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Norwegian electricity companies:
Differentiation in a homogenous power market

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Abstract

The objective of this thesis is to analyse how power companies differentiate themselves and their products in the homogenous power market in Norway. The Norwegian power market is homogenous due to the characteristics of the product and the customers' perception of it. Electricity is a standardized product that generates little interest among customers, and therefore the customers are indifferent to, or hold limited preferences towards the company and their product (NVE 2013). The thesis therefore addresses the following puzzle: *“How can a power company differentiate itself from its competitors in a homogenous market?”*

The problem statement is divided into three smaller and more specific research questions, relating to marketing orientation, brand management and differentiation. The thesis especially aims to gain a deeper understanding of how the companies view the challenges and opportunities associated with the process of differentiation. Until now the focus in the Norwegian power market has been on transactional marketing, but recent research indicates that the customers are beginning to perceive companies as more customer-oriented and thereby more relationship oriented.

The thesis covers a sample of four companies: two national electricity suppliers and two local electricity suppliers. In addition, the websites and social media of nine suppliers were analysed, and 27 interviews with their call centre staff were carried out in order to gain a better understanding of how the companies try to differentiate themselves. To gain an overview of the market today and brand management in general, an expert informant was also interviewed.

The thesis finds that power suppliers indeed are moving towards relationship marketing, and the local companies studied appear to be ahead of the national companies. There are indications that the companies are still quite stuck in the transactional marketing approach, due to the companies being too focused on attracting customers, not retaining customers. Companies now have quite a strong focus on branding, but this is an unexploited aspect in the market today. This might be due companies over-focusing on the functional and technical aspects of their brands. All of the companies have a strong wish to differentiate themselves, but the reality is that they are merely copying each other, and thereby reinforcing to the homogeneity of the market.

Preface

This master thesis completes the MSc in Energy Management at Nord University in Bodø and MGIMO University in Moscow. We have in our thesis chosen to focus on the Norwegian power market, and with the ongoing and future changes in this industry, it has made for an exciting study. Along the way we have gained valuable knowledge and experiences, which we today would not be without.

First of all we would like to thank Frank Lindberg for the help in the beginning for this process. He has been an incredibly important resource for us in terms of finding relevant literature for our theoretical framework and understanding.

A special thanks to our incredible supervisor, Indra Øverland, who has been a tremendous support and guide for us during these last few months. Thank you for helping us in sorting out and choosing a relevant and interesting topic to study, amongst the web of ideas that we had. Thanks for all the feedback and constructive criticism, which have helped the process of writing the thesis.

We would also like to express our sincere gratitude to all our interview participants for their willingness to participate in our study by sharing their information and knowledge within the field of study. We would like to express a special thanks to Jan Ove Rivenes, our expert informant. Thanks for helping us understand the industry today, and the market opportunities and challenges.

Last, but not least, we would like to thank our families and friends for the support and cheers that they have offered throughout our studies, and especially during the process of writing a master thesis. You are gold!

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Sammendrag

Formålet med denne studien er å få en dypere forståelse for hvordan kraftselskaper kan differensiere seg selv, og hvilke tiltak som må tas for å oppnå dette i det homogene elektrisitetsmarkedet i Norge. Det norske kraftmarkedet er homogent grunnet kjennetegnene ved produktet og kundenes oppfatning av dette. Kundene er likegyldige til, eller har få preferanser til produktet og selskapene, da elektrisitet er et standardisert produkt som vekker lite interesse hos kundene (NVE 2013, Framnes, Pettersen and Thjømmø 2011).

Frem til nå har selskapene i stor grad vært transaksjonsorienterte, men nyere studier viser at kundene ser på selskapene som mer kundefokuserte (TNS Gallup 2015). Dette gir grunnlag for å tro at selskapene beveger seg mer mot en relasjonsorientering enn før. Differensiering i et homogent marked er utfordrende grunnet et standardisert produkt og kundenes oppfatning av dette. Med utgangspunkt i dette er problemstillingen for denne oppgaven: *"Hvordan kan kraftselskaper differensiere seg selv fra konkurrentene i et homogent marked?"* Denne problemstillingen er besvart gjennom tre forskningsspørsmål relatert til henholdsvis markedsføringsorientering, merkevarebygging og differensiering.

Det empiriske studiet tar for seg fire case: to nasjonale og to lokale kraftselskaper. Det er også gjennomført en analyse av nettsidene og de sosiale mediene til ni selskaper samt 27 intervjuer med call-sentrene deres, for å få en bedre forståelse av hvordan de prøver å differensiere seg selv. I tillegg er det utført ett ekspertintervju, for å få et innblikk i hvordan markedet i dag fungerer i forhold til differensiering og merkevarebygging.

Gjennom analysen ser man at selskapene i dag beveger seg mer mot relasjonsmarkedsføring, og at dette i større grad gjelder for de lokale enn de nasjonale. Det er sterke indikasjoner på at selskapene i dag fremdeles er transaksjonsorientert, grunnet selskapenes sterke fokus på å tiltrekke seg nye kunder, ikke holde på kunder. Det kom også frem at selskapene har et ganske sterkt fokus på merkevarebygging, men at dette er veldig urealisert i dagens marked. Årsaken til dette kan være at selskapene i dag overfokuserer på de funksjonelle og tekniske aspektene ved merkevaren. Et annet funn var at selskapene i dagens marked har et sterkt ønske om å differensiere seg fra andre, men i virkeligheten kopierer de i stor grad hverandre, og bidrar dermed til at markedet forblir homogent.

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1. Introduction

1.1 Background

In Norway, hydropower is the main source of electricity generation, with a share of 95.9 % (Statistisk sentralbyrå 2016). Electricity is a standardized product that cannot be diversified solely on product, due to the customers' perception of the product as uniform regardless of the supplier. In addition, almost all Norwegian electricity is produced from hydropower, meaning that there is no competition based on the origin of the power. Due to these factors we refer to the Norwegian power market as homogenous. The traditional way of marketing a power company has been through transactional marketing, since electricity is normally diversified through price. But recently, relations have become more important in the Norwegian power market (TNS Gallup 2015). The terms transactional and relationship marketing will be discussed further below. Surveys on the relation between customers and their power companies show an increase in the importance of relations from 2005, and the reason for this is that the customers now see some sort of benefits by being a customer at their own power company compared to others (TNS Gallup 2015). But still the most challenging point in the customer relations is the differentiation. There is a trend going in a positive direction, but there are still some customers that find it hard to point out certain benefits of having a customer relation with their own power company compared to others (TNS Gallup 2015). Little research has been done on this topic, and therefore we find it interesting and of great importance in the current time and market. In the homogenous Norwegian power market, it could be interesting to see how the different companies promote and market themselves and their product to attract and keep customers.

“The aim of marketing is to make selling superfluous. The aim of marketing is to know and understand the customer so well that the product or service fits him and sells itself. Ideally, marketing should result in a customer who is ready to buy” (Kotler 2000:4).

Throughout history there have been different perspectives on the term marketing. The most traditional view on marketing is the transactional marketing, which appeared in marketing textbooks in the 1960s (Grönroos 1994). In transactional marketing it is the transaction itself, the exchange of the goods and services for payment, which is the objective of the activities. The marketer's task is then to find the buyers and the right tools for the sale to happen

(Gummesson 2003). At the core of transactional marketing lie the marketing mix and the four Ps – Product, Price, Place and Promotion (Grönroos 1994). Transactional marketing has met a lot of criticism, and in the 1980s the new marketing approach emerged, referred to as relationship marketing (Grönroos 1996). According to Grönroos (1996:11): “relationship marketing is to identify and establish, maintain and enhance relationships with customers and other stakeholders, at a profit, so that the objectives of all parties involved are met”.

The transition from transactional marketing to relationship marketing has been seen as a paradigm shift in marketing theory (Grönroos 1994). The transactional marketing strategy was and is still used to gain new customers, but now under new market conditions (Andreassen 2000). The new market conditions include few or no differences in businesses, goods or services (Andreassen 2000). These have emerged as a result of the globalization of the markets, a larger number of competitors, technological development and increased customer demands (Chalmers, Campos and Grangel 2001). Under the present market conditions success in business is increasingly measured by retention rate, customer satisfaction and customer loyalty (Chalmers, Campos and Grangel 2001). The focus has changed towards keeping customers, not just attracting customers. This shift in market conditions and marketing makes it interesting to see how a power company in a homogenous market can implement and use relationship marketing as a way of diversification.

Based on the discussion above we would like to look further into how power companies differentiate themselves and which tools they use in the process. This is highly topical, and is in need of more research. We are focusing on the B2C market, i.e. the business to consumer or retail market. We would like to see whether the companies are oriented towards transactional or relationship marketing, or a combination. We would also like to see whether the electricity companies have the knowledge needed to stand out in the homogenous Norwegian market. Since their product is so standardized they cannot use the product itself as a way of differentiation, and thereby they are forced to use other tools like branding and marketing. We expect that a company's reputation and branding might be essential when it comes to standing out, and this is reflected in an increasing focus on for example sponsorship. In commodity markets where products to a great extent are standardized, a commodity is differentiated by the brand, price and market reputation (Kapferer 2012). The same goes for the public utilities like electricity. We want to take a closer look at both opportunities and challenges related to differentiation in the homogenous Norwegian power market.

1.2 Problem statement

Based on discussion above, we have arrived at the following problem statement:

How can a power company differentiate itself from its competitors in a homogenous market?

This problem statement is quite broad, so to operationalize it we have chosen to include some subsidiary research questions:

1. Are power companies solely transaction oriented, or are they leaning towards relationship marketing?

The public perception of power companies has been, and to an extent still are, transaction oriented. This is due to their focus on price and mass marketing. Through this research question we want to highlight and get a deeper understanding of whether the power companies are starting to become more relationship oriented, and whether they are following the trends in other industries which are leaning more and more on relations as a differentiation strategy.

2. How do power companies in Norway use brand-building to differentiate themselves from their competitors?

Through this research question we would like to see if branding and image are relevant and important elements in the companies' differentiation strategies. We would also like to see how the companies build their brands and their supporting marketing activities.

3. Is there a focus on differentiation in the Norwegian power market, or are the companies just following the path of their competitors?

Through this last research question we want to see which differentiation focus the companies have. But also what opportunities and challenges the companies face, and how they comprehend and use these opportunities and/or threats to create a competitive advantage for themselves.

1.3 Thesis outline

This thesis is divided into seven chapters. Chapter two is a general chapter on the Norwegian electricity market. Chapter three is the theoretical framework. This chapter is structured so that we first of all look at theory in relation to research question one, then research question two, and finally research question three. Our theory is based on authors like Grönroos (1994, 1996, 2004, 2007) and Gummesson (1991, 2002, 2003) when it comes to relationship marketing. Samuelsen, Peretz and Olsen (2010) in relation to brand management and positioning, in addition to Keller's *Customer-based brand equity pyramid* (1993, 2001) and Kapferer (2012). Authors we have used when it comes to differentiation have been Kotler and Keller (2006), in addition to Framnes, Pettersen and Thjømmøe (2011).

After the theoretical framework comes the methodology chapter, which covers the process and theory related to our data collection and analysis, how this was conducted and some limitations and weakness of our methodology. Then comes a chapter about the context, which is an introduction to the companies that we have chosen to interview: National Company Y, Bodø Energi Kraftsalg, Helgeland Kraft and Local Company X. Following this chapter comes a deeper analysis of the gathered data in accordance with our problem statement and research questions. In the final chapter we summarize our findings and conclude on our problem statement. We also present some suggestions for future research.

2. Norwegian power market

Norway has exceptionally good conditions for electricity generation by hydropower (Fornybar 2016). The Golf Stream brings large amounts of precipitation; almost the entire country is mountainous; and the mountains are geologically old mountains that have been scraped by glaciers, leaving the bedrock close to the surface (in contrast to mountainous countries for example in the Himalayas or Central Asia where there is a thick layer of soil and gravel at the bottom of valleys, making large dams less stable).

The good preconditions for hydroelectric power have made Norway the largest hydropower producer in Europe and the seventh largest in the world in absolute terms – with a population of only five million. In all, Norway has 976 working hydroelectric power stations (Store Norske leksikon 2016). But dams are not the only source of power in Norway, although it is the largest with a share of 95.9% (2014). Other sources are thermal power with a percentage of 2.5, and wind power with a percentage of 1.6 (Statistisk sentralbyrå 2016).

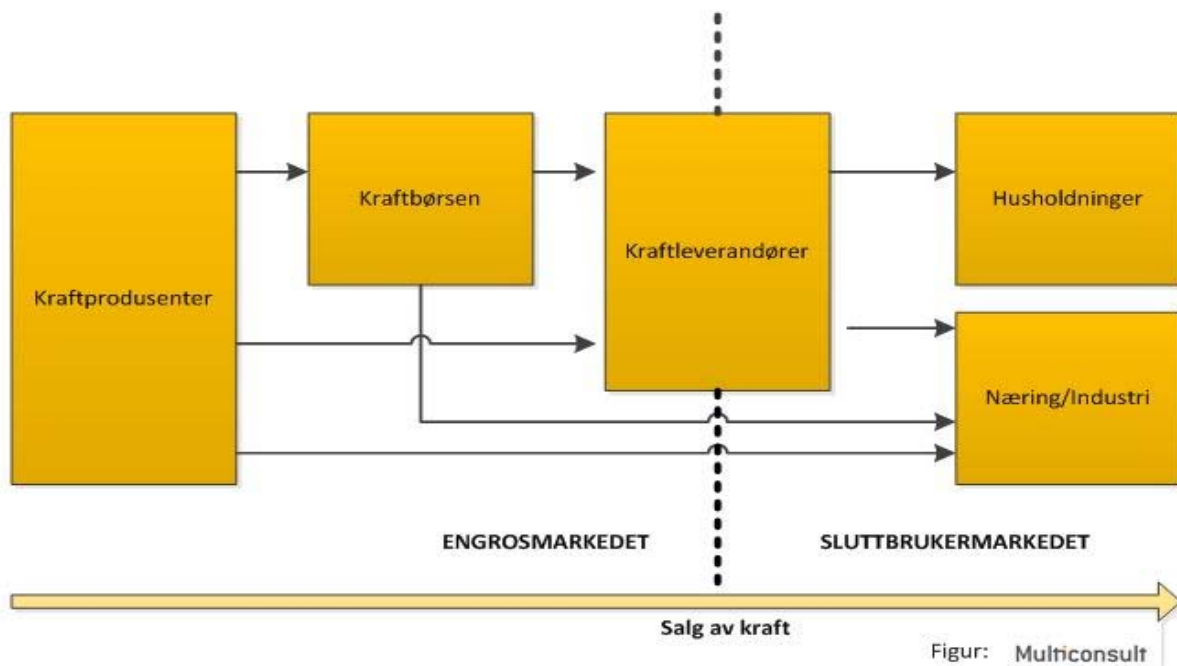


Figure 2.1 Illustration of parties in the Norwegian power market (Multiconsult 2014, Fornybar 2016)

Figure 2.1 shows an illustration of the different parties in the Norwegian power market. The market can be divided into the wholesale market (engrosmarkedet) and the end-user market (sluttbrukermarkedet) (Fornybar 2016). In the wholesale market the power producers and the power suppliers trade between themselves or through the energy exchange market. In the end-user market, ordinary consumers buy their electricity from the power suppliers (Fornybar

2016). Power producers (kraftprodusenter) are responsible for production of electric power, which is to be distributed. Power suppliers (kraftleverandører) are the companies that the consumers buy the electric power from. They may produce the power themselves, buy it from power generators directly, or through the energy exchange market (kraftbørsen). In addition, there are grid operators, which are responsible for the transportation of the electrical power regionally (Fornybar 2016). These grid operators have monopoly on the transport services inside their geographical regions (NVE 2016).

2.1 How does the power market work?

In 1990, a new energy law was passed (Lovdata 1990), which led to the liberalization of the power market in 1991 (Regjeringen 2014). The consumers could now choose their own power supplier and the power market was to be based on competition (Regjeringen 2014, Fornybar 2016). Before the liberalization of the market, the energy companies and the grid operators were one joint, governmental company, which produced, transported and sold the electricity.

To eliminate the risk of some power suppliers and producers that are closely related to the grid operators having some advantages over others, the grid companies now have to follow strict regulations. These regulations ensure that all grid operators operate neutrally and treat all customers equally.

After the passing of the new energy law in Norway, the other Nordic countries followed and liberalized their markets, which led to the establishment of Nord Pool Spot in 1996 (Regjeringen 2014). This was the world's first electricity exchange where countries could trade power/electricity across the borders. Today there is a joint Nordic power market between Norway, Sweden, Denmark and Finland (Regjeringen 2014), which in turn is linked to the European power market through interconnectors to Germany, the Netherlands, Estonia, Poland and Russia. The connections to foreign countries make it possible to use the electricity where the need is highest at a given time. Thus if there is high demand and low production in Norway, it makes it possible to import cheaper electricity from other countries, and vice versa. Nord Pool Spot is still one of the best electricity exchange markets in the world, and is often used as a benchmark for other markets (Fornybar 2016).

Nord Pool Spot works on balancing production and consumption every hour of the day. There are around 360 sellers and buyers on the market, which together put in around 2000 bids per

day (Fornybar 2016). The price that clears the market is called the system price (systempris), which is the breakeven between supply and demand, but it does not take into account regional differences when it comes to grid capacity. The Norwegian grid consists of five price areas from NO1 to NO5, which all have their own regional prices (Fornybar 2016). The system price is often used as a reference for electricity price contracts. The consumers have three options when it comes to electricity price contracts: fixed price, spot price or variable price. Fixed price is when you pay a fixed price per unit of electricity, and the price is set for a certain period at time, for example one or three years. This creates predictability. The spot price varies according to the market price set by Nord Pool Spot, which provide the customers with accurate market prices. Finally, in a variable price agreement the price is set for a short period of time. This “fixed” price varies according to the change in the market price for electricity, and can therefore be viewed as a riskier choice. (Fornybar 2016).

2.2 Comparison of the Norwegian and German power markets

The largest electricity grid in Europe is located in Germany. Germany also has the largest share of installed renewable power capacity in the EU, and the third largest in the world (Agora Energiewende 2016). German electricity generation is based on renewables, coal and nuclear energy (Fraunhofer 2016). In 2015 around 35% of the public net power supply came from renewables. The production from renewables comes from several sources: hydropower, biomass, wind power and solar power (Fraunhofer 2016). In contrast, in Norway generation is based on almost 100% renewables: 95.9 % hydropower, 1.6% wind power, and 2.5% thermal power (Statistisk sentralbyrå 2016). This shows the variations of electricity sources in Germany compared to Norway, which has a much more homogenous market when it comes to the origins of the power. The German power market therefore has greater competition, since the consumers to some extent can choose the source of electricity depending on their preferences and needs.

2.3 Competition in the Norwegian power market

An indicator of the degree of the competition in electricity retail market is the frequency with which consumers change power suppliers (NVE 2013). A well-functioning power market is a market where the customers are active and well-informed, meaning that they have the ability to choose the most competitive suppliers and agreements (fixed-price, spot-price and so on) (NVE 2013). In this situation the level of competition will be high and the market effective, contributing to holding down the profit margins of power suppliers. In addition, active

customers are also an important factor in keeping the entry barriers for new market actors low. From the liberalization of the power market in 1991 until 1997, the number of customers who changed supplier was low (Regjeringen 2014, NVE 2013). During these years, the power suppliers faced difficulties with cost associated with separating a single customer, and therefore had to take a fee when customers changed suppliers. This fee decreased over the years, and was fully removed in 1997 (NVE 2013). After the fee was removed there was an increase in the number of customers shifting power suppliers. From 2002 and until today you can see the annual number of customer shift in supplier in the figure 2.2 below. It is however important to emphasize that this figure shows the number of shift in power suppliers, and not the number of customers who change supplier (NVE 2015). So if one single active customer changes multiple times during a short period of time, all the shifts are counted for in this figure. This has implications on the number and reliability of the figure, and the real overall number of customer who shifts power suppliers will most likely be lower. But still, it gives you an indication of how the market works, and how many shift in suppliers there are during a year.

Figur 1: Antall leverandørskifter per år og kvartal for husholdningskunder og årlige leverandørbytter for husholdningskunder i prosent. Kilde: NVE.

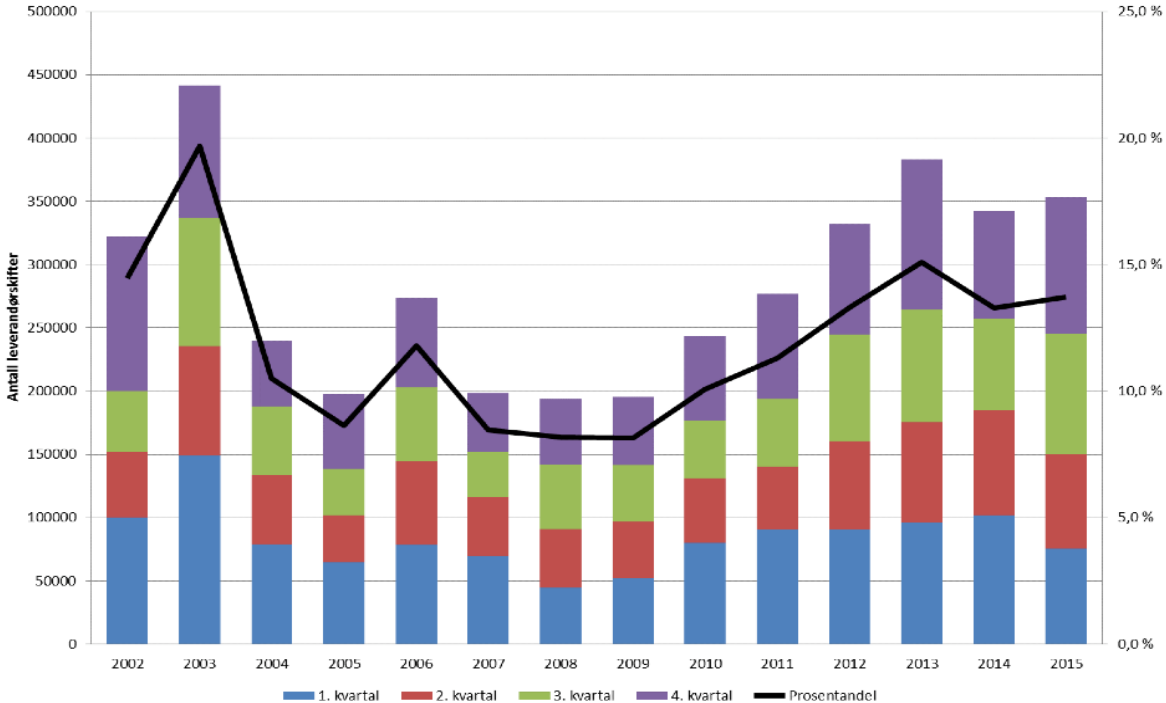


Figure 2.2 Number of supplier changes each year per household customer (NVE 2015)

3. Theoretical framework

Since the main objective behind marketing is to reach out to new and existing customers, it is important to differentiate between two groups of customers: active and passive. In the setting of a power market, active customers are customers who have switched retailer once or several times (Von Der Fehr and Hansen 2009). Passive customers on the other hand might never have switched retailer, and might because of this accept default contracts and sometimes pay prices that are above the best available offer (Von Der Fehr and Hansen 2009).

