KEMI-TORNIO UAS

The Implementation of E-marketing Communications in Micro-Companies

A Multiple-Case Study

Timo Hietala & Tommi Salmi

Bachelor's Thesis of the Degree Programme in Business Administration

Bachelor of Business Administration TORNIO 2012

ABSTRACT

Hietala, Timo. Salmi. Tommi. 2012. The Implementation of E-marketing

Communications in Micro-Companies. A multiple-case study. Kemi-Tornio University

of Applied Sciences. Business and Culture. Pages 31. Appendices 2.

The main objective of this Thesis is to study the implementation of E-marketing

communications in micro-companies operating in the Kemi-Tornio region. The study

was conducted in order to gain knowledge about factors impacting the implementation.

Qualitative research method was used in this multiple-case study. Data was collected by

conducting semi-structured interviews with the entrepreneurs of the six case companies

and by literature review.

Findings of this Thesis reveal that implementation of E-marketing communications to

market micro-companies in the Kemi-Tornio region is common, but the implementation

is unplanned and narrow. Personal assumptions and attitudes of the entrepreneurs

impact the implementation positively as well as negatively. Further research on the

topic of beneficiality of E-marketing for micro-companies in the Kemi-Tornio region,

could inspire the entrepreneurs to widen their use of E-marketing communications.

Keywords: E-marketing, E-marketing communications, micro-companies.

FIGURES

Figure 1. E-marketing communications techniques	.16
Figure 2. Online PR options	. 17

CONTENTS

ABSTRACT	2
FIGURES	3
1 INTRODUCTION	6
1.1 Motivation and background	6
1.2 Introduction of the Case Companies	7
1.2.1 Sun Suutari	7
1.2.2 Taikalintu	7
1.2.3 Vaarin Vintti	7
1.2.4 Pohjoisen Disainerit Osuuskunta	8
1.2.5 Sisustus Country Heart	8
1.2.6 Cafe Chillout	8
1.3 Research objectives and questions	8
1.4 Structure of the Work	10
2 RESEARCH METHODOLOGY	11
2.1 Research process and method	11
2.2 Research purposes	12
2.3 Qualitative multiple case study	13
3 LITERATURE REVIEW	15
3.1 E-marketing	15
3.2 E-marketing communications	15
3.2.1 Search engine marketing	16
3.2.2 Online PR	17
3.2.3 Online partnership	18
3.2.4 Interactive advertising	18
3.2.5 Opt-in e-mail	18
3.2.6 Social media marketing	18
3.3 Successful E-marketing	19
3.4 Objectives of E-marketing	19
3.4.1 Sell – Grow Sales	20

3.4.2 Serve – Add Value	20
3.4.3 Speak – Get Closer to Customer	21
3.4.5 Save – Save Costs	21
3.4.6 Sizzle – Extend the Brand Online	22
4 ANALYSIS OF THE DATA AND DISCUSSIONS	23
4.1 Research results	24
4.1.1 Decisive factors leading to implementation	24
4.1.2 Important competencies for the implementation	24
4.1.3 Beneficiality of implementation	25
4.1.4 Impact of personal attitudes on implementation	25
4.2 Suggestions for the entrepreneurs	26
4.3 Suggestions for future research	26
4.4 Limitations	27
REFERENCES	29
APPENDICES	30

1 INTRODUCTION

The motivation and background of this research are discussed first. The introduction of the case companies, objectives and research questions are also discussed. Lastly the structure of this thesis work is given.

1.1 Motivation and background

Our initial interest for this research was established when the owner of one of our case companies asked us to advise him on his marketing activities. We wanted to conduct a study in which the findings could be practically utilized by the entrepreneur in question, and also by other entrepreneurs in companies of similar size and age in the same region. All the companies which this research focuses on are less than 42-month old microcompanies. Micro-companies in the EU area are defined by the European Commission to be companies with less than ten employees, the turnover under two million euro, and the balance sheet total under two million euro. (European Commission 2012.)

Our personal interest towards E-marketing and the benefits it could allegedly offer to newly established micro-companies lead us to focus our research on the implementation of E-marketing communications. E-marketing can be defined as gaining marketing objectives with the help of electronic communications technology (Chaffey 2011, 388). E-marketing communications are techniques used to build traffic to the company's website (Chaffey & Smith 2008, 34). E-marketing and E-marketing communications are defined more thoroughly in sub-chapters 3.1 and 3.2. This research work was written to add to the existing knowledge of E-marketing and E-marketing communications practices through studying these aspects in the six micro-case companies. In addition, we will put forward suggestions for the entrepreneurs of our case companies on how to improve their E-marketing communications implementations.

