A Comparative Study of Traditional Marketing and Doing More with Less
- The Case of Four Swedish Firms

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Abstract

Background

Marketing spending has grown dramatically over the last decade but the traditional marketing strategies such as advertising in TV, on billboards and posters might not be as effective as they used to be. The phenomena, how to work with marketing with the use of limited capital, has attracted attention in different contexts lately. It may sound hopeless to reach all the way through by the use of limited capital but it although exist examples of companies that have succeeded with this; they are doing more with less.

Purpose

The main purpose of this thesis is to examine how firms, by the use of no or limited financial resources, could market themselves successfully and how such a marketing process look like. The other purpose is to identify or map out the difference among traditional marketing and doing more with less.

Method

With a more inductive research approach and a qualitative research method the data was collected for this thesis. Four companies were carefully selected and interviewed over the phone. The chosen respondents are; Tomas Gustafsson representing Brämhults, Per Holknekt at Odd Molly, Jan Gustafsson at Saltå Kvarn and Hanna Lundgren at WeSC.

Conclusion

We have concluded that many strategies can be successful in doing more with less. The strategies found in this study are; Public Relations, Brand Management, Packaging, Product Placement, Event Marketing and Unique Selling Propositions. A coherent pattern or process could not be identified but it exist similarities in the way that companies make use of marketing strategies concerning doing more with less. Moreover we came up with the conclusion that the difference between traditional marketing and the strategies identified as doing more with less, besides the obvious cost aspect, is the connection that they are often presented in a way which is not as easy for the potential consumer to perceive as commercial.
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1 Introduction

In this introductory chapter the authors want to give the reader an insight into the subject under study and present the background of the research topic. The problem background is followed by the problem discussion and the problem discussion will lead to the research questions and finally the purpose of the study will be presented.

1.1 Problem Background

Marketing spending has grown dramatically over the last decade. To be specific it has grown by 7.5% per year. This seems to be because companies depend more on larger marketing spendings to address their growth needs. More and more companies are asking themselves “Where did the money go?” (McKinsey, 2002).

As organizations today operate in a faster pace (Blackwell, 2006) the traditional marketing strategies such as advertising in TV, on billboards and posters might not be effective as they used to be. This type of mass communication still counts for more than 50% of the total advertising investments, but are considered less and less trustworthy and more and more offending and a survey done by Svenska Posten shows that 70% of all people is zapping when commercials go on (Karlöf & Karlöf, 2007). Bryntesson, Hammarlind and Sammeli (2002) sees upon it differently. They say that today’s audience not necessarily is more critical towards marketing. Instead they say the audience today is more used to marketing and therefore have higher demands on it.

Everybody knows that the business climate has become tougher. This implies an increased awareness of the costs in the companies, and consequently this has affected the marketing budgets as well (Behrer & Larsson, 1998). Due to the more intensive media noise and the information overload that exist in the society today, old methods and ways of communication have a hard time to maintain (Karlöf & Karlöf, 2007). In particular as traditional media is getting more and more expensive. As customers’ attitudes towards marketing and market communication have changed, it implies new demands on the marketers (Behrer & Larsson, 1998) or as Hoyle (2002, p.41) puts it; “It is more important to reach the people that count than to count the people you reach”. What could be seen as an action to overcome this problematic scenario is the fact that large advertising agencies and communication companies in silence and sometimes a bit reluctantly are developing their ability within PR, Event Marketing, publicity communication and other more effective and smarter approaches (Karlöf & Karlöf, 2007).

As Bjerke and Hultman (2002) argue in their book Entrepreneurial Marketing, the most important strategic resource of an organisation is no longer financial capital. Now it is rather to have staff and workforce that act like change agents that can introduce new procedures and new models by being visionary and insightful. These people can also be referred to as entrepreneurs. Resources are due to that matter not only seen in financial terms since they are now put in both staff and processes of business.

According to MIT (2008) the following points should be considered when building an effective marketing strategies; Building a brand on a budget, using internal resources effectively and optimizing the use of external resources.
Research done in the past concerning marketing strategies aimed at doing more with less is limited and the authors feel that a gap in marketing knowledge exist. Previous research, similar to this study, focus mainly upon one marketing strategy which lies outside of traditional marketing. For instance Andersson and Bringeus (2006) that analyze how PR and advertising differ in terms of how they affect consumers, Svenhed and Gustafsson (2008) with their thesis about how relationship and event marketing can create added value and Barakate, Fransson and Pimmeshofer (2007) that writes about how USP can be used if you have a shopping mall as a consumer arena. All the above mentioned research areas provide great insight in the specific topic under study and the increased usage of these methods. However, they fail in telling which marketing channels or strategies that are succeeding in Doing More with Less. With this study the authors want to highlight and create a framework of marketing strategies and channels that can be used in order to do more out of less.

1.2 Problem Discussion

Marketing should be of great interest, since to be able to survive the company needs to attract a number of customers sooner or later and this is done by some sort of marketing. Marketing can then in a sense be a source of growth of a firm (Bjerke & Hultman, 2002).

Earlier in the introduction it is mentioned that today it is both harder and more expensive to reach through with the message comparing to what it used to be. With these conditions at hand, it may sound hopeless to reach all the way through by the use of limited capital. Although it exists examples of companies that have succeed. Såthe (2008) states, that it is possible to build a strong brand without spending anything on advertising. He mentions two Swedish examples; the clothing company Cheap Monday and the food company Saltå Kvarn. Örjan Andersson, one of the founders of Cheap Monday says; "Different brands have different personalities. For Cheap Monday it has not, as simply as it is, suited with traditional advertising". In the same article, Såthe (2008) presents the results from a survey conducted by one of Sweden’s most famous business magazines; Veckans Affärer. It shows, that as much as 73 % of the consumers think it is more important what companies do than what they say. Moreover, as much as 52 % think that if the product is good enough there is no need for advertising at all.