Many modern markets are characterised by few or no differences in businesses, goods or services (Andreassen 2000). This has resulted in businesses having a heightened focus on differentiation through pricing to attract more customers. But this has also resulted in a change in customer behaviour. The customers find it easier to change suppliers, which means that they are less loyal to companies than before (Andreassen 2000). These factors have shifted the power from sellers to consumers. As a consequence, it is more important than ever for companies to understand what generates value for their customers, and what the customers want and need in order to stay loyal to one company. According to Howard and Sheth (1969) and Kotler and Levy (1969) satisfaction depends on perceived value, and Monroe (1991) defines perceived value as the difference between perceived benefits and perceived sacrifice.

Grönroos (1996) points out that in today's competitive markets the core, or the actual product, rarely is enough to generate results that are successful and create a lasting position for the company in the marketplace. There are two kinds of customer perceived qualities that are important: technical and functional (Grönroos 1994). The technical qualities are what the customer actually receives, while the functional quality involves the interaction process the customer has with the firm. In the context of electric suppliers, the technical quality will be related to the electricity itself, while the functional quality will be based on the interaction the customers have with the firm. So to increase the perceived value and to be successful, the firm has to manage additional elements of their offering in a better way than their competitors (Grönroos 1996). Under current market conditions it is rarely the core product that is the reason for dissatisfaction, it is more often the surroundings of the core (Grönroos 1996). Gummesson (1991) points out that it is not only the fulltime marketers that are responsible for this, but also the part-time marketers. The part-time marketers are the people who work outside the marketing departments, but whose attitudes and behaviours have an impact on the

customers' satisfaction and perceived value (Gummesson 1991). They are vital when it comes to the functional quality of the firm's products.

3.1 Transactional marketing

Time is one of the most important factors that distinguish transactional marketing from relationship marketing. Transactional marketing is about the exchange and one-time-sales (Gummesson 2003). The fact that one has done business with a customer before does not say anything about the possibility to trade with each other again, not even if one has traded several times (Gummesson 2003). Transactional marketing is characterized by short-term horizon, focus on volume, little or moderate customer contact, more price-sensitive customers, and product quality (Christopher et.al. 2002, Grönroos 1994).

The main focus in transactional marketing is the actual transaction, the exchange of goods or services for payment (Gummesson 2003). As a result of this the marketer's responsibility is to find and attract buyers, and finding the right tools to make the exchange happen. The company's marketing leaders try to influence the market through different competition tools (Gummesson 2003). The tool that is mostly used is the marketing mix, also called the 4 Ps (Grönroos 1996). Kent (1986:146) refers to the marketing mix (4 Ps) as: "the holy quadruple...of the marketing faith...written in tablet of stone." The 4 Ps consist of product, price, promotion and place (Framnes, Pettersen and Thjømmøe 2011). Product in this setting is the goods or services that is offered, and is the total package, both the actual product but also features outside the product. Price is about figuring out what price levels should be, and it also includes discounts and credit and sales terms. The price needs to be adjusted according to the different customers/segments, competition, the authorities, and the profit (Framnes, Pettersen and Thjømmøe 2011). Promotion is the tool used to communicate with the customers, which can occur in different settings, both face-to-face, over the phone, on stands, and so on. It can also be on an impersonal basis, like ads, commercials, posters, and over the Internet. Place is concerned with how, where and when the product is distributed to the customers (Framnes, Pettersen and Thjømmøe 2011).

Customer perceived value in the traditional perspective consist of perceived benefits contrary to perceived sacrifice (Ravald and Grönroos 1996). The perceived sacrifice takes into account all the costs associated with the purchase, while the perceived benefits includes a combination of physical features, service features and technical support which the customer gets when

purchasing the product. The customer perceived value is crucial knowledge for a company who is attempting to provide competitive advantages for themselves in the market (Ravald and Grönroos 1996).

There are limitations regarding the use of marketing mix, and these are especially related to the fact that it does not fit into any situation or include all relevant elements. It could still be useful as a marketing variable, but the philosophical foundation of the marketing mix is not very well fitted for the competitive situation in today's market (Grönroos 1996), and might therefore become obsolete (Grönroos 1994).

3.2 Relationship marketing

Current market characteristics and technological advancements facilitate direct interactions between producers and consumers. In addition, organizational developments, which includes interface between producers and consumers in both B2C and B2B markets, have led to a change in orientation in the market, from transactional to relational marketing (Sheth and Parvatiyar 1995). According to Weitz and Jap (1995:305): "The growing interest in relationship marketing suggests a shift in the nature of general marketplace transactions from discrete to relational exchanges – from exchanges between parties with no past history and no future to exchanges between parties who have an exchange history and plans for future interactions." This underlines a change in customer behaviour. The customers are now more sophisticated and they have access to better information than ever, which leads them to be more demanding. In addition, increased competition gives the customers more alternatives than ever (Grönroos 2004).

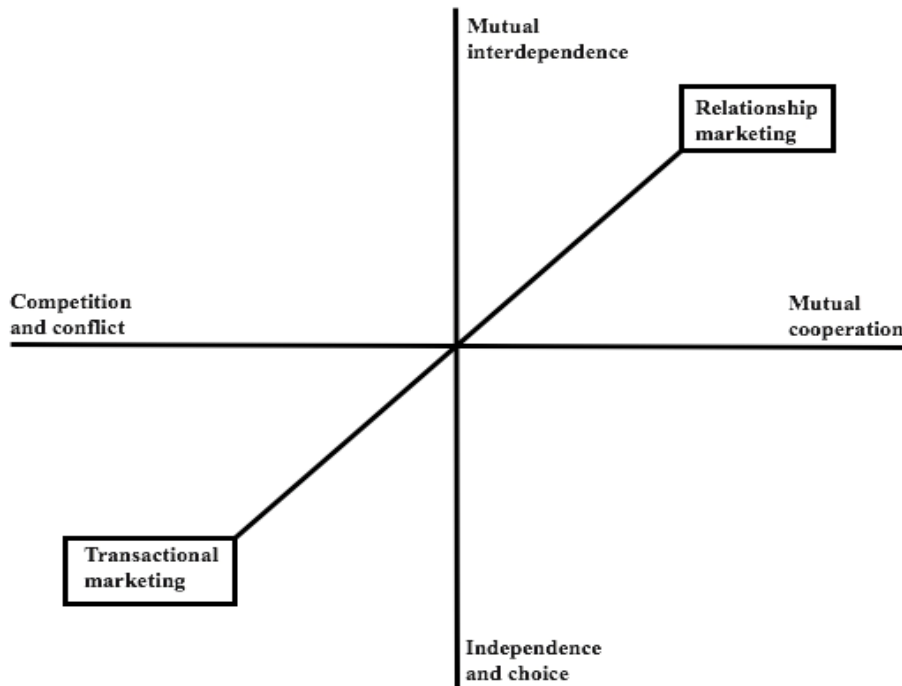


Figure 3.1 Axioms of transactional and relationship marketing (Sheth and Parvatiyar 1995:400)

In relationship marketing, a firm’s developmental and marketing activities are based on the involvement and integration of several stakeholders, including customers, suppliers and other infrastructural partners (McKenna 1991, Shani and Chalasani 1991). This involvement of stakeholders shows interdependence rather than independence, which is the case in transactional marketing. The involvement also underlines cooperation instead of competition and resulting conflict among parties or marketing actors (Sheth and Parvatiyar 1995). Figure 3.1 illustrates this, and shows the shift from passive to active customers, and the shift in organizational focus.

3.2.1 The evolution of relationship marketing

As mentioned, relationship marketing is a philosophy focused on the broader relationship between the company and the customer (Grönroos 2007). This philosophy emphasizes how the company should treat the customer when engaging in long-term relations, and how to move forward in maintaining these relations to the mutual benefit of the company and the customer (Grönroos 2007).

Relationship marketing has evolved over time. Berry (1983) was the first to introduce this marketing paradigm. He promoted a switch from transactional marketing, where the focus is

on attracting new customers, to a more relational approach where the sole objective was to retain customers (Berry and Gresham 1986). Berry (1983:25) defined relationship marketing as: “Attracting, maintaining and – in multi-service organizations – enhancing customer relationships”.

Grönroos (1990:138) defines relationship marketing as: “Marketing is to establish, maintain, and enhance... relationships with customers and other partners, at a profit, so that the objectives of the parties involved are met. This is achieved by a mutual exchange and fulfilment of promises”. With this definition, Grönroos (1990) indicates that relationship marketing is about creating lasting relations with customers, in a way that all parties involved get their preferences and needs fulfilled. The focus is not the one-time-transaction, but all the different aspects involved in the exchange.

Another contributor to the relationship marketing philosophy was Gummesson (2002). Gummesson (2002:39) introduced the term total relationship marketing, which is defined as: “Total relationship marketing is marketing based on relationships, networks and interaction, recognizing that marketing is embedded in the total management of the networks of the selling organization, the market and society. It is directed to long-term win-win relationships with individual customers, and value is jointly created between the parties involved. It transcends the boundaries between specialist functions and disciplines”. This model takes into account all the relations on all levels, both internally in the organization, and externally towards all other stakeholders.

Lovelock’s (2002:102) definition is: “Relationship marketing involves activities aimed at developing long-term, cost-effective links between an organization and its customers for the mutual benefit of both parties”. Lovelock studied relationship marketing in the B2B service market, and points out that the value of the relationship is to a great extent dependent on the quality of the interaction.

A more recent approach towards the relationship marketing is called the service-dominant logic. Vargo and Lusch (2004:2) states: “Briefly, marketing has moved from a goods-dominant view, in which tangible output and discrete transactions were central, to a service-dominant view, in which intangibility, exchange processes, and relationships are central”. This approach emphasises the process of co-creation between the producer and consumer

through the use of specialized knowledge and skills. This logic is based on integrating goods with services, so that they can create a richer foundation for developing marketing practices and thoughts (Vargo and Lusch 2004).

The paradigm of relationship marketing has evolved throughout time, from the first ideas from Berry (1983) to the more recent service-dominant logic (Vargo and Lusch 2004). As we can see from the different definitions and views, the mutual understanding is that relationship marketing is based on establishing and retaining relationships with customers, and making the relations benefit all parties involved.

3.2.2 Implementing relationship marketing in the company

Grönroos (1996:16) states: “If a firm is to truly implement a relationship marketing strategy, it has to understand the philosophical nature of such a strategy. Although traditional means of competition, such as the 4 Ps of the marketing mix, still are applicable, relationship marketing is based on a totally different philosophy of how to approach customers and other stakeholders”. The traditional view is based on a product-oriented philosophy, while the relationship philosophy is based on a market- and customer-oriented approach (Grönroos 1994). Following the new approach, an additional focus has to be implemented in the company. This focus is the training of employees on all levels of the organization, so that they can provide the customers with the best possible service (Framnes, Pettersen and Thjømøe 2011). The focus on people as a competitive remedy has been added as an additional P to the marketing mix. The 5th P – people – is the basis of relationship marketing.

A marketing department separated from the rest of the company manages traditional marketing. This marketing department has the responsibility for “marketing,” which includes advertising, sales promotion, market analysis, pricing and distribution (Harker and Egan 2006). When it comes to relationship marketing, it is not something that can be implemented in the marketing department alone. The understanding of customer relations and the relationship marketing as a philosophy has to be integrated in the whole organization (Grönroos 2007). There are employees outside the marketing department that are in direct contact with the customers, and therefore play a key role for the customer’s perception of the company (Grönroos 2007). These front-line employees or part-time marketers are the ones responsible for the customer’s satisfaction and perceived value, and their attitudes and behaviour have a significant impact on this (Gummesson 1991). These part-time marketers

are an important part of marketing as a whole, and this emphasises the need of a market- and customer-oriented approach that follows the relationship marketing philosophy. When managing customer satisfaction, it is critical to understand the role of the employees in relation to the customers, and in order to meet the needs of the customers the company first have to meet the needs of the employees (Egan 2008).

Ravald and Grönroos (1996) suggests that the company's offering should be seen as a "value carrier," and for the company to gain competitive advantage they have to provide and offer something the customers perceives as of greater net-value than the competitors. The customers' perceived value consists of episode benefits plus relationship benefits compared to episode sacrifice plus relationship sacrifice. Episode represents the core product supported by the surrounding goods or services (Ravald and Grönroos 1996). To add to the customers' perceived value, the company and its employees need to have information and knowledge about the customers' preferences and needs. This is achievable through the use of customer and market databases (Peelen 2005). Market analysis, databases and experiences of the company's front-line employees needs to be conducted and processed properly to be able to develop a clear image of whom the customer really is. The quality of the information in the databases will not just help bringing in new customers, but also retaining existing customers (Peelen 2005).

3.2.3 Value creation through communication

From a relational perspective, marketing can be defined as the processes of managing the company's market relationships (Grönroos 1996). A vital part of the process is communication. The characteristics of relationship marketing communication are the attempt to create a two-way or multi-way communication process (Grönroos 2004). It is important to know that not all activities are two-way communication directly, but the efforts should in the end lead to some sort of response that maintains and enhances the relationship (Grönroos 2004).

The main goal of the interaction and communication process is to send messages to customers informing them about the company and its way of serving its customers (Grönroos 2004). The possible sources of messages can be divided into four groups: planned communication, product messages, service messages and unplanned messages (Duncan and Moriarty 1997). Planned communication is processes, which include elements that can be divided into mass

communication activities, sales activities, direct and interactive communication, and public relations (Duncan and Moriarty 1997, Grönroos 2004). The other three groups consist of customers' interactions with service processes, products and other types of interaction between the customer and the company (Duncan and Moriarty 1997). Planned communication messages and programmes may prompt interaction, but for a commercial relationship to emerge successfully, interactions have to follow. A dialogue between the company and its customers can only occur from value-enhancing interactions (Grönroos 2004). The unplanned communications follow as a by-product of how the interactions are managed by the firm and perceived by the customers. But looking at the total communications impact on the customers, the unplanned communications may be even more important than the planned communication (Duncan and Moriarty 1997).

A successful relationship marketing strategy requires that the company evaluate both the planned and unplanned communication (Grönroos 2004). Word-of-mouth is one form of unplanned communication, and consists of messages that generate value for the customer and the company. These messages are a result of how the customers perceive the planned communication- and interaction processes, and how they balance of one another.

There are several important communication platforms the company can use to reach out to the customers and other stakeholders. These platforms are advertising, public relations, direct marketing, personal sales, sponsorships and social media (Selnes and Lanseng 2014). Advertising is a way of attracting the attention of the consumers to the company and its brand. The aim is to serve the customers information that creates a positive attitude towards the brands and the company. Public relations are about gaining media attention around the product and the company. This form of communication does not only appeal to the customers, but also to other important stakeholders like the authorities, the local communities, investors and so on. Direct marketing delivers personal communication to the consumers and stakeholders through e-mail, mail, texts, or over the phone. This type of direct and personal contact, gives the company the possibility of knowing the customers one-on-one, and their needs and preferences (Selnes and Lanseng 2014). Personal sales are a platform where the sales employees communicate directly with the customers, through the phone or face-to-face. This platform can trigger the customers to buy the company's product, but it might also contribute to establish a relationship between the company and its customers. Sponsorship is the payment to an object in exchange for the commercial potential of the object. Finally, there

is social media. Social media is a new communication platform where consumers can communicate with each other, but also where the companies can communicate directly with their customers (Selnes and Lanseng 2014).

Key concepts to research question 1: Marketing mix, communication, customer knowledge, relations, internal marketing, part-time marketers.

3.3 Brand management and positioning

A brand is a name, design, term, symbol or a combination, which is to identify the goods or services of a company to differentiate them from the competitors (Selnes and Lanseng 2014). Identification is connected to the building of brand image, and differentiation revolves around the brands attributes and attitudes (Samuelsen, Peretz and Olsen 2010). Hence, a brand has two important roles: to identify the seller and to signalize what is unique about the seller (Selnes and Lanseng 2014).

The last 25 years there has been an increasing interest in brand and the building of brand in both Norwegian and international markets (Samuelsen, Peretz and Olsen 2010). The idea behind building a brand as a strategic tool is to increase the customer awareness and perceived value of the company's goods and services. The market is evolving and becoming more complex, and because of this, brand has become more and more crucial to stand out amongst the different options the customers face. To establish and sustain an attractive position in the market, the managers try to combine a unique mix of both functional and emotional values (de Chernatony 1999). Functional values are related to the technology and design, and are often easy for competitors to copy. Hence managers focus on building emotional values through their brand (Goodyear 1996). This is done not just through advertising, but also through the company's employees interacting with different stakeholders. This has further led to companies emphasizing on corporate values, rather than line brand building (King 1991, Mitchell 1994). By having a brand, you make the process of gathering information easier, you reduce risk, and you contribute to positioning the goods and services in the mind of the customers (Samuelsen, Peretz and Olsen 2010).

There are two essential tools when it comes to brand management: brand positioning and brand identity. Kapferer (2012:149) states: "Brand positioning specifies the angle used by the products of that brand to attack a market in order to grow their market share at the expense of

competition”. Positioning is vital since all consumer choices are based on comparison of different brands. It is common to differentiate brands according to the positioning of the brand, and this is done by underlining the distinctive characteristics that differentiates it from competitors and draws the attention of the public (Kapferer 2012). Samuelsen, Peretz and Olsen (2010) suggest a three-step process when building and maintaining a brand’s position. The process consists of creating a reference frame for the customers, establishing and defining similar characteristics (points of parity), and establishing and defining convincing points of difference (Samuelsen, Peretz and Olsen 2010). For the customers to be aware of a brand, it must be placed in a reference frame the customers understand (Samuelsen, Peretz and Olsen 2010). The points of parity tell the customer what kind of product category a brand falls under, and thus describe a reference frame with the most important associations that contribute to the ability of comparison between the brands in a category. During the points of parity, you position your brand in a category, and during the points of difference you differentiate your product inside the category (Samuelsen, Peretz and Olsen 2010). The brand must differentiate itself from competitors in a positive direction through characteristics and benefits that are relevant and preferred by the customers, and most important, make them distinct from competitors (Samuelsen, Peretz and Olsen 2010). This can be achieved through establishing and defining the points of difference. Selnes (2012) points out that these points of difference will help the brand become more attractive and preferred by the customers. Kotler and Keller (2006:315-316) emphasizes that there are three key criteria for successful establishment and deliverability of the points of difference: feasible, convincing and understandable, and sustainable.

It is important to distinguish between brand identity and brand image. Brand image is on the receiver’s side, while brand identity is on the sender’s side (Kapferer 2012). Brand image refers to the way the public perceives the brand. Since image is a synthesis made by the public by the combination of brand messages, it is crucial that the company knows what to send and how to send it (Kapferer 2012). Brand identity consists of the brand’s tangible and intangible characteristics, and it draws upon the brand’s roots and heritage (Kapferer 2012). The purpose of brand identity is to specify the brand’s self-image, aim and meaning.

3.3.1 Positioning tools

As discussed earlier, positioning is of vital importance when it comes to both building and maintaining a strong brand in the mind of customers. If a company wishes to influence the customers to choose their brand in a given situation, they must position themselves so that the product contributes to cover the customers' needs better than the competitors' (Samuelsen, Peretz and Olsen 2010). To achieve a strong position, the company has to make decisions about what kind of fundamental need they want to cover, and what kind of characteristics the brand should have in comparison to the competitors (Samuelsen, Peretz and Olsen 2010). The two most important tools when developing and maintaining a brand position are; brand concept and the customer-based equity pyramid.

3.3.1.1 Brand identity, brand concept and brand personality

Brand identity contributes to a set of brand associations that intend a promise to the customers and includes both the core and extended identity (Ghodeswar 2008). The core identity is the timeless essence of the brand since it remains constant throughout the brand's movements and changes. It consists of the service, user profile, product attributes, product performance, and store ambience (Ghodeswar 2008). The extended identities intertwined elements around brand identity, which is organized groups, and provide texture and completeness to the brand.

Extended identity emphasizes relationship, strong symbol associations and brand personality (Ghodeswar 2008). Brand identity is often reflected in the way they use their brand name, logo and symbol (Keller 1993). In the context of power companies, the brand identity is often related to the company, and not the product in itself. This is mainly due to the characteristics of the product being standardized and experienced as homogenous by the customers.

Therefore, it might be more appropriate to use the term corporate identity (Chernatony 1999). A corporate identity is more closely linked to reputation, since it is based on the company's internal values and beliefs. Due to the pressure power companies face from several stakeholders, including government agencies and customers, they have a strong focus on reputation. The strong focus on reputation might also be closely linked to the aggressive competition they face (Ghodeswar 2008). When deciding what the brand identity should consist of, the company's needs a comprehensive understanding of their competitors, business environment and customers. The business strategy needs to be reflected through the brand identity, along with the company's willingness to invest in supporting marketing programmes (Aaker and Joachimsthaler 2000).

The brand concept consists of the brand's fundamental profile, and is the first step in the process of developing a position (Samuelsen, Peretz and Olsen 2010). During this step you answer the question of what fundamental customer needs the brand should cover. There are three fundamental customer needs: functional needs, symbolic needs and experiential needs (Park et al. 1986). Functional customer needs are those that motivate the search for products to solve a specific consumption related problem, whether it is a current problem or a future problem. A brand with a functional concept is therefore designed with the purpose of solving externally generated consumption need (Park et al. 1986). Coffee and water brands are example of brands following a functional concept, and the same goes for electricity (Samuelsen, Peretz and Olsen 2010). A brand with a symbolic concept is designed to solve internal customer needs related to role position, group membership, self-enhancement and ego-identification (Park et al. 1986). Example of a symbolic brand concept is Mercedes (Samuelsen, Peretz and Olsen 2010). A brand with an experiential concept is also designed to solve some internal customer needs, but these are related to variety, sensory pleasure and/or cognitive stimulation (Park et al. 1986). Apple and Disney are example of a brand with an experiential brand concept (Samuelsen, Peretz and Olsen 2010). The decision made during the brand concept is of great importance since it will exist throughout the lifetime of the brand, and determine the continuous positioning process. It will influence the brand image and all future brand-strategies (Samuelsen, Peretz and Olsen 2010). A brand could fall under more than one of these needs, but it is important for the marketer to focus on only one of the concepts when developing a brand position, so that the brand achieves a distinct and clear meaning in the minds of the customers (Samuelsen, Peretz and Olsen 2010).

Brand personality is defined as “a set of human characteristics associated with a brand” (Aaker 1997:347). Since consumers often imbue brands with human personality traits, it is argued that the symbolic use of brands is possible (Aaker 1997). The personality traits are often perceived as key features of brands, and therefore play an essential role in the building of brands (Samuelsen, Peretz and Olsen 2010). In industries where brand faces steep competition, reputation and brand personality can help separating one brand from another. Earlier research shows that customers are drawn towards brands with similar personality features as themselves, which is called self-congruence. This choice in brand is related to the customer's internal wish to show the world whom they are as a person, through the brands they choose (Samuelsen, Peretz and Olsen 2010). Brand personality can provide the company with a higher source of competitive advantage than the functional features (Sherrington

2003). This is due to the fact that personality attributes are difficult for the competitors to copy and it creates a direct relationship with the customers, and therefore can provide the company with a sustainable advantage (Ghodeswar 2008).