Possibilities and benefits of E-marketing are well documented. Chaffey and Smith (2008) list the following five broad reasons, objectives or benefits of using E-marketing: sales growth, added value by giving customers extra benefits online, getting closer to customer, save in costs, and extend the brand online. However, despite the fact that

using E-marketing is documented to be beneficial, implementing E-marketing successfully is still rare (Chaffey & Smith 2008).

1.2 Introduction of the Case Companies

All the case companies are micro-companies operating in the Kemi-Tornio region, and they all have operated for less than 42 months.

1.2.1 Sun Suutari

Sun Suutari is a cobbler company located in the Corona shopping centre in Kemi. The company has no employees besides the entrepreneur himself. The company offers gobbler services, with the addition of key manufacturing, blade sharpening and picture printing services.

1.2.2 Taikalintu

Taikalintu is a pet shop located in Keminmaa. The Company has two employees including the owner. The products include a variety of small pets, pet accessories, and pet food. The company has been operational for approximately one year.

1.2.3 Vaarin Vintti

Vaarin Vintti is a flea market company located in the city of Tornio. The company rents sales space where customers can sell their own products. In addition, they sell various types of products of their own in their flea market store. The operations of the company started approximately one year ago.

1.2.4 Pohjoisen Disainerit Osuuskunta

Pohjoisen Disainerit Osuuskunta, a cooperative, is located in the city of Tornio. The company sells handmade designer products. They employ 3 - 4 persons depending on the season. The operations of the company started approximately one year ago.

1.2.5 Sisustus Country Heart

Sisustus Country Heart is an interior decoration company located in the city of Tornio. The entrepreneur has no additional employees besides herself. The operations of the company started approximately 2 years ago.

1.2.6 Cafe Chillout

Cafe Chillout is a bar and a cafeteria located in the city of Kemi. The Company has 4 employees including the owner. The company has been operating for approximately one year and a half.

1.3 Research objectives and questions

The objective of this research is to gather information about the implementation of E-marketing communications in micro-companies and about the benefits that are generated from the implementation. This thesis will focus on to studying decisive factors impacting on the implementation of E-marketing communications and personal competencies of the entrepreneurs which they recognize to be of importance in the implementation process. Further, the thesis finds out the benefits the entrepreneurs in their opinion have acquired from the implementation of E-marketing, and how personal attitudes of the entrepreneurs influence the implementation.

In accordance with the objective of this research, the following research questions have been developed:

- 1. What decisive factors lead micro-companies to implement E-marketing communications?
- 2. What competencies are of importance for the entrepreneurs to posses for the implementation of E-marketing communications?
- 3. What benefits have the entrepreneurs of the case companies, in their opinion, acquired from implementing E-marketing communications?
- 4. How do personal attitudes impact on the implementation of E-marketing communications in micro-companies?

For the purpose of answering the research questions stated above, we conducted semistructured interviews with the entrepreneurs of the case companies. The interviews were conversational, and the same general questions were addressed in each interview.

The first research question deals with the key factors leading the micro-company owners to implement E-marketing communications in their companies. By answering this question, the ultimate reasons for the implementation can be established. The second research question focuses on the competencies of the entrepreneurs which are of importance for the implementation. The answers to this question can reveal the relationship between specific competencies of the entrepreneurs and the impact they have on the implementation of E-marketing communications. The third research question concerns the benefits the entrepreneurs, in their opinion, link to the implementation of E-marketing communications. By answering this question, the beneficiality of implementing E-marketing communication in the case companies, and the factors which impact the beneficiality, can be identified. Finally, the fourth research question is aimed at identifying how the personal attitudes of the entrepreneurs impact the implementation of E-marketing communications.

1.4 Structure of the Work

This thesis work is divided into 5 chapters. The research process and methodology are discussed in chapter 2. Chapter 3 is the literature review discussing E-marketing and E-marketing communications. Chapter 4 contains the analysis of the data and suggestions for the case companies, which is then followed by the conclusions chapter.

2 RESEARCH METHODOLOGY

The research methods and approaches we applied in our thesis process are discussed here first. The discussion focuses on the methods we utilized, how we collected the data, how we analyzed the gathered data, and what the limitations of our work are.