Due to Åkestam Holst (2008), one of Sweden’s most well awarded advertising agencies, it is not that simple. It is not that black and white as the author Såthe (2008) presents it. Åkestam Holst (2008) criticizes this article and argues that their opinion about it is that advertising is not only bought media, as Såthe (2008) indicates in his article, instead it could be anything as long as it solves the communication problem. Furthermore, Åkestam Holst (2008) argues that package design, fashion shows, in-store marketing, and trade promotions also counts as advertising.

The phenomena, how to work with marketing with the use of limited capital, has attracted attention in different contexts lately. In spring year 2006, Sweden’s Advertisers released the network “Mer&Mindre”. The members within this network have similar playground and their conditions to succeed differs a lot from “the big ones”. But they are, with the help of each other, trying to share and make use of the creative energy with the common aim; to maximize the effect of every invested crown within market communication (Annons, 2008). Another context where this phenomenon has attracted attention is by the media agency Mind Share. As the main sponsor to the event “Stora Annonsörsdagen” they hand out an award, which they started last year, which goes to a person that on a ground-breaking way used media with small resources and achieved great results (Mindshare, 2008).
As mentioned above, Cheap Monday and the company behind, Fabric Skandinavien, is among others a good example of how to do more with less when it comes to marketing. In four years they have become a gigantic success despite minimal marketing. Rumor has contributed enough to sell the low price jeans (Thulin, 2008). One of the founders, Adam Friberg, says in an interview with Sweden’s leading marketing magazine, Resumé, that this is a conscious chosen strategy (Willebrand, 2007). Although, this raises some question-marks. Could it be, that Cheap Monday and Fabric Skandinavien did not have any capital at hand to invest in marketing in the start-up phase and therefore chose this strategy and when they saw that it worked they expressed it as their conscious strategy? Or did they, as they say, chose this strategy already from the beginning? Either way, it has been a huge success and as a proof for this, in March year 2008, H&M bought 60 percentages of the shares for an amount of 564 million Swedish Crowns (Dagens Nyheter, 2008).

With today’s media noise and the tough competition that exist in the business world concerns us about how one should do to reach all the way through with the message, especially by the use of limited capital. The fact that it exists examples of companies which have succeed with this and that very little research has been conducted in the area motivates us to shed new light to this subject and therefore the following research questions are addressed in this thesis;

- How could one work with marketing by using limited capital but still achieve great results?
- How does the process or pattern of activities regarding marketing by the use of limited capital look like?
- What is the difference among traditional marketing and marketing with limited capital among the study objects?

1.3 Purpose

The main purpose of this thesis is to examine how firms, by the use of no or limited financial resources, could market themselves successfully and how such a marketing process look like. The other purpose is to identify or map out the difference among traditional marketing and doing more with less.

1.4 Definitions

The authors definition of traditional marketing is; Printed advertising which includes daily press and magazines (magazines referring to both entertainment and special interests in different areas); Outdoor advertising; Radio and TV advertising; and Online advertising. When buying these advertising spaces one could presume that someone is earning money on the activity you as a buyer do. Historically the money the seller earned on the advertising space went to running their own business. However, lately it has been created companies which main activity is to sell advertising spaces i.e. JC Decaux and ClearChannel.

The term ‘Bought media’ will in some contexts of this thesis replace the term ‘Traditional marketing’, especially when talking to the interviewees. The reason why we have chosen this term is due to that the authors argue that this will increase the understanding when communicating with the interviewees and therefore it will increase the validity of the thesis.
If a company is successfully marketing themselves by the use of limited capital the authors will equal this to that the company is doing more with less when it comes to marketing.

All these definitions lead to the authors definition of ‘Doing more with less’. By its own ‘Doing more with less’ is when one manage to use small resources but still achieve great results. If one links this with marketing, as we as authors will do in this thesis, this is when companies uses media which is not bought, with our definition of bought media in mind, in a creative way and by the use of small resources achieve great results. Therefore the expression ‘Doing more with less’ will implicitly also fall outside of the term ‘Traditional marketing’.

1.5 Demarcations of the study

This thesis will be limited to companies in Sweden. This due to that it would be very time consuming and demand a lot of extra work if we also included companies outside Sweden in this thesis.
2 Method

In this section of the thesis the methodology used to conduct the research is outlined. The main tool for data collection is in-depth interviews. In the chapter the authors will present why the chosen method is used and discuss its advantages and disadvantages.

2.1 Research Philosophy

The research philosophy depends on which way you are thinking about the development of knowledge when conducting research. This way of thinking about the development affects the way that a researcher goes about in doing research. There exist three views that dominate the among the research processes (Saunders, 2003).

The first is positivism, which claims that the only authentic knowledge is knowledge that is based on actual sense experience. Such knowledge can exclusively come from affirmation of theories through strict scientific methods. The researcher tries through empirical studies to find characteristics with the object under study that recurring also in other cases and situations (Saunders, 2003).

The second, interpretivism, is a philosophy that is critical against the positivist tradition. The researcher seeing the research from this point of view thinks the world of business and management is far too complex and unique to be explained by laws used in natural science. An argument for using the interpretivist view might be as Remenyi (1998) stated ‘the details in the situation to understand the reality or perhaps a reality working behind them’ (cited in Saunders, 2003, p.84).

The third is realism, a philosophy based on the beliefs that a reality exist. This reality is independent on human thoughts and beliefs. In business and management there are social forces and processes that affect people without them being aware of these influences on their interpretations and behaviours (Saunders, 2003).

None of the research philosophies are better than the other, but they are better at different things, which is dependent on the research questions under study. There is often a mix of several views since the research rarely fits into one solely (Saunders, 2003).

In this thesis the authors have focus on the interpretivism/realism view since the research questions are of the nature that no scientific laws can be used to explain the matters under study. The positivist view can therefore be more or less excluded. The researchers’ knowledge will be developed through existing research and data plus through the interaction with the social environment.

