The 4P theory’s role in a company’s social media

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Abstract
This bachelor thesis gives insight to the reader on the 4P theory’s role in a company’s social media marketing. This is a multiple case study where the authors investigated how these two companies apply 4P theory in their social media marketing. Furthermore, social media has appeared through the era of digitalization which has become a tremendous phenomenon in a company’s marketing strategies. Therefore, there is a high competition among companies in order to attract customers through their social media platforms such as Facebook, Instagram, Twitter. In this thesis it is investigated of how companies applies the 4P theory in their social media.

The research question of this thesis is as follows:

- How does a company apply 4P in its social media platforms?

In order to answer the research question of this thesis, the authors have used existing theories on digitalization, the new 4P’s and the traditional 4P’s as well as empirical data in the form of semi structured interviews. The results showed that the 4P theory has an enormous role in these companies’ marketing in social media.

Keywords: The 4P theory, social media platforms, marketing strategy, digitalization
Sammanfattning

Frågeställningen i denna uppsats lyder:

- Hur applicerar ett företag 4P teorin i sina sociala medier?

För att kunna besvara forskningsfrågan har tidigare teorier studerats. Vidare har empiriska data i form utav semistrukturerade intervjuer med Swedavia och Payex utförts. Resultatet visar att företag använder 4P teorin som grund för deras marknadsföring generellt i varje plattform som de marknadsförs på.

Nyckelord: marknadsföring strategier, kundens köpbeteende, märkeslojalitet
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1. Introduction

1.1 Background

Approximately two decades ago, neither Facebook or other social media platforms existed. Thus, the way of marketing occurred in a totally different way than nowadays. Companies used to advertise their products, through radio, newspaper and TV-advertisements. Whereas today nearly all marketing happens through social media such as Facebook, Instagram, Twitter and LinkedIn. Therefore, companies face multiple new challenges for instance, constant development of technology, new tools and applications created every day, a shorter product’s life cycle and increased in marketing. Furthermore, companies strive to keep up with the current trend policies, and the total social development, which requires to update their marketing strategies more often. According to, Fuxman et al. (2014) access to broadband connection, internet, and the new generations of mobile phones have had an impact on consumers to increasingly search information about products and services online.

When it comes to creating value, the first step is to take into account customers and secondly to extract some of the customer value in order to make profit. Moreover, companies’ aim in marketing is to create and communicate value to customers and therefore, gain customers’ loyalty and profitability in a long run (Kumar & Reinartz, 2016).

Moreover, use of social media has affected consumer behavior in terms of attracting consumers to buy products online. For example due to an influencer’s Instagram post, some followers might click the same product home. That is how, an influencer will make living out of the number of clicks, which provides income. A study made by DEI Worldwide in 2008 showed that more than 70% of customers were using social media as an instrument to get information. Moreover, also 49% of these customers made a purchase based on the information they have found through the social media sites. As seen in the figures 1 and figure 2 which are collected from an Instagram account, business owners are able to gain more precise overview of their customer base through the usage of social media platforms. For instance, this specific account is much more beneficial for a company releasing a new product in the United States compared to Brazil because 64% the account’s followers are located in the USA.

Therefore, statistical data is a great tool for companies that potentially want to purchase advertising through social media. When companies have more knowledge about the data they are able to apply 4P’s in form of improving the way of promoting the products, entering the new markets and adapting in new circumstances.
1.2 Problem formulation

Nowadays companies implement different social media platforms as part of their marketing instead of the traditional advertising etc. Therefore, companies need to have knowledge how to benefit social media in a full power in order to reach unlimited number of people to buy their products. On the other hand, there are always competitors who provide content in more efficient way, that is why companies strive to create high customer value to keep their customers. Thus, brand loyalty is also tremendous important because customers will use word-of-mouth after using the products. Moreover, word-of-mouth can be both positive and negative effect for the company regarding their products, how they met the expectations and how they felt about the experience etc. Whereas customer buying behaviour is based more on for instance the quality and design of the products.

In this thesis, the traditional 4P theory by Jerome McCarthy (1971) was also applied where the purpose was to investigate, in which ways companies applied this 4P theory in their social media platforms. Furthermore, after the 4P’s were already created the digitalization made a big switch on companies’ marketing strategies. When the digitalization has change the marketing environment for companies it has also been a change how the 4P can be applied to this new environment.

1.3 Research question

- How does a company apply 4P in its social media platforms?

1.4 Aim of the study

Our aim is to investigate, how companies have applied the 4P theory in their social media according to the new digitalized marketing environment. Therefore, we have decided to interview two companies Swedavia and Payex to get more insights from different industries. We are interested to get insights of how these companies’ marketing strategies have changed after social media became part of their marketing platform.
2. Theoretical Review

The theory part is divided into digitalization and its four categories, that are relevant theory base for the study. The reader will get an overview of how the traditional 4P’s are applied in companies’ marketing nowadays. Therefore, these categories represent the new way of marketing with digitalization in focus. In addition, the traditional 4P’s are also defined and the new 4P’s which are suitable in terms of the purpose in this study.

2.1 Digitalization

There are plenty of industries who are still undergoing changes in order to adapt in digitalization. Marketing, e-commerce and social media have had an impact in the way of how consumers interact with businesses and how they purchase products. Essentially, marketers have switched their position, market and sell products and services (Sheth, 2017). Several technologies have become a part of fundamental business processes and basic marketing courses, which were not there for a decade ago. Technology has become such an integral part of marketing that the environment has completely changed within the last decade. Therefore, companies reach more customers faster and at lower costs with these digital tools. Digital change can be compared to a fast-moving tsunami for example with the digitalization of multiple business practices can be created new relationships between businesses and customers, but also altering the marketing landscape (Crittenden et al. 2019).

The key facilitator to enter the global market is internet, although it entails multiple challenges. Where new technologies help to reach customers all around the globe, it is more complicated to build stable partnerships (Samiee, 2008). "The abundance of information available on the internet, makes global customers often better informed and more attentive to cost efficient offers of new players on the global market. Thus, suppliers are put under increasing price pressure and customer service and global networks become increasingly relevant", according to MatthysSENS et al (2008).

2.1.1 Social media

According to Global web index (2016) and Mansfield (2016), there were more than 1.8 billion users worldwide who spent in average 118 minutes a day on social media in 2016. Furthermore, 77% of these users actively engaged their time in likes, comments, shares and link clicks (Statista, 2016). Although, in a newer statistic in 2018 there were 2.62 billion people who used social media platforms at least once a month. Therefore, the average time people spent in social media increased in 135 minutes a day (Statista, 2018). The most popular social media platforms worldwide by the beginning of 2019 were Facebook, Youtube, Whatsapp, Facebook messenger, Wechat and Instagram (Statista, 2019).

Crumpton (2014) defines social media as “a collection of online services that communicates and shares content with various stakeholder groups”. In addition, social media is a platform
where marketers can communicate with their consumers or potential customers, in that way they build a relationship with strong association (Kelly et al., 2010).