3.3.1.2 Customer-based brand equity pyramid

Keller (1993:2) defines customer-based brand equity as “the differential effect of brand knowledge on consumer response to the marketing of the brand. That is, customer-based equity involves consumers’ reactions to an element of the marketing mix for the brand in comparison with their reactions for the same marketing mix element attributed to a fictitiously named or unnamed version of the product or service”. This arises when the customer recognizes and recall the brand and when they hold some strong, favourable and unique brand associations. Keller (1993) also points out that there are three important elements when building customer-based brand equity. First, the company has to choose their brand identity. Second, the identity needs to be integrated into the supporting marketing activities. These supporting marketing programmes have the purpose of enhancing awareness towards the brand, as well as establishing unique, strong and favourable associations in the mind of customers. Third, is about leveraging secondary associations. Since belief of a brand can occur both from the marketer and by other sources like reference groups or publicity, it is important that the company know and understand where and how these occur (Keller 1993). Keller (2001) suggests that there are six brand-building blocks, which together accomplish the four steps required to create a strong brand. The four steps consist of brand identity, brand meaning, brand responses and brand relationship.

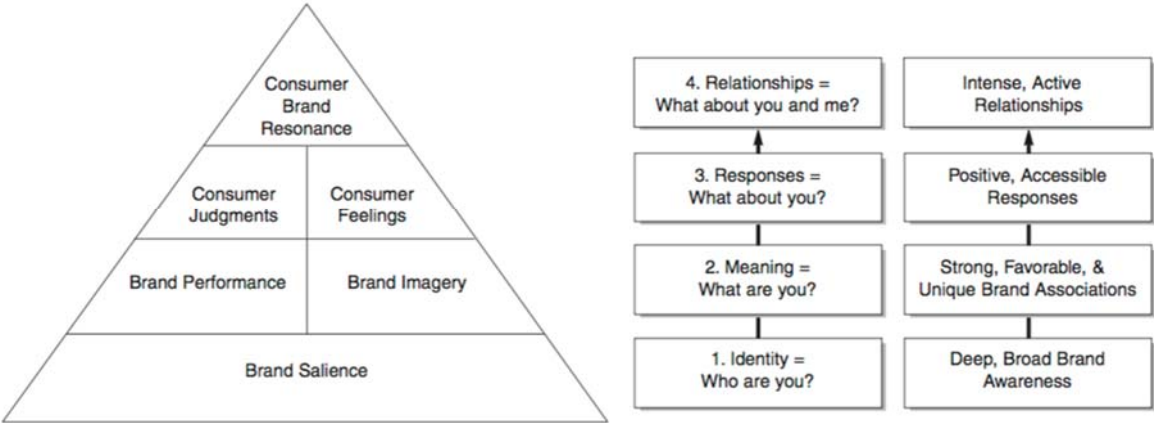


Figure 3.2 Customer-based brand equity pyramid (Keller 2001:7)

Identity – Brand salience

Brand salience is about the awareness of the brand in the customer's mind, and their ability to recall and recognize a brand (Keller 2001). For the customer to get brand knowledge, brand salience is crucial. Salience provides three functions. First, salience influences the strength of brand associations that contributes to brand image and gives the brand meaning. Second, high salience is of vital importance in the possible purchase or consumption process, due to the fact that it influences the possibility of a brand being recognized and considered by the customers. Third, in the cases when customers have "low involvement" with some product categories, the customer's choice of brand is then solely based on brand salience (Keller 2001).

There are two key dimensions that can distinguish brand awareness – depth and breadth (Keller 2001). Depth concerns whether or not the customers easily can recall or recognize the brand. Breadth refers to the range of situations where the brand comes to the customer's mind, both in purchase and consumption situations. For the brand salience to be high, there is a need for both depth and breadth. The ideal situation is when the brand comes "top-of-mind" for the customer (Samuelsen, Peretz and Olsen 2010). There is also the aspect of unprompted and prompted recognition. Unprompted recognition is when the customer recalls the brand without any help or contribution from others, while prompted is when the customer is helped when remembering the brand (Samuelsen, Peretz and Olsen 2010).

Meaning – Brand performance and imagery

Brand salience is the first step when building a brand, but it does not give any value on its own. Creating meaning to the brand involves creating a brand image, which are the characteristics of the brand and what it should stand for in the minds of the consumers (Keller 2001). There are two major categories of customer brand associations that make up brand meaning: performance and imagery. These associations can be formed indirectly through depiction of the brand in for example advertising or other information sources, or directly from the customer's own contact and experience with the brand (Keller 2001). To produce the most successful and positive brand responses one needs to be successful in three dimensions: Strength, which is about how strongly the brand identifies with a brand association. Favourability is related to how important or valuable the brand association is for the customer. Uniqueness is about how distinctively the brand identifies with the brand association (Keller 2001).

Brand performance is related to the way the goods or services try to meet the customers' more functional needs. For a company to create brand loyalty and resonance, the expectations of the customers must be met or surpassed by their experience with the brand (Keller 2001). Brand performance is about the intrinsic properties of the brand regarding the inherent good or service characteristics. Does the brand satisfy the aesthetic, economical and utilitarian needs and wants of the customer? Thus the brand performance transcends the ingredients, which make up the goods or services to include aspects of the brand that enhance these ingredients (Keller 2001).

Brand imagery deals with the ways the brand attempts to meet the customers' social and psychological needs, and is related to the extrinsic properties of the goods and services. This category of brand association is about how people think abstractly about the brand, not just what the brand actually does. Thus, it includes and refers to a more intangible aspect of the brand.

Responses – Consumer judgement and feelings

Brand responses refer to how customers respond, think or feel about the brand. We can distinguish brand responses according to either brand judgements or brand feeling, or said in another way: if they arise from the head or from the heart (Keller 2001). It is possible for customers to respond with both head and heart, but the key is whether or not these responses are positive. Brand responses, judgements and feelings, can impact customer behaviour, but only if customers internalize or think of responses that are positive in their encounters with the brand (Keller 2001).

Brand judgements are focused on the customers' personal evaluations and opinions when it comes to the brand (Keller 2001). It involves how customers form different opinions by putting together all the performance and imagery associations for the brand. Customers all make judgements when it comes to brands, but when it comes to creating a strong brand there are some criteria that needs to be fulfilled. The brand needs to be of quality, it needs to be credible, it needs to be in the consideration of the customers, and lastly it needs to be superior (Keller 2001).

Brand feelings refer to the customers' emotional reactions and responses when it comes to the brand (Keller 2001). There are six types of important brand-building feelings: warmth, fun,

excitement, security, social approval and self-respect (Samuelsen, Peretz and Olsen 2010). The first three feelings are what the customer feels while using the product, but these feelings decline over time. The last three are states of mind with a more lasting impact, and are feelings that the customers strive for (Keller 2001). One can also distinguish between direct and indirect feelings. Direct feelings are genuinely attached to the brand, while indirect feelings are not related to the brand or the decision to be made (Keller 2001). People take decisions all the time, and hence the feelings the customers have towards the brand are important to be able to differentiate the brand from the competitors (Keller 2001).

Relationships – Consumer brand resonance

The final step of the model is brand resonance (Keller 2001). This step focuses on the ultimate relationship and level of identification the customer can have with the brand. It refers to the nature of the relationship between the brand and the customers, and to what extent the customers can say that they are “in synch” with the brand (Keller 2001). Brand resonance is characterized by the intensity of the psychological bond that the customers form with the brand as well as the level of activity prompted by this loyalty (Keller 2001). If one makes the right moves along the customer-based brand equity pyramid there will arise a resonance between the customer and the brand. The strength of the relationship is dependent of the content of the following features: reciprocity between active parties, object-oriented, multi-dimensional content, and dynamic (Samuelsen, Peretz and Olsen 2010). But to understand the relationship it needs to be put in context with other relationships and see how these can affect the relationship, like between the customer and the owner of the brand, customer and customer, customer and non-customer, and between the brand and the owner of the brand (Samuelsen, Peretz and Olsen 2010).

Key concepts to research question 2: Brand identity, positioning, brand personality, supporting marketing activities, image.

3.4 Differentiation

Kotler (2005:256) points out that a strong differentiated product or service should meet the following criteria: superior, important, distinct, profitable and manageable. With these criteria in mind, the essence of a differentiation strategy is to strive towards becoming “the best” in areas that are perceived as meaningful for the main customer group (Framnes, Pettersen and Thjømmøe 2011). There are several tools and measures that can be used in the process of

differentiation. The main approach is to differentiate using the dimensions: product, personnel, service, distribution channel and image (Framnes, Pettersen and Thjømmøe 2011). The company has to choose the differentiation variables that are most relevant for the specific product or service, and focus on these. If the focus is too broad, then this can be perceived as confusing for the customers (Kotler 2005:258). Product and design differentiation are best suited when the market to an extent are perceived as heterogeneous, and the products or services are not standardized. Service, personnel and image can be used when the product is standardized.

The first dimension, product, can be differentiated through the use of design or an advantage in technology (Framnes, Pettersen and Thjømmøe 2011). When using this, you strive to make your product superior, either through a distinctive design or through special characteristics with the core product that the customer values (Kotler and Keller 2006). If differentiation through the product is not an option, then the company can try to differentiate themselves through service. The service dimension focuses on differentiation through the use delivery, personnel training, installation and maintenance (Framnes, Pettersen and Thjømmøe 2011). The personnel dimension can be used to gain a competitive advantage through training of exceptional employees, and use them as a way to differentiate the company. Kotler and Keller (2006) points out six characteristics that are essential in this setting: communication, competence, responsiveness, credibility, politeness and reliability. The use of distribution channel can also be a way to differentiate oneself from competitors. The main focus here is how the company can design their distributor channel's expertise, performance and coverage (Framnes, Pettersen and Thjømmøe 2011). The last dimension is differentiation through image, which focuses on the use of positioning, brand, symbols, occurrences and events to gain a competitive advantage (Framnes, Pettersen and Thjømmøe 2011). Differentiating a commodity by the brand is often used in commodity markets, where the products to a great extent are standardized, and as a rule of thumb the way to differentiate such products is through the use of price and market reputation (Kapferer 2012). The same goes for the public utilities, like electricity.

After going through these different differentiation strategies, the main challenge for companies are not to make the strategy, but to implement it and communicate it to the customer. An essential factor for success is to have a superior knowledge base about the

market and the customer, and to use this to create a product or service that the customer really wants and appreciates (Framnes, Pettersen and Thjømøe 2012).

Key concepts to research question 3: Differentiation dimensions (service, image, personnel, product, price)

Before we turn to the process of data collection and analysis we will present some basic assumptions or premises for our research. One of our assumptions is that the power suppliers today are mostly transactional oriented. Another one is that branding and image is key to differentiate oneself in the market today. The last assumption is that there are severe differences between the local and national companies in how they market and position themselves in the market.

4. Methodology

In this chapter we will present the methodological approach that underlies our data collection. We will look further into the selection of method, which is case design, then the data collection and analysis, evaluation of data material, and in the end we will discuss ethical considerations.

4.1 Research strategy and design

Based on our problem statement “*How can a power company differentiate itself from its competitors in a homogenous market?*” and its scope, the choice of research method is quite straightforward. An empirical study is needed to answer our problem statement and research questions. As a basis for the selection of research method we have scientific paradigms. There are two dominating paradigms within social sciences: positivism and interpretivism (Punch 1998). Positivism states that all phenomena can be examined through natural science methods (Johannessen, Christoffersen and Tufte 2011). Positivism emphasizes that one sees the world as external, and that one reaches conclusions through objective methods (Easterby-Smith 2012). When it comes to interpretivism the goal of the research is to understand the phenomenon, which means that the researchers task is to try and discover the meaning behind people’s actions (Mehmetoglu 2004). Our aim in this thesis is to achieve a deeper understanding of differentiation in the electricity market, thus we are not trying to find results that can be generalized. This means that we have the scientific paradigm interpretivism as a base for our research.

In empirical studies there are two main methods: qualitative approach and quantitative approach (Johannesen, Christoffersen and Tufte 2011). It is most appropriate for us to take a qualitative approach. The reason for this is that we want to look in depth at how power suppliers differentiate themselves in a homogenous market, and to do so we need to get close to the companies and our informants. This gives us the possibility of being flexible and open, and also gives us the ability to adapt along the way so that we can collect the correct data to answer our problem statement. In addition, the method provides us with the opportunity to study the characteristics of the power suppliers in the homogenous market, and their strategies and understanding of how to differentiate themselves from each other. Thus we are after relevant and valuable knowledge, not generalizing, and we are hoping that other companies facing similar challenges can benefit from our research and use it to their advantage.

4.1.1 Case study

The most fitting research design for our problem statement and research questions is a case study. Yin (2007:31) defines case design as “an empirical study where you look at an actual phenomenon in its real context, because the boundaries between the phenomenon and the context are diffuse”. The case study as a research strategy focuses on understanding the dynamics within certain settings (Eisenhardt 1989), and looks in depth at one or few organizations, individuals or events (Easterby-Smith, Thorpe and Jackson 2012).

We have chosen case study as our research method since it is the method that will provide us with the most correct and applicable knowledge to answer our problem statement. The reason for this is the five phases or components of case study (Yin 2007). It is important to emphasize that Yin leans more towards the positivistic paradigm, which is not the case for our study, but the concept is still applicable (Johannessen, Christoffersen and Tufte 2011). The first component is the problem statement, which guides the process and should be formulated as a why-/how- question. We have chosen the problem statement: “How can a power company differentiate itself from its competitors in a homogenous market?” The second is theoretical assumptions, which are assumptions the researcher needs to have as a basis for further research. Through our process we have found that there is little research on this topic seen from the company’s point of view, so it is challenging to foresee a possible end result, but we have made some assumptions along the way. These are based on the theory on transactional and relationship marketing, brand management and differentiation theory. The third is units of analysis, which involves limiting and defining the units that are to be studied. The fourth is the logical correlation between data and assumptions, which are strategies for the analysis of the gathered data. This can either be analysis based on theoretical assumptions, or a descriptive case study (Johannessen, Christoffersen and Tufte 2011). There are three types of case study: explorative, explanatory and descriptive (Yin 1994:4-6). We have explorative case study, where we want to shed some light on the phenomenon from a different angle and gain a deeper understanding of it, and by so we are hoping to increase the readers understanding. The fifth component is the criteria for interpretation, which involves interpreting and relating findings against existing literature. However, it is important to emphasize that when it comes to case design, there are no true answer on how it should be executed (Yin 2007).

4.2 Interview participants

To be able to answer our problem statement we had to choose power suppliers that correlates with the context, in other words: power suppliers that operates in the B2C market. To make the research more interesting, we decided to compare local and national power suppliers. We made this choice on the basis of recent studies that has shown that the local companies are losing customers, while the national are gaining customers (TNS Gallup 2015). So in this context it would be interesting to see how the companies face their differentiation and marketing challenges.

The objective behind a qualitative study is to gain as much information as possible from a limited number of informants (Johannessen, Christoffersen and Tufte 2011). Based on this we decided to limit the number of cases to four, two local and two national companies. Due to limited time and resources we decided to choose companies close to Bodø or companies where we could conduct the interviews over the phone. The local companies that we conducted interviews with were Bodø Energi Kraftsalg, which is situated in Bodø. The other local company we interviewed requested anonymity, so throughout the rest of the thesis this company will be referred to as Local Company X. The first national company is Helgeland Kraft in Mosjøen, and the second national company we interviewed also wanted to be anonymous, so they will be referred to as National Company Y in the rest of the thesis. Since both of the national companies are headquartered outside Bodø, and due to the limited time and resources, these interviews were conducted over the phone. These are companies of different sizes and localization, which contributes to our thesis by creating variation and enhance the data material. We have therefore used strategic selection strategy when it comes to the selection of cases (Johannessen, Christoffersen and Tufte 2011). This means that we have carefully selected and found cases that correspond with our problem statement.

There are two dimensions of case design. The first one is if there is a single case study, or if it is a multiple case study. The other dimension involves whether there is one or more units of analysis (Johannessen, Christoffersen and Tufte 2011). We have chosen a multiple case study, which comprises of Bodø Energi Kraftsalg, Helgeland Kraft, and two anonymous companies. By choosing multiple case study it gives us the possibility to understand both the similarities and differences between the cases (Baxter and Jack 2008). When it comes to units of analysis we have three. These are the management in the different cases, the employees at the call centres, and one expert interview with Jan Ove Rivenes.

Since we could not predict the amount and quality of data from the informants, we used a combination of strategies when selecting our informants (Mehmetoglu 2004). We used a combination strategy, meaning that we chose informants on the basis of criteria. We wanted to interview the people within the companies that have the right competence and knowledge that we seek in this research, and this would mainly be the market/marketing and sales managers within each company. We have also to some extent used convenience selection, since it was important for us that the informants were located relatively close or the interviews could be conducted over the phone. This is due to the limited time and resources at our disposal. We have also used an opportunistic strategy in terms of being open for more interviews and informants if needed.

The recruitment of informants and companies started with us sending emails to all the companies that we wished to interview. Three of the six companies we contacted replied that they were interested and wanted to participate. Two of these were national, and one was local. We saw the need for one more local informant, and therefore contacted some other local companies. One of the companies replied that they wanted to participate on the basis of them being anonymous. We searched on the companies' websites to find the employees within each company that managed marketing and sales. Where we could not find these managers, we sent a general email to the company, and they directed the email along to the right informants. To a great extent it is the companies themselves who has decided and forwarded our emails to the employees with the right knowledge and competence to contribute to our thesis. A positive side of the company selecting our informants is that the company itself is aware of their own competences and knowledge, and thus can provide us with the right informants so that our data material will be relevant and accurate. A negative side could be that the company might lead us away from informants that might have a view that is different, and that the company does not want to display publicly. A side effect of this is that we might miss interesting data, which could shed light on the issue from another angle. But we decided to let the companies to a greater extent choose our informants, since the companies know their own competences and internal knowledge.

In the beginning of our research we came across a conference, which took place in 2015, called Market Conference 2015 and Energi Norge organized it. Energi Norge is a Norwegian industry organization (Energi Norge 2016). We looked through the programme and found a

presentation done by Jan Ove Rivenes about branding, and what he would do if he were the leader of a power company. We though thought that it would be interesting to include an interview with someone that has knowledge and competence with marketing and branding in general, and therefore contacted Jan Ove Rivenes via email about conducting an interview with him. This was to develop an insight on the opportunities and challenges with marketing and positioning in general in the Norwegian power market. He responded and gave us an interesting and eye-opening interview.

4.3 Data collection

Case design provides the possibility to apply several methods and techniques for data collection. Case studies typically combine data collection methods such as interviews, questionnaires, archives and observations (Eisenhardt 1989). The two most common is interview and observation (Johannessen, Christoffersen and Tufte 2011). Due to our problem statement we have chosen a combination of methods.

Qualitative data collection can be conducted through in-depth interviews with one informant, or as a group interview with several informants simultaneously. We chose in-depth interviews, since this method allow us to get close to the informants and might provide rich and hopefully relevant data. All interviews were conducted over the phone, except the one with Bodø Energi Kraftsalg, which were conducted face-to-face. The interviews should probably have been held in neutral places, but since we did not want to inconvenience our informants the interviews were conducted at the best time and place for the informants. All the interviews were around 30 minutes long. The actual implementation of the interviews was that one of us was the leader of the interview asking the questions in the interview guide, while the other one paid close attention and asked additional questions if needed. Simultaneously the interviews were recorded with a sound recorder. Both the interview done face-to-face and the interviews over the phone were conducted in this manner, and we were left with the impression that both interview forms functioned as they should. The main challenge of conducting a phone interview is the risk of poor sound quality, but we faced few difficulties in relation to this. Overall this approach was successful, and we saved both time and resources, which is one of the main advantages with interviews conducted over the phone.

Before we conducted the interviews we compiled two interview guides, one for the companies and one for our expert interview (Appendix 1 and 2). This interview guide was structured as a

semi structured interview, which means that the themes and questions are clear upfront, but the order of the questions and topics may vary (Mehmetoglu 2004). Another characteristic of this interview form is that the questions are quite open, which means that there are no clear response alternatives formed upfront. This way of conducting interviews facilitates a more open dialogue between the informant and the researcher (Mehmetoglu 2004). We ended all interviews with the request of a follow up interview if needed, and the agreement to send the empirical part of our thesis back to the informants. This was done so that the informants could review our interpretation and usage of their statements, which contributes to the reliability of our thesis.

The other method used to gather empirical data is observation. We used observation on nine different companies' websites, social media, and call centres. Observation can be conducted in different manners: structured or unstructured; open or hidden; participatory or non-participatory (Mehmetoglu 2004). During our observation of the companies' websites and social media we used a combination of both structured and unstructured observation. We started with unstructured observation to develop a basis for the structured observation. We did not have a clear set of criteria and opinions of what details to observe in the beginning, so we went into the "field" to gain more knowledge and insight of the phenomenon before structuring this into an analysis (Johannessen, Christoffersen and Tufte 2011). During the observations we wrote manual notes, as is common according to the unstructured approach. When it came to participatory and/or non-participatory observation, we conducted both. We had non-participatory observation in regards to the observation and analysis of the websites and social media. We stood on the outside of the phenomenon and observed it (Johannessen, Christoffersen and Tufte 2011). When it came to the observation of the call centres we had partially open observation, since we sent out a mail to the different companies informing them that we would call their call centres to collect answers to our two questions. The observation of the call centres was participatory observation, due to the fact that we acted as customers and got directly involved with the call centres and the "field". We conducted this observation to see what elements the companies emphasize when attracting customers, and what they have to offer compared to others. The questions we asked were:

1. *Why should I choose you as a power supplier over other suppliers?*
2. *What other benefits than price do I get?*

All together we conducted 27 phone-calls with the call centres, distributed evenly over the nine companies. The reason for the limitation on the number of calls to the call centres was

the information gathered. There was little variation and the same information came forward during each phone-call. The limitations also came from the difficulties of reaching a variation of employees at the local companies, where there are few employees working in the call centres. None of the conversations were recorded, due to ethical considerations.

We also used secondary sources, which is an effective way of collecting data when faced with limited time and resources. Easterby-Smith (2012:345) defines secondary data as: “research information that already exists in the form of publications or other electronic media, which is collected by the researcher”. Since we did not conduct any primary data collection from the customers in the Norwegian power market, we used secondary sources to provide us with the necessary insight needed. We used reports from NVE, which can be seen as a quite reliable source, since it is a governmental source (Easterby-Smith 2012). In our thesis we have used several secondary sources, from former research papers, reports from different sources like governments and companies, journal articles, and books.

Our interviews went well, and we managed to a great extent to have an open dialogue with our informants. It seemed like our informants understood what we were asking them, and there were few questions we had to describe further. We got a lot of relevant data from our informants, so that we could create an image of how the industry works, but also what is missing from the industry today. The data we collected was relevant for our problem statement, especially our expert interview with Jan Ove Rivenes. The observations we executed and the following analysis of the websites, social media and call centres was conducted to contribute to the depth of our thesis. It gave us a clearer picture of the different companies’ marketing strategies and focus, and an indication on how the companies try to differentiate themselves.

4.4 Data analysis

One of the main differences between quantitative and qualitative approach is how one conducts the analysis of the gathered data. In qualitative approach the key to understanding the phenomenon is in the hands of the researcher (Johannesen, Christoffersen and Tufte 2011). Hence, it is necessary that the researcher himself/herself analysis and interpreters the data. When conducting a quantitative analysis, the researcher does not need to interpret the data himself/herself, since this is not a necessity due to the characteristics of the data.