2.1 Research process and method

We began our research process with forming the core idea of the topic we wanted to research. We conducted a review of relevant literature to aid establish the core idea. After completing the literature review we formulated our theory of the topic and research questions. Our research process continued with deciding which method to apply in our study. The research method which we found to best suit our study was the qualitative multiple case study method. In order to give our study validity, we chose to research six cases. We decided to concentrate our study on companies of specific nature. The companies we focused on are all of the same size and age, and operate in the Kemi-Tornio region. After agreeing on the details of our study, we began our data collection. The first step in our data collection was reviewing relevant literature. The second step of data collection was to conduct semi-structured interviews with the entrepreneurs of the six micro-companies.

Our interview approach that we relied on was the general interview guide approach. The structure of the general interview guide approach is conversational but follows the guidelines and questions set by the researcher (Turner 2010, 755-756). We decided that interviewing the entrepreneurs was the most appropriate method for us, since we wanted to gain knowledge of the attitudes and opinions presented by the entrepreneurs. There are three types of interviews, i.e. unstructured, semi-structured and structured. In semi-structured interviews, the researcher has a certain set of themes and questions which act as general guidelines for the interview. In semi-structured interviews, the order and presentation of the questions may vary, but the structure of the questions remains unchanged. (Saunders, Lewis, Thornhill 2007, 312.) The interviews were recorded digitally and transcripts were produced as written evidence of the data collected through interviews. The transcripts are documented in the Appendices 1 and 2 of this Thesis.

The interview questions were asked in Finnish and then translated in written transcripts into English with the answers. The rightness of the translation was certified by a language specialist. Questions and answers are included in the Appendices 1 and 2. The literature used in this Thesis was gathered from multiple sources. The literature we used dealt with E-marketing and E-marketing communications.

2.2 Research purposes

Descriptive, exploratory and explanatory are the three different research purposes. The research questions and the objective of the study decide which to apply. An explanatory study aims to explain relationships between variables in events and problems. (Saunders et al. 2007, 134.) We found that this explanatory strategy was suited for our study, as it offers the most suited method for answering our research questions concerning the relationship between the entrepreneurs and implementation of E-marketing communications.

The aim of descriptive study is to illustrate an exact picture of events, situations, and persons (Saunders et al 2007, 134). A descriptive study is applied when the research topic is well structured. (Saunders et al 2007, 134). In our thesis, we try to make accurate descriptions on what leads the entrepreneurs of the case companies to implement E-marketing communications. Therefore, the descriptive study strategy suits our Thesis.

An exploratory study aims to explore on new situations and clarify existing situations. The exploratory study strategy is flexible and dynamic. Exploratory studies usually begin with broad scopes and are progressively narrowed down by the gathered information to the direction of data. (Saunders et al 2007, 134.) The exploratory study strategy is not suited for our research.

2.3 Qualitative multiple case study

The research method we chose for our thesis is multiple-case study. Case study can be either a single case study or a multiple case study. Yin (2003) argues that the data gathered from multiple case studies is more convincing and valid than data gathered from a single case study. (Yin 2003, 53.) We decided to study multiple cases for the purpose of getting a focused understanding of our research topic. We felt that a single case study would not create enough data to answer our research questions. In multiple case studies, it is possible to use a qualitative or quantitative method, or both combined. In our research we chose to use the qualitative method. We chose qualitative method since it would be the most optimal method to answer our research questions. For qualitative data collection methods, we used literature review and interviews. To further increase the quality of our study, we constructed a chain of evidence starting with the questions asked from the entrepreneurs, followed by the data from the interview questions, and finally by the conclusions made from the data collected from the interviews. (Yin 2003, 122.) The interviews were recorded digitally and transcribed. Our data from the interviews were screened against data gathered from relevant literature.

Case studies are divided into a holistic and embedded design. The holistic design examines the general picture of a single case. The embedded design examines the multiple subunits identified within a case (Yin 2003, 46-54). No subunits can be identified in our case companies. For this reason, our research is of holistic nature.

Qualitative research is suited for studying everyday behavior and past experiences of people. In a qualitative study, behavior and events can be explained in a detailed way. When conducting qualitative studies, a relatively small number of cases tend to work the best. Researchers conducting qualitative research are willing to sacrifice scope in order to receive more detailed picture of events. (Silverman 2005, 6-7.) The nature of qualitative study gives us the tools to explain and describe the attitudes and opinions expressed by the entrepreneurs.

Yin (2003) states that there are six sources of evidence for case studies as follows: documents, archival records, interviews, direct observation, participant observation and physical artifacts (Yin 2003, 99-113). We decided that conducting interviews was the most suitable data collection method for our study. We wanted to find out the opinions and attitudes of the entrepreneurs and we found the qualitative method the most coherent method to answer our research questions.

