation means creating artificial environment simulating to the actual life. Projective method outlines conclusions on the features of respondents by presenting stimuli. Three data collection methods that are used in this study include: observation, interviewing and mailing. Moreover, the selection of those three data collection methods was based on the nature of the subject, enquiry unit, the size and spread of the sample, scale of the survey, the educational level of respondents, information type and depth, availability of resources, and the rate of accuracy required, like Krishnaswami & Satyaprasad has recommended in their book (10, p. 91.)

3.4.2.4 Data Analysis

Data analysis requires the most skilled technique in the research process. Analysis is the examination process of collected data to identify characteristics of the object and to define relationships among related variables. Analysis in this study uses both quantitative and non-quantitative methods. However, besides quantitative analysis, social research also requires application of other statistical technics. (10, p. 161.)

Statistical analysis is divided into two categories: descriptive analysis and inferential analysis. Descriptive analysis points out the nature of the object of the research with information such as organization profile; in this case, it was Glostars' marketing strategies. Whereas inferential analysis was used after the quantitative survey, to inference drawing and conclusions from results of the study, which allowed the

author to proceed further into the findings' chapter from such statistics. (10, pp. 162-164.)

3.4.3 Reliability and Validity

Reliability means the accuracy of the research outcome. The aim is to minimize errors as well as biases in the study. The search must ensure to give non-random results and define the possibility to repeat such results. Weak reliability represents a non-systematic research process. Therefore, it is crucial to do research thoroughly and apply quantitative method in an accurate manner. (12.)

Validity is how correctly respondents have understood the concept, questions, and tools to measure exactly what is intended to measure. A research has to have all construct validity with multiple sources of evidence, internal validity with causal relationships and reliable systematic actions, and external validity to generalize the outcome. (12.)

4. The research

Quantitative method is the first research approach of the study. A survey of 16 questions was handed to the target respondents, who are studying at Saimaa University of Applied Sciences and Lappeenranta University of Technology. The result collected is utilized to answer the sub-question: "How effectively is Glostars' current marketing strategy being operated?" The second approach method is qualitative, which is proceeded by conducting an in-depth interview with Glostars' team and analyzing related materials. The purpose of the qualitative approach is to gain an insight from the successful businesses, which can help Glostars create possible solutions to improve their marketing strategy and attract more users. Furthermore, data and findings from both approaches will be used to answer the key objective of the thesis: How to optimize Glostars' digital marketing strategies, in order to increase its brand awareness.

One of the limitations of the study is that the respondents of the survey are bounded only among students from two nearby universities who have used Glostars services. However, in reality, Glostars' users are not ranged by one occupation and but scattering all around the world with diverse backgrounds. Thus, the qualitative research is conducted to ensure the input information was qualified.

4.1 Quantitative Approach

4.1.1 Background

As Glostars is a start-up with a small marketing budget, the business has been mainly used online marketing as a marketing strategic tool as well as the main channel to contact with the users. However, one of the challenges that Glostars' team is facing is that there has been a significant number of new users, who have enough motivation to create an account on Glostars website but do not have more motivation to keep using it. Therefore, we conducted a small survey to identify the effectiveness level of Glostars' current marketing strategy? Why do users not have enough motivation to keep using the website? What does exactly the consumer want from Glostars? What to expect more?

Students from Saimaa University of Applied Sciences (Saimaa UAS) and Lappeenranta University of Technology (LUT), who have already known about Glostars, are the target responses. As Glostars is the start-up company founded by the two mentioned above universities, their marketing activities have been performed mostly at these places. Besides, Glostars' advertising channels consist of social medias (Facebook, Twitter, Instagram, VK, YouTube, email, standing info table, printed material, and through photo exhibitions). The survey also aimed to sort out which channels are the most effective ones to communicate between the company and users, as well as to create positive impressions for their brand's image.

4.1.2 Results

1. How often do you use social media platforms? The first question aims to find out the respondent's frequency of using social media as well as their attitude toward

such platforms in general. Besides, it also helps ensure that none of the respondents are involved in or having any ideologies about anti-technology movements, which could affect the validity of the survey. Fortunately, 100% of respondents answered that they frequently use social media sites, mostly as a daily basis. Therefore, the hypothesis that some responders might give negative feedbacks, only because they are anti-technology activists is excluded.