The analysis of the collected data started with transcribing the interviews. Through this process one transforms the data into a comprehensive text. This helps the researcher in the process of inquiring the deeper meaning of the data, which reflects the purpose behind every qualitative analysis. We have not used any computer tools during the process of analysing. The coding of the material has been conducted manually.

The first step in the analysis is to get an overall impression of all the data. Merriam (1988) states that this can be done through developing a case-study database, which is an overview over all the data collected. Further on, we started the process of coding the data, and this was done through finding the meaningful essence that gives us the ability to answer our problem statement. Merriam (1988) calls this intensive analysis. In our case, we first coded our data under each of our research questions. Then we used some categories under each of these, and coded the data even further. After this was done, we draw the elements most relevant from our data, and started the process of answering our problem statement. Under each of our research questions we have found categories that was repetitive and relevant for our problem statement, and we emphasize each of the categories with statements from our informants. Through our analysis we had a focus on condensation of meaning, where we shorten statements and only emphasize the essence (Kvale and Brinkmann 2009). In the end we have tried to condense the findings so that we achieved a greater and deeper understanding (Johannessen, Christoffersen and Tufte 2011).

There is little research done on our topic, so the results will hopefully provide the reader with some new insight and knowledge. Through our analysis we will try to relate our data towards existing literature and theory as far as possible, and our goal is to try to come up with some new understanding that the respective companies and other companies can learn from.

When it came to the analysis of the websites and the social media we wanted to look further into how the companies market themselves towards the customers. We looked at layout, content and dialogue and messages towards the customers. This analysis was done to gain some deeper understanding of the companies, but also to see if what we got from our informants during our in-depth interviews correlated with their actual marketing and communication outwards. The analysis of the phone-calls with the call centres was conducted by reviewing the answers to our two questions. The purpose behind this was to see how and what they communicated with their customers. The observation of the call centres of our four

cases was also conducted to see whether or not there was a correlation between what the management and the call centres communicated towards us. We also noticed and analysed other parts of the observation like additional information, and our general impression of the companies' call centres.

4.5 Evaluation of data material

When it comes to evaluating data there are two important factors that normally are considered: reliability and validity.

Reliability is about how reliable the gathered data is, and it addresses the whole gathering process. One has to be aware of reliability when gathering, processing, and applying the data (Johannessen, Christoffersen and Tufte 2011). Reliability is also linked towards whether or not different scientists reach the same result. The gathering of empirical data in qualitative research will always to some extent be influenced by the researcher's background and understanding. Because of this it is critical that the whole process is documented well so that the research is transparent for the reader. The researcher will always have some sort of understanding of the phenomenon, and therefore it is important to be aware of this to prevent colouring the research. One must not ask leading questions which might lead the results being coloured by the researcher's understanding. The questions need to be open so that the answers from the informant will be approximately equal regardless of who interviews him/her. In our research we have recorded all the interviews to minimize the chance of data being lost or misinterpreted. These measures strengthen the reliability of the thesis.

Validity in qualitative studies is related to the extent in which the methods and findings of the researcher correlates to the purpose and meaning of the study (Johannessen, Christoffersen and Tufte 2011:244-245). When conducting a qualitative study, it is important to be aware of various distortions or errors in methodology that can occur. One of these is the "interview effect", which can occur when the interviewer consciously or unconsciously influence the informant's answers (Johannessen, Christoffersen and Tufte 2011). These are factors that one must keep in mind while evaluating the quality behind the study. We have tried to avoid these distortions through careful planning and awareness in the process of both designing the interview guide and conducting the interviews. We have asked relatively open questions, and thereby facilitating dialogue and an open and in-depth conversation with the informants. In this setting it is important for the researcher to stay objective and avoid influencing the result

of the study with his/her own understanding. One of the measures we have done to strengthen the credibility and validity of our thesis have been to send our empirical findings and analysis back to the informants; this has been to get the confirmation that our interpretations of their statements and meanings correlate with reality. All the factors discussed above are important to keep in mind during the process of data collection and analysis, since it might influence the findings and results.

Even though we have chosen qualitative approach and case design as our methodology, it does not mean that this method is perfect. We will now try to shed some light on some limitations with this method. Since it is the researcher who interprets and analyses the gathered data, it is the researcher that holds the key to the understanding of the data (Johannessen, Christoffersen and Tufte 2011). This poses challenges in maintaining objectivity. There are several less durable characteristics of a qualitative approach. Amongst others, qualitative research should give in-depth and meaningful results, but this is not always the case. The reason for this is that the depth and meaning of the results are dependent of both the researcher and the informant(s). But one might get data of more depth through a qualitative approach compared to a quantitative approach, since one gets closer to what or who is researched and the phenomenon itself. Through our process of collecting data there have been many potential pitfalls. The most common pitfall is related to subjectivity, and if we were to fall into this we could end up with results that are coloured by our own understanding, and thereby invalid results. It is impossible to totally avoid the results being coloured in some way, but the clue is to be aware of one's own understanding and use it in the right way.

There are numerous distortions that we have been forced to avoid, amongst these are selection bias, classification bias and memory bias (Johannessen, Christoffersen and Tufte 2011:245-246). Selection bias could for example be if one group of informants is underrepresented. To avoid this in our research we have tried to keep some sort of balance by interviewing the same number of informants within each company. All this depends on the data one gets out of the informants; some interviews/informants might provide more relevant data than others. This is called classification bias. The strategy for qualitative interviews is to interview until you have enough data. Hence, it might be relevant to conduct more interviews within one company compared to the others. Because of this it might occur a natural bias in the number of informants. We have tried to avoid this, but due to classification bias it is hard to predict. The

last one is memory bias, and it involves the loss of data due to human limitations. We have avoided this by recording all interviews so that all the information is stored and nothing gets lost along the way. The quality of the analysis and result will depend on how critical one is toward oneself and the potential pitfalls through the process of data collection.

4.6 Ethical considerations

As a researcher you are often faced with ethical considerations during the process of data collection. In many cases data collection directly affects individuals, and therefore ethical considerations like anonymity and confidentiality of informants often arise. These must be taken into account and adhered to by the researcher (Johannesen, Christoffersen and Tufte 2011). Anonymity is related to the informants' own choice of participation in a research through an informed consent. Here it is important for the researcher to give detailed information about the purpose of the study, so that the informants can make a decision on the basis of this (Johannesen, Christoffersen and Tufte 2011). Confidentiality is also an important factor that must be taken into consideration by the researcher; he/she must guarantee the informants that no sensitive and private data gathered will be public unless this is agreed upon in advance. During our data collection process we started all the in-depth interviews by explaining the purpose of the study, following a request to record the interviews and explaining that the data will only be used by us, and no information will be made public unless they agreed upon it. Therefore we made an agreement with all our informants that they would receive a draft of their statements before any publication, as mentioned earlier in this thesis.

We faced some ethical challenges related to the data collection from the companies call centres. The main challenge here was how to inform the companies or employees of the purpose behind the call without this having an impact (providing bias) on the data gathered. Our main concern was how an informed consent during a call might affect and bias the data collected. We feared that if we informed the employees at the beginning of the call it might colour their answers, and if we informed them at the end of the call, they might withdraw their statements or feel like they had to deliberate with their supervisors. Therefore, after a long discussion with our supervisor and De Nasjonale Forskningsetiske Komiteene, we came up with a plan that would neither give us bias data or violate any ethical guidelines. The plan was to inform the companies through an email explaining the purpose behind the call, and providing them with the two questions and an "open invitation". This "open invitation" was

us inviting them to answer the two questions, and telling them that we were going to call them in the nearest future to get an answer. During the process of collecting these data we chose not to record the interviews nor give any information about time, date, or specific employees during this thesis. The reason for this was to prevent any information to be traced back to a specific employee, not violating any ethical guidelines. Further, the information gathered from the call centres are not sensitive or secret for the companies, due to the fact that this is information that are open to all customers, and the same information could to a great extent be found on the company's websites.

5. Context

In this chapter we present an overview over the cases we have chosen to have in-depth interviews with. There are two national companies and two local companies. Two of the companies wanted to stay anonymous in our thesis, and therefore we only provide a short and basic context description of these.

5.1 Bodø Energi Kraftsalg AS

Bodø Energi Kraftsalg AS was established in 2007 and is one of five subsidiaries in the conglomerate Bodø Energi AS, which is wholly owned by Bodø municipal. Bodø Energi AS has approximately 160 employees in total, and they are headquartered in Bodø (Bodø Energi 2016). The company is a local actor, and contributes severely to the local society. The vision of the company is: Bodø Energi – med kraft til utvikling, which can be translated to Bodø Energi – power for development. They also have a list of four values that they promote both externally and internally: Positive – Responsible – Respect – Quality. Bodø Energi Kraftsalg AS has 8 employees, and around 20 000 customers in the B2C market in Bodø.

5.2 Helgeland Kraft

Helgeland Kraft produces renewable energy and delivers grid to the entire Helgeland region. In addition, they act as a national actor in the Norwegian power market where they provide power to households and businesses all around Norway (Helgeland Kraft 2016). Helgeland Kraft has a total of 296 employees, which all work to reach their vision: Helgeland Kraft – en aktiv verdiskaper, translated to Helgeland Kraft – an active value creator. The company has approximately 44 000 customers, and is owned by 14 municipals inside Helgeland.

The company is divided into three divisions: HK Nett, HK Vannkraft and HK Strøm (Helgeland Kraft 2016). HK Nett, or HK Grid, is responsible for transporting electricity from Trøndelag to Saltfjellet. HK Vannkraft, or HK Hydropower, is responsible for the development and operations of the electricity production in 12 power plants. The last one is HK Strøm, or HK Electricity, which is responsible for the electricity sales to B2C and B2B markets in Norway.

5.3 Local Company X

This is a small company located in the Northern part of Norway, with approximately 50 employees and between 5000-6000 customers. The company is a power supplier, but also a grid operator in their respective region.

5.4 National Company Y

This company is one of the biggest companies in the Norwegian market, and have a major market share in today's market. The company is both a power supplier nationally, and grid operator inside their respective region. National Company Y has approximately 60 employees.

6. Findings and analysis

In this chapter we present our empirical findings and analysis. We have divided the analysis in accordance with our research questions, and under each of the research questions there are categories that reflect the research questions well. Under each of the categories follows an analysis divided according to case. Finally, we will present an analysis of our gathered data against our overarching problem statement. Before the analysis of the cases and in-depth interviews comes an analysis of a list of companies' websites, social media and call centres.

6.1 Analysis of websites, social media and call centres

We chose to include an additional analysis of power companies' websites, social media and call centres to give us broader data to answer our problem statement. Earlier research has shown that the companies' websites and call centres are key information sources for customer considering a shift in power supplier (NVE 2013). In 2012, 55 % of the customers who switched power supplier were contacted directly by the companies with an offering. Back in 2010 this number was approximately 30 %, thus one could say that the companies are becoming more aggressive in their marketing (NVE 2013). It is also reasonable to assume that this number is even higher today. The same report points out that 28 % of the active customers (the ones that changed supplier during the year) and 72 % of the passive customers (customers that considered to shift supplier, but didn't) used the companies' websites as a source of information (NVE 2013). The main purpose behind this analysis is to get a view on how the companies promote and market themselves out to the customers. Kotler and Keller (2009) viewed marketing as processes that should create, communicate and deliver some sort of quality to the customers. With this in mind, and the fact that the companies' call centres and websites are two important platforms to communicate with customers, we believe that this analysis will give us even more relevant data to answer our problem statement, in addition to the in-depth interviews. We have also included an analysis of the companies' activities on social media, due to our perception of these platforms being more used to communicate with the current customers.

6.1.1 Fjordkraft

Website

At first glance, Fjordkraft's website gives you a clear picture of what they offer and the benefits you would receive by being their customer. The website's layout is simple and elegant, and consists of their well-known orange colour and logo. The logo is simply an

electrical outlet, but they use it in a creative way by putting different human facial expression on it. It seems to be used in all kinds of settings, and play a key function in their marketing and branding activities. Besides the colour orange at the top of the page, they use other colours or highlighted font to draw the customer's attention to specific words or elements. The website appears comprehensive and easy to navigate around, and they use their logo in different settings to emphasize the benefits provided. When it comes to the content on the front page, they promote several elements about themselves and their offerings. At the top, and with highlighted font, they promote their most popular electricity deal, and emphasize that it is simple and free of charge to switch to them. Further down, and with less highlighted font, they promote their popularity as a power supplier, their Fjordkraft benefit-programme and the ability to get a deal that is best suited for your needs and preferences. What is interesting with the company's layout and content, is the way they position their direct contact information as one of the main elements in the centre of their website, and not in a corner like many others. Since customers value simplicity in the process of choosing or switching power suppliers (NVE 2013), this is probably a systematic and good choice. All the elements on the main site can be clicked further into with a green button, which gives the customers the ability to get more detailed information. Under one of the categories they promote additional benefits by choosing them as a power supplier. They have something called "fornøydgaranti", which can be translated into "satisfied-guarantee", which allow customers to get their money back if they're not satisfied with the offer. In addition, they have something called "triple-guarantee", giving the customers a guarantee of no payment for a specific period in case of unpredictable events like unemployment or illness. They also emphasize excellent customer service, and refer to customer service awards in 2009, 2011, 2013 and 2014. The customer service centre is open from 08.00 to 20.00 every day, and in addition you have the possibility to chat directly with them. So, the website seems to mainly serve the purpose of attracting new customers, since they emphasize and inform the customers of all the benefits related to having them as their power supplier.

Social media

Fjordkraft has a Facebook site, but it appears to be little used as a communication platform by the company. Their Facebook site only provides contact information and pictures of their logo, and slogan. They do however, like many other national actors, have an application, called "FjordkraftFordel". This application promotes and communicates their benefit-programme out to the current customers. So this might be seen as a way to retain these current

customers. However, since it is promoted on the main page of their website it is most likely used to attract new ones, as well. Their main partners in this customer benefit-programme are XXL, Shell, Expert, SAS, Varida and more. Through these partnerships Fjordkraft offers discounts to their current customers as a way of thanking them for choosing them as their supplier. They promote this by saying “Med Fjordkraft Fordel sier vi takk for tilliten”, which can be translated into “With FjordkraftBenefit we would like to thank you for trusting us”. The benefit-programme is also sent out by email to those who do not have the application, or the ability to have it on their phones. By so, Fjordkraft offers this benefit-programme to a broader group of their existing customers.

Call centre

Our overall impression of the call centre is that the information promoted over the phone corresponds with what is promoted on their website. When we called, we had to wait for couple of minutes, and during this time we got information about the company’s good customer service and benefit programme. During our conversations with the employees we got information about their competitive price level, and their electricity agreements that was custom-made for your consumption and your preferences to price level. In addition to their competitive price level, our informants said that they offer a benefit programme, which is sent out every month. In this benefit programme the company has several collaborators, and through them the customers get different discounts on products and services. These discounts vary every month. Our informants also pointed out that by being a customer in Fjordkraft one also get something called “Trippelgaranti”, which is a kind of insurance provided if the customers where to experience unpredicted life events like unemployment and illness. In the event of something unpredicted, the company would cover the customers’ bill up to 6 months. Another interesting thing with this company was that we got called back after our conversations, and asked if we could rate their customer service. By doing so, the company are always up to date on the customers perceived quality and satisfaction of their customer service.

6.1.2 NorgesEnergi

Website

Our first impression of NorgesEnergi’s website is the colours used, yellow and purple. The website’s layout consists of a yellow background, with the some white and purple elements. The purple is highly contrasting to the yellow, and seems to be used as a way to emphasize different words and elements. The logo has the same colours, and looks like a drop of water.

Overall the website is systematic and simple, and it is easy to navigate. When it comes to the content on the website, you clearly get the impression that they want to sell you something. “Order now” and “get free electricity for a whole month” is highlighted in purple font, and your attention is quickly drawn to these elements. They also promote electricity at a low price, one of Norway’s cheapest electricity deals. They have systematically placed different categories at the top of the website, where you could get additional information about their deals, customer service and saving tips for electricity consumption. If you scroll further down on their front page, the colours shift from yellow background to white and grey. The content also changes, and here they give the viewer additional information about their “one month free of charge” electricity campaign. The campaign seems to be a welcoming offer for new customers, but also gives their current customers the ability to receive a free month of electricity by enlisting their friends and family to the “customer base”. The current customers gain a free month for every person they enlist to the company’s customer base. The last topic on their main site consist of the company promoting that most customer choose them, and how you could easily switch. As many other supplier websites, their customer contact information is placed on top as a category, and you have to click in to get more information on how to contact them. The customer gets the choice between calling, sending e-mail, or leaving their number so that the company could call them up. However, compared to other suppliers on the market, the content and information is limited and specific, but it corresponds to their position as the cheapest supplier on the market.

Social media

NorgesEnergi is active on social media, and Facebook seems to be one of their main communication platforms in addition to their website. When first entering their Facebook site, you see that the logo is used as profile picture, and as a cover photo, they have an ad promoting cheap electricity in different colours and highlighted font. Their Facebook site currently has 27 189 followers, and their rating is 2.6 out of 5 stars provided by 61 customer reviews. This is not the best review, and could have negative implications on potential customers. However, it is important to look at these reviews with a critical view, we have seen examples of reviews where customers express their satisfaction with the company, and at the same time rate them with a low number. On their Facebook site the company posts information about products, prices, campaigns, customer benefit-programme and different contests the customers can participate in and win great prizes. They provide information that might increase the customers’ knowledge around electricity consumption and saving tips. The

way the information is promoted does to a relative extent facilitate a dialogue with the customers. Some of the posts are purely information, while others are based on the company asking question related to electricity or inviting them to participate in competitions.

Call centre

As with many other national suppliers, we had to wait in line to get through to their customer service. While waiting we got information about some sort of system error that had occurred recently, and the company did apologize for the inconvenience this might have had for the customers. Our informants were both friendly and helpful, and gave us information about the company and its products. This company has a strong price focus, and this was promoted during the calls. Our informants pointed out that they were one of the cheapest electricity suppliers on the market. As a welcoming offer for new customers, you would get the first month free of charge, and after this month you would get the cheapest spot-price agreement on the Norwegian market. In addition to their strongly competitive price, customers would also receive discounts through their collaborators, Lefdal and Elkjøp. We see that the information provided through the phone, to a great extent corresponds to what is informed on their website.

6.1.3 National Company Y

Website

Our first impression of the website is how holistic and structured it is. The layout consists of the same colours as their logo, and the colours used gives the viewer an overall neat and good impression of their website. The use of colours facilitates a good structure on the website as well, and the most important elements and messages are in highlighted font. The categories on the website consist of all relevant customer information. Through their website you get information about their offerings, both product and additional services and customer benefits. The most relevant for their current or potential customers are promoted first. Further down, one sees different categories with subtitles. These give the viewer an indication of the information provided, and the possibility to choose the one they want to get additional information about. Our impression is that customers using this site will find all relevant information needed, from electricity deals to additional services and benefits. These additional services and benefits are much like what other national actors offer. The essence is the same, but with some small elements that might differ them from the rest. As a viewer you get the impression that the main purpose of this website is to give the customers relevant information in a structured and systematic way. Their main focus is price, energy efficiency

and environment. This company also have their contact information on the main page, and not up in a corner, and if you are an English-speaking customer you have the possibility to get the information in English.

Social media

The company is active on both Facebook and in addition they have two applications. Their Facebook site has around 6000 followers. Through their Facebook site the company post different information related to the environment and promotion of energy efficiency with respect to consumption. The customers also get additional information related to power failures or maintenance work in a specific region. Like many others, they invite customers to participate in competitions. An example of this is that they invite the customers to come up with their best saving tips, and as a reward the person with the best tips gets a reward. They also provide information about their sponsorships, and to whom they give back to in the society, and especially emphasize the actions against climate change.

They have two applications, one that gives you the ability to conduct meter reading, and cost and consumption estimation through the phone. This is something other national actors have as well. The other app is more unique, and gives the customers the ability to better control their electricity consumption through the phone.

Call centre

Our impression from the conversations with this company's call centre is that it is professionally carried out. They have a recorded message where you choose the category which suits your needs best, from meter reading to questions about the private market etc. As many other national companies, we had to wait in line, but they quickly gave us the opportunity to leave our number so that they could call us back when they were available. On the question of why we should choose them over other companies, the answers were that it is the customers' own choice, you get the advantage of receiving one invoice, and you can choose the price and deal which suits you the best. In addition, they also emphasized that they were among the top 5 cheapest on electricity price level.

6.1.4 Lyse Energi

Website

Our first impression of the website is good, both the content and the layout is neat and structured. The colours are used well, and have a fine and satisfactory flow. The layout follows the same colours as their logo. They use a white or grey shaded background, with green and black content. The green colour is used to emphasize the most important elements and messages. In addition to structuring all their categories on their front page in a systematic order, they also use green figures to explain what each of them include and gives further information about. We can imagine that less-informed customers perceive this to be helpful. It seems like the most important messages are highlighted in green font. The question “What do you wish to do?” is placed in the top of the page with different categories below. These categories consist of; meter reading, become a customer, Altibox self-service (additional service), invoice, consumption, information about prices, moving and notification about maintenance work in the area. Further down, they ask the question “should you become a customer at Lyse?” and here they answer their own question by promoting their main focus, “yes, if you are engaged in prices, environment and predictability”. Under this question they also highlight that the electricity you get from Lyse, comes from 100 % renewable resources produced by Lyse’s power plants.

The most interesting thing about their website is that they have a softer touch to how they approach and communicate with their customers. They do not promote “buy electricity now”, “order here” and so on, but instead they ask questions and “invite” the customers to contact them. At the bottom of their website they even invite customers to come to their headquarters to get information about offerings, products, or even just a cup of coffee. Their website is informative, and you can get all relevant information easily. Besides being an electricity supplier, they also offer additional services like: Smartly, Alarm and Altibox. Smartly is a product that provides smart solutions for controlling heat, light, ventilation and other important functions in your house through the phone. Meaning that the customers have the possibility to control their electricity consumption over the phone during the day. This product has gained big interest in the market. However, currently this is only offered in the region in which they operate. Included in the Smartly system (Smartly safety), is an alarm that also can be controlled through the phone, and directly notifies the fire department in case of fire. Another product, is Altibox, which is an offering consisting of Internet and television solutions. These are all additional products and offerings the company contributes to the

market in addition to their role as electricity supplier. By doing so, they differ from other actors on the market. Their customer service also differs from the rest, since you can get in contact with them every hour of every day. Other elements promoted on the front page are: different subjects often brought up through dialogue with customer service, information about an application that provides control over consumption, and current news. They also promote their charging stations for electrical cars and biogas stations in Rogaland, as well as district heating. Their website is informative, and you do get the impression that they have a strong focus both on the environment and providing additional services that contribute to a safer and easier life for their customers. It seems to be a communication platform towards both existing and potential customers.

Social media

Lyse is active on social media, they can be found on Facebook, Snapchat, Twitter and in addition they have an application called “Lyse”. They use Snapchat to inform the customers about their employees and their work, and provide them with an insight in the work they do. Their Twitter account provides mostly the same information as their Facebook site. Their Facebook site provides the customers information about sponsorships, current news (energy sector, renewable etc.), competitions and information about the company and its employees. They also provide a lot of information regarding the energy sector to improve the customer’s knowledge. For example, when they received a question regarding high electricity bills one winter, they made a post explaining and informing the customers why. It seems like they have a genuine interest in providing the customers with the best service possible. They also provide the customers with information through videos and pictures related to their power plants, company and products. We get the impression that the company wants inform the customers not only about themselves and their offerings, but also additional information on how the energy sector works, and with a particular focus on a sustainable future through renewable energy.