Social media is an effective tool for both external and internal communication. Although to benefit the full power of this tool, there is a need for organizations to transform their structure, processes, and culture in order to create trust (McKinsey, 2012). Essentially, social media plays particularly a big role for stakeholder relations within both profit and non-profit organizations. Moreover, social media is adopted either by public relations or investor relations departments or professionals in order to reach the organizational goals (Curtis et al., 2010). Therefore, the use of social media in terms of internal and external, might help organizations to derive value. There is an increasing number of companies which are applying multiple social technologies to reinforce business values, for instance customer satisfaction, brand awareness, sales and revenues (Alberghini et al., 2014). Even though, there are the following costs that come after the adoption, implementation, and maintenance of social media (Crumpton, 2014):

- Content creation to be posted
- Implementation and posting of prepared materials
- Responding to users and interacting with them
- Software and equipment
- Alternative back-up systems needed in the event of system failure

There are some negative consequences with social media, such as the difficultness to control the dissemination or leakage of information (Chaher & Spellman, 2012).

2.1.2 Consumer buying behavior

There is a relevant definition for consumer behavior “the study of various processes that involve individuals’ or groups’ behavior of selecting, purchasing, using, and disposing of products, services, or ideas and experiences to satisfy their innate needs, want, and desires”, according to Solomon (2010, cited in Fernandes & Panda, 2019). Furthermore, when the consumer is aware of the brand and its price, quality etc, the more interested the customer will be towards the brand (Chakraborty, 2017).

In order to implement effective social media marketing, consumer-to-consumer brand message sharing is essential (Ordenes et al., 2019). Nowadays even customers base their purchase decision on social media, because people can share their opinions in forums about the products or services. Therefore, customers become familiar with the new brands which would have remained unfamiliar without social media (Joshi & Suman, 2017).

Despite the fact that, companies engage more and more in conversations in their social media, the impact on consumers is still distressingly low, for example an average brand tweet is viewed by 1% of followers (Sullivan, 2014). Furthermore, it is more likely that a tweet will get buried in the vast expanse of big data. The main challenge that remains for the companies
is to create content which is appealing and more likely to be shared by consumers than buried (Horst & Duboff, 2015). Moreover, many companies are struggling with applying the full advantage of the available verbal and image elements to compose dynamic messages to encourage consumers to share it on social media (Hutchinson, 2016).

### 2.1.3 Brand loyalty

One key lever is engagement in brand-hosted media management, which is proven by several practitioners (Hollebeek, 2011a). The research focus has been online consumer engagement the past ten years which is rapidly increasing (Harrigan et al., 2018). Furthermore, by engaging customers in social media, it will improve consumer-brand relationships because customers have favorable beliefs about brand’s social media. That is why, customers are emotionally tied to the brand and find interactions as rewarding and delightful (Gambetti et al., 2012). Therefore, customers are more willing to maintain and develop the relationship with the brand rather than aiming to find another brand in the same product category.

There is a difference between a cognitively, affectively and behaviorally engaged customer than a socially engaged customer. Due to the fact that, socially engaged customers have probably built strong and enriching brand-related links with other brand members, whereas cognitively, affectively and behaviorally engaged customers are more likely to initiate a relationship with another brand (Hollebeek, 2011b).

Although, there is a need for further studies because the existing research has limited scope for generalizability (Hollebeek et al., 2016). Furthermore, through social media there is a new way for brands to interact with their customers (Helme-Guizon et al., 2019). Therefore, it makes it easier for brands to provide information, customer service, special offers and entertainment through their social media platforms (Breitsohl et al., 2015). One way to increase brand loyalty is to customize company’s social media sites regarding customers’ needs and wants. Thus, a company will reach loyal customers for the brand (Martin & Todorov, 2010).

### 2.1.4 Word-of-mouth

Word-of-mouth (WOM) is an essential part of the marketing process because consumers tend to often rely on the advice and experience of others who have already bought the product. Especially, in cases when a purchase is financially or psychologically risky consumers search for advice from others (Gershoff & Johar, 2006). Thus, it is proved that word-of-mouth is a more effective way of marketing than the traditional advertising platforms (Godes & Mayzlin, 2004; Herr et al., 1991). Regardless, if consumers are satisfied or dissatisfied with their products, they share it in social media. (Anderson, 1998).

Social media has made it possible for people to share their personal experiences about the products that they have bought. In addition, these posts can reach unlimited number of people to read it (Castello et al., 2013; Castells, 2011). Therefore, social media can be described as a vital “word-of-mouth”-source (Mangold & Faulds, 2009) where people can share their opinions.
by leaving a comment on review sites (Orlikowski & Scott, 2013). When it comes to trustworthiness of the content that exist in social networks, it is enhanced between the sender and receiver if they bond and find similarities in each other (Pariser, 2011; Stroud, 2010), which might increase the credibility of the evaluations for other members in the same group (Sunstein, 2017).

One of the key influence on what people know, sense and do is because of WOM (Buttle, 1998). Many marketers are well known of how the effect of the consumer behavior can variate based on WOM. Their goal is to stimulate and achieve that (Godes & Mayzlin, 2009). According to Sweeney et al. (2012) organizations sees WOM as a powerful marketing tool. A successful marketing strategy is to seek a targeted group of customers with the purpose of hopefully make them spread a positive WOM, where, in the long run will benefit the company back with increases in both sales and knowledge about the company (Trusov et al., 2009).

2.2 The traditional 4P’s

*Because of the changing marketing environment with digitalization it is possible that 4P use is changed. The traditional 4P are shortly presented to get an overview for the reader.*

2.2.1 Product

The main idea is to fulfill consumer’s want or need when planning a product. Therefore, a product can be offered to a market for attention, acquisition, use or consumption (Kotler & Armstrong, 2018; McCarthy, 1971). Products not only include tangible objects, but also for example services and events. When it comes to product planning it is needed to take into account products and services on three levels, where in each level the purpose is to increase customer value. At the most basic level which is called *core customer value*, companies need to address the question: “*What is the buyer really thinking?*”. At the second level, product planners switch the core benefit into an actual product, which include product and service features, a design, a quality level, a brand name, and packaging. Lastly, product planners must come up with an augmented product around the core benefit and actual product by offering additional consumer services and benefits.

2.2.2 Price

Kotler and Armstrong (2018) defines price as the amount of money charged for a product or a service. On the other hand, price is the only element in the marketing mix that provides revenue, whereas other elements represent costs. In addition, price is one of the most flexible elements based on the fact, that prices can change quickly. Regardless of its flexibility, pricing is related to headache among marketing executives and companies.
2.2.2.1 Pricing strategies

There are several both external and internal factors that companies must take into consideration when setting a price for a product. There are different pricing strategies such as: customer value-based pricing, cost-based pricing and competition-based pricing.

2.2.2.2 Pricing objectives

In order to accomplish company objectives at many levels, pricing might be a key factor, referred Kotler and Armstrong (2018). Furthermore, pricing is an effective way to attract new customers or more beneficially engage long-lasting customer relationships. Thus, a company can vary with its pricing depending on its objectives, for example if the company wants to prevent new companies to enter the market, it will decrease the prices as low as possible or in the means of stabilization the company can set prices at competitors’ level. In addition prices can be decreased once a while to create excitement for a brand.

Perreault and McCarthy (2002) suggested that before defining pricing strategies, the firms’ objectives of pricing should be taken into account. When it comes to a variety of ideas in terms of pricing objectives, there are three main objectives recommended by Perreault and McCarthy (2002): profit-oriented, sales-oriented, and status quo.