2. One of the common obstacle that social networking sites usually facing is that there is a number of new users, who are motivated enough to create accounts, visit the sites first several times, yet do not keep using it in a long-term. By asking the question of “How familiar are you with Glostars?” the aim is to find out how much does the respondent keeping involved with Glostars after creating their accounts. The result has shown that there are approximately 40% responded that they have passed by Glostars site only once, and 50% answered that they have visited it less than five times. Only less than 10% responded that they have experienced Glostars site more than 5 times.

3. As mentioned in the theoretical framework above, there are three main categories of today media channels: paid media, owned media and earned media. The research attempted to find out which channels were the most effective one, which helped users get to know about Glostars in the first place. As a result, the majority of users have replied that they first knew or heard about Glostars was from other people, which can be categorized in “earned media” type. The second most popular channel is “paid media”, which includes display-advertising methods such as standing info table, printed advertisements and photo exhibitions. Surprisingly, only a minority of respondents replied that they knew Glostars from digital properties, such as social media channels (less than 10%) like Facebook, Instagram, etc. and none of them first heard about Glostars by videos or emails (0%).

4. One of the suspected reason that new users are likely not using Glostars’ website again after created an account, or quitting it after a short period of time, is because the website does not meet the needs of its customers. This survey also designed to find out and confirm the accuracy level of this suspected reason. The collected data

has proved that there are enough evidence to believe in this assumption. When asked to rate the frequency level of using the website, more than 80% of users answered that they never or almost never use Glostars' site. Only less than 20% rated that they occasionally or sometimes visit the site. Moreover, the survey also shows that the usability (70%) is the major reason why users are not likely to come back to use. The second reason is the content (10%), and 20% said because of other reasons, but would like to not state it in details. However, none of the responders answered that they have a negative opinion about the design of the site (0%), which is now can be considered as a positive finding and should be taken into account when creating the next movement of marketing.

5. Another positive result from the survey is that users seem to be satisfied with the overall brand's image of Glostars. Approximately 80% responded that Glostars' website appearance was moderately interesting. Additionally, all the respondents ranked their first impression about Glostars were either in good or very good level. Furthermore, all of the responders replied that they would be neutral (80%) or likely to recommend Glostars to others (20%). Finally, 27% answered slightly favorable and about 65% replied that they have moderately favorable or very favorable overall opinions about Glostars.

6. Furthermore, feedbacks collected from users also reflect that Glostars marketing activities in the recent time are slowly showing the effectiveness. Since less than 10% of respondents answered that during last three months, they did not hear or see anything about Glostars, which means that 90% of them was reached by Glostars' marketing activities. However, more than 90% responded that their perception about Glostars stayed the same during last three months.

7. The last result from this survey shows up with a conflict, which is related to the company's communicating message. Even though more than 90% stated that they know what values Glostars is offering, and the company has been delivering a clear message for its users; 80% answered they do not know what prizes Glostars rewards their winners, and 63% replied they do not think Glostars is different from other social media platforms.

4.2 Qualitative Approach

4.2.1 Background

In this qualitative approach, an interview with Sajib Saha, who is the CEO of Glostars, was being conducted. The purpose of this interview is to find out detailed information about Glostars' marketing strategy.

As mentioned above in the theoretical framework, an effective strategic marketing plan should include five sections: executive summary and table of contents, situation analysis, marketing strategy, financial projections, and implementation controls. Therefore, in order to obtain an insight of Glostars' marketing strategies, the interview was created by following this layout.

The interview's questionnaire is attached in the end of this report. The list below includes key topics of the interview:

- The objective of Glostars' marketing campaigns, which also includes mission, vision and goals of the company
- Target Segmentations
- Advertising Channels
- Control and Evaluation
- Budget and other resources
- Marketing's partners
- Predictions about future competitors
- Knowledge and skill of the performers (marketers)
- Challenges in marketing activities

4.2.2 Results

1. Marketing Strategy

7P's of the Marketing Mix

Product: Glostars is a social networking site, which offers its customer a service with intangible values and benefits. At the most basic level, their actual product is functional features on the website. However, core customer values, which are also the core benefits and what customer is actually receiving, are entertainment, self-expression and connectivity.