Call centre

This company’s call centre has a recorded message in the beginning to introduce the company and the choices you as a customer have. One of the possibilities was continuing the conversation in English. When asked the question of why we should choose them over other suppliers the answers were that they had a deal called Lyse purchase price, which is their cheapest alternative. In addition, if you sign with them for six months, you would get a 50 %

discount. So they emphasized price as their main attribute. We also asked what they had to offer in addition to price, and the answer we got was that you would get one invoice inside the region, containing both grid and electricity consumption. The employees that we spoke with seemed customer oriented and friendly, but they provided limited information. We did not get as much information through these conversations as we did through their website and Facebook page.

6.1.5 Local Company X

Website

The overall impression of their website is simple and systematic. The layout is simple, and they use a white background with additional colours on different categories. Both the layout and the content differ from the national actors. The content is divided into main categories consisting of: electricity and deals, and the company and its owners. Under electricity and deals you get information related to deals, prices, customer service, plants and additional information. The category consisting of the company and its owners, gives you general information of who they are and what they do. Due to the supplier's wish to be anonymous, this analysis will not be as comprehensive as the rest. The company has a high focus on sponsorship and the local community, like many other local companies. We get the impression that the company has a strong wish to contribute to the development of the community by giving back through different sponsorships, in addition to dividends to owners. The main focus behind their sponsorships is related to facilitating positive and secure environment for children and youth. They wish to inspire young people to settle down and contribute to further development and growth in the region. These sponsorships include arenas like: culture, education, sports and outdoor life. It is important that the actors they choose to sponsor correspond with their values and beliefs. They also promote local happenings and activities on their website, as well as announcement of job openings. On the front page you also get direct contact information to their customer service and on-call maintenance and operation service. The website seems to serve the purpose of informing both current and potential customers about the company, their role as an active value creator and their offerings.

Social media

When analysing their activities on social media, we see that they are active on Facebook. They have around 700 followers, but no customer reviews. The logo is used as their profile picture, and the cover photo is a collage of pictures of their employees, power plants and

surrounding nature. They promote the same things on their Facebook page as they do on their website. The information provided through their Facebook is mostly related to happenings in the local community, their products (both electricity and internet installations), local sponsorships, and the company and its employees. In addition, they arrange some competitions for their followers.

Call centre

This call centre did not have a recorded message, and they answered the phone quickly. Their answers to why we should choose them was that they generally have the same prices as their competitors, and they offer one invoice if you choose them as a supplier. They stated that you as a customer are free to choose whatever power supplier you want, but in that region you would have them as the grid operator regardless. They also recommended us to choose spot pricing. Their advantage besides price is that they are a strong contributor to the local community.

6.1.6 Helgeland Kraft

Website

The first thing you notice when visiting Helgeland Kraft's website is a picture of the coast with the text: "Strøm fra verdens vakreste kyst." This can be translated into: "Electricity from the world's most beautiful coast." This shows us that Helgeland Kraft is passionate about its own region and promotes it eagerly. The layout of the website is simple and neat, and at the top you find the name of the company and their logo, which is an impeller wheel with a modern and soft look. The impeller wheel might be an illustration of the origin of the generated electricity. The colours used on the website is in accordance with the colours in their logo. A white background and different shades of blue is used to enhance the menu and hyperlinks, and the little touch of green is used to indicate the "log in" for one's own customer page. The website is easy to navigate around, and the content seems clear. When it comes to the content of the website there is a menu on the left side which consists of different hyperlinks. The main headlines here are electricity, heat pump, ENØK and electricity saving. Under electricity we can find hyperlinks to power deals, where to order electricity, prices and also market reports. In this menu they also promote their work on sponsorships and promotes that they are an "active value creator." This shows that they care about their surroundings and about the communities in their region. This is a strategic move which can urge the visitors of the website to take a closer look, and a way for the company to show themselves from a

positive side. A bit further down on the website they promote their Facebook page, and urges you to follow them, and their deal “Superspot.” This is an application that provides you with the information about the electricity prices at all time, and helps you to know if you need or should switch power deal. The company’s contact information is in the lower right corner, which makes it a bit difficult to find. They do however have a hyperlink in the top of the website that leads you to their contact information. Their customer service centre is open from 07.45 to 15.15 on Monday to Friday, and they have an alternative where you can chat directly with them. Helgeland Kraft’s website is simple and neat, and it provides you with the necessary information needed both about the company and their deals. The site does not seem to be created to promote or to sell, but to provide information so that the customer might want to switch over Helgeland Kraft.

Social media

They have a Facebook site, which seems to be updated on a regular basis. The site provides their contact information, information about their call centre and its opening hours, pictures of their logo and different posts about several subjects. Their Facebook site seems to be an important and highly used communication platform. Currently they have 10 469 followers on Facebook, and on their site there is the possibility to rate them. Helgeland Kraft has gotten 3.8 out of 5 stars distributed on 54 customer reviews. This rating is quite good, and it might appeal to their followers and attract new customers. Through their Facebook site Helgeland Kraft post information about different subjects. They promote contests for their followers, and they also provide information on how to save money and the usage of power. Other posts include information about the company and their actions, like their presentation at a conference arranged by Energi Norge, and their nomination for a price in the US. The company also emphasize their sponsorships and that they give back to the local society. Here they post about how teams or organizations are doing, and they frequently use the hashtag #stoltssponsor, which translates to #proudsponsor. This shows that the company cares and provides for the community and that they really stand behind their sponsorships, which might appeal to the followers and customers of the customers. Helgeland Kraft also has an Instagram account, where they share pictures of their work, promotion, sponsorships, and so on. Currently they have 737 followers on Instagram.

Call centre

The conversations with this call centre were quite short, and it was limited exchange of information. We were quickly referred to their website, where they promote the company and its offerings, in addition to an overview of prices. When asked about additional attributes they responded that price was one of their main attributes, but if you lived in the Helgeland region you would notice their commitment and contributions to the region.

6.1.7 Bodø Energi Kraftsalg

Website

The website of Bodø Energi Kraftsalg has a simplistic layout. The website is different from larger actors' websites, and this is reflected in both the layout and content. The top half of the site has a yellow and orange colour that switches between two pictures, while the bottom half has dark grey colour fading into black. In the top of the site is the company name and logo in a black colour, so that it stands out on the bright background. The logo of Bodø Energi Kraftsalg is an impeller wheel, which again might be there to illustrate the origins of the generated electricity. Under the name and logo we find six large "buttons". One of them takes you to a page of your customer relationship with the company, another one is for signing an electricity subscription, to report errors, and so on. This part of the website is easy to navigate around and the content is clear. In the middle of the page is the text: "Vær med å skape lokale verdier," which translates to: "Join us in creating local value." This is in correlation with the identity of the company, which stands for their local engagements and their passion for the local community. This might appeal to potential customers visiting their website. Their contact information can either be found in the bottom of the website, or by pressing the "button" on the far right, which will take you to a page with an overview of the contact information and the possibility to send a request right away. Here it says that their customer service centre is open from 08.00 to 15.30. Bodø Energi Kraftsalg has a nice and simple website that appeals to the eyes, but it is not a flashy website which promotes sales or deals. It does not seem to be designed to promote or to sell, but to provide some information that one might need. The website to some extent seems to be designed mostly for existing customers, since it is little that directly appeals to potential new customers.

Social media

Bodø Energi Kraftsalg has a Facebook site, which they update evenly. The site gives information about their call centre and its opening hours and their contact information. They

have a picture of their logo as a profile picture, and as their cover photo they have a photo of different buildings in Bodø including the phrase “kraft til utvikling,” which translates to “Power to development.” Currently they have 3742 followers on Facebook, and their rating is 3.9 out of 5 stars from 21 customer reviews. The information that Bodø Energi Kraftsalg communicates through their Facebook site is competitions for their customers and followers, and problems with either their website or power distribution and assures the customers that they are working on the issues. They also promote their different sponsorships, like for example Parkenfestivalen, which is a large festival held in Bodø every year. The company communicates their interest and commitment to the local community through their Facebook site, which is in accordance with their strategy. By showing the customers and followers that they care about the community and providing growth to Bodø, they might gain new customers, and also give incentive for existing customers to stay loyal to the company. Bodø Energi Kraftsalg also promotes the company through encouraging customers and other followers to use the hashtag #bodøenergi when sharing pictures on Facebook or Instagram.

Call centre

They had no recorded message in the beginning, and they answered our calls quickly. They promoted themselves with the fact that they are a local company, they are just as cheap as other suppliers, you get everything in one invoice, the money is kept in Bodø, and they support local industry and businesses. We were also informed that they are going to launch an application that will provide the customers with some sort of additional benefits.

6.1.8 Ustekveikja Energi

Website

Ustekveikja Energi’s website has a clean and classic layout. The background is black, and the rest of the website is in accordance with Ustekveikja’s red and white logo. So the colours that follow through the site is black, white and red, which are colours that go good together and are easy on the eyes. The first thing you see on the website is a large picture of waffles with the text: “Bestill vår bestselger Direkte Innkjøpspris og få ekstra god kundeservice på kjøpet!” This can be translated to: “Order our bestseller Direct purchase and get extra good customer service as a part of the purchase!” They play along on the waffles theme a bit further down where they state that grandmother’s waffles never go out of fashion, and the same goes for low prices on electricity. They emphasize their effort in going the extra mile for the customers, so that they stay loyal to the company. In the bottom of their website they have a

small promotional video that encourage you to charge your phone, make coffee and so on, with the renewable energy from the foot of Hallingskarvet. This shows the origins of the electricity that Ustekveikja supplies, and this might appeal to the customers in a positive way. Even though almost all electricity produced in Norway is renewable. They have a menu over their products, deals, campaigns, and so on. The information about the company's contact information is found in the bottom of their website. You find all the information about their customer service centre in the menu under customer centre. Here we can see that the customer centre is open from 09.00-15.00 on Monday to Friday, and every Thursday the centre is open until 19.30. The company promote that "good relationships pays off," and this follows the promotion of the company being there and doing what they can to keep the customers loyal to the company. They highlight that having Ustekveikja as a supplier is a good thing, and that it pays off for the customers. Ustekveikja Energi has a neat and simplistic website, without it being too simple. It is elegant and it provides both existing and potential customers with the information they might seek and need.

Social media

Ustekveikja Energi has a Facebook site, which they seem to be quite active on. On the page we get information about their call centre and its opening hours, their website, and other contact information. They have their logo as a profile picture, and as a cover picture they show power lines with their logo and slogan: "good relationships pays off." Right now Ustekveikja Energi has 5265 followers on their Facebook page, and they have a rating of 4.3 out of 5 stars distributed over 11 customer reviews. Even though the number of customer reviews is small, it might appeal to the company's followers. The information that the company posts on their Facebook is competitions for their followers, and job vacancies within their company. They also provide the customers with regular updates through market comments. In addition, they promote and communicate their sponsorships through their Facebook page, and frequently use the hashtag #godeforholdlønnerseg, which translates to #goodrelationships paysoff. This slogan or hashtag, is highly used and emphasized throughout both the Facebook site and website. By showing their followers and customers that they are working on sponsorships, they show that they care about their surrounding communities, and this might appeal to potential new customers. Ustekveikja Energi also has an Instagram account, where they currently have 207 followers. They use Instagram in their promotional work, but this is not a heavily used communication platform.

Call centre

Our impression of this company is that the employees are genuinely interested in providing the customers with the best possible service and information. They responded quickly to our calls, and provided us with a lot of information. When asked why we should choose them over others, they emphasized that they had the same price level as many other actors on the market, and during the last winter they were top 2, but when it comes to their 2 and 3 year fixed-price agreements they were number 1. They also promote that you get a solid and good deal through them, and that no information is held back. They want to be perceived as an honest and secure supplier. In addition, they promote their good customer service, where they are easy to get in contact with, and the employees working within customer service are helpful and friendly. The company have a good overview over their current customers, and thereby have the possibility to provide them with the best possible service. Further, they promote that their invoice is straightforward, and can be received either through email or regular mail.

6.1.9 Gudbrandsdal Energi

Website

Gudbrandsdal Energi's website seems to be a website of a clean and simple design. The layout of the website is simple, the background is white and they use some other colours to highlight different aspects of the webpage, like for example grey and blue. The blue colour can also be found in the company's logo. One of the first things you notice when visiting Gudbrandsdal Energi's website is a large picture of a winter landscape and a river, with the text: "Cheap electricity? Check the price where you live!" Here you have the possibility to check the prices in your region. On the left they have a box where they promote that they have had the most satisfied customers in Norway for the past five years. A bit further down there is an overview over their electricity deals and products. Compared to other companies, this company have chosen a bit different names on their products like for example "Kvitfjell World Cup Variabel." These names might be viewed as more interesting than just plain names like spot price and fixed price, and could trigger the attention of the customers. On the website you can also find their newspaper and their TV-channel. They promote these features in a good way, and they both function as good communication channels towards the customers. In the bottom of the page you can find the information about their call centre, which is open from 07.30-15.15, in addition to information on how to contact them and about their social media. Gudbrandsdal Energi has a blog, which you can find on their website.

Another feature with their website is the possibility to change language between Norwegian and English. This is a good feature that takes into account that there are people of different origins living in Norway, and this might appeal well towards potential and existing customers. The website is simple and neat, and brings forward a lot of information. We can also see that through the website the company tries to sell themselves in to new customers.

Social media

On Gudbrandsdal Energi's Facebook site there is quite a lot of activity. The site, as many other sites of companies, provides information about their contact information. They have their logo as profile picture, and as their cover picture they have an ad where they promote a website called getv.no where you can watch all the company's videos. Their Facebook site currently has 31 077 followers, and their rating is 4.4 out of 5 stars provided by 130 customer reviews. This a good rating since it is distributed over quite many reviews, which strengthens the position of the company and would probably appeal to new customers. The company posts several posts on their site, amongst others a reminder every month for their customers to conduct the meter reading of their electricity consumption. They also use Facebook to advertise job vacancies within their firm, and they often post a video with something they call "market comment," where they comment on current market conditions and other news when it comes to electricity. They promote their newspaper GE Avis, and their application where customers can order and handle their electricity subscription through Facebook. The company uses Facebook to involve the customers and followers to participate in dialogue by asking them questions, and they also arrange competitions for their followers. In addition, they promote their sponsorships and cooperation with people and organizations. One of these is Kjetil Jansrud, which is a famous Norwegian alpinist. He is used a lot on their Facebook site, both in promotion and support of him in his competitions. Gudbrandsdal Energi also uses other social media platforms, like Twitter, Instagram and Youtube. They use their Youtube channel to post market comments and other videos concerning the company and its actions. Twitter is used to post small comments and promotions of the company, and currently they have 291 followers on Twitter. The company's Instagram account has 323 followers, and is used in promotion, and to communicate with the customers and other followers.

Call centre

In contact with this company, we experienced that they responded quickly and were effective in their way of communicating. They highlighted that they have the same price level as other

suppliers, and that they have good customer service. These are the two points they emphasized. They did not have any specific attributes in addition to price, but they did say that it might come in time.

6.1.10 Summary – call centres

As we see it, all the companies emphasized price as their main attribute during our conversations with the different call centres. This underlines the strong price focus when attracting customers. In addition to the price, the companies promoted other additional benefits by choosing them as a power supplier over others. These benefits varied from company to company, and are illustrated in figure 6.1. The two most prominent benefits beside price were the ability of getting one invoice and local value creator. In addition, other benefits were good customer service, benefit-programmes, custom-made deals and welcoming offers.

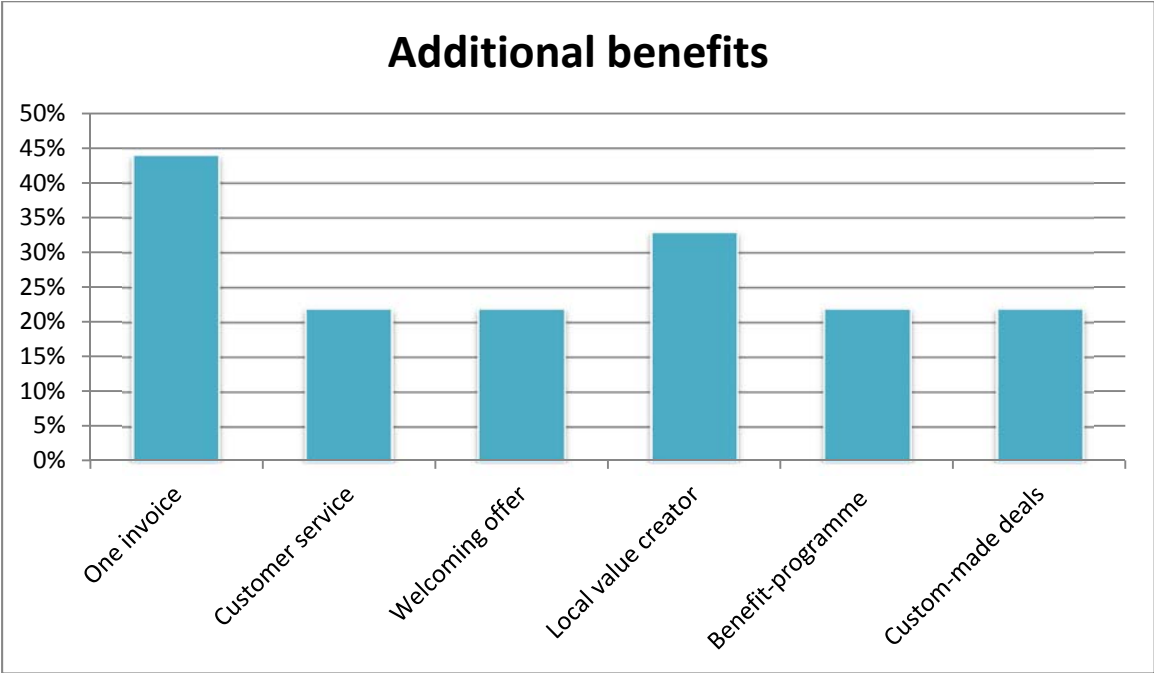


Figure 6.1 Additional benefits emphasized by the power suppliers

6.2 Research question 1 - Transactional marketing and relationship marketing

In this chapter we are going to look further into the first research question: “*Are power companies solely transaction oriented, or are they leaning towards relationship marketing?*” Through this research question we want to see if power companies are transaction or relationship oriented, or a combination of the two. The orientation will have an impact on the marketing and differentiation of the company.

We started the interviews by asking our informants if they knew the terms transactional marketing and relationship marketing. This was to get a sense of their understanding of the terms and whether they are consistent with how the theory and we understand the concepts. We then asked our informants to place their marketing activities within the strategy they saw fit, either a combination or one of the two. This was to get an indication of how they viewed their own marketing activities. To examine whether the companies are transactional oriented or relationship oriented, or a combination, we have different “criteria” we emphasize. We examine this through a series of questions related to three categories: marketing mix and communication, customer knowledge and relations, and internal marketing.

6.2.1 Marketing mix and communication

Helgeland kraft

When we asked our informant whether he/she knew about the terms transactional marketing and relationship marketing, the informant said that he/she knew the term relationship marketing, but not transactional marketing. After we described the term and asked our informant to strategically place their activities, we got the following response: “*We want to say that we are relationship oriented. I would say that inside Helgeland, where we have our own grid area, we are more relationship oriented. But in relation to the B2C market outside Helgeland, we are more transactional oriented*”. In other words, Helgeland Kraft see themselves as relationship oriented in their local market, and transactional oriented in their external (national) market.

Thereafter we asked the informant questions related to their use of marketing mix and communication platforms. To the question related to what competition tools (marketing mix) that was used, the informant had the following response: “*We have to divide between the local market (inside the Helgeland region) and the national market (outside the Helgeland region). Inside Helgeland we promote the fact that we are an active value creator and that we*

are owned by 14 municipals in Helgeland, and we use this a lot in our marketing. We use a lot of energy and money on promoting and communicating our sponsorship in Helgeland. We have a market share of 90 % in the B2C market inside Helgeland". Through this we can see that Helgeland Kraft uses promotion, one of the four Ps in the marketing mix, as a tool in their marketing strategy. Promotion is the tools used to communicate with the customers (Framnes, Pettersen and Thjømøe 2011). There are two strategies within promotion, either personal or impersonal promotion. Personal promotion can occur in different settings: face-to-face, over the phone, on stands, and so on (Framnes, Pettersen and Thjømøe 2011). *"It is important for us that everyone in Helgeland knows about Helgeland Kraft... We are constantly working outside the office, we are working on fairs and so on, to promote ourselves so that we are visible here in Helgeland."* Helgeland Kraft is personally present and has direct contact with potential and existing customers, as well as stakeholders in the region.

The impersonal promotion includes communication through ads, commercials, the Internet, and so on (Framnes, Pettersen, Thjømøe 2011). When we asked our informant what their most important communication platforms were, the response was: *"text messages... We also sent out a customer magazine five times a year until recently... Now we will start sending out a newsletter every month, either by mail or text, with 4-5 current matters"*. This indicates that Helgeland Kraft is concerned with keeping their customers informed and updated. By including the customers you facilitate a dialogue with them, which goes beyond just the invoice they get every month. These are important measures in trying to maintain some sort of relationship with one's customers. Our informant said: *"We are active on Facebook, where we have around 11 000 followers, so this is something we value and work on"*. In addition to this, they also use advertisement on TV. *"One of our sponsorships is the Norwegian national Nordic combined team, so we are out marketing ourselves on sport events like Holmenkollen, Granåsen in Trondheim, Lillehammer, and so on. When the Nordic combined team has some World cup arrangements we are out marketing ourselves there as well, trying to make our name known through broadcasts on TV through NRK... on the broadcasts it is announced that the broadcast is sponsored by the power company Helgeland Kraft."* This is mainly used to reach out to the national customers, where Helgeland Kraft is less known.

"Outside Helgeland, the marketing is mainly based on price..." The price in the marketing mix is about figuring out what the price levels should be, and includes discounts, credit, and sales terms (Framnes, Pettersen and Thjømøe 2011). Helgeland Kraft offers different deals

and terms when it comes to price, and we will address this further on. Out of the four Ps associated with transactional marketing; the two most important for Helgeland Kraft is promotion and price.

Further on, we wanted to see if the marketing activities varied with respect to attracting new customers, and retaining current customers. We got the following response regarding their marketing activities with the purpose of attracting customers: “... *We had a strong 20 % growth in new customers last year. The most used tool to achieve this was telemarketing, but in addition we became more visible on the national market through our sponsorship on the Nordic combined team*”. We asked if they had a strong focus on price when attracting new customers, and the informant confirmed this. Telemarketing is a form of personal sales, since the employees directly contact the existing or potential customers (Selnes and Lanseng 2014). This approach of attaining new customers has increased during the last years, hence substantiates the fact that companies are becoming more aggressive in their marketing (NVE 2013).