2.2.3 Place

In order to produce a product or service, and therefore making it available to buyers, it will require strong relationships not just with the customers, but also with the key suppliers and resellers who are part of company’s supply chain (Kotler & Armstrong, 2018). A company’s supply chain consists of upstream and downstream partners. Upstream partners supply the raw materials, components, parts, information, finance, and expertise in aim to create a product or service. Downstream partners are wholesalers and retailers, who are an essential factor between the firm and its customers. Furthermore, wholesalers and retailers are called a company’s intermediaries. The purpose of intermediaries is to increase efficiency in making goods available to company’s target markets.

A marketing platform is defined by Kotler and Armstrong (2018) as “a set of interdependent organizations that help make a product or service available for use or consumption by the consumer or business user”. Therefore, a company’s channel decisions play a vital role due to its effect on other marketing decisions, such as pricing. In addition, companies involve long-term commitments with other firms when creating distribution channels.
2.2.3.1 Channel design decisions

“Marketing channel design calls for analyzing consumer needs, setting channel objectives, identifying major channel alternatives, and evaluating the alternatives”, described by Kotler and Armstrong (2018). Marketing channels are an essential part of the overall customer value delivery network. First, the company needs to find out what the target customers expect from the channel. Thus, companies should take into account in terms of targeted levels of customer service. Moreover, it is important to consider which segments companies want to serve and what channels are suitable for each case.

2.2.3.2 Different types of distribution channels

Marketing can be divided into two different distribution channels which are direct marketing channel and indirect marketing channel. If companies choose to sell through a direct marketing channel, there is no intermediary levels, which means that the company sells directly to consumer. In contrast, indirect marketing channels require at least one intermediary to deliver products to final buyers.

2.2.3.3 Types of intermediaries

After the company has chosen its channel objectives, there is a need of identifying its major channel alternatives, such as the types of intermediaries, the number of intermediaries, and the responsibilities of each channel member. A company should take into account, what type of a channel member is capable of carrying out its channel work. Retailers and wholesalers are those two types of intermediaries that is used.

Retailers are supposed to sell their goods or services directly to final consumers, without any middlemen, and all the activities which are involved. In contrast, wholesalers buy from producers and sell their products to retailers, industrial consumers, and other wholesalers.

2.2.4 Promotion

Promotion is the last tool of the marketing mix. Essentially, companies should not only add customer value, but also clearly and persuasively communicate with customers. Therefore, communications must be carefully planned and combined into integrated programs. It is even more important, that companies communicate with their customers in terms of engaging and building profitable and long-lasting customer relationships.
2.2.4.1 Developing effective marketing communication

There is no other area in marketing which is changing as quickly as marketing communication. The reason behind this phenomenon, is the huge surge in customer engagement through digital media such as online, mobile, and social media marketing. In addition, there are other factors which also have a tremendous impact for instance consumers are more aware due to the constant use of social medias etc. Therefore, more communication is provided to customers.

When it comes to digital technology revolution, it has affected companies and customers’ ways of communicating. There are several new information and communication tools, which did not exist in past decades. People used to have satellite and cable televisions, and now it all has switched to smartphones and tablets.

Even though traditional mass media (magazines, newspapers, television) still exist, it does not remain as strong as it used to. The demand for mass media is declining and replaced with online ads, email and texting, blogs etc., stated Kotler and Armstrong (2018).

2.3 The New 4P’s

The 4P has been revised caused by the new marketing environment. A description of the new 4P follow below.

2.3.1 Platforms

Traditional marketing channels are constantly replaced by social media platforms in order to reach variety of marketing objectives, from creating knowledge to interact with consumers to buy (Batra & Keller, 2016; Kumar et al. 2016). Social media is the fastest growing marketing platform worldwide, according to Coursasis et al. (2016). There are more than two billion people who use platforms such as virtual social networks (Facebook), blogs (Wordpress), microblogs (Twitter), video platforms (Youtube), photo platforms (Instagram), rating platforms (TripAdvisor) and the comment functions of the news media (New York Times) according to Etter et al. (2019). People use these platforms daily in order to discuss and evaluate organizations, their actions, their products, and their services. However, social media platforms expand rapidly with the development of new tools (Reilly & Hynan, 2014; Weller, 2015).

Therefore, successful marketing has become even more important in the age of empowered consumers. There are four areas in engaging consumers (Wind, 2014):

- Platforms for engaging consumers as co-designers and co-producers of customized products and services. One good example is Nike, where you can customize your own sneakers.
• Platforms that allow consumers to manage their relationship with you (and other companies). This is about customer managed relationship (CMR), which is contrast to the traditional customer relationship management (CRM).

• Platforms for engaging consumers as (credible) salespeople and marketing advocates. For instance, diapers.com has a platform where consumers can recruit new customers and therefore, they have an incentive system for them.

• Platforms that allow consumers to determine the price and value of your offering. In some restaurants, customers can define the price of a bottle of wine.

2.3.3 CMR and CRM

Even though 4P’s are an essential part of the marketing mix, there are other key components that they ignore such as segmentation, positioning, and customer relationships. Therefore, to engage consumers, companies should take into consideration CMR platform. There, customers can be in touch with companies and their competitors (Wind, 2014). CMR is a method usually used through a software or internet based community to support its customers to manage data about the company or its competitors. Moreover, the CMR platform makes it easier for the customer to purchase different types of services or products and give the customers an option of a paying method (Podobnik & Lovrek, 2010).

In CRM there are two components the first one includes firm competence in knowledge management and firm competence in relationship marketing. The second component is about knowledge management, which includes collection, analysis, dissemination, and application of customer information from the database (Abe, 2009). Whereas in relationship marketing the main focus is on developing and maintaining long-term relationships. (Arnett & Badrinarayanan, 2005). Regarding to that, companies should put more focus on CRM in order to instill brand loyalty among customers. Moreover, for example a social media platform is a suitable tool to engage and build relationships when aiming to increase brand loyalty. There are many benefits with CRM, for instance companies expand their interaction in a less time with their customers and therefore, engage them more efficiently than competitors who utilize CRM (Vickers, 2015).

According to Yang (2017) people interpret 55% of the information through body language and also their facial expressions, which makes the nonverbal communication an important role. Body language has a large impact when delivering a message and that type of contact is now lacking due this digitalization and the CMR platform where people now no longer integrate with each other.
3. Method

In this chapter we have gathered ethics, research design, sample, data collection, layout of interview questions, implementation of interview, observation study, reliability and validity.

3.1 Research design

We chose to use an inductive approach where the aim is to generate a new theory based on the data. Whereas, a deductive approach is built on earlier theories, but also studies in order to come up with a conclusion through surveys (Bryman & Bell, 2018). Therefore, the inductive approach fits our study better because we investigated in what ways the companies applied 4P’s in their social media, which means that we collected data by interviewing them and searched data based on the interviews. In addition, we decided to commit an observation study in order to gain more credible data to reinforce our results.

In order to fulfill the aim of our study, we applied a multiple case study with an observation study design where we collected information from two companies and their social media. Although to understand what a multiple case study is about, it is essential to have knowledge of a case study itself. Therefore, a basic case study requires an intensive analysis based on a qualitative research strategy of a case study. The definition of a case study design can be divided in four parts which is a single organization, a single location, a person, a single event (Bryman & Bell, 2018). If the number of cases exceeds one, it is described as a multiple case study. In addition, Eisenhardt and Yin (referred in Bryman, 2016) emphasized, that “by comparing two or more cases, the researcher is in a better position to establish the circumstances in which a theory will or will not hold”. An advantage with a case study according to Denscombe (2017) is that case studies make it possible for the researchers to study a case deeply and describe that in details. Another advantage is that a case study creates space to choose from different methods for example interviews, focus groups or literature studies.