The three principles of data collection are as follows: using multiple sources of evidence, creating a case study database and maintaining chain of evidence (Yin 2003, 114-124). By using these three principles of data collection suggested by Yin (2003), the benefits of the six sources of evidence can be maximized. (Yin 2003, 114-124.)

The data analysis comprises testing and examining the information from the data collected for the purpose of making scientific conclusions. Yin (2003) argues that in order to successfully analyze the gathered data, an analytic strategy should be implemented. Yin (2003) suggests four general strategies, i.e. following theoretical propositions, using qualitative and quantitative data, studying rivaling theories, and developing case descriptions. The data gathered from interviews was meticulously reviewed and analyzed. Our suggestions and conclusion derived from the findings were made from the analyzed data. (Yin 2003, 126-127.)

3 LITERATURE REVIEW

E-marketing and E-marketing communications are in the focus here. These topics are discussed from various points of view for compiling the theoretical framework for this study.

3.1 E-marketing

E-marketing means using digital technologies, such as websites, mobile devices and social networking, to help reach the customer base, create awareness of your brand and sell your goods or services. These technologies can be used cheaply and effectively, whatever the size of the company or business model. (Business Link 2011.)

Chaffey and Smith (2008, 13) define E-marketing simply as marketing with the use of online tools. Dann and Dann (2011) describe E-marketing to include any marketing activity that uses interactive technologies for its implementation (Dann & Dann 2011, 4). E-marketing has an essential part in our Thesis. E-marketing communications is the specific part of E-marketing which our Thesis focuses on.

3.2 E-marketing communications

Building traffic to the company's web site is vital for achieving E-marketing objectives. E-marketing communications are the techniques, through which the traffic can be generated. (Chaffey & Smith 2008, 278.) Chaffey (2011) defines E-marketing communications to be "Online communications techniques used to achieve goals of brand awareness, familiarity, favourability, and to influence purchase intent by encouraging users of digital media to visit a website to engage with the brand or product and ultimately to purchase online of offline through traditional media channels such as by phone or in-store." (Chaffey 2011, 17.) The implementation of E-marketing communications techniques is the main focus of this Thesis.

The main E-marketing communication techniques identified by Chaffey (2011), are illustrated below, in Figure 1.

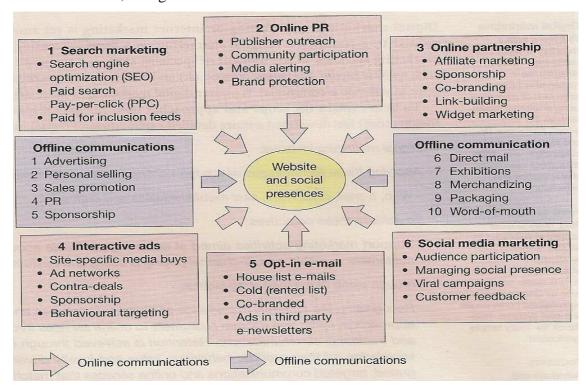


Figure 1. E-marketing communications techniques (Chaffey 2011, 18)

The techniques described in Figure 1 are discussed in detail below.

3.2.1 Search engine marketing

Chaffey and Smith (2008) argue that search engine marketing is the most important channel of E-marketing for obtaining customers. Search engine marketing aims at advancing web site's listing in search engines, thus increasing its visibility in the Internet. (Chaffey & Smith 2008, 282.) The two most important search marketing techniques are search engine optimization (hereinafter SEO) and pay-per-click (hereinafter PPC) (Chaffey 2011, 18).

SEO is "a structured approach used to increase the position of a company or its products in search engine natural of organic results listings (the main body of the search results page) for selected keywords or phrases" (Chaffey 2011, 18).

PPC search marketing is an activity, where the company pays to the search engine provider for displaying the company's ad as a sponsored link on the search engine's results page when a specific key phrase in searched for. Each time the sponsored link is clicked, the marketer pays for it to the search engine provider. (Chaffey 2011, 18.)

3.2.2 Online PR

Online PR uses the network effect of the Internet in its advantage. When a company's brand or web site is mentioned in a third party's web site, it has a strong effect in influencing opinions and directing visitors into the company's own web site. (Chaffey & Smith 2008, 303.) Online PR aims at maximizing the favorability of the company and its products, brands, and websites, by using third-party sites that are expected to be visited by the people that are perceived to be potential customers. (Chaffey 2011, 18.) Online PR requires proactive management of numerous activities (Chaffey & Smith 2008, 304). These activities are summarized by Chaffey and Smith (2008) as is illustrated below, in the Figure 2.