Then we asked about the marketing activities used when retaining customers, and got the following response: “*We are currently working on a benefit programme... Through this we will provide the current customers with discounts through different collaborators, like Craft*”. By offering the customers something in addition to electricity, you might be able to create some sort of added value for the customers. This might also strengthen the customers perceived value (Ravald and Grönroos 1996). “*Another measure we have implemented is a product called safe purchase price (innkjøpspris). We send out monthly texts about the last month’s spot price, so that the customers feel up to speed on this... They will also be offered fixed price, and are constantly updated on the changes in the fixed price and so on.*” This is a measure that might make the company more trustworthy in the customer’s eyes, since they are constantly up to date on current prices and there won’t be any surprises. Through this the customers have the possibility to choose the deal that best suits them. “*We will also launch a new product called even-electricity bill. This means that the customers will pay the same price in December as in July. Even price every month.*” This measure is unique in the way that it provides the customers with predictability in their electricity costs, which most customers would value highly. However, our informant pointed out that other national actors have this deal as well.

Bodø Energi Kraftsalg AS

To the question of whether or not the informants knew the terms transactional and relationship marketing, our informants said that they were familiar with both terms. We then asked under which of the two our informants would place their marketing strategy, and got the following response: *“We are trying to be relationship oriented, and the remedies we use are our position as local supplier and value creator in the region... It is important for us that the customers understand that the value created is kept inside Bodø”*. Since Bodø Energi Kraftsalg is a local supplier, it is reasonable that their focus is solely on their local affiliation to the region. We also asked the informants if they used price as a competitive measure as well, and our informants replied: *“No, we try to tone down the price perspective. Price is very hard to communicate, price is not communicated; the only thing that is communicated is cheap or cheapest... People do not have any reference to cents per kWh; today everything is measured in NOK per kilo or litre. So the term is hard to have any opinion about, what is an expensive price and what is a cheap price, because there are totally different factors involved here”*. When asked what communication platforms they mainly use towards the customers, or potential customers, the informant said: *“It depends on what we are trying to communicate. For the greater orientation it is probably our website that is most important. It is towards the website we lead the customers by the help of our Facebook page. One might say that Facebook is used as an advertisement channel, and then the website is used for the information we would like to communicate. And then we have the people we do not reach through those channels, which we reach through the invoice. We also have a newsletter, but it is only a supplement”*. These two platforms are both on an impersonal basis, since it does not directly facilitate any direct contact between the company and its customers (Framnes, Pettersen and Thjømøe 2011). However, earlier research has shown that these are the two platforms that are mainly used by customers to gain information about a company and its offerings (NVE 2013).

We also wanted to examine if they had any specific strategy towards attracting and retaining customers. When it comes to attracting customers, our informants said that they use their local affiliation. Since they only operate on the local market in this specific region, this is their greatest advantage over their competitors. When asked what measures they used when keeping customers, our informants replied: *“It is to highlight what we offer through sponsorships and so on compared to what our competitors offers. We promote our affiliation to Bodø, and how we are a part of building and developing this region”*. This is their unique

advantage. We can see here that their strategies of attracting and retaining customers are the same; they mainly focus on their local affiliation and contributions to Bodø as a region.

Local Company X

We asked our informant if he/she knew the terms transactional marketing and relationship marketing, and our informant confirmed this. Thereafter, we asked which of the two our informant would place the company's marketing activities under, and got the following response: *"I would say that we are relationship oriented"*. It is worth mentioning that this company only operate locally in a specific region, which might allow them to achieve closer contact with their customers. However, this is something we are going to analyse deeper through this research question.

Further on, we asked which tools they used in their marketing and the informant said that their strongest focus was their local affiliation. They use their position and role as a local actor as a way of promoting themselves, and this is their sole focus. Our informant said: *"We do this by highlighting our local sponsorships, and by being present at local fairs"*. Hence, the P of the marketing mix used by this company is promotion. When asked which communication platforms that were the most important towards their customers, our informant replied: *"It is web and Facebook, but also telephone"*. Communication through Web and Facebook are more on an impersonal basis, while communication over the phone is more on a personal basis (Framnes, Pettersen and Thjømøe 2011). Through these platforms they promote their connection to this region, and how they contribute to create value through their sponsorships and dividend pay-outs.

We then asked our informant if they had different marketing strategies related to attracting and retaining customer. To this, our informant replied: *"We focus on the local affiliation in all our marketing activities"*. Since they are a small actor on the market, and only operate locally this is their greatest advantage and competitive tool.

National company Y

As with our other informants, we started by asking this informant if he/she knew of the terms transactional marketing and relationship marketing. Our informant said that he/she thought that he/she did, but wanted us to describe the two terms. We did and then asked if the informant had the same impression, and he/she confirmed this. We followed up by asking

which of the two terms, or a combination, best suited the strategy of the company. *“I guess I would say that we are in the famous in-between.”* As a national actor, with a large market share, it might be challenging for this company to use relationship marketing and establish close relations to their customers.

When it came to the marketing mix and which they used the most, our informant said: *“We are mostly on price, product and place, and much less on promotion... Price will generally be... We are one of the market leaders, so we help set the market price. So we set some industry standards and so on. And when it comes to the product mix, it needs to be adjusted constantly so that we have the product mix we think the customers want”*. As Framnes, Pettersen and Thjømmøe (2011) points out, product is the goods or services that is offered, the total package from the actual product to features outside the product. Our informant’s statement shows us that price and product from the marketing mix is the most prominent. They use price as a competitive tool, and since they are one of the market leaders, they have the ability to influence this factor. They also use product. Even though electricity is a standardized product, there are ways of putting together a product mix to best-fit customers. They offer several agreements so that the customers can choose the one that they think suits them best. This gives the customers the power of choice, which they might value highly.

Then we moved over to analyse the company’s methods of attracting new customers. *“I would say push activities, where we actively seek out the customers where they are. And also make sure that the customers feel that we are here, that they are used to the fact that we are present for our customers.”* This might function as a starter for the company to create a bond between them and their customers. They offer the potential customers reassurance that they can rely on them as a company. This can to some extent function as a “value carrier,” where the company provides and offers something that the customers perceive as of greater net-value than what the competitors offer (Ravald and Grönroos 1996). Our informant also told us that price is not a prominent factor when attracting new customers, it is rarely used in their marketing strategy. *“If you think of electricity, it is a primary delivery. As long as you have a house, you need electricity. So if we as a company makes sure to be there when our customers need the product, then price is no longer the primary focus. It is more important that you get a delivery.”* This shows that this company wishes to be there for their customers, and their strong focus on presence and availability.

When asked what kind of marketing activities they use regarding retaining customers, our informant said: *“It is through ensuring that we at all times are competitive on price, but also when it comes to relevant products. That we provide the customers with the offer they expects us have, and of course a bit more. One of the things we are trying to facilitate as best as possible, is excellent customer service, so that the customers are able to reach us when they need us”*. This underlines that price and product are the most important factors in the strategy of this company. We also see some elements of the fifth P in the marketing mix, which is people. When it comes to National company Y’s personnel, we will discuss this later in the analysis. To the question of the company’s most important communication platforms out to the customers, we got this response: *“it is one-to-one channels. Like for example newsletters, invoice attachments. But our customer service centre is maybe the primary and the most important”*. Our informant also stated that they used social media, but mostly for crisis communication. The company mostly communicate on an impersonal basis, but they also have some personal communication through their customer service centre. The customer centre is more on the personal basis since it facilitates direct contact between the company and its customers.

6.2.2 Customer knowledge and relations

Helgeland Kraft AS

We started this part by asking the informant what he/she believes the customers value the most when buying electricity: *“There is a strong focus on price and simplicity. The possibility to get one invoice, consisting of both the payment for electricity and transport is highly valued by customers”*. Customer research done by NVE confirms that price and simplicity are important factors for electricity customers (NVE 2013).

Then we asked how they got this knowledge, if it was through databases, market analysis and customer surveys, etc. Our informant said that they got their intel through these, but that they weren’t satisfied with their own effort in this area. *“We have implemented a CRM system (customer relationship management system), which allows us to obtain control over the communication and relation with each customer. This is a normal CRM system, where we have control over all the contact with our customers, all conversations, discussions, and so on... This is something all industries have, but in the Norwegian power industry it is not that common.”* This system gives Helgeland Kraft the possibility to gain more knowledge about their customers, while at the same time helping the company provide the best possible service

by keeping trace of the customers. The system allows the company to get to know their customers and their needs and preferences, and thereby use this in their development and marketing of offerings best suited for the customers. Helgeland Kraft hopes to be able to use this system in their work related to segmentation and marketing. We asked if they had different marketing approaches towards different segments and got this response: *“yes, to a certain degree. But towards the customers outside Helgeland we don’t really segment that much”*.

Helgeland Kraft contributes a great deal to their local market, which mirror their relationship with the customers in the region. *“We have a strong relationship with our local customers, but a relatively weak relationship with the external (national) customers.”* The company see themselves as an active value creator in the region, both through their sponsorships and dividend pay-outs. *“We use the fact that we are an active value creator a lot in our marketing. We pay back to our owners where the money goes to building of schools, nursing homes, and so on... We sponsor the local soccer team, local choir, etc. So in this way we achieve a strong relationship with our local customers.”* This makes it logical to assume that most of the inhabitants in Helgeland knows about Helgeland Kraft, since they are such an active contributor to the local community. These activities might speak to the emotions of the inhabitants, and further strengthen the bond and relationship between them and Helgeland Kraft. *“We have very loyal customers locally, and this is evident through our good scores on customer satisfaction in reputational surveys.”* We believe that it can be seen through their market share on the local market, as well.

Bodø Energi Kraftsalg AS

“We think that unconsciously it is feelings, and that it is easy and straightforward. I do not think that they give it much consideration, it depends on whom they feel it is natural to consult based on their preferences. The one they consult is often the one they buy electricity from, and the brand they are most familiar with. One rarely orders electricity, maybe two to three times throughout one’s lifetime, so the concern is functionality not price. One only wants it to be in place.” These are the elements our informants believe the customers value when buying electricity. The fact that the process of changing supplier should be easy and straightforward corresponds to what is found in earlier research (NVE 2013). The other factors also seem logical, but the report does not say anything specific about this.

Further, we asked how the company gained information about the customers and if they had some sort of insight in why customers change supplier. Our informants replied: *“We gather the information through surveys. The last couple of years we have not done any surveys on why customers change suppliers. We did it before, but the results were that 99.9 % of the customers changed based on price. When we asked questions to examine this deeper, the customers replied that they did not have any relation to the price. They changed because someone approached them and told them that they are cheap. The customers do not have the proper knowledge of what is cheap, and what is expensive. Even we don’t have any relation to what is cheap and what is expensive. One just pays the price of the electricity, that’s what we all do”*. So the company tries to gain some deeper understanding to the customers’ preferences, but sees this as challenging due to the characteristics of the product and the customer’s perception of it. However, we do get the impression that they have some deeper insight into the customers during this interview. We also asked the informants how they would characterize their relationship with their customers. *“We do surveys on new customers every other month, and here the majority said that it is the local affiliation that made them chose us as their power supplier. Other than that, the customers that are in contact with us say that they are pleased with what we have to offer, and that we have a good customer service and so on.”* Based on this, it seems like the customers the company is in contact with are satisfied with the offering and service, and value the company’s role as an active value creator locally in Bodø. *“Then we have all those that we aren’t in contact with, where we are insecure about the relationship. We do have some customers that change suppliers due to price, but this is a result of the aggressive marketing of other suppliers in the market.”* Our impression is that the overall relationship between the company and the customers might not be as strong as the company wants. The customers have some sort of relationship with the company due to the local affiliation, but an in-depth relationship between customer and company might to some degree be absent. This might be one of the reasons for the company’s loss in customers the last five years.

When it came to segmentation of the customers the informants replied that they did not really have any clear segmentation, except between the B2C and B2B markets. *“We have the possibility to segment when it comes to product and so on, but that depends on what kind of communication we are after.”* Since they do not segment between different customer groups, they use the same marketing strategy towards all their customers.

Local Company X

We asked our informant what he/she believed the customers valued the most when buying electricity, and got the following response: *“Simplicity. The possibility to get one invoice... And also in some way avoid having to take a position to suppliers”*. Simplicity and the possibility to get one invoice is something earlier research has shown that customers value (NVE 2013). When it comes to not having to take a position to your power supplier, there is nothing specific that agrees with this. However, the case is that many customers often do not really know who their supplier is (NVE 2013).

Further on, we asked how the company gained knowledge about their customers, and our informant replied: *“We conduct a customer survey. Until last year this was done annually, but now we do this every other year”*. The reason was the small variations from year to year, which our informant believed was due to the customers’ limited interest in the product. Our informant also pointed out that by doing this every other year, it would also contribute to a better use of these results internally in the company. We agree with this statement, since the variations were so small, it might give the company more precise pointers on what to do with the results, and help them gain a better understanding of the customers’ needs and preferences. We then asked if our informant felt like they had customer insight, which we see as deeper knowledge gained through asking the customer the question “why”. We got the following response from our informant: *“Yes, we do. We try to have a call-back strategy, meaning that every time we lose a customer, we call them and ask them why...By doing so, we get a chance to see if the change of supplier was as a result of something we did, or simply because they got a better offer from someone else”*. In our view, this call back strategy might give the company some deeper insight into the customers, and also in some way strengthen the relationship. It seems like they have a genuine interest in providing the customers with the best possible offer. We also asked the informant how he/she would characterize the relationship with their customers, and got the following response: *“Generally, I would say that it is a strong relationship”*. The informant backed this up with their local affiliation to the region, as well as the fact that many of their customers are shareholders in the company. Our informant pointed out that it was easier to establish a stronger relationship to their shareholders, since there is already a foundation for a relationship present.

When asked if the company had some sort of customer segmentation, our informant said: *“No, not inside the B2C market. There we only divide by cabin, holiday homes and permanent*

residents". Since they do not have any segmentation towards the customers, they do not vary their marketing towards these "segments". This corresponds to their use of the marketing mix, which is based solely on using their local position as a way of promoting themselves to the customers.

National company Y

We asked our informant what he/she thought the customer valued the most when buying electricity, and the response was: *"What I think they value the most... the alternative of actually buying electricity needs to be there for it to be relevant for them to sign a electricity subscription. Then availability is primary. Number one. Convenience"*. This again shows that convenience and simplicity are some of the things customers value when choosing a power company, which are backed up by the report from NVE (2013). Then we asked our informant how they got this information about the customers: *"We get it through... simply by sending employees out and talking to our customers, even those in our marketing department"*. We also got the information that they do this on a weekly basis. By having the employees going out talking to customers you get first-hand knowledge. Through sending out the marketing staff, the marketing department itself get the knowledge needed to be able to reach the customers. They get the knowledge on how to connect with the customers on a deeper level and show them why they should choose National Company Y over its competitors. They segment their customers to some extent, according to consumption, age, life stage, and so on. We asked if they had different marketing strategies towards these segments: *"Well... I wish the answer to this question was a clear yes, but it is not. We use more mass marketing"*. Mass marketing reaches large groups of customers and potential customers, and due to the company's size and customer base, they need to be able to reach the masses to maintain their position in the market. They could however reach out to customers on the basis of their needs and preferences, by using this segmentation. It could possibly help them increase their already large market share.

We also asked our informant how he/she would characterize the company's relationship with the customers. *"I would say that it is quite superficial. We have a low-interest product, right. We have a very strong relationship with our customers when things happen, but other than that it is quite weak, because there is no direct logic in relevance here. It is often so, that in the situation of a power blackout, you have a strong relationship with your power company."* So our informant points out that due to the customers low interest in the product there has to

be logic behind what and how the company communicates with their customers. This further emphasizes their difficulties when it comes to establishing a deeper connection with their customers.

6.2.3 Internal marketing

Helgeland Kraft AS

“It is important to have good customer service. This is a strong focus for us. It is important that the customers are answered when they call us, and that they get the right answers and that our employees behave in a polite and accurate way.” These employees that are in direct contact with the customers are also called part-time marketers, together with all the other people working outside the marketing departments (Gummesson 1991). Their behaviour and attitude play a crucial role in how the customers perceive the company and have an impact on the customers’ perceived value and satisfaction (Gummesson 1991). We asked if these employees had gone through some sort of competence training, and our informant told us: *“We have had several courses. We have something called Helgeland Kraft-ambassador. This is a programme not only for the customer service centre, but also for all the engineers, etc. Through this programme we are trying to get our 290 employees pulling in the same direction, where they act according to the company’s values and by so, contribute to creating a good reputation for our company”*. This shows us that Helgeland Kraft has a focus on internal marketing. When we asked how our informant would characterize the company’s internal marketing, we got the following response: *“We have had HK-ambassador, we constantly run surveys on reputation, and inform about this internally in Helgeland Kraft. We see how the company is doing and what’s important to us, and create activities in accordance with this. There is of course some challenges in getting forward the total message to every employee, but we are working hard on this”*. This gives incentive to believe that Helgeland Kraft to some extent is relationship oriented. This is based on the fact that an important element of relationship marketing is implementing customer orientation throughout the whole company, and having strong internal marketing (Grönroos 2007).

Bodø Energi Kraftsalg AS

When we asked how important their sales personnel was in creating good customer relationship, we got the response: *“For the people that are in contact with us they are very important, and we have gotten good feedback on our customer service. It is important that the customers that are in contact with us, get the help that they need and that they feel secure in*

the treatment they are getting here". We then asked whether the employees had gone through any form of training and competence courses. *"Yes, they have. They have been working here a long time, and went through some sales training a couple of years ago. But the teaching process is continuous, because we always face new challenges, new systems, and ways of communicating with our customers. So it is a need for continuous improvement all the way."* These employees are also called part-time marketers, and play an essential role in marketing as a whole, and this emphasizes the need for a customer-oriented focus throughout the whole company (Gummesson 1991). Our impression is that Bodø Energi Kraftsalg has this focus to some extent, but there is room for improvement.

Local company X

People, or personnel, have grown to become a key factor for the customers perceived value over the last years (Framnes, Pettersen and Thjømøe 2011). We asked our informant of what kind of role these front-line people had for the company, and got the following response: *"Fundamentally, they play a major role, since they are the ones in direct contact with the customers, both over the phone and in writing"*. These front-line employees are also called part-time marketers, and their attitudes and behaviours play an essential role on the customers perceived value and satisfaction (Gummesson 1991). We then wanted to know if the company had conducted some sort of customer and competence training of these employees, and our informant replied: *"Yes, they participated on some sort of sales-school a year ago, and this sales training was organized by a professional agent we hired"*. The informant explained that during this school the employees learned how to behave in the dialogue with the customers, and in addition they got a deeper insight and understanding of the product and the competition in the retail market. As we see it, by participating in this form of training, the employees or part-time marketers might become more prepared and understanding over the customer, market and product. This could help the company in the process of establishing a relationship with their customers and stakeholders. However, when the informant was asked about how he/she would characterize their internal marketing, our informant said that this was limited.

These elements give us incentives to believe that they have distinctive characteristics that could place them under relationship marketing, but however, we would not say that they are solely relationship oriented. Even though the informant points out the great importance of these part-time marketers and their role, we do not get the impression that there is a strong

enough customer-focus implemented throughout the whole organization, which is one of the main characteristics with relationship marketing (Grönroos 2007).

National company Y

We have already touched upon the fact that this company to some extent uses personnel as a part of their marketing mix. When we asked our informant what kind of role the sales personnel had when it came to creating good customer relations, the response was: *“They are probably the most important ambassador for the company. They are the front door to the company, and if this experience is bad it is a huge chance that the whole customer relationship will be bad. If that is the case, then it is really hard to turn that experience around”*. This company has understood the importance of the personnel, or the part-time marketers, and their role in customer relationships. It is their attitude and behaviour that determines how the customers view the company, and impact the customers perceived value (Gummesson 1991). We followed up by asking if the employees had gone through some sort of training before being in direct contact with the customers. *“They have. We have very direct guidelines on what they are allowed to say and what they are not allowed to say. They have to be extremely clear when communicating our terms and deals to the customers. They are not to misbehave in any way, and are to act within our ethical guidelines at all times.”* Our informant also came with this response when we asked about their internal marketing: *“We run the same value propositions internally and externally”*. The responses about the competence training and the internal marketing show the focus of this company. They are focused on providing the right information and treating their customers well. The fact that they run the same value propositions internally and externally indicates that this company is quite transparent. What is communicated internally is communicated externally, hence there is very little in the shadows. This might give incentive for more loyal customers and increasing the perceived value of the company in the customers’ eyes. This might increase the perceived value of the company in the customer’s eyes, and thereby give them incentives to stay loyal.

6.2.4 Summary

From our interviews and analysis we have seen how the companies see themselves in accordance with the terms transactional and relationship marketing. We see that Helgeland Kraft has a strong wish to be relationship oriented, and they are to some extent inside their local market. But outside Helgeland, on their national market, they are more transactional

oriented, due to their strong focus on price and telemarketing. Bodø Energi Kraftsalg is trying to be relationship oriented. They have some elements from relationship marketing, but they are not quite there yet, and therefore are positioned somewhere in-between. Local Company X also has elements from relationship marketing. It is important to underline that they operate within a relatively small area, compared to the other suppliers in our study. This might be an advantage for them, and might ease the process of creating a relationship with their customers. But despite this, we can from our interview and analysis see that also this company is somewhere in-between. National Company Y is, as our informant said, in-between the two orientations. They have elements from relationship marketing, and we especially see this through their personnel's strong focus on the customers. We see that the common factor for all companies, are their shared view about the importance of their front line employees and the significant role they play.

So as an answer to our research question, we see that companies are attempting to move towards relationship marketing, but our impression is that the companies to a great extent still are transactional oriented, and the customers see this as well. This is based on the characteristics of transactional marketing: the focus on volume, the little to moderate customer contact, and that the customers are quite price sensitive (Christopher et.al. 2002, Grönroos 1994). This is further seen through their use of impersonal communication platforms. We see that this is especially the case amongst companies operating on a national level. Our impression is that their main focus is attracting new customers and expanding their market shares. As seen from our interviews this is mainly done through price and telemarketing, which the customers perceive as aggressive marketing (NVE 2013). The companies operating in local markets can to a greater extent be viewed as relationship oriented, and have a better foundation to achieve this. As Jan Ove Rivenes, our expert informant said: *"I think that for the smaller and local companies, if they do it right and are clever, they can more easily give the experience of being closer to the customers. Show them that they understand them, that they are on their side, that they are closer to them, and that the customers can trust them"*. He also states: *"It is easier because people have a strong connection to the local, either it is a valley, region or area"*. So the main means for the local companies in creating lasting relationships with their customers is the use of their local affiliations.

6.3 Research question 2 – Positioning, brand and image

The next research question is: *”How does power companies in Norway use brand-building to differentiate themselves from their competitors?”* During this research question we want to get a deeper understanding of the importance of branding in a power market, and how they use their brand as a way to differentiate themselves. We want to analyse the content of their brand and their supporting marketing activities. In addition, we would like to see if their brand content only includes functional elements, or if they use some emotional as well. Thus, we have divided this analysis into three categories: importance and benefits, the brand content, and supporting marketing activities.

6.3.1 Importance and benefit

Helgeland Kraft AS

We wanted to know if the informant felt like brand was an important part of their marketing, and this was the case. We then asked what the informant felt was the benefit of having a strong brand, and we got the following response: *“It is very important for us that everyone in Helgeland knows about Helgeland Kraft... We also work towards getting our brand known on the national market”*. This statement indicates that Helgeland Kraft sees both the importance and benefit of having a strong brand. The role of the brand is to identify the seller and signalize what is unique about the seller (Selnes and Lanseng 2014). Our impression is that the company has a strong focus on building and promoting their brand to create awareness both locally and nationally. However, due to their local affiliation to the market inside Helgeland, the focus has been stronger in this region, but they are increasing their promotional work nationally as well.