The aim of our study was to investigate how companies apply the 4P theory in their social media platforms. Regarding to that, we chose to do a qualitative study where we interviewed two companies about their marketing strategies and made an observation study based on their social media platforms. Bryman (2016) stated that a qualitative study includes words, points of view of participants, unstructured, and theory emergent. Moreover, Saunders et al. (2012) described that “Qualitative research studies participants' meanings and the relationships between them, using a variety of data collection techniques and analytical procedures, to develop a conceptual framework”.

When it comes to an observation study, it gives us insights from the point of wanted audience. The process of an observation study is to observe how different phenomenon occurs in practice without screwing the results. People are more complex and unpredictable compared to our surrounding environment. Bryman and Bell (2018) give an example of natural sciences when
the atoms or chemicals cannot attribute to the events of their environment but nevertheless people do, and that is why the result of an observation study will turn out to be more genuine and honest because the investigator has a minimal effect on the results.

3.2 Ethics

We applied an article written by University of Glasgow (n.d.) that suggest that interviewees must be informed and carefully explained about the procedures for the interview. Furthermore, the location plays an essential role for the interviewees because they must be happy with the location, but also being offered some alternatives if requested. In addition, regarding safety issues, the interviewer should leave contact details of the places where she visited during the day to her friend or a colleague. When it comes to confidential issues, interviewees should not be named without their permission if it is important for the study. It is mandatory to ask permission if the interview can be recorded or notes are taken during the interview.

3.3 Interview Sample

Our first idea was to interview Destination Gotland, Lindex, H&M, Payex and Swedavia. Although, we could only conduct interviews with Payex and Swedavia. Lindex and H&M marketing managers were absent, whereas Destination Gotland cancelled the meeting in the same morning because of sickness.

According to the choice of the companies that we wanted to use in this study is based on selected generic purposive sampling, which is a non-probability form of sampling. One of the main approach in a non-probability sampling is that they want to generalize to a population, and that members’ key characters are relevant to research questions. In a selected generic purposive sampling the criteria for selecting cases or individuals may be formed as a priori (Bryman, 2016). In other words, the cases are chosen based on the criteria that researchers have decided in beforehand.

The first criterion was that the company must be located in Visby in order to set up an interview in person. The second criterion was that the company has at least 100 employees. The last one that the company is active on its social media platforms. We chose Swedavia and Payex based on the criteria that we set. These companies represent different industries, but we found it interesting instead of problematic. Both companies had at least three different social media platforms, which made it possible to study these and gather enough data.

3.4 Construction interview questions

Referring to Bryman and Bell (2018) who insisted that it is necessary to create an interview guide, in order to cover the areas that are relevant for the study to avoid the overflow of information. Therefore, we pointed our questions only in marketing to reach the wanted information. We used open questions that the respondents had the chance to ask follow-up
questions. Furthermore, Bryman and Bell (2018) concluded that open questions make it possible to form answers with own words.

Moreover, the structure of the interview questions were based on the theories that we applied in this study and the questions were mostly focused on social media. In our study we decided to conduct semi-structured interviews. Bryman (2016) referred, that a semi-structured interview consists of wide range of questions that are more general than in a structured interview. Although, in a semi-structured interview the respondent can improvise during the interview, which creates a comfortable atmosphere. This form of an interview will make respondents to feel more comfortable with the interviewers, when they can ask follow-up questions.

3.4.1 Data collection

When it comes to the people who we wanted to interview, our criteria was to meet the marketing managers because they would be able to reply our questions. Our purpose was to have a comfortable atmosphere with the interviewees in order to make them feel free to ask anything.

3.4.2 Interview procedure

We conducted two semi-structured interviews and one observation study from both companies. When it comes to the interviews, we wanted to see their reactions when they answered the questions that we had. In addition, it was important to us that the respondents had a possibility for follow-up questions.

In the beginning of our interviews we informed both respondents about our ethics and if we could be allowed to publish their name in our paper which they both agreed on. We first started by giving the respondents some background about our topic and explained the aim of our study. Furthermore, we also asked before we started our interview about their ethical point, if they wanted to stay anonymous. They confirmed that they do not need to stay anonymous. The interview was recorded with the purpose of avoiding misunderstandings and the ability to go back after the interview to compile the respondent’s answers.

Because of low interview response rate we needed to collect more data in form of observation study due to the lack of interviews in our study. In addition, we wanted to analyze approximately 50 reviews per company, but we could not get access to these. Thus, we could analyze approximately ten reviews per company, which we applied in the study.

We met Swedavia’s respondent at Uppsala university and Payex’ respondent at their office. Furthermore, we both asked questions and reflected to the respondent’s answers. To confirm that we got all their answers correct we decided to record the whole meeting by informing them about it in advance therefore we got their approval.
3.5 Interview data analysis

Before we started writing the analysis, we went through the recorded material to refresh our memory when it comes to the interviews that we conducted. After that we tried to connect the collected material with the theories that we had. Furthermore, we divided the data analysis in different chapters based on the theory part and its chapters. When analyzing the data, we took into account also our own expressions that we got in the interviews and connected with the theories.

3.6 Observation study sample and procedure

The observation study was based on Swedavia and Payex’s social media platforms. We even created two models which represented two of the four P’s, product and promotion in order to connect the data with the theory. These models were created from a customer perspective, which means that all boxes represent something that a customer would put weight on when looking at a company’s social media platforms. Thus, we investigated carefully their performance in terms of frequency in posting, start year, amount of followers, amount of likes per post. In addition, we studied their product, in other words each social media platform and its design, structure, and customer service. Moreover, we decided to collect data from 2017 and 2018, because both companies were most active in these years in their social media platforms. The social media platforms that we collected data for both companies were Facebook, Instagram and Twitter.

3.7 Construction of Observation scheme

![Figure 1. Overview of our Observation layout. Made by authors.](image-url)
The design we are using for our observation study is a structured observation which is a method where the researcher implements a model where the rules are defined before the actual observation is conducted (Bryman & Bell, 2018). These models (figure 1 & 2) that we created made it easy for us to collect the data within the same guidelines as Bryman and Bell suggested.

3.8 Observation study data analysis

According to Bryman & Bell (2018) a structure design needs to have defined guidelines, because the sample the researchers get after the observation is more authentic because the participants were not affected by any external influences. One of the results of gathering data through this design is a different perspective of performance.

When it comes to observation study design, we found that a structure design is relevant in order to get deeper understanding of how Swedavia and Payex apply their social media platforms in their marketing strategy.

3.9 Reliability and validity

Reliability also known as dependability, where the question is, if the result from a research will be the same, if implementing it again (Bryman & Bell, 2018). In a quantitative research reliability is more actual than in a qualitative research due to if the measure instrument is stable or not.

Our intention is to compose interviews with marketing managers both from Swedavia and Payex to see, how they have applied the 4P’s in their social media platforms. In this study we interviewed two people, which means that if someone will implement the same study with different respondents, the conclusion may not be the same but the overall result can be similar.