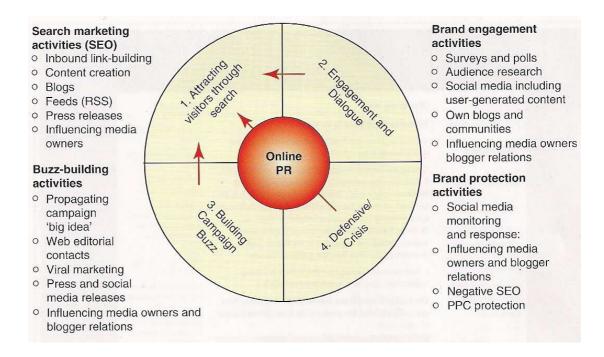


Figure 2. Online PR options (Chaffey & Smith 2008, 305)

The various online PR options are dealt with below.

3.2.3 Online partnership

Online partnership is promotion of the company's online services via third-party websites or e-mail communications. Online partnership involves the creation and management of long lasting partnerships with third-parties. (Chaffey 2011) lists those partnerships to include the following aspects: link building, affiliate marketing, aggregators, online sponsorships, and co-branding (Chaffey 2011, 18).

3.2.4 Interactive advertising

The aim of interactive advertising is to generate brand awareness and promote a targeted website. To achieve these goals, online ads and rich media ads are utilized. (Chaffey 2011, 18.)

3.2.5 Opt-in e-mail

Opt-in e-mail is advertising through e-mails. The e-mails are sent in bulk, using lists of contacts acquired from within the company or by renting from other companies. (Chaffey 2011, 18)

3.2.6 Social media marketing

Chaffey (2011, 19) defines social media marketing as "Monitoring and facilitating customer-customer interaction and participation throughout the web to encourage positive engagement with a company and its brands. Interactions may occur on a company site, social networks and other third-party sites." Social media marketing advocates customer communications on a company's own webpage or social media presence, through social media networks such as Facebook and Twitter, or through blogs and forums. Companies can use social media marketing channels also as

broadcasting mediums to communicate with the customers and business associates. (Chaffey 2011, 19.)

3.3 Successful E-marketing

Today, the Internet is more popular than ever. According to Internet World Stats (2012), 32.7 % of the world population is using the Internet, and the number of users has grown by 528.1 % between the years of 2000 and 2011. (Internet World Stat 2012.) Despite the fact that the Internet has become a medium where the potential customer range covers almost third of the world population, E-marketing implemented successfully is still rare. (Chaffey & Smith 2008, 20.) Factors leading to successful implementation are studied in this Thesis.

To succeed in E-marketing, companies you must understand the basic technical infrastructure of the Internet. The Internet is an environment that is constantly changing and evolving. To avoid bad execution, E-marketers must adopt to those rapid transitions. To do so, he or she must be well aware of what the environment was like in the past, how it developed to its current form, and what is likely to become in the future. Good E-marketers have knowledge about the latest tools and techniques in the field of E-marketing and are willing to test them. (Dann & Dann 2011, 26.)

Chaffey and Smith (2008) argue that one of the reasons businesses often fail to succeed in their E-marketing endeavors is that the companies have not clarified the objectives, strategies, or desired outcomes before the implementation of E-marketing. (Chaffey & Smith 2008, 22.)

3.4 Objectives of E-marketing

New companies often rush into the field of E-marketing without first clarifying the objectives which they want to accomplish, and without any strategies on how to achieve the benefits they are hoping to achieve. To avoid failure in the field of E-marketing, companies should, before taking the leap to go online, first identify the reasons of

taking their marketing online in the first place, find out what the objectives of entering this new marketing channel are, and investigate what the advantages and benefits that can be expected are. (Chaffey & Smith 2008, 22.)

Chaffey and Smith (2008) list five broad objectives, benefits, or reasons for using E-marketing. They have summarized them in a framework of the 5Ss. These five objectives are as follows: sell, serve, speak, save, and sizzle. (Chaffey & Smith 2008, 22.)

3.4.1 Sell – Grow Sales

E-marketing offers a possibility to sell to new markets and reach an extended wider customer range. Companies can also extend the product ranges visible for customers and lower their prices compared to regular marketing communication channels. The most obvious benefit of E-marketing is to be able to sell products with the help of an online presence. That visibility can also support the buying decisions that could ultimately lead to a purchase through traditional channels of marketing. (Chaffey & Smith 2008, 28-29.)