2.2 Research Approach

Theory generation may occur on both the abstract conceptual level and at the empirical level of research (Zikmund, 2000). Research can be due to that fact be conducted by having either an inductive or deductive approach to the research. It is also possible to use a combination of the two (Saunders et al., 2003). It is not always easy to make clear distinctions between different methods (Ejvegård, 2003). It is therefore rare that research is purely deductive or purely inductive. Thus, studies are often mixtures, but for instance more deductive than inductive. Theories that are based on deduction or induction help one to understand, explain and/or predict different business phenomena (Sekaran, 2003).
The deductive approach implies that you develop a theory and hypothesis and further on creating an empirical part to test the hypothesis based on an already existing theory (Saunders et al., 2003). The deductive approach is a logical process of deriving a conclusion from something known to be true. One can say that you go from a general statement to a specific assertion (Zikmund, 2000).

In the case of the inductive approach one would collect data and develop a theory as a result of the data analysis (Saunders et al., 2003). On this empirical level of research, theories can be developed by using the inductive reasoning. This approach enables a logical process of establishing a general proposition on the basis of observations of specific facts (Sekaran, 2003).

A fundamental literature review was done in order to get a good base to depart from, which later also guided the data collection. The data derived from the empirical study gave useful theoretical contributions and were therefore used to develop an appropriate theory. Among the empirical findings and due to the literature review, strategies categorized under doing more with less were identified. A more inductive approach is therefore chosen. This approach is chosen since it is the best alternative in order to fulfil the purpose of this thesis.

2.3 Type of Business Research

A business research produces information to reduce uncertainty and helps to focus decision making throughout the research process. It is therefore helpful to categorize the different types of business research since there are a variety of research activities. They can be classified on the basis of either techniques or function. Examples of techniques are interviews, surveys and experiments. The research can also be classified on the basis of the purpose underlying the research. This allows one to understand how the nature of the problem influences the choice of research method. The nature of the problem will determine whether the research is exploratory, descriptive or causal (Sekaran, 2003).

Exploratory research is research conducted to clarify and define the nature of a problem, while the descriptive research is designed to describe characteristics of a population or a phenomenon. The causal research on the other hand is based on the cause- and –effect relationships among variables where the problem already has been briefly defined (Sekaran, 2003).

In this study an exploratory together with a descriptive research is chosen since the problem under study is discussed and further on described carefully. The data is used to get a better understanding of the dimensions in how to succeed in doing more with less. The descriptive writing is suited for this thesis since it is used to portray for examples theories and people to help the reader create a picture of what the authors are writing about. The authors expectations with the research is that subsequent research will be required to provide conclusive evidence.

2.4 Research Methods

The research method that is most suitable and beneficial for the specific study should be chosen in order to get the most valuable results. As a researcher you can chose to use either a quantitative or a qualitative research method. To be able to understand the differences between the two methods one has to take into consideration how the data is collected and
how the data is analyzed. Both methods obviously have advantages and disadvantages, but by weighing these one will be able to choose the most applicable method. By choosing the incorrect method one could acquire biased and unsatisfying results (Saunders et al., 2003).

The qualitative research is based on words and observations rather than numbers. The quantitative research on the other hand, is based on numbers and the purpose is to determine the quantity or extent of some phenomenon in the form of numbers (Zikmund, 2000). Qualitative data are not directly quantifiable unless they are coded and categorized (Sekaran, 2003).

A quantitative method can be applied when a standardized approach of analyzing the results are used (Saunders et al., 2003). This method is not advantageous since no standardized approaches are available so a qualitative method is used throughout this thesis. It is of great importance that the authors can structure the result and make sure that the same analysis is performed according to the same standard for all the respondents input. In this thesis this is done by using interview guides for every interview (Lantz, 2007).

The quantitative research method can not be used for this specific study since this type of research is based on numbers. For this study the authors have chosen a qualitative research method since no standardized approaches are available and the data collected will instead be based on words and observations from our respondents.

### 2.5 Data Collection

After deciding to use an inductive research approach and a qualitative research method the authors decided how to conduct the research further. There are several different data collection methods and all implies certain advantages and disadvantages. The value of the research is often determined by the usage of the most appropriate methods for the specific problem under study. Data can be collected in a variety of ways, in different settings and from several sources. Data collection methods include for example interviews, questionnaires, observations and other motivational techniques. The choice of data collection method depends on the facilities available, the degree of accuracy required, the expertise of the researcher, the time span of the study and other costs and resources associated and available for data gathering (Sekaran, 2003).

#### 2.5.1 Primary Data

The primary data is data gathered and assembled specifically for the purpose of the research project at hand (Zikmund, 2000) and based on the variables of the researchers interest (Sekaran, 2003). Primary data collection is based on communication with a representative sample of individuals (Zikmund, 2000). Some examples of primary data are individuals, focus groups, panels of respondents specifically set up by the researcher and from whom opinions may be sought on specific issues from time to time, or some unobvious sources such as a trash can (Sekaran, 2003). The research questions for most reports are answered using some combination of primary and secondary data, but when secondary data sources are limited you have to rely on data you have collected yourself (Saunders, 2003). Since interviews with different representatives from several companies are used as a data collection method for this study’s empirical part, the data are of primary nature. This is the most appropriate source of data in trying to answer our research questions and to get the most valuable results. The authors feel that the data collected for the empirical part needs to as fresh, updated as possible and interviews are then the best solution.
2.5.2 Secondary Data

The data collected to the frame of reference in this thesis are mostly of secondary nature and this is the most common type of data. The data is collected from existing sources and the information is gathered and interpreted by someone else other than the researchers. Such data can be internal or external and can be accessed in several ways. The advantage in using secondary data is the time saving in acquiring information (Sekaran, 2003). This is also the main motive behind the usage of this type of data sources. The authors also felt that the information gathered would not otherwise been available if it had not been of secondary nature. A major drawback of secondary data is however that this historical information was not gathered for the same purpose as the one the authors of this thesis. Due to this fact it is crucial that the information is critically reviewed to see whether it would fit the subject under study or to be modified and developed further if necessary (Zikmund, 2000).