“The accuracy and trustworthiness of instruments, data and findings in research” (Bernard, 2013). Bryman and Bell (2018) define validity “does the measure instrument measure what it
should be measuring?”. Moreover, it is described if the conclusions which have generalized from a research can be connected or not. There are different types of validity:

- intern validity: is the conclusion (often related to causality) correct?
- extern validity: can the conclusion be generalized to other units?

These sources are reliable and, therefore interviews are conducted together with marketing chefs, who are specialists in their field. Although, it is hard to reach high validity in the interview that is why, we conducted an observation study.

Internal validity is described when a causal relationship exist between two phenomenon, for instance we collected data which is shown in the statistics and this led to an outcome where the data from our interviews is valid (Saunders et al. 2012).

The risk for low validity in our study is depended on the two interviews where the respondents did not give exactly the same answers. Furthermore, the model for the observation study is not relevant when it comes to their homepages which are totally different, whereas in their social media platforms they have the same layout and denominator.
4. Empirical Findings – Interview

In this chapter the data from two interviews and the observation study is presented.

4.1 Swedavia

4.1.1 Background

We interviewed the marketing manager from Swedavia’s airport in Visby, which is one of the 10 airports that Swedavia has in Sweden. Visby airport is located in the middle of agriculture on Gotland and it is only 3.5km away from Visby city, which is Unesco’s world heritage. Visby airport was initiated in 1942 and today there are around 468 000 travelers each year. There are some new destinations such as Spain, Greece, Estonia and Italy. Moreover, Visby has 4 destinations where they fly through all year and about 10 summer destinations (swedavia.com).

4.1.2 Marketing strategy

Swedavia’s marketing strategy has changed tremendously from the time when companies applied the traditional marketing channels such as newspaper, TV and radio. Even though, word-of-mouth was already a part of their marketing in that time, according to our respondent. Swedavia focuses on local travelers to deliver the best experience for those who travel by air/take the flight instead of traveling by ferry. Furthermore, at Swedavia they care about customers’ opinions regarding their service at the airport. Therefore, Swedavia strive to fulfill customers’ expectations based on the surveys which they have 2-3 times yearly. One good example is that in Visby they established a cafeteria based on customers’ wants.

Swedavia did not have any social media accounts less than five years ago. The respondent told us that Swedavia has in mind to create an Instagram account in order to attract more people to visit Visby. We found out that Swedavia’s marketing strategy differs from season to season. For example, in the summer time the respondent can spend easily 8 hours a day in marketing, whereas in wintertime there is not that much need for it. It depends on the number of people who visit Gotland, which means that there is more demand for the flight tickets in the summer.

Moreover, Swedavia’s marketing is mostly done through social media because there is only one airport on Gotland so there is not that much need for marketing themselves more than that, according to Kati. The social media platforms that Swedavia use are: Instagram, Facebook, and Twitter. The respondent clarified that in Visby they only have Facebook where they update some pictures occasionally when something extraordinary is happening. We also found out that Swedavia has quite strict guidelines when it comes to social media. It is not about the content, but about the platforms that each airport can have an account in, which
depend on the size of the airport. Therefore, only the biggest airports have an Instagram account.

At Swedavia they aim to be more and more environmental friendly in order to decrease the damage that flying does to the nature. Thus, Swedavia has different campaigns where they challenge themselves to put down the waste of x. That is how Swedavia can attract more people to choose their airport regarding the answers that we got.

4.1.3 The biggest changes

Swedavia’s chat function was created in January 2016 and in December 2018 their own chat robot Swea was created. Furthermore, our respondent explained us that Swedavia has made a big step by implementing social media in their marketing because few years back, Swedavia did not have any social media accounts. Furthermore, in Visby Swedavia has a car parking for electrical cars, which was a huge investment from them. At the airport in Visby they have done the security check as fast as possible to avoid chaos and to make the experience as quick as possible. According to the respondent, Swedavia has switched their strategy into a customer centric perspective where they take into consideration customers’ want and needs on a new level, for instance they have new direct flights from Visby, thanks to a customer who contacted them.

4.1.4 Future plans for marketing

At Swedavia in Visby their aim is to open at least an Instagram account in the coming years and also update their social media platforms more often. More of these sustainable development events are upcoming. Put more weight on the quality of their pictures in social media.

4.2 Payex

4.2.1 Background

“Payex - Experts in payments”

Payex is a credit marketing company that works with outsourcing and has a wide range of different products in the financial businesses. Payex was established in 1972 on Gotland when the idea was to help customers with their invoicing. Nowadays, Payex is the leading company in helping customers with their payment solutions in the Northern countries. They have businesses in Sweden, Finland and Denmark (payex.com).
4.2.2 Marketing strategy

In the interview the respondents described their products more as financial services. Therefore, the products/services can vary a lot all the way from the local business that demands a card terminal through all the way where the banks need a service in loan issues for their customers.

When it comes to Payex’ marketing strategy it has gone through a lot of change after the whole company was established. The founder of the company did not want to even be known so that is why no one knew who he was. Nowadays, Payex has more than one owner, furthermore when Payex launches a new product it is more based on the owners request than the market’s needs. However, Payex has implemented a service development model that they follow in order to satisfy their customers. The respondent stated that Payex does not have a broad marketing in focus, but to spread the word through their customers.

Times have changed and therefore, Payex is using more marketing than back then when marketing did note even exist. However, Payex does not market themselves as much as they could, according to our two respondents. In the finance industry marketing is a bit different because it occurs mostly through word-of-mouth and the customer service as both respondents emphasized. That is why Payex strive to put more focus on their customer service than in their marketing. Even though Payex has Instagram, Facebook, Twitter and LinkedIn where they update about their new services or basic work days at the office. Moreover, Payex updates if they have an open position and their employees present themselves in turns by writing a short description about themselves. That is how people will know what kind of job position they have.

The respondents stated that there is lot to do in the marketing section in order to expand to other countries as well because there Payex is unknown despite a couple EU-countries. In addition the respondent concluded that they see the change coming slowly but surely in order to be more suitable with the way how banks work.

4.2.3 The biggest changes

One of the biggest changes is that Payex market themselves. Payex has put their products in different selling channels together with Swedbank. Furthermore, Payex has more co-countries where they have their offices. There is approximately 200 hundred people who work in Visby, which has increased rapidly in the latest years, according to our respondents.

4.2.4 Future plans for marketing

Payex strive to be more active in their social media platforms, which means that Payex will update more often. Furthermore, they do not try to make any big adjustments but develop the way they are using social media as part of their marketing.
5. Empirical Findings - Observation Study

In our observation study we applied the figures 3 and figure 4, that we created in order to observe Payex and Swedavia’s social media platforms. The models are based on our own ideas when it comes to the factors we thought a customer would put focus on. Therefore, all the observations are based on these models. We applied the customer perspective in the observation study, therefore we have included both a company and a customer’s perspective in this thesis.

Furthermore, we created two figures per platform. The first figure represents the number of the posts that Swedavia uploaded monthly during two years (2017-2018). Whereas the second figure represents the average amount of likes that a post reached each month. The figures, appear the activity from both the company and its followers. After the reader has gone through this part, she will have more knowledge of the company’s social media activity.

5.1 Swedavia

In this section, we observed Swedavia’s homepage and social media platform. Swedavia’s social media platforms that we observed are Instagram, Facebook and Twitter.