3.4.2 Serve – Add Value

Companies' web sites main purpose is to provide some form of assistance or a service to customers or other stakeholders. Web sites should be as helpful as possible and add value to the company by offering benefits for customers through online services. (Chaffey & Smith 2008, 29.)

3.4.3 Speak – Get Closer to Customer

E-marketing offers companies the opportunity to get closer to the customer. It opens up a possibility for direct dialogue between the E-marketer and the customers by using the Internet as a tool for communicating. (Chaffey & Smith 2008, 33.)

A web site can act as a channel for communications between the company and the customer. Companies can release information on their web sites for such purposes as influencing the customers' image of the company, creating brand awareness, and spreading knowledge about what is new in the company. This knowledge can consist of any information that the company wants the public to be aware of. The information can be about new product releases, special offers, or even the new opening hours of their outlet store. (Chaffey & Smith 2008, 33)

Companies can conduct surveys and polls online, send e-mails to their customers and also receive e-mails from the customers, and learn what opinion the customers have about their company and their products by monitoring chat room conversations. (Chaffey & Smith 2008, 33.)

3.4.5 Save – Save Costs

E-marketing can save money for the company in many ways. It can cut down the costs of printing and posting by having documentation in a digital form and sending it through e-mail. Good web sites help the customers find the answers to their questions and thereby reduce the need for customer service staff. All the transactions that the customers can do online will reduce the need for hiring personnel to handle those particular transactions. Companies can even lower their phone bills by using the Internet to make cheaper phone calls. (Chaffey & Smith 2008, 35-36.)

3.4.6 Sizzle – Extend the Brand Online

Brands are more important for companies' success than many realize. Good brand image creates recognition and trustworthiness to the company and sometimes it can be the only aspect that separates one product from another (Chaffey & Smith 2008 38).

Brands are affected by the actual experiences that the customers get from using the products and by the perception that is affiliated with the products. That perception can be shaped by using the E-marketing communication tools, such as web sites, banner ads and e-mail campaigns. (Chaffey & Smith 2008, 37-39.)

Through E-marketing, companies strive to create a positive image of their company and their products, but badly executed E-marketing can have just the opposite effect. Obscure web sites can create mistrust towards the company and slow e-mail responses might damage the image. (Chaffey & Smith 2008, 39.)

4 ANALYSIS OF THE DATA AND DISCUSSIONS

The main empirical findings gathered from the interviews of the case companies are presented here. The results of the interviews are analyzed first, followed by the submission of the suggestions given to the entrepreneurs of the case companies.

The data for this research was gathered by conducting semi-structured interviews with the entrepreneurs of the six case companies. Based on the research questions of this thesis, we drafted the same general questions for each interview. The questions are displayed in Appendix 2.

The interview method that we chose to use in this research was a general interview guide approach. This approach was chosen firstly to ensure that the information is collected from the same general subject areas in each interview. The second reason for this choice was the fact that the interviews were conversational, which means that the issues were brought up from the general questions. This approach allowed some degree of freedom to consider when discussing those issues. The interviews were recorded digitally and transcribed. The answers were summarized in writing to only consist of those parts that have relevance in answering the research questions.

The questions for the interviews were structured into four categories that are displayed in Appendix 1. The categories follow the structure of the research questions. The questions in the first category concern the decisive factors leading to the implementation of E-marketing communications in micro-companies. The questions in the second category concern the competencies that the entrepreneurs of the case companies consider to be necessary for the implementation of E-marketing communications. The questions in the third category concern the entrepreneurs' opinions about the positive impact of the implementation of E-marketing communications. The questions in the final fourth category concern the entrepreneurs' opinions about the impact that their personal attitudes have on the implementation of E-marketing communications. In the following sub-chapters, the results from each category are discussed in details.

4.1 Research results

In our research, we discovered that five out of six of our case companies use E-marketing communications as their primary marketing channel. The traditional channels of marketing, such as news paper ads and radio ads, were also used, but their role was more of a supporting nature. The results of our research suggest that implementation of E-marketing communications in some form is common in micro-companies operating in the Kemi-Tornio region. However, the depth of the implementation was rather superficial. None of the case companies we interviewed had implemented E-marketing communications techniques which would require financial inputs. The combining element for each case company was the usage of social media network Facebook and the maintenance of their own web site.

4.1.1 Decisive factors leading to implementation

The factors which lead the companies to implement communications techniques mentioned above were similar in most parts. All of the entrepreneurs stated that the main reason for choosing the techniques mentioned earlier was the low cost of implementation and usage. Some entrepreneurs had distained themselves from using E-marketing communications until an outside source encouraged them to implement. These outside sources included family members, customers and business associates.