2.5.2.1 Translation

A part of the collected secondary data in this thesis is originally written in Swedish, for instance articles in different newspapers. Therefore quotations and excerpts from these are translated into English and consequently we want the reader to have reservation for this. Naturally the translation is done in as correct manner as possible.

2.5.3 Interviews as Data Collection Method

One method of collecting data is to interview respondents to obtain information about the topic of interest and under study (Sekaran, 2003). There are many situations where it can be beneficial to use interviews as a research method. The interviews will contribute the authors to gather valid and reliable data, relevant to the research purpose and problem. When using interviews there are some advantages and disadvantages, but the most important aspect is to choose whichever method that contributes to the highest validity and reliability of the research. Keeping all the following points mentioned below in mind, the authors found it most valuable to conduct in-depth interviews (Saunders et al., 2003).

The first point is the nature of the approach for the research where the interviewers have the chance to elaborate further on the questions and can by doing that eliminate any misunderstandings or misinterpretations of the interview questions (Saunders et al., 2003). Interviews have the advantage of flexibility in terms of adapting, adopting and changing the questions as the researcher proceeds with the actual interview. The information obtained from an interview should be as free from bias as possible and due to this matter it is of great importance that both the researcher and respondents are somewhat prepared. Interviews done under pressure have a tendency to generate more biased results (Sekaran, 2003).

The second point is the importance of developing personal contact while doing the interviews. Here exists a linkage with the first point in the way that it gives an extension to the questions asked. The most substantial dissimilarity from the other types of qualitative methods is that when meeting someone face-to-face the interviewer has the possibility to ask awkward questions and by that forcing the interviewee to answer questions like this, the researcher would have left out using for example a questionnaire. (Saunders et al., 2003)

The third point is the nature of the questions. When doing an in-depth interview the questions can be both longer and more complex, for that reason more advanced questions can be asked (Saunders et al., 2003).
The last point is the length of time required for completeness of the actual process. A questionnaire that will cover as much as an in-depth interview is almost impossible to make, since the number of interviewees is limited to just a few and the subject has not been investigated yet. Using other types of qualitative methods might lead to missing out important data and/or that the researchers collect insufficient data (Saunders et al., 2003).

For this study the interviews are done over the telephone. The time aspect did that the telephone interview became the best suited alternative. The respondents represented in this thesis were situated in several parts of Sweden, therefore interviewing over the phone were the most suitable option for both parts. Due to that fact the research could proceed substantially faster and more efficiently. A disadvantage with this technique is that the authors are not able to see the respondents’ nonverbal communication (Sekaran, 2003).

In order to get the most valuable empirical findings for this thesis the authors decided that it would be most appropriate to collect the empirical data by performing in-depth interviews. The reasoning behind this is that it will give the authors the most accurate answers considering the subject under study. Interviewing four people will be enough to draw appropriate conclusions with less bias. Since the respondents are carefully chosen or recommended the authors believe that this will help generate valid result for the thesis.

In-depth interviews are used when the researcher wants to increase the knowledge in a subject and the researcher need to consider that one does not interpret the data in the wrong manner to get the most valid results. Valuable data is data that is critical reviewed to make sure that the proper questions have been asked and the fair view of the interviewee has been reflected (Lantz, 2007).

After producing a result that the authors believe to be valuable, the question of the reliability has to be considered. An important factor to consider is whether the interviewee is trustworthy or not. The interviewee might on purpose leave out certain information or he/she might lack the knowledge or misinterprets the questions. This can later on lead to biased results. This is always a risk when using interviews as a research method. The authors carefully choose the interviewees and by doing so hoping to limit the risk of missed out information and biased results.

2.5.4 Selection of study objects

In order to find the most suitable interviewees as well as inspiration regarding the topic as a whole, the authors contacted several persons relevant to the subject under study. The authors only contacted people who possibly could contribute with appropriate input. One of the first activities the authors did in order to receive appropriate input was to contact several chief editors at different magazines within the industry of marketing. One person who got inspired and interested was Bugge Woldner, Chief Editor at Sweden’s Advertisers, which is a special interest organization with 460 members. The members in this organization stand for approximately half of the total advertising investments in Sweden. He gave us constructive feedback concerning the topic as a whole and also more specific recommendation regarding what companies to contact. Besides useful and valuable feedback, the contact with Bugge resulted in the recommendation to interview Odd Molly and to contact marketing consultancy firm Miami Guerilla Agency in Gothenburg - Sweden’s most famous Guerilla Agency, according to Torberger (2007). Moreover, we recognized a need to contact another company within the industry in order to test our idea and to receive further input. We therefore contacted the media agency MAXUS Communications AB in Stock-
holm, and their employee Jennie Klingborg, for further feedback. Why we talked with Jennie Klingborg at MAXUS Communication AB is due to that one of the authors of this thesis has a personal contact with her. As she also got inspired of the topic, she helped us to see upon the problem from different angles and that the meanings of different concepts we use in this thesis have different meanings for different people and companies. She, as well, recommended us to contact the clothing company Odd Molly and the juice producer Brämhults Juice AB, which according to her suited well into our profile of interviewees to some extent. This was a problem we often ran into, that it was hard to find companies which perfectly matched our criteria. The plan from the beginning were to interview companies which did not at all market themselves by the use of bought media and in combination used no or limited capital. After some discussion the authors got the insight that a compromise was needed, i.e. accept to interview companies which also to some extent fulfilled our criteria. Although, some of the companies we have interviewed fulfill the criteria we set up from the beginning to a very large extent. In the cases when we have had to compromise we will focus upon the parts in their marketing strategy which is most appropriate to use in this thesis.