5.1.1 Product

Customer service:
Customers can either contact Swedavia via call, email or send a fax. Although, customers can chat with a robot on Facebook messenger, which is directly connected from their homepage. Therefore, we contacted Swedavia through their Facebook messenger. Our question was, if the airport in Visby had any own social media platforms. After ten minutes the Swea robot replied that Swedavia in Visby has an own Facebook page. In addition we asked couple of more questions to see if the robot would reply faster. We got replied in two minutes, which was a positive sign. Therefore, we rated their customer service four out of five due to the waiting time that we had with the first question.

Design:
Swedavia has provided multiple pictures to attract visitor’s attention when they enter their homepage. Essentially, all the aspects have taken into account because Swedavia’s homepage has a section for everything that they prior, such as sustainable development etc. Otherwise, all their social media platforms strive to upload pictures as often as they have some interesting going on at the airport, even though the quality of the pictures is not always on the focus.

Structure:
When a visitor click on Swedavia’s homepage she can choose if she want to see some information about Swedavia or choose an airport where she would like to visit. In their homepage Swedavia has six smaller pictures and one big picture in top of the page, where they
have represented their vision when it comes to sustainable development, airports, offices, available job positions, developing new fly routes, announces at the airports. In the end of the page Swedavia has their news section. They have eight sections in total and all the sections include important and necessary information. Therefore, Swedavia’s homepage is organized well. Swedavia’s social media platforms have followed the standard structure without any adjustments.

Reviews:
Some customers were disappointed with Swedavia when it comes to their liquid policy. Furthermore, there was no further information where to go when customers’ flight got delayed, that is why some customers got frustrated. In addition, security check took approximately 45min which is a long time of waiting to pass the security check. One customer wrote that there was no staff in the luggage section due to incoming snow outside. When it comes to parking Swedavia’s automatic license plate reader did not work at parking. In one review that we found a customer could get access to wi-fi if he would publish an advertisement on his Facebook page. Several complaints regarding slow updating on the net regarding arrivals schedule. Therefore, there was no clarifications why a customer’s flight was delayed.

Rating:
Furthermore, the average rating was 1.0/5.0 based on the opinion of 9 people.

5.1.2 Performance

Facebook
- Start year: 2010
- Amount of followers: 6282
- Amount of people who have liked their page: 6022

![Swedavia's posts on Facebook in 2017-2018](image)

**Figure 3.** Swedavia’s post on Facebook in 2017-2018. Made by authors.
Figure 4. Average amount of likes per post on Facebook. Made by authors.

As shown in the figure 3 Swedavia updated more in average during 2017 than 2018 where they quit updating in July. Even though, the amount of likes was tremendously higher in 2018 compared to 2017 based on the figure 4.

Instagram
- Start year: February 2017
- Amount of followers: 1852

Figure 5. Swedavia’s posts on Instagram in 2017-2018. Made by authors.
According to the figure 5 in 2018, Swedavia did not upload anything on Instagram after June. Whereas Swedavia uploaded more frequently in 2017 throughout the whole year.

**Twitter**
- Start year: January 2010
- Amount of followers: 2127
- Amount of tweets: 1974

In 2018 the beginning of the year Swedavia updated more frequent than during the whole year in 2017 except July and August. However, since September Swedavia uploaded material rarely in both years.
5.2 Payex

5.2.1 Product

**Customer service:**
Payex has customer service section for both private and company customers, where there are functions for different issues or problems. Furthermore, a customer can click and start a conversation either via email or phone. It is said on their homepage that someone from Payex will reply within the next 24 hours. Their phone line is open from nine to five in weekdays.

We sent Payex a message on Facebook and asked when they started with their social media platforms. Someone replied from Payex after one week. This is extremely negative from a customer’s point of view.

**Design:**
Payex’s design in their homepage is quite simple. Although, the most important thing is that a customer can contact them easily and get access to her private account there. Text font is similar to their logo. Payex has few pictures and video clips about real life situations when a customer use their services. Payex could have put more effort in pictures etc.

**Structure:**
Everything is in order and well-organized. It was easy to find the needed information.

**Review:**
*Observing the feedback that Payex had on their Facebook page, we collected both negative and positive feedback in order to get more opinions about them.*

One customer emphasized that Payex’s owner will talk to the owner when it is needed. There are no major issues with Payex and they have set fair prices, according to a customer. Furthermore, things get done in Payex. The only negative feedback that existed was that some customers had problems to reach the customer service.

**Rating:**
Based on the ratings on Facebook, ten people gave them 4.5/5 stars.

5.2.2 Performance

**Facebook**
- Start year: 2010
- Amount of followers: 479
- Amount of people who like their page: 475
Figure 8. Payex’s posts on Facebook 2017-2018. Made by authors.

Figure 9. Average amount of likes per post on Facebook. Made by authors.

Frequency in posting in 2017 was as constant as in 2018. Since August frequency in posting increased compared to the first eight months as seen in the figure 8 above. In addition the amount of likes increased at the end of the year in 2018.

**Instagram**
- Start year: November 2017
- Amount of followers: 738
Payex started posting in September 2017 and held the same frequency in posting for six months in 2018. December in 2017 and September in 2018 were the most active months for Payex on Instagram based on the figure 10. People liked Payex’ posts approximately the same amount the whole time in 2018 except July, according to the figure 11.

**Twitter**
- Start year: October 2015
- Amount of followers: 112
- Amount of tweets: 109
Figure 12. Payex’s posts on Twitter 2017-2018. Own compilation.

Payex did not use Twitter a lot either in 2017 and 2018. They only had one intensive month during these two years, based on the collected data shown in the figure 12. Moreover, some of the tweets were retweeted, which means that not all of these tweets were Payex’s own. Thus, Payex does not use even close to whole capacity in their marketing.
6. Analysis

In the analysis we have interpret the data that we collected from the interviews and the observation study. Therefore, we applied the data to the theories which we found relevant. We tried to include the traditional 4P’s into the main theories that we used in order to answer the research question.

6.1 Social media platforms (place)

Our results showed that both Swedavia and Payex started implementing social media platforms in their marketing only few years ago, in order to attract more customers and due to the increasing competition in the same industries and the constant development of technology. The platforms that Swedavia and Payex use are Facebook, Twitter and Instagram. These platforms were most popular worldwide till the beginning of 2019 (Statista, 2019). The reason why the companies that we studied chose Facebook, Twitter and Instagram as their social media platforms is simple, people use these platforms most frequently to get information. In addition, the companies found it easiest way to provide information in picture and video form. According to Kotler and Armstrong (2018) who stated that marketing channels play an important role in the overall customer value delivery. That is why, the companies have made a research about what channels would meet their expectations but also customers’ expectations.

None of the respondents mentioned that the companies would like to create accounts in some other platforms, due to the number of people who already exist in these platforms that they use. According to the respondents, there is lot of room for developing the companies’ use of their social media platforms. The given results appeared that neither Swedavia or Payex had an employee who was only responsible for the social media, which might be the reason why the companies have not put more effort in the platforms.

Social media is the fastest growing marketing platform. In addition, both companies have felt pressure to keep up with the new changes that come with social media (Coursasis et al., 2016). Furthermore, Swedavia has their customer service on Facebook messenger where their Swea-robot will reply to their customers. Whereas Payex has a person who is responsible for their customer service. However, the reviews revealed that Payex customer service is slow and does not meet the expectations. Therefore, Payex should put more focus on their customer service to keep customers more satisfied when it comes to their services. Regarding to this, Swedavia and Payex should make some adjustments in their structure, process and culture to create trust between them and their customers (McKinsey, 2012).