4.1.2 Important competencies for the implementation

Dann and Dann (2011) state that "To be a successful marketer in this ever-changing environment requires that you not only understand the basic technical infrastructure of the environment, but also how it got to where it is now and what it's likely to do in the future." (Dann & Dann 2011, 26.) The statement made by Dann and Dann (2011) was partly confirmed by the interviews conducted with the entrepreneurs. Each entrepreneur expressed that in order to implement E-marketing communications effectively and affordably, one should possess at least basic computing skills. In addition, they all felt

that general knowledge of the Internet is required. One of the interviewees saw his educational background in marketing to be of an asset in the implementation. Two other entrepreneurs mentioned the basic understanding of marketing to having contributed to the implementation process. Dann and Dann (2011) also express the importance of having a clear understanding of the essentials of marketing theories and practices. (Dann & Dann 2011, 26.)

4.1.3 Beneficiality of implementation

Chaffey and Smith (2008) identify five broad areas of benefits of E-marketing, which they summarize in the framework of 5Ss. All the entrepreneurs interviewed expressed their belief of having experience of some parts of the five Ss. The increased visibility of the company and its products, through the Internet, was seen to be the main benefit for all the companies. The visibility was generated by the companies Facebook pages and by their own websites, which both can be found with search engines. The visibility gained, through the free channels, enabled some companies to direct their resources from traditional marketing channels to other purposes. The entrepreneurs found it to be beneficial that the information of the company is visible for the customer constantly, through the Internet. In addition, the information can be instantly updated. The capability to reach an extended range of customers, and some specific groups of potential customers, was seen as an important benefit by each entrepreneur.

4.1.4 Impact of personal attitudes on implementation

The entrepreneurs all confined their implementation of E-marketing communications to the methods which do not require any financial inputs. Their hesitance towards chargeable E-marketing communications methods arouse from the assumption that the costs would outweigh the benefits. This particular assumption was expressed by each entrepreneur. One of the entrepreneurs assumed there to be more efficient E-marketing communications techniques to be developed in the near future, which added to his hesitation to implement the currently available techniques. The main assumption that

each entrepreneur stated to have lead in implementing E-marketing communications was the expectation of reaching an extended customer range through the Internet.

4.2 Suggestions for the entrepreneurs

Based on the review of the literature and the findings from the interviews, we have constructed general suggestions for our case companies, and for other companies alike. The suggestions are aimed at improving the successfulness of the implementation of Emarketing communications.

Dann and Dann (2011) state that successful E-marketers venture with the newest tools and techniques (Dann & Dann 2011, 26). As was discussed previously, all the entrepreneurs were unwilling to endeavor into E-marketing communication techniques which required financial inputs and contained risks. We would suggest to the entrepreneurs to keep an open mind towards all the channels of communications, and to explore thoroughly the possibilities that the communications channels could offer.

In our study, we found that none of the entrepreneurs had a pre-determined strategy in place before implementing E-marketing communications. Chaffey and Smith (2008) state that to succeed in the implementation of E-marketing communications, entrepreneurs should have clearly defined objectives, strategy, and goals thought out, before the implementation. (Chaffey & Smith 2008, 22.) Our suggestion for the entrepreneurs is to define the aspects mentioned by Chaffey and Smith (2008), of their already implemented E-marketing communications channels and the channels they might be implementing in the future.

4.3 Suggestions for future research

During the research process, it was discovered that the fear of losing financial resources to unbeneficial E-marketing communications techniques, was the main reason for not extending the implementation outside of the cost free techniques. For future research, we suggest a thorough out research on possible benefits which could be generated

through a well planned, implemented, and executed E-marketing communications. The research should concentrate specifically on the Kemi-Tornio region and on businesses similar to our case companies. We believe the results from such research might encourage entrepreneurs to broaden their E-marketing practices.

4.4 Limitations

Yin (2003, 14-15) states that case studies have their problems. Among the problems there is the fact that the scope of study might grow out of proportion. In addition, the amount of data may overwhelm the researcher, making analyzing the data difficult and time consuming. Case studies might lack accuracy if the researcher does not follow proper procedures. (Yin 2003, 14-15.)

In general interview guide approach, the risk of losing consistency in the way questions are delivered to the interviewee is apparent. The answers of interviewees might be heavily influenced by the way the researchers deliver the questions. (Turner 2010, 755-756.) The interviews were conducted in Finnish and afterwards translated into English. The translation can pose a threat to the accuracy of the data. We tried to maximize the accuracy of the translation by seeking guidance from a language specialist.