As Bugge Woldner, at Sweden’s Advertisers, recommended us to do we contacted Miami Guerilla Agency in Gothenburg. We assumed that since Miami Guerilla Agency is operating in a relating business they would have good knowledge about the subject and therefore their recommendations for companies to interview was very credible. After talking with one of the employee’s at Miami he recommended us to talk with the founder and creator of the company, Gustaf Rydelius, as he was the one with best knowledge in the field. After some interesting discussions with Gustaf Rydelius, he recommended us to contact the ecological food producer Saltå Kvarn and the clothing company WeSC.

All these initial contacts were done over the telephone or by e-mail. This first step in the research gave us better understanding on were to put focus and helped us a lot when selecting our respondents.

2.5.4.1 The Interviewees

In the case of Odd Molly we got the recommendation from Bugge Woldner to contact the CEO Christina Tillman. However, after talking with an employee who worked in the operator at Odd Molly we got the suggestion to talk to the marketing manager and business developer and in addition one of the founders Per Holknekt instead. We saw no problems with talking with him instead of the CEO since in his position as a marketing manager he should not have less knowledge in the subject under study. As Per Holknekt was positive to both Odd Molly’s participation and that they suited well as a respondent the authors booked a time with him for an interview. The interview took place the 29th of April of 2008.

When it comes to the interview with the Managing Director of Brämhults Juice, Tomas Gustafsson, the authors had the fortune to have personal contact with him so that was the main reason why we choose to interview him instead of somebody else. An additional reason for why we selected to interview the Managing Director Tomas Gustafsson was since he is coming from a marketing background we reasoned that he was as appropriate to interview as the marketing manager. He was immediately positive when he got the subject of the thesis presented and he was of the opinion that Brämhults Juice was an appropriate company for us to interview. The interview with Tomas was held the 22nd of April 2008.
The contact with Jan Gustafsson, marketing manager at Saltå Kvarn, occurred through the operator at the company which advised us to talk to him. Since he has the position of marketing manager and was optimistic of both his and the company’s participation in the thesis we saw no reason to try to talk to somebody else at the company. The authors of this thesis interviewed Tomas the 29th of April 2008.

After contacts with WeSC’s operator the authors came in contact with the vice president and the former marketing manager (they changed 2008-05-19) David Hedman. David is also one of the founders of the company. We received both good and bad news from him. The good news was that he was positive to both an interview and the appropriateness of the company to take part in the study. The bad news was that he was away on a business trip and could not be interviewed within the authors’ time frame. David recommended the authors to interview the Marketing Project Manager, Hanna Lundgren, for appropriate information. The authors considered the options at hand and choose to interview Hanna due to that we got the recommendation of the then marketing manager. The interview was held the 12th of May 2008.

After making all the interviews it turned out that 30-40 minutes was enough time to get all the answers we wanted since most of the interviews were approximately that long. We although ran in to some problems during the process of the interviews. One problem was that it was not always that easy to translate spoken Swedish into correct English. In order to solve this problem and to not get a biased result we sent out the parts to the respondents in order for them to approve it. Another problem that we ran into was the question of time the respondents had to spend on the interview process. In particular this occurred in one of the cases namely the interview with the Marketing Project Manager at WeSC. We had to postpone two agreed occasions for interview due to that she was very busy. When we finally got the chance to interview her it could have been the case that this affected the result in some way since we felt that we were almost stealing her time and she probably felt that she had other things that stressed her. Anyhow, it is hard to point out what concrete affects this could have had but we are aware of the fact that it could have had an affect to some extent.

2.6 Validity and Reliability

Methods need to fulfill certain criteria’s to be useful and appropriate. These criteria are reliability and validity. If these criteria are not met the research results have no scientific value (Ejvegård, 2003).

Reliability means that the measures are done in a correct manner. This means that if the factor of chance is successfully eliminated, if several researchers which use the same method reach the same result, then the research has high reliability (Thurén, 2007). Reliability refers to the degree to which the instrument measures is without bias (error free) and is an indication of the consistency and stability of the study (Sekaran, 2003).

Validity means that one has examined what is intended to examine, and nothing else (Eriksson & Wiederheim-Paul, 2006). Saunders et al. (2003) emphasizes the importance, concerning validity, that the findings in a study really are what they appear to be about.

The goal with the interviews was to get as valid and reliable data as possible, but there are many aspects that affect these matters.
Always when doing a face-to-face and telephone interviews there is a risk of unwillingness from the interviewee to answer the interviewer’s question. This might be for a number of reasons. Discussions on what type of interviews and questions that will be performed are important when trying to find a valid and reliable result (Saunders et al., 2003).

If the authors are careful when doing the interviews and make sure that the interviewees fully understand the questions from the angle that the interviewers have intended them to be, the validity will increase (Saunders et al., 2003). The authors will try to achieve the best results from the interviews by e-mailing the questions and a draft of the thesis in advance to all the interviewees of choice to get them familiar with the study and what the authors want to investigate. Moreover, in order to make this study as valid as possible the authors have tried to be as impartial as possible during the interview and not direct the conversation in a subjective way. Since the same questions were used to all respondents the chance of bias is lowered.
3 Frame of Reference

The following chapter will present the appropriate theories and models for this thesis. The theories are first presented one at the time and then in the end summarized in a model to clarify how they form the frame of reference.

3.1 Traditional Marketing Strategies

A generally accepted model or theory about traditional marketing is very hard to find. An explicit prevailing consensus does not seem to exist. The views upon what traditional marketing implies are though implicitly somewhat consistent throughout the literature. The reason for theories to be lacking can be that most researchers take this concept for granted and do not bother to explain it; traditional marketing is traditional marketing. Although the authors of this thesis have here below gathered different views upon it.