The results also showed that the companies have had couple of months when they have not even uploaded anything in their social media platforms. Thus, neither Swedavia or Payex are close to reach the full power of social media use in marketing. When it comes to the figures that we created based on the statistics from their social media channels, there are some months when the companies did not upload anything during the whole month.
6.2 Consumer buying behavior (product, price)

Swedavia has taken customer centric perspective because they focus on local people in order to maintain long term customer relationships. Based on our result, it is important for Swedavia that the customers experience at the airport is pleasant and they will choose to fly from Visby in future as well. In contrast, the given results indicates that Payex also applies the customer centric perspective, even though demand is not the only factor which is taken into account when launching a new product. For example the respondent explained that Payex launches products based on the market and the owner’s need. One of the results showed that customers’ needs and opinions are taken into account through a service development model. Solomon (2010, cited in Fernandes & Panda, 2019) defined that consumer behavior is about satisfying their innate needs, want and desires, which the companies we studied strive to.

Social media plays a big role when it comes to consumer buying decision because consumers might read reviews, experiences and common things about the product in social media. That is why, Swedavia and Payex aim is to satisfy their customers even better because nowadays customers share everything in social media where it cannot be limited how many people will see the update. Even though, the impact on the companies’ followers is extremely low, Sullivan (2014) stated that on average only 1% of the followers will see the brand’s tweet. Therefore, the biggest challenge for the companies is to create content which will awake consumers’ interest (Horst & Duboff, 2015).

There is a need for companies to step into consumers’ shoes and start thinking, what the buyer is really thinking when making a purchase decision (Kotler & Armstrong, 2018). Thus, Swedavia provide surveys 2-3 times a year to measure the customer satisfaction, to get some feedback about their services and new development ideas. We came to a conclusion after collecting data from Payex, that they do not value customer satisfaction as high as Swedavia. Furthermore, Payex assume that their products speak for themselves without marketing themselves that much.

6.3 Brand loyalty and CMR/CRM (promotion)

When it comes to brand loyalty, Swedavia has a precise plan to reach the target customers and to maintain the customer relationships with them. For instance, the respondent explained that Swedavia Visby has opened new direct flight routes because a group of women took initiative to ask for it. Thus, this group will probably always choose to fly from Visby, due to the good service. Furthermore, as mentioned before, Swedavia’s main focus is on the local people because they are using their services most often. Payex strives to keep the relationships with their customers by serving them as fast and smoothly that they will return to use their services in future as well. However, some of their customers might not use their services again if they have contacted their extremely slow customer service. The respondents were aware of that fact and explained that they are going to put more resources in order to satisfy their customers with a fast service.
One way to improve consumer-brand relationships is to engage customers in social media by frequently uploading photos and videos, but also replying to the comments and messages (Gambetti et al., 2012). Moreover, customers will get more emotionally tied to the brand when they feel engaged with the company and therefore, they would most likely not seek for another brand in the same product category. Our results showed that both companies do not use their social media platforms frequently, which has affected the number of likes and followers that they have in the platforms.

Social media has opened a new world full of possibilities to communicate with customers (Helme-Guizon et al., 2019). That is why, social media has made it easier for brands to provide information, customer service etc (Breitsohl et al., 2015). However, Swedavia and Payex do not use the full capacity of social media in their marketing, which has resulted that customers are inactive in their social media, due to the lack of material.

CMR represent a platform where customers can be in touch with the company and their competitors (Wind, 2014). Although, Swedavia and Payex have not implemented CMR, but they have applied CRM. CRM is about maintaining customer relationships and to put more focus on customer relationship management. Both companies apply CRM in order to keep customers satisfied. After we conducted the interviews, we realized that the companies have different styles when it comes to customer relationship management. Swedavia provides surveys, where Payex only receives feedback from its customers via email.

6.4 Word-of-mouth (promotion)

One of the easiest way to market a product or a service that Swedavia and Payex also use, is word-of-mouth (WOM). Furthermore, WOM is a more effective way to market a product than the traditional advertising channels (Godes & Mayzlin, 2004; Herr et al., 1991). Thus, the companies that we studied, agreed on that nowadays it is easier to reach a wider audience through social media. In addition, respondents concluded that their customers leave comments in some of their social media platforms about their experiences, which will affect other people’s choice of choosing their company/product. That is why, these companies aim is to have happy customers who will spread the word forward in order to attract more customers.

Both Payex and Swedavia are lacking of reviews on their products and services. Reviews would give a better insight for the external companies which are interested to cooperate or market their brand, but also for new customers who would choose their product and which company that suits them best, based on the reviews. One reason why reviews are important is because it gives the consumers a broader basis before they make a decision. With more information about the experience of the product or service if it was good or bad, it would encourage the customer make a decision whether he or she should go for it or not. With more data about the other customers’ experiences could also use as references for the new target group before any
purchase is made. It is important inform that WOM can also have a negative effect, which could end up as boundary for the company’s reputation.

Swedavia and Payex emphasized, how important it is to fulfill customers’ expectations to keep them satisfied. Customers’ expectations can be relied on WOM or the comments online. The most important thing is to act fast to critic in order to maintain good relationships with the customers, according to the respondents.

Our aim was to see how companies apply the traditional 4P’s in their social media. We found relevant theories that support the companies’ marketing through social media. Therefore, we tried to include the 4P’s as a part of the new theories such as social media platforms which would represent product, consumer buying behavior represent product and price. In the analysis part our purpose was to include both theories and combine them. We came into a conclusion that the companies apply 4P’s in social media in a way where the new theories do not replace these, but reinforce them. Moreover, the traditional 4P theory is a base theory whereas the new theories are more updated into today’s marketing, but the marketing factors are basically same. The 4P theory is a fundamental tool for each company because those factors represent the basics in the marketing no matter what platform.
7. Conclusion

In this chapter, we have gathered our conclusions which are the results from our study. Furthermore, we present our ideas for future research.

The aim of this study was to investigate how these companies that we interviewed have applied 4P’s as part of their marketing in social media. The research question was: “How does a company apply the 4P theory in its social media?”.

Regarding to the theories and the results, we can conclude that companies use the 4P’s as a frame tool in their social media. Furthermore, the 4P theory and the new theories do not exclude each other, but reinforce the similar factors that the theories represent such as product, place, price and promotion. The new theories follow the same guideline as the 4P theory. No matter what theory we went through, there was always one of the 4P’s applied, which shows that the 4P theory is an essential and fundamental theory in all kind of marketing.

When it comes to marketing through social media, we found that there is lot to be improved in both companies regarding frequently posting and the general activity on the accounts. However, both companies have the mindset to increase the role of social media in their marketing, even though it cannot be seen in the number of pictures/videos from the past two years.

Both Swedavia and Payex applies the 4P theory in their social media platforms. The 4P theory embrace such wide area of marketing which makes it almost inventible. Considering the new 4P’s we can also conclude that this is a major role and factor for both companies and that they also have this is mind when it comes to their marketing strategy. Because of the traditional 4P theory is rusty the companies use the new 4P’s more in their marketing strategy such as CRM platforms or WOM through their social media platforms which benefits them with a higher customer loyalty in return.