Price: Currently, Glostars does not require any kind of fee from its users. However, if the concept is expanded, time and effort of users can also be considered as a price. To be more specific, most of the social media sites are free for its users; therefore, potential users are more likely to compare other factors, such as time-consuming, before making their decisions. For example, people are likely to engage and interact with photos on Instagram than Facebook, simply because photos on Instagram are more visible, faster and easier to “like”; meanwhile, photos on Facebook might be “lost” or “hidden” behind other mixed contents, links, videos, etc., and sometime users need to click to open another link to see the photo, which costs them more time (13). In Glostars, the team is currently working on a mobile application, which is aimed to make uploading pictures and interacting with others become easier, faster and more convenient in the near future.

Place: Their social networking site: Glostars.com

Promotion: Glostars has a carefully blended mix of promotional tools, to deliver consistent and clear brand messages. Five promotional methods that Glostars has been implementing are:

- Advertising: by printed advertisements and Internet advertising
- Personal selling: pitching with investors and potential users
- Public relations: building good images and relations with public by setting up photo exhibitions
- Direct marketing: through standing Info table in the nearby universities
- Sales promotion: motivating users by discounts and coupons in local restaurants

People: Glostars occasionally organizes events for its team members, which aims to optimize relationships between employees within the organization, as well as with people in nearby offices.

Process: Marketing team in Glostars is also taking care of customer relationships. For instance, receiving feedbacks from users, or providing instruction for register process.

Physical evidence: Glostars has been receiving feedbacks from users around the world about their online experiences with the site.

2. Financial Projections

A financial projection, which usually includes a financial analysis, is a compulsory part of business plans, as well as marketing strategy. However, as reasoned in the background information and the delimitation chapters, the author chose not to focus on this section of the studies.

3. Implementation Controls

Implementation controls is the final step in a strategic-planning process. Specific tasks that Glostars has done in this stage are: collecting feedbacks after a marketing activity, observation users' reactions, monitoring number of new users after each marketing attempt, and finally using collected information to control and modify their next business mission.

4. Situation analysis

SWOT analysis of Glostars' current situation:

Strengths

- The company has been operating for more than a year; today it already archived a number of users, who frequently visit or use the site. Besides, feedbacks from current users have also being collected during the time, which

contributes to Glostars' improvement, development, and expansion of services further.

- Relationships with loyal customers and several business partners are established and built up.
- Advertising Channels: Glostars is actively using every possible social media to stimulate their business, as well as effectively communicate with its users. Besides, Glostars also knows how to take advantage of and gain benefits from the external environment around them for marketing purposes. For example, hosting events and exhibitions for students in nearby universities.
- Budget and other resources: Even though Glostars has been investing a modest amount of money in marketing campaigns, they have been reached the majority of the objectives in their strategies.

Weaknesses

- Knowledge and skills of the performers (marketers): Most of the marketing team are university students, who might have advantages in tolerating new ideas and concepts, as well as being fresh-minded. However, it can be considered as a disadvantage in term of experience level.

Opportunities

- Marketing's partners: Glostars has been doing well in seeking partnerships around the world. They have been actively helping each other partners in marketing activities in their areas. Since the startup trend has been increasingly activated and expanded recently, seeking for the same-size partners becomes less challenging for Glostars.

Threats

- Predictions about future competitors: Glostars' current competitors are other social media platforms, such as Facebook, Twitter and Instagram. Although Glostars is offering a unique social media platform, which can differentiate

their position in the market, there still might be a tremendous number of similar ideas going to appear in the future market.

5. Executive Summary

Below is a specific example of Glostars strategic marketing planning process for its fourth photo exhibition:

- **Business Mission:** The fourth photo exhibition is not only one of Glostars' marketing tool, but also a part of their services. Besides, introducing new releases and sharing the widening of content is also the two key missions during the event.
- **SWOT analysis of this activities:**
 - **Strengths:** The exhibition motivated current users by exhibiting winners' pictures, which at the same time contributes to company's image in the eyes of potential users.
 - **Weaknesses:** Audience of the exhibition was location-based, which means that most of them are students and people from surrounding areas. However, Glostars has improved this weakness by broadcasting their open ceremony live on Facebook.
 - **Opportunities:** To create new relationships, for instance, with investors and local photographers.
 - **Threat:** There was not any threat in specific.
- **Goal formulation:** Building brand awareness for Glostars during the event.
- **Strategy formulation:** Overall cost leadership and differentiation strategies were applied. In addition, two out of three points in value disciplines were executed as well. First, Glostars reached operational excellence value by ensuring that attendants know about Glostars' as a company, which provides reliable, convenient and free services. Second, during the event, Glostars also improved its customer intimacy value, by promising about the uniqueness of the coming new releases.