Dahlén and Edenius (2007) sees upon traditional advertising as media such as TV, radio, print and the internet and state that by repeated exposures to advertising in traditional advertising media, consumers learn to identify it automatically. Karlöf and Karlöf (2007) state, that the traditional marketing strategies include advertising in TV, advertising on billboards and posters. Marketing in traditional sense is expensive and most newly started business often lack resources to market themselves using those types of marketing strategies. However, the world is constantly changing and the field of marketing also needs to adapt with the changing conditions in the environment (Kotler, 2005). Blackwell (2006) argue that the term traditional marketing is used due to that new modes of marketing like e-marketing and online marketing have evolved.

Recent measurements and marketing surveys show that traditional marketing has lost its former glory in today’s over-communicated society. The Nobel Prize winner Herbert Simons stated that, "A wealth of information creates a poverty of attention" (Karlöf & Karlöf, 2007, p.3). In a world of information overload marketing now has shifted to focus more on actually reaching out to people. Organizations on the market today are facing tough competition with globalization. The global market on the other hand is offering many business opportunities, but still many companies are constantly cutting costs to survive (Karlöf & Karlöf, 2007).

3.2 Marketing Strategies concerning Doing More with Less

Companies have dramatically increased their spending on marketing the last decade. Even due to this effort the impact has failed to keep pace. Today, there is a trend that companies try to restructure their marketing spending by adopting the doing more with less approach.

3.2.1 Brand Management

During the 1980’s, one of the key developments in brands occurred; managers started to realize that established brands represent a certain value for the company. People started to see strong brands as a guarantee of future income and therefore also one of the most valuable possessions of a company. This idea is labeled as brand equity (Riezebos, Kist & Koosta, 2003).

To understand the meaning of this, a definition of brand and brand equity needs to take place. According to Kotler and Armstrong (2001, glossary) a brand is; “A name, term, sign,
symbol, or design, or a combination of these intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors”. They also argue that the ability to create, maintain, protect, and enhance brands of products and services are possibly the most distinctive skill of all skills of professional marketers. Brand equity on the other hand stands for; “The value of a brand, based on the extent to which it has high brand loyalty, name awareness, perceived quality, strong brand associations, and other assets such as patents, trademarks, and channel relationships” (Kotler, 2001, glossary).

A brand strategy is mainly based on two parameters, namely differentiation and added value. As the words say, differentiation is about differentiating the product from the competition. Hopefully this will give the brand a competitive advantage. To gain the full potential advantage with the differentiation it is of importance to communicate this, to make it clear for the consumers. If advertised correctly, it could even increase the differentiation experienced by consumers. The other parameter of brand strategy, added value, refers to the fact that the product, or the branded article as the authors labels it, has more value for the consumers than only the bare product. The added value could be created by referring to the product itself but also to aspects that do not form a part of the product directly (Riezebos, Kist & Kostra, 2003).

According to Kotler and Armstrong (2001) brand management faces two major challenges. The first one has its roots in that consumers, markets and consequently marketing strategies have changed dramatically. This gives us the following scenario; “Today’s consumers face an ever-growing set of acceptable brands and never-ending price promotions”. Furthermore, the rapid growth of communication technologies, especially the Internet, has given consumers more control over their information and buying environments. All this together results in that consumers are less brand loyal and more knowledgeable. The second challenge concerns the fact that retailers are becoming larger, more powerful and better-informed. They are able to demand more trade promotions in exchange for scarce shelf space. As a consequence this gives marketers and companies less money to invest in for instance national advertising (Kotler & Armstrong, 2001).

3.2.2 Product Attributes and Unique Selling Propositions

When developing a product one needs to define the benefits with that specific product. These attributes may be communicated by tangible product attributes such as product quality, features, style and design. Decisions concerning these aspects are particularly important since they to a large extent affect the consumer’s reaction to a product. The product attributes, the benefits offered, or the needs they fill can help the marketers to position many products (Kotler, 2005).

USP means Unique Selling Proposition and can be seen as one of the basics of effective marketing. (CIM, 2004) According to Iskandar (2008) “a USP is that distinct and appealing idea that sets you and your business favourably apart from every one of your competitors”. Developing a USP is important when developing a marketing message of any kind. A USP clearly answers the question that every customer is asking themselves sub-consciously: "Why should I buy products/services from this company instead of any of its competitors?" (Nieten, 2006).

A company preferably needs to recognize a process to identify the features of its product or service, to convert the features into benefits that the customer will recognise and finally to identify which benefits one is going to use to develop the USP (CIM, 2004).
Every company should preferably have a USP for its products and services. To be special in today’s crowded market place puts demand on the products/services to be either better or cheaper than those of competitors (CIM, 2004). The solution is to focus on one area, need or gap so one can keep the promises made. Before a marketer decides on a USP he/she must be sure that the USP can be delivered at every level of the business (Iskandar, 2008).

The USP helps the consumer to evaluate the alternatives of different goods and services. The evaluation of alternatives is the third step in the buyer decision process, but for a consumer not to skip this step the USP can be a tool worth to consider (Kotler, 2005). The USP also helps the consumers save time when deciding which products/services to purchase. By stating why the product or service is different, it will stand out from its competitors. One can use a different USP for every product or service within a range. Some companies also consider using a company related USP, such as high level of environmental awareness (CIM, 2004).

The process of identifying a USP helps a company to focus on the key benefits that help to sell the products or services and contribute to the profits. One can also use the USP to provide a focus for, and therefore improve the effectiveness of, the promotion and sales activities (CIM, 2004).

One of the main advantages of USPs is that it is a very simple concept to understand. One just needs to concentrate on making it work for the specific business. Before one begins to use it, it is good to consider the points below:

- The features of the product or service one wish to promote
- How and why the customer are using the product or service
- Features of the competitors’ product or service

(CIM, 2004)

No matter how unique your USP is, no USP will last forever. Competing food producers may notice that their products are being offered and may experience the loss of customers. In this case, after some time all competing companies will provide these products and the products will become a standard offering. The food producers therefore need to go through this process once in a while, particularly after a competitor has launched a new product to catch up or try to get ahead (CIM, 2004).