To answer the research question: “How does a company apply 4P theory in its social media?”.
To clarify the four parts of 4P which are product, place, price and promotion. To conclude the first P which in this case is Place the summary would be that both Swedavia and Payex began to apply social media as a marketing tool in their marketing strategy when creating accounts on Facebook, Instagram and Twitter. This profits both Swedavia and Payex to have an abstract place where there is no psychical existence. The results show that when the companies are more active on each platform it also benefits them with a higher engagement, such as higher amounts of likes, followers and comments from the customers in return. Both companies can expect a developed customer flow when they are active on these social media platforms. Since the applications are free we cannot observe why both Swedavia and Payex do not take this privilege in their own command and use it more as an important implement in their marketing strategy.
The second part of the 4P theory is product and price which are represented by consumer buying behavior. One of Swedavia’s major priorities is to satisfy the customers and therefore, they use a customer centric approach to achieve that. Payex also strives to please the customer and therefore, Payex offers customized products based on the customer wants and needs.

While both Swedavia and Payex have a customer centric perspective they have different approaches to achieve a pleased customer. Most likely because they offer different products even though their results are relatively similar. Swedavia adapts the flights and the airport boutiques when there is a greater demand of a product such as the coffee shop, which we mentioned earlier. This new coffee shop would give a collective satisfaction at the airport because now all the customers can take advantage of this new product. Payex’s products may not contribute as collective results like Swedavia does, but they still attempt to put the customer wants and needs in focus when offering custom-built solutions, which indicates a customer centric mindset from both parties. To answer the third P which is price, we conclude that naturally both Swedavia and Payex regulate their prices along the demand of the products that are offered. To satisfy a customer they also have to feel that they get the value back from the money that they spent which forces the companies to adjust their prices according to how the market is and how the demand of the products are. When it comes to pricing the products/services, we would conclude that Payex gains a higher market share while cutting down expenses of their financial services. While studying Swedavia where they have full market share in Visby without any competitors on the market, Swedavia can rely on a customer centric perspective to maximize their revenue.

At last, the final P in the 4P theory is Promotion which in this case would be signified by brand loyalty, CMR/CRM and WOM. Here we could certainly determine that Swedavia and Payex have different approaches.

Regarding brand loyalty as an aspect we would describe that Swedavia has reached a new customer group when they created new flight routes considering the demand of a group of people. This shows that the voice of people is heard by the management of the airport and that they prioritize the customers wants and therefore, offers a service which had a high demand. As mentioned earlier, this would most likely benefit Swedavia in a long term when the new target group of customers return and stay loyal to the brand. Payex’s definition of reaching a high amount of brand loyalty is to prioritize a fast and smooth solution for the customer and always adapt the products bearing in mind the customers’ needs.

Concerning WOM we can resolve that Swedavia and Payex have this in mind when it comes to their positioning while using a customer centric perspective. It is difficult to control what people say about their experiences to friends, family and people around them. Therefore, it is crucial to offer all customers a high end product or service which would contribute a free promotion if the customers feels satisfied. Bearing in mind, the adaption of products and prices for the customers’ demand would in the long run return as a free promotion for the company.
Swedavia and Payex have different ways of applying a CRM platform. Swedavia creates a more general survey where people from the airport can reach out and give them feedback about what they appreciate and do not, compared to Payex where they communicate with their customers more individually and have customers give them feedback through email.

7.1 Discussion and recommendations for the future research

After we conducted the interviews, we collected the answers and came to a conclusion that both Swedavia and Payex have adapted their marketing strategies today based on the 4P theory, which means that each section that they have used in their marketing reflect in some way to the 4P’s. Therefore, after reading once again respondents’ answers, we realized that both of the companies initially apply the traditional 4P theory. On the contrary Swedavia and Payex have developed their strategies in the same pace as digitalization, due to the competition in the same fields, but also the expectations that come with the consumers.

In our opinion we managed to reach the purpose of the study and therefore, reply to the research question through the theories that we applied. Thus, we think that we fulfilled the aim of the study due to the empirical findings which responded to our research question. Our interview questions were based on the different theories that we used in order to combine the theories with the data. We chose to use the semi-structure interview because we felt that there is enough space left for freestyling in terms of follow up-questions from both sides. In addition, the respondents felt comfortable while we interviewed them because they knew that they can reflect to the questions freely. It was easy to come up with the questions due to the background work that we made about the companies in beforehand.

Although the companies did not work in the same industries, which might have led to the fact that it was not simple to find some similarities at a times. Moreover, the companies had totally different focus factors when it comes to their services. However, the purpose of the study was not to compare these companies, but to study how these companies applied the traditional 4P’s in their marketing.

Our first recommendation for the future research is to choose the companies carefully. We recommend that the chosen companies are extremely active on social media (update 4-5 times a week) and they have more than 50 reviews from their customers online. Thus, it is easier to collect enough data to analyze.

The second recommendation is to interview 2-3 people from the company in order to get more insights and to increase the reliability. There might be only one person who is responsible for a company’s marketing, but other employees can have more experience in the company.
8.0 References


9.0 Appendix

9.1 Interview questions

Product

- What are your products?

- What are the factors that have a big influence when launching a new product compared to how it was and how it is now?

- How do you meet the demand of your customers with your products?

- Does customer’s opinion affect your product decisions?

- How do you measure customer satisfaction?

Price

- What are the internal and external factors that you have taken into account when you set the prices and how it has changed?

- How would you describe your pricing strategy?

- Do customers get any advantage after used your products/services for a longer time?

- Do you strive for to maximize your profit and if so, how is it seen in your pricing strategy?

- How do you adjust your prices in terms of customers and products?

Place

- Who are your key suppliers and resellers?

- Do you prefer to use intermediaries or not?

- What are your distribution channels and which you used to have?

Promotion

- How important is marketing to your organization compared few years back?

- In which ways do you market your products now and before?
- Are these specific marketing goals in your strategic plan?
- How much time is spent doing marketing for your marketing and how has it changed?
- What are your company’s core competencies?
- Who are your competitors and how do you differ from them?
- Are there any limitations when it comes to your marketing and therefore, has there been any?
- How reach you customers vs before?
- In what ways do you advertise your products and how did you use to do?
- How do you build a good corporate image?
- Therefore, how do you respond to critic regarding your products?
- Do you use both direct- and indirect marketing and did you use that earlier too?

CMR
Do you have a platform where your customers can reinforce their customer relationship with you?

Platforms
What kind of platforms do you use?

Are there any platforms that you would like to use?

What is your most important platform?
9.2 Figures

**Figure 1.** Overview of our Observation layout. Made by authors.

**Figure 2.** Overview of our Observation layout. Made by authors.

**Figure 3.** Swedavia’s post on Facebook in 2017-2018. Made by authors.
**Figure 4.** Average amount of likes per post on Facebook. Made by authors.

**Figure 5.** Swedavia’s posts on Instagram in 2017-2018. Made by authors.

**Figure 6.** Average amount of likes per post on Instagram. Made by authors.
Figure 7. Swedavia’s posts on Twitter in 2017-2018. Made by authors.

Figure 8. Payex’s posts on Facebook 2017-2018. Made by authors

Figure 9. Average amount of likes per post on Facebook. Made by authors.
**Figure 10.** Payex’s posts on Instagram in 2017-2018. Made by authors.

**Figure 11.** Average amount of likes per post on Instagram. Made by authors.

**Figure 12.** Payex’s posts on Twitter 2017-2018. Made by authors.