- Program formulation: Tasks, such as creating timetable and list of potential visitors; planning marketing activities before, during, and after the event; preparation and closing processes, etc., were included in this stage.
- Implementation: The actual event happened between 24th and 27th January 2017, but they had already started marketing activities on social media channels on 18th January and kept doing it until 30th January – 3 days after the event ended.
- Feedback and control: Results of the event were mostly collected by observation and verbal communication during the exhibition. Besides, the changing in the total number of users after the event was also monitored.

5. Research's findings

5.1 Finding 1

In the book Secret of Word-of-Mouth Marketing (14), there is a statement, which is emphasized at all time and repeated in every chapter of the whole book. That is “Word of mouth is thousands of times more powerful than conventional marketing”. According to resulting number 3 in chapter 4.1.2, Earned media is the most effective method among the other two. Surprisingly, the majority responded they knew about Glostars from other people, the rest were from standing-info tables, printed advertisements, exhibitions and emails. The result was unexpected because only a few of the respondents said they heard about Glostars from social medias or videos, which were supposed to be Glostars’ key communication channels with users. This fact thus, can be considered as one of the most important findings in the research. It proves that in this case, word-of-mouth is more effective if compared to social web marketing.

In this case, word-of-mouth is the most powerful tool among other marketing channels; it has been not receiving an adequate attention and effort in Glostars’ marketing activities in practice. The fact that Glostars’ brand images are influenced more by word-of-mouth than by any form of digital marketing materials, promotions,

and salesperson should be considered and carefully planned by Glostars' marketing team. Word-of-mouth can travel to more people way faster and even through clutter environment than anything else. People have a tendency to make major decisions based on advices of trusted fellows, friends, advisors, etc. Based on this fact, using word-of-mouth method to speed the decision process could be more effective and efficient in delivery of promotional messages and developing brand's images. Thus, taking advantage of its speed, strength and creditability and turning word-of-mouth into the right direction to support marketing activities should be considered as a significant promotional strategy.

In the near future, to operate a word-of-mouth campaign to spreading Glostars' brand image, it is necessary to know that there is no method that works bests in every circumstance. It is simply in a different bound from advertising, sales or promotions. The best thing that Glostars' marketers could do to manage this form of promotional communication is to build a professional practice through it time by time, like Silverman has generally suggested in his book (14).

5.2 Finding 2

According to the resulting number 2 in chapter 4.1.2, it can be concluded that Glostars' marketing campaigns are interesting enough to motivate people to get involve in the beginning, yet unfortunately, not enough to keep them staying and coming back. In other words, post-purchase evaluation from its user have been negative and post-purchase activities at Glostars might be one of their weaknesses that are needed to pay more attentions.

Sufficient satisfaction is the result of the actual post purchase meeting the consumption experience and the expected rewards (15). In this case, satisfaction refers to the rewarded-feeling situation for the sacrifice of users when using a service, or in other words, spending time and effort on the company's website. Satisfaction plays an important role in the evaluation stage of the users. After Glostars' users using website services, they will either satisfied or dissatisfied. In the marketing concept, satisfaction or dissatisfaction of users, is not an emotion, it is the

evaluation. Post purchase evaluation helps widen the experiences of users after an engaging activity. By acknowledging how the users are making and evaluating their decisions, Glostars could advance the quality of their services and diversify marketing strategies in the future.

Additionally, “the fear of loss is many times more powerful than the appeal of gain” is one of the most simple but accurate definitions of post purchase behavior. The fear of risk and supposed-to-happen scenarios in customers’ minds when choosing a new product or service might cause dilemma for the buying decision, even if the transaction is small. Therefore, what a marketer can do in this case is creating a customer service that provides consumers genuine personal contact, confidence in the product, belief that it will work, and motivation to use company’s products and services. (16, pp. 95-96.)