5 CONCLUSIONS

In accordance with the objective of this Thesis, this Thesis generated new knowledge on the E-marketing activities implemented by six less than 42-month old micro-companies operating in the Kemi-Tornio region. Relevant literature was studied to improve the general knowledge of the subject of E-marketing and E-marketing communications, before conducting interviews with entrepreneurs of six case companies.

To achieve the objective of this Thesis, six interviews were conducted. The objective was to gain knowledge about why the entrepreneurs have implemented E-marketing communications, find out factors affecting the implementation, and acquire knowledge about the benefits the entrepreneurs, in their opinion, have gained through the implementation.

The reviewed literature and the findings from the interviews are discussed in the Thesis. The knowledge gathered from both sources is finally combined, for the purpose of making suggestions for the case companies and companies of similar nature operating in the same region. The suggestions were made to help the companies implement E-marketing communications increasingly successfully. We believe that the companies will find their implementation of E-marketing communications to become increasingly successful, if they take advantage of the suggestions we put forward to them.

REFERENCES

- Businesslink 2011. Develop an e-marketing plan. Read 25 April, 2011. http://online.businesslink.gov.uk/bdotg/action/printguide?r.i=1075384999&r.11 = 1073861169&r.l2=1073858845&r.l3=1075384972&r.s=pg&r.t=RESOURCES &topicId=1075384972>
- Chaffey, D. 2011. E-Business & E-Commerce Management: Strategy, Implementation and Practice. 5th Ed. Place of publication, England: Prentice Hall.
- Chaffey, D. Smith, P. R 2008. eMarketing eXcellence: Planning and optimizing your digital marketing. 3rd Ed. Place of publication, UK: Butterworth-Heinemann.
- Dann, S. & Dann, S. 2011. E-Marketing: Theory and Application. Place of publication, China: Palgrave MacMillan.
- European Commission 2012. Read 25 April, 2012.

 http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/index_en.htm
- Internet World Stat 2012. Read 29 May, 2012. http://www.internetworldstats.com/stats.htm
- Saunders, M. Lewis, P. Thornhill, A. 2007. Research methods for business students. 4th Ed. Place of publication, England: Pearson education limited.
- Silverman, D. 2005. Doing Qualitative Research. 2nd Ed. Place of publication, California: SAGE Publications Inc.
- Turner, D.W. 2010. Qualitative Interview Design: A Practical Guide for Novice Investigators. The qualitative report. Vol. 15. 754-760. Read June 1st 2012. http://www.nova.edu/ssss/QR/QR15-3/qid.pdf
- Yin, R. K. 2009. Case Study Research: Design and Methods. 4th Ed. Place of publications, California: SAGE Publications Inc.

APPENDICES

APPENDIX 1

THE INTERVIEW DATA

- 1. Data related to decisive factors leading to implementation.
- Low costs / free.
- Accessibility.
- Encouragement from outside sources to implement.
- Marketing strategy including E-marketing.
- Financial issues driving towards free channels.
- Ease of use.
- 2. Data related to important competencies for implementation.
- Marketing education.
- Basic understanding of marketing.
- Computer skills.
- Knowledge about the Internet.
- 3. Data related to perceived benefits.
- Access to specific target customer groups.
- Save money from marketing costs.
- Possibility of instantaneous updates.
- Support for other marketing channels.
- Constant access to the company and product information in the Internet.
- Visibility for the company and its products.
- Wider range of customers.
- 4. Data related to attitudes impacting the implementation.
- Assumptions of achieving wider customer range.
- Fear of losing recourses due to un-beneficial marketing activities.
- Company information visible through non-chargeable channels.
- Expectations of improved communications techniques to be created in the future.

THE GENERAL INTERVIEW QUESTIONS

- 1. Have you implemented E-marketing communications?
- 2. What E-marketing communications techniques have you implemented?
- 3. What factors, in your opinion, have impacted your implementation of E-marketing communications?
- 4. Had you formed any E-marketing strategies before implementing E-marketing communications?
- 5. What competencies, in your opinion, are of importance in implementing E-marketing communications?
- 6. Did you receive any outside help in implementing E-marketing communications?
- 7. Do you currently manage your E-marketing communications by your self?
- 8. Has implementing E-marketing communications, in your opinion, been beneficial for your company, and how?
- 9. How would you describe the cost and benefit relationship of implementing E-marketing communications?
- 10. Do you think that your personal assumptions and opinions have impacted the implementation of E-marketing communications?