Bodø Energi Kraftsalg AS

The theory shows us that creating and maintaining a brand is very important for a company, and we wanted to see if Bodø Energi Kraftsalg agreed with this. The response we got was: *“It is crucial. The way we are positioned now, and the way we work with our name – Bodø Energi... Without it we would struggle... There wouldn’t be anything left. We are too small without our name and affiliation”*. Then we asked about the benefits of having a strong brand. *“It is the loyalty, and that we can promote the societal value of having a local supplier. Local contributions. We have quite the societal financial statement to show for every year. By having a strong brand you are also easily remembered by the customers, and have a strong presence in the customer awareness.”* The Bodø Energi name and their affiliation to the

region gives them the possibility to identify them as a company, and at the same time highlight what is unique about them. This clearly shows us that Bodø Energi Kraftsalg sees the importance and benefits of having a strong brand.

Local Company X

When asked about the importance of having a strong brand, our informant replied: *“It is very important... The brand is the most important factor for us”*. The informant pointed out several benefits of having a strong brand: *“It makes the dialogue with the customer easier”*. Keller (2001) emphasize the same thing by pointing out that in cases when customers have “low involvement” with a product category, the customer’s choice of brand is then solely based on brand salience, which is brand awareness. Our informant continued: *“In most cases, I think that the customers to a great extent buy the company rather than the product... The customers are often more interested in the surroundings of the product, rather than the product in itself”*. This is based on our informant’s view of the product being a product of “low involvement”, which comes from their previous experience with the customers.

National Company Y

We asked our informant if a strong brand was important for the company, and the informant responded that it was important. Then we followed up by asking what benefits arise from having a strong brand. *“The benefits are that it creates awareness among the customers, and they get the assurance that they need. Plus, if one thinks of the electricity delivery, it is actually one of the hygiene factors for a modern house to run properly. Therefore it is crucial that you have trust in the one who delivers electricity to you.”* Over the past 25 years the creation of brands has increased and the interest in creating a strong brand have spiked, both in Norway and in the international markets. By creating a strong brand you can increase customer awareness and perceived value of the company (Samuelsen, Peretz and Olsen 2010). This is what National Company Y is trying to do through their brand management. They want their customers to feel safe in their choice of supplier, and that the customers acknowledge that this is a company they can rely on.

6.3.2 Brand content

Helgeland Kraft AS

When it comes to the terms brand identity and brand personality, our informant expressed that he knew the terms, but that they weren't heavily used and focused on. The reason for this might be because they outsource these activities to an outside advertising agency.

We asked the informant what they emphasized when developing their brand, and the response was: *"We for example use the slogan electricity from the world's most beautiful coast"*. This slogan and the name of the company, Helgeland Kraft, can be seen as the core of the brand identity. The core of the brand identity also concerns aspects like service, attributes, performance, and so on (Ghodeswar 2008). Where the power comes from, can be seen as an attribute of the product, especially since it, comes from *"the most beautiful coast in the world"*. Helgeland Kraft has recently made changes to their profile: *"We have gotten a new profile, which is supposed to be appealing, environmentally friendly, and we have gotten some green into our profile"*. We can see this change in the company's logo, which is an impeller wheel, but now with a more modern and soft look. The impeller wheel might be an illustration of the source of the generated electricity.

"We have a strong focus on being an active value creator, and our values are: available, reliable, committed and competent. We have recently done some surveys, and the associations related to us are reliable, strong, good, and so on." This shows us that the brand identity is more related to the corporate identity, since it is closely related to the company's reputation and focus on promoting their internal values. This also connected to the extended identity and consists of the brands intangible characteristics (Ghodeswar 2008, Kapferer 2012). The company uses their local affiliation to create some symbolic meaning and associations to the company and the brand. By doing so they create brand meaning, which consist of brand performance and brand imagery (Keller 2001). Brand performance is the core product, and the functionality of it. Helgeland Kraft produces their own power and functions as a grid operator (locally) and the seller of electricity (nationally). They have the whole value chain within their own company. Brand imagery is how the brand attempts to meet the customers' social and psychological needs, which again includes and refers to the intangible aspects of the brand (Keller 2001). Helgeland Kraft tries to trigger some social and psychological associations in the mind of the customers by promoting their active role in the local community. This appeals to the emotional side of the customers, especially in their local region. By showing their

affiliation to the community, they show their affiliation to the customers, which might create some sort of deeper emotional connection between the customers and the company.

Bodø Energi Kraftsalg AS

From the interview with Bodø Energi Kraftsalg we can say that their brand identity is based on their affinity with the local community. So the core of the brand is their name and contributions to Bodø as a region. This is also reflected in their slogan. So the tangible aspect of the company's identity is solely based on their position as a local actor in the region. When it comes to brand personality, which is the intangible aspect of the brand, our informants said that they have not had any deep psychological thoughts around this. However, they do get feedback that they are considered a secure choice, and that they are innovative. As far as the company's efforts in creating brand identity and influencing brand personality, they try to be different and to stand out from the rest. The associations and feelings the company wants its customers to have about them are: *"We want our customers to be confident that we are the right supplier for them, and that they see the additional value of us being here. Locally"*. When it came to how they could try to influence the associations and feelings of the customers they said: *"By keeping up the work we are doing now, acting the way we are. Doing the right things, and emphasize this"*.

Local Company X

Brand identity consists of the brand's tangible and intangible characteristics, and it draws upon the brand's roots and heritage (Kapferer 2012). Our informant said that their brand identity was based on the company's affinity with the region. The brand name directly links the region to the company, and the same does their slogan. Their slogan promotes their role as an active value creator in the region. Our informant said that they did not have any specific brand personality, but that they did promote their internal values, which are: serious, competent and present. Thus, the brand identity for this company is more related to the corporate identity. The corporate identity is based on the company's internal values and beliefs, and is closely linked to reputation (Chernatony 1999). As our informant has mentioned, in many cases the customers buy the company rather than the product. Through showing their role as an active value creator, they want the customers to feel a form of mutual loyalty towards them. They want to show that they are there for the customers and want the customers to choose them as supplier, and thereby establish this mutual loyalty. Through this mutual loyalty the company tries to establish some sort of emotional connection with their

customers. This emotional connection can be achieved by using the intangible characteristics of the brand, which attempts to meet the customers' social and psychological needs. The company does this by promoting their active role as a value creator in the region. We believe that this might trigger some emotional connection between the company and their customers.

National Company Y

When we asked this company what they emphasized when creating their brand, the response was: *"We want to be perceived as a safe alternative in the power market. We have been here for 100 years and we know what we are doing. Thereby solidity and security is our primary value propositions"*. They recognize this as their brand identity. *"We are a large and safe company that give you an electricity delivery that is simple and smooth."* The purpose behind brand identity is to specify the brand's self-image, aim and meaning (Kapferer 2012). The brand identity this company wants to communicate to the public is safety, first of all, and trust. They are a reliable company; they are well known, they know what they are doing, and they will keep doing it.

We asked our informant what kind of associations, feelings, and attitudes they wanted the customers to have about the brand and the company. *"In short: no worries, just smart solutions."* The response we got when we asked how they could try and influence these emotions were: *"It is to make sure that the value propositions... thus the product in a way... or that the product mix... lives up to it. That there is a logic that adds up when it comes to what we do and what we want to be"*. This shows that the company is concerned with staying transparent, and their actions and their words go hand in hand. The company believes that if a company is to stand out and to create a solid brand, one has to appeal to emotions. The brand needs to awaken some feelings in the customers. One can do this through creating a strong brand around the company that appeals to the customers, for example that they are not just cheap, but that they are reliable and solid. This is something this company is trying to do. They are trying to strengthen their corporate identity, and thereby their reputation (Chernatony 1999).

6.3.3 Supporting marketing activities/communication

Helgeland Kraft AS

Brand image can be seen as a synthesis made up by the public through all the brand messages, therefore it is crucial that the company has an understanding of what and how to send these

messages (Kapferer 2012). Through our interview with Helgeland Kraft we got the impression that this company has some solid knowledge on how and what to communicate about themselves. The local affiliation and their promotion of this are strong in the local market, and it works to their advantage. The company has a market share of 90 % in Helgeland. Through their supporting marketing activities they can to some extent influence the public's view on the company, hence in some way influence the brand image. *“On a regular basis we organize campaigns in Helgeland, where we use the fact that we are an active value creator as a resort. The last campaign we ran was that we supported local teams and organizations, and we hand-picked some local enthusiasts, like for example a choir in Mosjøen and so on... We use this form of activities a lot in our marketing internally in Helgeland.”* When it came to the brand and focus internally in Helgeland our informant said: *“That we are an active value creator. We are owned by the municipals, and it creates the mind-set of the customers feeling that the company is a bit theirs as well. Since the municipals owns the company, the inhabitants of the municipals also own us”*. This appeals to brand feelings, which are the customers' emotional responses and reactions to the brand (Keller 2001). Helgeland Kraft might awaken some feelings of social approval and security within their customers. The local customers feel how dedicated the company is towards the local community, they know the company will contribute to build and maintain the community, ergo be there for their customers. These are feelings that have a more lasting impact on the customers, hence Helgeland Kraft leaves a lasting trace in the customer's mind.

Transposing this to the national market is close to impossible. In the national market they generate awareness, while locally they can create a closer relationship with the customers through their involvement in the local communities. Nationally the relationship with the customers becomes more superficial due to the characteristics of the product and the market. They try to create this awareness through their slogan “electricity from the world's most beautiful coast” and the sponsorship of the World Cup on NRK, where they are listed and promoted as the sponsor.

Bodø Energi Kraftsalg AS

When the brand content is decided, the next challenge for the company is to communicate this in a way the customers understand. Bodø Energi Kraftsalg uses the following communication platforms to promote their brand: *“Sponsorships... Advertisement is used in the form of promoting the brand on stadiums and on shirts or jerseys on the local sport clubs... In*

general, we have little advertising material. However, we do invite the customers to participate in competitions related to different holidays like Christmas and Easter on Facebook. We also participate on local events like Parkenfestivalen, Bertnesdagene, and so on". By doing so, they might create customer awareness to their brand.

Local Company X

The company not only needs to know what to send, but also how to send it (Kapferer 2012). Through our interview with the informant, it seems like the company knows both what to send and how to send it. Their marketing messages are all related to the company's affiliation and contribution to the region, and for them it is important to be present locally. They announce a lot locally, mostly in paper form, through local newspapers, and so on. Our informant said: *"Both through local newspaper, but also in other types of printed material, everything from the parish newsletter to the yearbook... Thus locally produced printed material"*. By doing so, they might be able to strengthen the mutual loyalty between the company and the customers. At least create brand awareness.

National Company Y

Through the interview with our informant at this company it is quite clear what the company wants their brand identity to be, and they know how to communicate this. They want to be seen as a reliable power supplier that is there for their customers when they need them. They promote this through some PR activities. They also use social media, like Facebook, to keep in touch with their customers in times of crisis. This strengthens the impression that they are a company that will do a lot to be there for their customers, and that they are reliable. They maintain communication with the customers. Along with being reliable the company wishes to deliver the products that the customers need, and products that are in correlation with the value propositions of the company.

6.3.4 Summary

Through our interviews and analysis, we could see that all the companies agree that having a strong company brand is important, and they all listed several benefits of having a strong brand. Helgeland Kraft has their name, logo and slogan as their core, and as extended, value creator and internal values. They mostly communicate and promote their brand through campaigns and local sponsorships. Through our analysis of this company we reached an understanding that they to some extent have a strong brand locally in Helgeland, but that they

lack this in the national market. Bodø Energi Kraftsalg also has their name, logo and slogan as the core, in addition to their local affiliation and contribution to Bodø. It is through sponsorships and events that they communicate their brand. Local Company X has the same core as the other companies, and the extended is internal values and value creator. They are a local actor, and they communicate their brand through local communication platforms. National Company Y has their name and logo as the core, and the extended is their experience, solidity and security. They also emphasize the functional and technical aspects of the brand: everything should work as it is supposed to, from the sales to consumption. The brand is mainly communicated through PR activities.

“The brand needs to capture your distinctive feature, what separates you from the others, and which is most relevant and distinctive for you to offer better than anyone else. It has to be relevant for the consumers and one needs to let this be the basis for the brand” (Jan Ove Rivenes). This is in accordance with the theory on branding. The local companies have to some extent found their distinctive feature, which is their local affiliation. But we think, based on our analysis of the interviews, that this feature can be exploited even further than it has been today. We think that the companies are not using their full potential, and they are not communicating their brand in the way that is needed to create a strong and lasting brand. Their communication can to some degree be defined as quite passive, it is not enough to have your name and brand on the shirts of the local football team and stadiums, you need to use this to communicate your brand to the customers. You need to use the sponsorships to appeal to the emotions of the customers, and thereby establish a deeper connection. The answer to the research question is that the power suppliers in the current market understand and know that brand is an important remedy to differentiate themselves in the market. The companies we have interviewed do to some degree have a focus on branding, but as we see it, it is not enough. Branding in the Norwegian power market is unexploited, and in need of a bigger focus. The challenges for the local companies are communicating their brand, and for the national companies it is finding their distinctive brand features.

6.4 Research question 3 - Differentiation

”Is there a focus on differentiation in the Norwegian power market or are companies just following the path of their competitors?” During this research question we would like to get a deeper understanding of what dimensions the companies primarily use when differentiating themselves from competitors, and how they see the opportunities and challenges associated with this. We will structure the analysis by these factors.

6.4.1 Differentiation dimension

Helgeland Kraft AS

“In Helgeland it is clear that we are an active value creator, and this is relatively straightforward since we are owned by the municipals, pay dividends to them, and use great deal on sponsorships... Outside Helgeland there is primarily a price focus, but we also try to focus on benefit programmes, which include text notifications, even electricity bills, and we also have a clear goal of just one invoice to the customers.” Inside Helgeland, our impression is that they have a strong focus on the dimension image, which includes positioning, brand, arrangements, and so on (Framnes, Pettersen and Thjømøe 2011). This is based on their focus on being an active value creator in the local community, their focus on brand, and the time and effort they put into local events. It is important for Helgeland Kraft to be present in the local community, and they want all the local inhabitants to recognize the company and its importance for the region. Even though our informant does not say it directly, based on the data collected through the interview we can see that Helgeland Kraft to some degree also use personnel as a dimension in their local market. This is mostly based on their HK-ambassador programme. Through the programme they focus on training their employees to act in accordance with the company’s values, and through this create a good reputation. Our informant said that the focus outside Helgeland was mainly on price and to some extent their benefit programmes. We do not get the impression that they have a strong focus on differentiation in the national market, but this is something they are working on.

Bodø Energi Kraftsalg AS

When it comes to the company’s differentiation dimensions, our informants did not have a clear answer. However, the factor they emphasize was their local affiliation. Our informants state that the reason for this is that there is no one, except for one company, who can compete on this in the region. This focus on local affiliation and their work towards the local communities might indicate that they are, to a certain degree, using image as a differentiation

dimension. This is based on their work on positioning themselves in the regional market, their brand-building, and their strong participation on local events, and sponsorships. They are one of two main sponsors to Parkenfestival, which is a huge festival in Bodø that is arranged in August every year. Their contribution to this festival gives them publicity. They have managed to create a position in the regional market, but they are still working on building a stronger position, and adding dimensions that will increase the customers' total perceived value. These measures might help the company in getting a stronger position and brand, and thereby strengthen the relationship to the customers.

Local Company X

When asked what dimension they emphasized the most when differentiating themselves from their competitors, the informant replied: *“Through service. We want our customers to see that we are honest in the way we market ourselves, both when it comes to price and product... We do not participate in any aggressive marketing where we hold back information just to attract customers”*. Throughout the interview, we did not get the impression that this company was one of those who conducted aggressive marketing. Their main focus is to show the customers that they are a supplier they can rely on, and what they promote corresponds to what they do and say. The informant points out that in the dialogue with the customer, they want the customers to get the impression that the company is a responsible and secure supplier. So their main goal is to provide the customers with good service through being trustworthy. Even though our informant mainly emphasized that they used service, we also get the impression that the company to some extent uses image. This is based on their wish to be present for the customers, and having a brand that the customers inside the region recognize and see the value of. Their main marketing element is their local affinity with the region, and their role as an active value creator.

National Company Y

We asked our informant what this company emphasized when differentiating themselves from their competitors. *“It is mainly through service. It involves us being present when the customer needs us, at all times. Both at the time of the sale, and afterwards.”* This strengthens the statements from our informant about the company being reliable and trustworthy. It is something we got the impression of throughout the interview. The company will be there for their customers, not just when selling the electricity to them as some eager sellers, but also afterwards. They want to be present throughout the whole customer relationship. We believe

that this focus will strengthen their brand and reputation as a trustworthy, transparent, and reliable power supplier. We have the impression that this is what the customers want and need in the present market.

6.4.2 Opportunities

Helgeland Kraft AS

When asked about whether it is possible for power suppliers to differentiate themselves from one another, our informant replied: *“In the areas where you have your own grid it is possible to a greater extent, than outside one’s own grid area”*. Our informant points out that outside the grid area it is more challenging to differentiate than inside the grid area. This corresponds to the company’s own strategy. However, our informant also points out that there are some companies that have managed to face these challenges by offering benefit programmes to their customers. By offering something extra in addition to electricity, one might increase the customer’s perceived value. This indicates that Helgeland Kraft is up to date on their competitors, and we were informed that they are working on their own similar strategy. This will increase their competitive position in the national market. Our informant points out that this is something they are working on, but they are facing several challenges regarding this. Helgeland Kraft also has an advantage with their CRM-system, which they are hoping to use more. They want to use this CRM-system as a tool in understanding their customers, and adapting to their preferences and needs. Thereby, further use this in the development of products that the customers value.

Bodø Energi Kraftsalg AS

Our informants in Bodø Energi Kraftsalg stated that they believe that it is possible for power suppliers to stand out from one another, but neither on product or price. We then asked what the extra dimensions need to be, and got the answer: *“It depends on what one attaches to the product. This is what will separate one company from the other in the future. It is the way of differentiating”*. Bodø Energi Kraftsalg is looking to find local actors to cooperate with, whom have products that are “natural” to combine with the product electricity. They see their position as a local supplier as both an advantage and a disadvantage. The advantage is that they have the possibility to use this local affiliation as their main tool to differentiate them and create a strong and lasting position in the market.

Local Company X

When we asked our informant if he/she believed it was possible for power suppliers to differentiate themselves from each other, we got the following response: *“I believe that it is very difficult to differentiate on the basis of product. I do believe that it is possible to differentiate between the national and local suppliers, but between the national it seems very difficult”*. Our informant points out that between these national actors, it is difficult to differentiate in a way the customers understand. We asked if the informant believed that being a local supplier was an advantage: *“Yes, we believe so... We believe that you either have to be a very local company, or the biggest on the national market”*. Thus, the informant views those companies that are regional as the “losers”. Our impression is that the company views themselves as a strong actor due the fact that they are local. As a local actor they have the possibility to gain a closer connection to their customers by promoting their role in the community as a value creator. The national companies might not be able to gain such a deep connection to their customers as the local, since they are not as geographically close to their customers as the local companies are.

We asked our informant on a general basis what he/she meant were the opportunities for differentiating yourself from your competitors. It was pointed out that as a local actor, you could do what is discussed above. However, as a national actor you have to find some additional product or services to combine with the electricity. *“Electricity is merely an element that is included with something else. It’s about bundling.”* The informant believed that this is the solution. We then asked if the company is planning to provide the customers with something in addition to the electricity, and got the following response: *“We keep up with what our competitors are doing, especially with respect to bundling or benefit programmes... We have some thoughts about future strategies, but we haven’t established anything yet”*. Thus Local Company X follows the trends in the market, but does not seem sure on what to add in addition to their electricity product yet.

National Company Y

We talked with our informant about a new customer survey, which states that customers see power suppliers as more trustworthy and customer oriented, but that the customers still have trouble separating one supplier from another. The response was: *“I think that this is natural since it is a product of such low interest basically. One does not consider the choice of supplier before one is in the situation of having to buy electricity... As a supplier you need to*

be on the customer's radar, even though it is not something the customer walks around thinking about in their daily life". Therefore it is important for companies today to establish a strong position. By having a strong position and brand one will be remembered and recognized by the customers, hence it might give incentives for the customers to choose your company as their supplier.

The customers today are more free and autonomous, and can easily change power supplier. Our informant responded to this with the reply: *"I think this is a good thing. It affects us, product competition, and it keeps us sharp and wanting to improve ourselves. It also makes sure that we give the customers what they need"*. This challenge of customers being freer and more willing to change suppliers might function as a motivational boost for the suppliers in the market today. It pushes them towards innovation and the delivery of added value for the customers, which could result in increasing the company's competitive advantage.

6.4.3 Challenges

Helgeland Kraft AS

This is what our informant responded with, when we asked about the challenges of differentiation in the Norwegian power market: *"It is to differentiate from other suppliers in the market... It is definitely a challenge since the focus on price easily becomes predominant"*. It is also pointed out by our informant that since electricity is a low-interest product, the customers can to some extent be characterized as "easy" customers. The reason is the fact that electricity is not a product that generates a lot of interest and involvement; it is not something the customers think heavily about in their daily life. The interest towards the product is generated externally, either by the power suppliers or other external media publications. Another challenge is the changes emerging in the power market over the next years, which put additional pressure on the power supplier to take out a strong position to survive in the market.

Bodø Energi Kraftsalg AS

One of the main challenges in the Norwegian power market is the customers' low interest in the product. This low interest leaves the customers with little knowledge and understanding of the market in general, and our informants confirms this view: *"Many customers do not understand that the invoice consists of two parts, which are grid and electricity consumption. They don't understand the difference"*. So we questioned whether or not the customers are

interested in gaining more knowledge at all. *“That might be the essence. As long as they can turn on the lights at home and use the washing machine, that is good enough... In addition, as a result of the customers’ lack of knowledge and understanding, they do not acknowledge the fact that electricity now is very cheap. They only focus on how expensive the grid tariffs are. It is a constant communication problem.”* This seems to be a problem for all suppliers under the current market conditions.

Today, all markets and industries experience several changes due to new technology and new forms of communication. This is also the case for the Norwegian power industry. During the next years there will be a lot of changes, which will bring both challenges and opportunities. One thing is the increasing digitalization, which means that companies need to be available both over the phone and other platforms with the right type of products for the customers. As our informant said: *“One of the major challenges for us, is being able to be this local and small actor in a market where everything is automatized and digitalized”*. This increased digitalization will come from a new computer hub called Elhub, which will provide all actors with information about energy consumption, and facilitate more effective market processes (Elhub 2016). Our informants state that this hub will give all suppliers access to the same data, but at the same time they comment: *“At the same time the relationship with the power supplier is weakened since you don’t have to conduct the meter reading yourself anymore, you only get an invoice... Another challenge is that through this Elhub, all suppliers will be able to provide the customers with one invoice containing both grid and electricity consumption, and we thereby lose this advantage”*. All these changes will drive Bodø Energi Kraftsalg into steep competition and will force them, and all other companies, to find additional ways of differentiating themselves and provide additional value for their customers. So for Bodø Energi Kraftsalg, finding the right collaborator that can help them provide additional value for their customers, besides their role as an electricity supplier and local value creator, is both a challenge and an opportunity.