5.3 Finding 3

The studies also pointed out in the resulting number 4 in chapter 4.1.2, that among those people who are not likely to use Glostars, the biggest reason is that they think they do not need it (usability). The first hypothesis could be because they are satisfied with their current solutions. To be more specific, people are already having their current social media networking sites, such as Facebook, Instagram, etc., which meet their needs. Therefore, there are no reasons or enough motivation to have another social media platform. Glostars' team has acknowledged this information before through several user's feedbacks. However, this finding confirmed again, what are still missing and needed to improve.

Moreover, the differences and values of their services are not being correctly understood by the users, which also lead to a misunderstanding about Glostars' usability. On their Facebook's page, which is the most effective media channel of Glostars, stated by Glostars' founder during the interview; shows a short introduction: "Glostars is your home for hosting & sharing pictures, connecting with the global community and winning exciting prizes on regular basis". The first two functions, which are "hosting and sharing" and "connecting with global community",

do not reflect the differences and uniqueness of Glostars. These two features can be found in other social media platforms, which are extremely popular and having a huge number of loyal users already. Besides, this finding can be also supported by the seventh result in the quantitative study, where it stated that 63% of the respondents do not think Glostars is positively different from other social media platforms. This claim can be understandable when we placed the company in its current situation, where their final product is not completed yet and Glostars is mainly focusing on developing its services in this stage. Therefore, when new features and functions of the site are released, Glostars will change the way they introduce themselves, which might perhaps lead to users' perspective be changed as well.

Additionally, the third function in the above message is "winning exciting prizes". Because the majority of posts on Glostars' Facebook page are aiming to reward and showing appreciates to its winners, this third function could also be considered as the most important one among those three. Besides, this feature is the one that helps Glostars being different and possible to positioning itself on the market. However, potential users might misunderstand that Glostars is more preferably for professional photographers and afraid to show their pictures there.

5.4 Finding 4

According to the book *Strategic Brand Management: A European Perspective* (17), branding should also be considered as one of a marketing tool. A brand is a name, term, sign, symbol, or design, or a combination of all these, which differentiates and helps to distinguish this product or service among a variety of others. Besides that, branding also helps market segmentation and major brand strategy decisions involve brand positioning, name selection, sponsorship, and brand development.

If a brand is viewed as an individual with unique personalities, which contribute to the company's values, maintaining the demeanor and consistency in its performance is an important key. On emotions perspective, it creates an outlook for the company, so that they can reflect the uniqueness in their products or services. Moreover, one of the biggest goals for Glostars is making its brand being visible globally. Therefore,

a developed brand awareness strategy can ensure a long- term position in marketplaces, as well as building strong reputations for the company.

In this case, Glostars' brand has been revealed its product quality and consistency, and actually is relevant with its services. Glostars has acknowledged the importance of branding since the early stage, therefore, creating brand awareness always hold an essential role in their marketing campaigns. According to the fifth results from the quantitative research, users seem to satisfied with the overall brand's image of Glostars. Besides, there are also enough shreds of evidence to conclude that the company pre-purchase activities have met its customer's requirements. Glostars provided enough useful and interesting information during the marketing campaigns, to motivate and help its future customers in their information search and comparing process, enough to lead them to further actions, such as creating an account. Finally, it can be concluded that the company has been receiving positive results from its marketing strategies; however, there are still several objectives that have not yet be reached.

5.5 Finding 5

The last finding has found that one of the weaknesses in Glostars' marketing campaigns is the level of their clarity and consistency in communication with its users. There is a confliction in users' responses. Nearly 90% of its users replied they know what values Glostars is offering; however, more than 80% answered that they do not know what prizes Glostars is rewarded for its winners. It is a confliction, because "being rewarded with prizes" is one of the key values that Glostars is offering and constantly emphasizing during its marketing activities. Perhaps the marketing team could take this result into account and reconsider the company message's contents, or the way they delivering the messages to the users, to advertise more about their prizes and gain customer's attentions.

Moreover, the differences and uniqueness of their services are not being correctly understood by users, since 63% of responders answered they do not think Glostars is different from other social media sites. Therefore, perhaps another objective in

their marketing strategies needs to be added, in order to deliver a clearer message about the company's values and communicate with its users more effectively.