3.2.3 Packaging

Packaging has become more and more important as a marketing tool and there are many reasons behind this. Due to the increased competition and the chaos that exists on the retail store shelves today enhance the importance of packaging’ performance to solve many sales tasks. This include attracting attention, describing the product, making the sale. A supermarket is a typical situation where companies have to realize the influence of good packaging. If done correctly, this can create instant consumer recognition of for example a brand or a company. In such a highly competitive environment as it is on a supermarket, the package could be influential in the consumers buying decision process. A well-designed package could be enough for a consumer to not choose the product they use to buy. Therefore, manufacturers should put focus in the design of the package. This could take form as shape, graphics or texture which all contributes to the projection of their brand values and differentiation in an overcrowded market (Kotler, 2005).
In a situation described above, when the consumer have thousands of items to choose from and passes by approximately 300 of them per minute, it is of importance to stand out from the rest in order to attract attention. Therefore, one as a sender has to try to break the consumer’s habit. The power of the habit is big, so consequently it is a great challenge for the sender to try to break this. One way to neutralize the power of the habit is to create a message in a creative form and unpredictably content (Bergström, 2007).

The experience of color has been important for us ever since the cave paintings. In a lot of contexts one separates between functional and non functional colors. In effective visual communications there is only place for functional color. Functional colors supports and improves the products physical and communicative functions. This becomes a powerful communicative method and should mainly be used to; attract, create atmosphere, inform, structure, pedagogize. The most common system for describing the colors is the NCS, Natural Color System, and it is built upon surveys of peoples’ perception of color. The system is described as the color body, the color circle and the color triangle. The color circle is divided into four different quadrants. Different color compositions visualize different expressions. Compositions of colors within the same quadrant gives whispering colors, colors from connecting quadrants gives talkative colors and screaming colors one gets if one composite two colors from two quadrants which is opposite to each other. Large color contrasts could contribute a lot to the visual message as well as it could be perceived to screaming and unprofessional if is done badly (Bergström, 2007).

The receiver’s interactiveness and involvedness is of crucial importance for effective visual communication. The key to this is the interplay between text and picture. An insightful combination of these two have an ability which highly exceed the ability one of the two has on their own (Bergström, 2007).

3.2.4 Marketing Public Relations

Already in year 1996, James G. Hutton argued the importance of public relations in the future. He said that “As marketers develop new marketing strategies and as marketing scholars seek a new paradigm for the field, public relations perspective may be preferred over traditional marketing perspectives” (Hutton, 1996, p.37).

In order to understand what public relations is and what it does for an organization and how it relates to other organizational activities we need to define it. Cutlip, Center and Bloom (2006, p. 5) define public relations as the “management function that establishes and maintains mutually beneficial relationships between an organization and the publics on whom its success or failure depends”.

During the 1980s the term marketing public relations (MPR) arose due to that one needed to distinguish public relations activities which was closely related to marketing from the general practice of public relations. MPR is easier to define more precisely than the larger concept of public relations. Harris and Whalen (2006, p.7) define MPR as “the use of public relations strategies and tactics to achieve marketing objectives. The purpose of MPR is to gain awareness, stimulate sales, facilitate communication, and build relationships between consumers, companies, and brands.”

The main advantage of MPR and the reason why it works is of its unique ability to lend credibility to the message. Another advantage of MPR when comparing it to advertising is the cost-effectiveness. Although, most public relations budgets still covers only a fraction of advertising budgets. For a marketer, MPR is a bargain since the effectiveness of a whole
public relations program could be measured against one or two 30 seconds TV-
commercials (Harris & Whalen, 2006). This is somewhat in line with what Kotler, Wong,
Saunders and Armstrong (2005) says regarding public relations. They say that activities
concerning public relations are those that the organization does to communicate with tar-
get audiences without directly paying for it. Furthermore, Kotler et al. (2005) emphasizes
that public relations offers several unique qualities;

- News stories, features, sponsorships and events seem more real and believable to
  readers than for instance ads.
- Many prospects avoid sales-directed communication. But by the use of public rela-
tions one could overcome this since the message gets to the buyers as news.
- Just like advertising, public relations can dramatize a company or product. It al-
though exists few examples of international companies which have successfully
have used public relations as a more effective alternative to mass TV advertising, The
Body Shop is one example.
- Marketers tend to underuse public relations. Yet a conscious and well planned pub-
  lic relations campaign used with other promotion tools can be very effective and
economical.

In order to achieve this there exist several tools to use and the major ones includes press
relations, product publicity, corporate communications, lobbying and counseling (Kotler et
al., 2005). When it comes to which medium to choose one has to take into consideration
the objective, since all public relations efforts should have a clear objective, the audience,
the message itself, the element of timeliness and the budget. These components together
should determine what medium to choose (Newsom, Turk & Kruckeberg, 2004).

Harris and Whalen (2006) present a tripartite approach to MPR. This approach includes
three dimensions or strategies, namely; Push, Pull and Pass. We will only focus on the first
two dimensions here, “push” and “pull” strategies, since they are the ones of interest in this
study. A “push” strategy’s starting point is that the producer aggressively promotes the
product to wholesalers; the wholesalers aggressively promote the product to retailers; and
the retailers aggressively promote the product to consumers. On the other hand a “pull”
strategy concerns spending a lot of money on advertising and consumer related promotion
in order to create a consumer demand. If the strategy does succeed consumers will ask
their retailers for the product, the retailers will ask their wholesalers for the product, and
the wholesalers will ask the producers for the product. Both “push” and “pull” strategies
could be employed simultaneously but usually larger MPR budgets are allocated to “pull”
strategy programs (Harris & Whalen, 2006).