Local Company X

When it comes to our informant’s view about the main challenges with differentiation in the Norwegian power market, we got the following response: *“It is the customers’ low interest in the product”*. We agree with this, since it is a low-involvement product, the customers do not have this product in the back of their minds every day. This is probably one of the main challenges that the electricity suppliers face, and it might also be the reason why the suppliers

have used more aggressive marketing the past years. Our informant points out that the mix of a low-interest product and eager sellers, are not the best combination. Further on, our informant explained that they have experienced how customers often change suppliers because they were provided some sort of discount. In many cases the customers was not aware of the fact that they had conducted a shift in supplier, until the local company contacted them as part of their call-back strategy. Our informant said that in many cases the customers felt like they had no choice, and they fell for the aggressive marketing techniques of some companies. Our informant said: *“When contacting customers that have changed supplier as part of our call-back strategy, we often experience that these customers were not fully aware of their choice, and sometimes even felt obligated to change due to these bundling-programmes or discounts”*. This poses challenges to the electricity sector in general, and emphasizes the need for better-informed customers. When customers are informed, they can make choices on the basis of this information, and thereby also contribute to a better functioning market.

National Company Y

We discussed with our informant the fact that many of the large actors in the Norwegian power market are similar. *“Yes, we are very similar. If you think about it, there are some hygiene factors in all deliveries that are identical. But until now, there is no company in the market who has managed to establish a strong position, with the exception of NorgesEnergi, who has a very clear position of being the cheapest.”* This shows us that there are some challenges today when it comes to the establishment of a strong position, and it is quite challenging that the customers view the suppliers as relatively similar. *“It is hard to find something to differentiate oneself with that is of value for the customer, since the customer perceives the primary delivery as similar.”*

Our informant also talks about the changes coming to the industry in the near future. *“There will be large opportunities for the suppliers who manages to take out a strong position, but it will also bring huge challenges for the smaller suppliers. This is based on fluctuation, and customers being less loyal. As a result, smaller suppliers who rely on being local will struggle when it comes to establishing a strong position.”* We get the impression that this company sees the establishment of a strong brand and maintaining it as the ultimate differentiation strategy. One needs to be on the customers’ radar. Our informant also said: *“To get loyal customers one needs to be able to satisfy the customers on what they need at all times, and it*

needs to be relevant. This ultimately means that one at all times should lie ahead of ones competitors, which can be quite a challenge in today's homogenous market".

6.4.4 Summary

Through our analysis of the interviews we saw what dimensions the companies emphasize in their work on differentiation. Helgeland Kraft did not give a clear answer on what dimension they emphasize, but through the analysis we could see an indication that the main dimension is image, at least in their local market. On the national market it seems like they mainly follow the trends of the other national actors. Bodø Energi Kraftsalg also did not have a clear answer, only that they use their local affiliation. This leads us to presume that they also use image as their main dimension. Local Company X stated that they use service as their dimension, but through our analysis it is clear that they to some extent also use image. National Company Y on the other hand clearly uses service as their dimension.

Our impression after interviewing our informants is that every single company wants to differentiate themselves and to stand out from their competitors. But as we see it, the reality of the situation is that most of the companies merely follow the trends set in the market by the leading actors. One trend is to offer the customers some benefit programmes, where they get deals with actors in other industries as an additional benefit to the electricity from the power supplier. These deals include discounts on various products and services. Through our interviews we have the impression that this is something most suppliers offer, or wish to offer. So the answer to the research question is that there is a focus on differentiation in the Norwegian power market, but primarily the suppliers are following the path of their competitors. We especially see this through the companies' focus on having the best customer service in the market, which all the companies in the Norwegian power market strives for. But also when it comes to benefit programmes, applications, the use of social media, and so on.

6.5 Problem statement

Above we have analysed and gained a greater understanding when it comes to our three research questions, and we will now take a closer look and try to gain an understanding when it comes to our problem statement: "How can a power company differentiate itself from its competitors in a homogenous market?"

Before answering our problem statement, we want to give the reader an overview over the current situation in the market. Our overall impression is that the companies mostly use service and image as a way to differentiate themselves. This view is based on our additional analysis as well as our in-depth interviews. As we see it, most of the big national actors use service as their main differentiation dimension, in addition to their predominant focus on price and mass marketing. Through our analysis of the companies' communication platforms (websites, social media and call centres), we saw that the majority of power suppliers promoted that they had good customer service. Some of them backed this up with awards they had won. So this is one of the main findings. We also saw that some companies, especially the ones that operated on the local market, had a stronger focus on image, and promoting their position as a local supplier and value creator in their respective region. However, due to the characteristics of the Norwegian electricity market, and the customers' perception of the product, we see these dimensions as natural choices for companies in the current market. The national companies face difficulties in finding something additional to offer their customers beside price, and thereby service might be the most natural element to add. The local companies have the advantage of using their local affiliation and thereby promote themselves through brand, position, and events.

Figure 6.2 illustrates the main differentiation dimensions that we feel are emphasized by the different companies analysed in our thesis, either through websites, social media, and call centres, or through in-depth interviews. The purpose of this figure is to give the reader an overview of the situation in the current market.

Fjordkraft	National Company Y	NorgesEnergi	Ustekveikja	Gudbrandsdal Energi	Lyse	Helgeland-Kraft	Bodø Energi Kraftsalg	Local Company X
Image Service	Service	Image	Service	Service	Service	Service Image	Image	Image Service

Figure 6.2 Main differentiation dimensions of different power suppliers in Norway

As we have discussed during our in-depth analysis, the low interest and involvement in the electricity product poses additional challenges for the companies. During our expert interview, Jan Ove Rivenes came with an interesting view on this matter. He said: *“The industry has to look deeper into themselves, and see what they actually have offered the*

market, their focus and how this has been communicated... Because as I see it, this focus on generic product and homogenous market are a result of what the companies have facilitated and communicated over the years". This is an interesting point, due to the fact that one often blame the customers, and not the companies, and thereby to some extent fail to capture the real problem. Jan Ove Rivenes states: "If an organization starts saying that they only use price as a sales remedy, there isn't really much else we can offer, and so on. Then the company has lost. They have given up before they even started". He then proceeds to say: "One might say that we are in a homogenous market, that it is a generic product, and that there isn't really that much one can do, but I think that this is a result of what a lot of actors in the market have been doing for a long time. You get what you give".

"Before one thinks about the brand itself, what kind of product to develop, and any type of relation, one has to think about the organization. Power suppliers might say that they want to be customer oriented or market oriented, they might want to differentiate and create a strong brand, and so on. But one of the fundamental questions is about the organization, what kind of focus one has within the organization, how they allocate resources, what they discuss, and so on. But also how curious they are on the customers. It's about the internal mindset" (Jan Ove Rivenes). Our impression is that the companies have a strong wish to differentiate themselves from each other, but at the same time, they primarily follow the trends in the market. Our informants also stated that one of the biggest challenges with this, is the customers' low interest in the product, and some also go as far as saying that the customers might not be willing to gain a higher interest in the product. Through our interviews we got the impression that most companies have this mindset and are to some extent stuck on this track. Surveys have shown that price and simplicity are two factors that the customers appreciate and value (NVE 2013), and as seen from our previous analysis, the companies heavily emphasize these two factors, and this has been a focus for a long period of time. Two marketing activities that are heavily used by the power suppliers, as we have seen through our analysis, are telemarketing and price. This leads us to the perception that power suppliers still are transactionally oriented. This is something Jan Ove Rivenes also pointed out: "Generally it is my opinion that the suppliers are transactional oriented. This is based on my perception of their websites, the occasional phone call from the companies, and the times I have been stopped on the street by some eager young people asking me what kind of supplier I have and what I pay. All of these things indicate transactional marketing". The customers experience the companies as quite aggressive in their marketing activities, especially when it comes to

telemarketing (NVE 2013). So the question is, is this due to the customers and their low interest, or is it the companies that have led the industry on the path that they are currently walking? The Swedish industry organization Ladda Sverige has investigated this question, and Jan Ove Rivenes pointed out that their main findings were: *“It’s about introspection and seeing what one has really brought to the market. The fact that many perceive the product as generic and of little interest, might be because of the way this has been communicated over decades. This is something the Swedes have concluded with. They see that they are the reason themselves for the product being so uninteresting and of little relevance, that they forced this unilateral price focus to the industry themselves”*.

Through literature review and the empirical findings and analysis we have seen some indications of what is missing for the companies to be able to differentiate themselves in the market. As we see it, there are two potential ways to differentiation: branding and relationship marketing. Jan Ove Rivenes also pointed out these two major factors when we asked him. The purpose of a brand is to identify the seller and to signalize what is unique about the seller (Selnes and Lanseng 2014). Jan Ove Rivenes states: *“A brand is supposed to help you convey, deliver, and communicate the values you think are interesting. These are supposed to help you differentiate through the brand. If we take a look on how the power suppliers in Norway are using their brands today, we can see that it is quite systematic. For example, on their websites they have their logo in the top corner, but this seems to be the only reference to the brand. The brand does not play any other role, and does not have much content. They follow up by talking about prices, moving your subscription, and about discounts, but that is it. These things make the use of brand one of the remedies which is very unexploited in this industry”*. In our in-depth interview we got the impression that the companies want to have a strong brand, and see the benefits of it. But when it comes to the content and communication of the brand, there is something missing. They have a logo, slogan and some values they emphasize, but that is it. The only actor on the market that has really developed quite a strong brand is Fjordkraft, which might have gained a position as “top of the mind” among the customers in the Norwegian power market. Another company is NorgesEnergi, whom has created a strong position as the cheapest alternative in the market. So we agree with Jan Ove Rivenes in the fact that the use of branding in today’s power market is unexploited. Nevertheless, this is something that the companies we have interviewed are quite aware of, and they are working on improving their brands, but there is still some road to cover.

“Purely functionally and technically the product is quite homogenous. Because of this I think that one of the most important discussions one must have is about how to expand this product. Brand management needs to have a fundamental base in a product or service that is both big enough and relevant enough. A product or service that is possible to build something around.” We agree with Jan Ove Rivenes, the functional and technical purpose of electricity is quite straightforward, so one has to find some additional elements to include to be able to add value to the product and to the company. Jan Ove Rivenes proceeds with the statement: *“Most of the companies are focusing on the technical and physical elements of the product, and there is little indication that they are selling something more. I think there are many emotional needs, and needs for something additional, which are unexploited by many actors in the industry today. But first of all you need to be aware and have an understanding of what you truly offer to the customers in total. You need to see what you can add, and I think that this is one of the most important processes for a power company”*. To be able to understand and to figure out what to add to the product and to the brand, one needs to be able to understand the customers and what contributions can increase their perceived value. To understand this, the companies need to gain deeper customer insight and knowledge; they need to understand the psychological processes that form the basis of the customers’ choices. By gaining this knowledge, the process of positioning and differentiating becomes clearer, and you can create a product or service that the customer really wants and appreciates (Framnes, Pettersen and Thjømmøe 2011).

In our view, relationship marketing is the second method of differentiation. The customer knowledge and insight is attainable through having a relationship orientation throughout the whole company. Jan Ove Rivenes comments: *“I think that many of the customers which are so called loyal, do not have many examples of there being a relationship between the customer and the company. They only receive an invoice from time to time”*. We agree with this statement, there are not really any examples of there being a relationship present in the current market. We can see this through the communication platforms they use, which are newsletters, invoices and so on. These platforms do not facilitate the establishment of relationships. Another factor is their focus on attracting new customers through telemarketing and price, and the minimal focus on retaining customers and understanding why these customers stay loyal. We think that it is possible for power suppliers to establish a relationship with their customers, and we asked Jan Ove Rivenes agreed. *“Absolutely. It is one of the greater opportunities. I also think that it is the basis for some of the*

differentiation... I think that there are many emotional needs and needs for additional dimensions and services which are very unexploited by the actors in the market today. One has to start with understanding what one really offers in total, and I think that this is one of the major processes for a company like this.” We agree that relationship orientation in the Norwegian power market is highly unexploited, and there are enormous possibilities in this field. To gain relationship orientation, and to be able to differentiate on the basis of this, one has to be aware of how and what one communicates. Grönroos (2004) emphasizes that one needs to be aware of the fact that not all activities are two-way communication directly, but the focus needs to be on putting efforts into activities that might lead to some sort of response. This might enhance and help in maintaining the relationship between the customers and the company. Lovelock (2002) states that the value of the relationship to a great extent is dependent on the quality of the interaction between the involved parties. This shows us that the usage of the 5th P, which is a crucial part of the relationship marketing approach, is highly relevant. The front-line employees are the front ambassadors for the company, and they are the key to the quality of the interaction between the customers and the company.

The companies that we have interviewed all wishes to be relationship oriented, but as we see it, none of them have a solely relationship oriented strategy. There are elements of this orientation, but there is still room for improvement. The companies must, amongst other things, focus on retaining customers, which is one of the main elements when it comes to relationship marketing. To be able to achieve this, the companies need to have customer knowledge and insight, as we have mentioned before. They need to focus on the customers’ total experience. Grönroos (1996) pointed out that the actual product rarely is enough to stand out and create a lasting position in the competitive market today. To be able to be successful in this they need to focus on both the technical and functional qualities of the customers’ perceived qualities. As we see it, they especially need to focus on the functional qualities, which involves the interaction process that the company has with its customers and potential customers (Grönroos 1996). This is especially important in the Norwegian power market, since the technical qualities of the product is similar. There are many hygiene factors when it comes to the delivery of the product that are identical across the companies in the Norwegian power market.

7. Conclusion and future research

In this chapter we compile our empirical findings and analysis, and try to come up with answers to our research questions and our problem statement. Finally, we and discuss some suggestions for future research.

7.1 Research questions and problem statement

Our problem statement was: *“How can a power company differentiate itself from its competitors in a homogenous market?”* We will answer this by first addressing each of our research questions and then weaving these together with our final comments on our problem statement.

We start with research question 1: *“Are power companies solely transaction oriented, or are they leaning towards relationship marketing?”* As discussed in the analysis we do see that the companies are trying to move towards relationship marketing, but that the customers still view them as quite transaction-oriented. This is based on their focus on price and volume, their desire to attract new customers, and their use of impersonal communication platforms. But as we have seen through our interviews and analysis the local companies are better suited for relationship orientation than the national companies. This is based on their possibilities to act on their customers’ emotions towards their local communities, and as we see it, the local companies are to some degree taking advantage of their local affiliations in trying to create some sort of relationship with their customers. However, we still think that there is room for improvement here. The national companies are much more concerned with price focus and mass marketing, which puts them in the category of transactional marketing. There are some elements of relationship marketing, but they are overshadowed by the strong focus on transactional oriented remedies like price and telemarketing.

Next we have research question 2: *“How do power companies in Norway use brand-building to differentiate themselves from their competitors?”* Through the interviews with our informants we got the impression that all the companies are aware that a strong brand and image is good for the company, and will help them in establishing a strong position in the market. Based on our analysis, we think that the companies are not realizing their full potential; they are not communicating their brand in the way needed to create a strong brand and image. The branding potential is unexploited, and the companies need to focus more on brand management. As we see it, the local companies have challenges with communicating

their brand, which is mainly their local affiliation and position as a value creator. Being a passive sponsor is not enough, the sponsorships should be used to communicate the brand and should awaken some emotions within the customers. Ultimately, it can facilitate the creation of a relation between the customers and the company. The challenge for the national companies is finding their distinctive brand features, in other words finding something of additional value for their customers that make their brand stand out.

Lastly we have research question 3: *“Is there a focus on differentiation in the Norwegian power market, or are the companies just following the path of their competitors?”* We have the impression that all the companies want to differentiate themselves from their competitors, to be able to stand out in the market, and creating a lasting and strong position. However, the reality is that they merely follow their competitors in their differentiation strategies. They see something that works, and then copy it in hope of it working for them as well. This is something that is further contributing to a homogenous competitive market.

Through the answers to our research questions and our analysis, we have reached a conclusion and answer to our problem statement. With all the new changes awaiting the industry in the years to come, the need for establishing and maintaining a clear and strong position increases. We think that this can be achieved through elements of relationship marketing, and a greater focus on branding. The companies today are too focused on attracting new customers through aggressive mass marketing, and we think that the focus needs to shift towards retaining customers, and creating a relationship between the customers and the company. When it comes to branding it is not enough to focus on the technical and functional aspects of the brand, since these are identical throughout the industry. There is a vast potential when it comes to using emotional aspects of the brand, and this might be part of the solution. At the same time the companies need to do some soul-searching and see how and what they have communicated over the past decades. There is a balance between what is communicated and what the customers perceive. The companies need to work on attaining greater customer knowledge and insight to be able to know how to differentiate and create a strong position in the market, but also how to be able to create additional value for the customers. This will be the foundation for their success in differentiation strategy. In the current market there is an excessive focus on doing the same as one's competitors, and this does not contribute to creating a sustainable position in the market. As the theory states, one has to create something unique and valued by the customers.

7.2 Future research

The possibilities for future research are great, since we have only covered a small part of the picture. There are vast changes in store for the Norwegian power market, and it would be interesting to take a closer look at this and review it again when these changes have taken effect. Another possibility for future research is to look into the B2B market. As the deals are more comprehensive and the electricity bills are higher, there might be a more relationship-oriented focus in this market. One could also take into account more cases, and in addition include a more comprehensive customer perspective. Another possibility is to compare the Norwegian and German power markets, as the German power market has more power sources and is more heterogeneous than the Norwegian power market.

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Appendix 1 – Interview with the power suppliers

TEMA	SPØRSMÅL
Introduksjon	<ul style="list-style-type: none"> - Introduksjon av prosjektet og oss - Samtykke til opptak og intervju - Anonymitet og konfidensialitet + Oppbevaring av data
Kartlegging	<ul style="list-style-type: none"> - Din stilling? - Antall ansatte i bedriften? - Antall kunder? - Tap, stabilt eller økende antall kunder de siste 5 årene? - Opererer dere lokalt eller nasjonalt? - Hvem er deres hoved konkurrent?
Transaksjons- og/eller relasjonsmarkedsføring	<ul style="list-style-type: none"> - Hva kjennetegner deres form for markedsføring? Hvilke konkurransemidler bruker dere? <ul style="list-style-type: none"> o Marketing mix: Pris, produkt, plassering og promotering (kommunikasjon og reklame) - Hva legger dere vekt på for å tiltrekke kunder? - Hva legger dere vekt på for å holde på kunder? - Hvordan vil du karakterisere deres forhold til kundene? (Svak/sterkt) - Hvor stor rolle spiller salgspersonell i forbindelse med gode kundeforhold? Hvorfor? <ul style="list-style-type: none"> o Har disse gjennomgått noen form for trening og kompetanse-kurs? - Hva er deres viktigste kommunikasjonsplattform (internett, tv, salgspersoner, sosiale medier, etc.) med kundene? Hvordan bruker dere disse? <ul style="list-style-type: none"> o Planlagt kommunikasjon? (Eks. reklame) o Ikke-planlagt kommunikasjon? (Eks. vareprat) o Bruk av sosiale medier og deres betydning? - Hvordan vil du karakterisere deres markedsføring internt i bedriften?
Kunder	<ul style="list-style-type: none"> - Hva tror dere kunden legger mest vekt på ved kjøp av strøm?

	<ul style="list-style-type: none"> - Hvordan får dere kunnskap om dette? Kartlegging gjennom databaser, markedsanalyser, spørreundersøkelser, etc.? - Føler dere at dere har kundeinnsikt? - Hva tenker du rundt det at kundene i dagens marked har større frihet, og har i den sammenheng lettere for å bytte mellom ulike selskaper/merkevarer? <ul style="list-style-type: none"> o Hvordan påvirker dette dere? - Deler dere kundene inn i ulike segmenter utfra kjennetegn? Hvis ja, har dere ulik markedsføring mot de ulike segmentene, eller går alt under ett?
Posisjonering og image	<ul style="list-style-type: none"> - Hvor viktig er en sterk merkevare for dere? <ul style="list-style-type: none"> o Hva er fordelene med en sterk merkevare? - Hva er det som ligger til grunn for deres merkevare? (Merkeinnhold) - Hva er deres merkeidentitet og personlighet? - Hvilke markedsføringsaktiviteter (sponsing, PR, reklame, etc.) bruker dere for å bygge en god merkevare? Hvordan? - Hvilke assosiasjoner, følelser og holdninger ønsker dere at kundene skal ha om merket/selskapet? <ul style="list-style-type: none"> o Hvordan prøver dere å styre disse i en positiv retning?
Differensierings-dimensjoner/strategier	<ul style="list-style-type: none"> - Hva legger dere mest vekt på når dere skal differensiere dere fra konkurrenter? Hvorfor? Hvordan? <ul style="list-style-type: none"> o Hvis service (levering, opplæring, installasjon og reparasjon), hvordan og hvorfor? o Hvis personell (fagkunnskap, høflighet, årvåkenhet, troverdighet, serviceinnstilling, kundenærhet), hvordan og hvorfor? o Hvis image (posisjonering, merkevare, symboler, hendelser, arrangementer), hvordan og hvorfor? o Kombinasjon? - Tror du det er mulig for strømselskaper å skille seg fra hverandre? Hvis ja, hvordan? - Nye kundeundersøkelser (TNS Gallup) viser at kundene

	<p>oppfatter strømselskaper som mer tillitsfull og kundeorientert, men de ser fortsatt ikke noen klare skiller mellom dere? Hva tenker dere rundt dette?</p> <ul style="list-style-type: none"> - Hva mener du er den største utfordringen med arbeid rundt differensiering i kraftmarkedet? <ul style="list-style-type: none"> o Hvordan løser dere dette?
Avslutning	<ul style="list-style-type: none"> - Trender og videre utvikling i bransjen? Muligheter/utfordringer? - Er det noe ekstra du/dere vil tilføye? Sluttkommentarer? - Mulighet for oppfølgingsintervju om behov?

Appendix 2 – Interview with the expert informant

TEMA	SPØRSMÅL
Introduksjon	<ul style="list-style-type: none"> - Introduksjon av prosjektet og oss - Samtykke til opptak og intervju - Anonymitet og konfidensialitet + Oppbevaring av data
Transaksjonsorientert eller relasjonsorientert markedsføring og ledelse	<ul style="list-style-type: none"> - I dagens strømmarked → Kjennetegn fra transaksjon eller relasjon? Eller en kombinasjon? - Fokus i organisasjonen - Interne holdninger
Posisjonering og differensiering i homogene markeder	<ul style="list-style-type: none"> - Hvordan kan selskaper differensiere seg i et homogent marked? (strategier) <ul style="list-style-type: none"> ○ Hva er de største utfordringene? - Hvordan kan selskaper bruke merkevare som et verktøy for differensiering? - Kundeinnsikt: <ul style="list-style-type: none"> ○ Kundens innflytelse ○ Kjennskap/kunnskap ○ Relasjoner ○ Lavengasjement, Standardisert produkt - Merkeinnhold: <ul style="list-style-type: none"> ○ Fokus ○ Hvordan utvikle det - Virkemiddelpakken: <ul style="list-style-type: none"> ○ Markedsføringsaktiviteter ○ 4 p-er + P ○ Pris, image og kommunikasjon - Vekst og utvikling: <ul style="list-style-type: none"> ○ Hva tenker du om fremtiden? Muligheter/utfordringer?
Avslutning	<ul style="list-style-type: none"> - Er det noe ekstra du/dere vil tilføye? Sluttkommentarer? - Evt. oppfølgingsspørsmål for å utfylle svar og for å poengtere at man vi har forstått det de mener.