6. Summary

6.1 Conclusion

Even though Glostars has a modest amount of investment in their marketing activities, the company has received positive results and reached most of their objectives in their marketing campaigns. However, there are always rooms for improvements for startups in general and for Glostars in specific, in order to survive in a competitive environment. By acknowledging strengths and weaknesses in their strategies, as well as recognizing threats and opportunities from the outside environment, could help them to optimize their marketing activities, especially in digital marketing. Moreover, feedbacks collected from users and potential users could also be seen as a compass, to guide and ensure that the performing team is in a right direction while implementing their marketing campaigns, especially in the post-purchase activities. Finally, since social media industry has a tough and competitive market, by being aware of the company current competitors and preparing for potential ones play an important role in marketing strategies as well.

6.2 Suggestions for Further Research

Digital marketing and brand awareness for startups are interesting and useful topics; however, they are also widening and challenging ones as well. Each of the findings in this study can be taken as an independent topic for further research, to find its root problems and possible solutions in each case.

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Appendices

Appendix 1: Survey questions, p. 49.

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Appendix 1: Survey questions

Target respondents: People who already heard about Glostars

1. How often do you use social media platforms?
 - a. Never
 - b. Almost never
 - c. Occasionally/ Sometimes
 - d. Almost every time
 - e. Frequently use
2. How familiar are you with Glostars?
 - a. I have used it once
 - b. I have used it less than 5 times
 - c. I have used it more than 5 times
3. How did you know about Glostars?
 - a. From other people
 - b. Social Media
 - c. Videos
 - d. Information Stand
 - e. Printed advertisement
 - f. Through Photo Exhibition
 - g. Email
 - h. I don't remember
 - i. Other (please specify)
4. How often do you use Glostars website (Glostars.com)?
 - a. Never
 - b. Almost never
 - c. Occasionally/ Sometimes
 - d. Almost every time
 - e. Frequently use
5. If you are not likely to use, why not?
Because of ...

- a. The design
 - b. The usability
 - c. The content
 - d. Other (please specify) ...
6. How interesting Glostars' website appears to you?
- a. Extremely interesting
 - b. Very interesting
 - c. Moderately interesting
 - d. Slightly interesting
 - e. Not at all
7. How would you describe your overall opinion about Glostars?
- a. Extremely favorable
 - b. Very favorable
 - c. Moderately favorable
 - d. Slightly favorable
 - e. Not at all
8. How positive was the first impression about Glostars?
- a. Poor
 - b. Fair
 - c. Good
 - d. Very good
 - e. Excellent
9. How has your impression about Glostars changed in last 3 months?
- a. Much more favorable
 - b. More favorable
 - c. Stayed the same
 - d. Less favorable
 - e. Much less favorable
10. In last 3 months, where did you hear about Glostars?
- a. From other people
 - b. Social Media

- c. Video
- d. Standing Info Table
- e. Printed advertisement
- f. Through photo exhibition
- g. Email
- h. I didn't hear anything

11. In last 3 months, how often did you hear people mentioning about Glostars?

- a. Always
- b. Often
- c. Sometime
- d. Rarely
- e. Never

12. Does Glostars clearly communicate what values they are offering?

- a. Yes
- b. No

13. Do you know what prizes Glostars offers to their winners?

- a. Yes
- b. No

14. Do you think Glostars is positively different from other social media platforms?

- a. Yes
- b. No, please clarify ...

15. How likely would you recommend Glostars to others?

- a. Extremely likely
- b. Likely
- c. Neutral
- d. Unlikely
- e. Extremely unlikely

16. Do you have any improvement suggestions for Glostars?

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Appendix 2: Interview with Glostars

1. What are Glostars' key objectives in marketing?
2. Who are the potential users?
3. What are Glostars' advertising channel?
4. How do you evaluate the result after a marketing campaign?
5. How many marketing partners do Glostars have?
6. Do you have any predictions about future competitors?
7. Who are currently in the marketing team?
8. What are the challenges that Glostars has been facing in digital marketing?
9. What has Glostars been doing to encourage its current users to coming back and keep using the site?
10. Do Glostars' target viewers changed in each social media's post? For example, for current users, for potential users, for everyone.
11. Among Glostars' marketing channels, which one is the most effective one? / Which one G has spent the most time and effort to?