According to Edelman (1989), MPR has the potential to be the most cost-effective market-
ing technique. If it is done expertly and under proper circumstances will say. Some of these
circumstances are presented below;

1. There’s a revolutionary, break-through type of product – one that can make news.
2. The company is new or small. There’s little, if any, money available for advertising.
3. Television isn’t available for regulatory reasons.
4. The environment is negative and has to be turned around quickly.
5. When generating new excitement about an existing product.
6. When a company is having difficulty distributing its product.
7. When advertising is appreciated, but fails to build brand recognition.
8. When a product takes time to explain.
9. When you cannot advertise your product to consumers.
10. When established companies or brands are aligned with a cause.

(Cited in Harris & Whalen, 2006)

Above it is presented a list with circumstances in which MPR can work especially well. Additionally it exists certain product categories where MPR suites better than others. Product categories where MPR works particularly well is for instance books, cars, consumer/technology electronics, fashion, food products, diet foods, sports and fitness, and travel and tourism (Harris & Whalen, 2006).

As has been shown in the previous paragraph certain product categories are more newsworthy than others. Those product categories which are not that newsworthy, are required to “borrow interest” by identification of a product or a brand which is of greater interest to the target market in order to receive media coverage. The relationships between these factors are explained in the model below;

<table>
<thead>
<tr>
<th></th>
<th>High Media Interest</th>
<th>Low Media Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Consumer</td>
<td>A</td>
<td>B</td>
</tr>
<tr>
<td>Interest</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low Consumer</td>
<td>C</td>
<td>D</td>
</tr>
<tr>
<td>Interest</td>
<td></td>
<td></td>
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</tbody>
</table>

Figure 3.1 The Harris Grid (Harris & Whalen, 2006)

- The quadrant up to the left (A) consists of products that are of high interest to both the consumer and the media.
- The quadrant up to the right (B) consists of products that are of high interest for consumers but lower interest to the media.
- The lower left quadrant (C) is of lower interest to consumers but of high interest to the media.
• The lower right quadrant (D) is of low interest to both consumers and to the media.

It is also the possibility that the consumers and the media’s interest within each quadrant differs. When the company has identified where its products belongs in this grid it is easier for it to choose what activities to undertake, which MPR strategic option to select in order to get media’s attention. Products in quadrant A, for instance, should carry out product campaigns with high-visibility while a product in quadrant B should look for a sponsorship strategy in order to enhance the brand image (Harris & Whalen, 2006).

The effectiveness of MPR could increase to a large extent if it is properly targeted. Despite this, a typical PR campaign hardly ever target specific consumer groups but this is about to change towards more targeted PR campaigns (Harris & Whalen, 2006).

3.2.5 Product Placement

When looking at the history of product placement, one of the first signs of conscious attempts of companies working with this method is from the 1920’s. It was the cigarette firms which tried to affect the cinema audience by placing cigarettes in the hands of actors and actresses (Balasubramanian, 1994). Since then other companies have also tried to place their products in the right contexts but it was first when Steven Spielberg’s movie “ET” released in 1982 which the phenomena really took form. This was due to a candy bar with the name “Reese’s Pieces” which experienced an increase in sales by 66 percentages in the following three months after the movie came out. As a consequence of “Reese’s Pieces” success, product placements in movies become an important aspect in every consumer marketing programme (Nebenzahl & Secunda, 1993).

To define what product placement is and what advantages it comes with it is necessary to first present and separate between the two different concepts; namely advertising and publicity. Advertising refers to communications which clearly identify the message sponsor and which are paid for. On the contrary, publicity refers to communications which do not identify the sponsor and which are not paid for. A combination of the advantages of these two refers to a concept called hybrid messages (Balasubramanian, 1994). To understand the connection between these three concepts and what advantages and disadvantages that comes with each of them, the following figure is presented;
Figure 3.2 above will lead us to the definition of product placement, or hybrid messages as the author rather calls it; “All paid attempts to influence audiences for commercial benefit using communications that project a non-commercial character; under these circumstances, audiences are likely to be unaware of the commercial influence attempt and/or to process the content of such communications differently than they process commercial messages.” (Balasubramanian, 1994, p.30).

As touched upon above product placement could be very cost effective if it is done correctly. According to Shermach (1995), many companies’ attitudes are that they reach out to a large audience for just a small part of the investment. Micael Dahlén (2006), associate professor in market communication at Stockholm School of Economics, states that product placement is very effective if one does it in the right way, then the effect will be much larger than traditional advertising. The risk is if one does it wrong and it is perceived too intrusive, then it could give a negative effect instead (cited in Almroth, 2006).

It is not only that product placement is advantageous when it comes to the cost of it, in particular when looking at product placement in TV. A report from InsightExpress and MediaPost shows that TV viewers are not very loyal to TV commercials. The report gives the result that during the commercials more than half of the audience admit to regularly channel surfing, approximately one third leave the room and nearly one-quarter mute the commercials and this gives us that as large part that 80 percentages are doing other activities or consuming other forms of media meanwhile (Greenspan, 2004).
3.2.6 Event Marketing

Event Marketing is an umbrella term for marketing via events. The definition of event marketing the authors of this thesis will make use of is Behrer and Larsson’s (1998, p.18): “Event Marketing is an approach to coordinate the communication around an own created or sponsored event. In Event Marketing the event is an activity which gather the target group in the matter of time and place; a meeting in which an experience is created and a message is communicated.”

In practice events can be anything from a small get together for companies’ most important clients to giant events that are open to the public. The vast usefulness of events indicates that all companies can engage in events as a part of their marketing strategy. This, no matter which industry they operate in or which size the companies have. This is one reason why the use of this tool, in the USA, increased three times faster than traditional advertising during the 90’s. Another reason is that event marketing in many cases could be significantly more effective than traditional market communication. If this motivations or reasons not are enough, event marketing could also be more cost-effective. It does not have to cost large capital investments to create an event which gather a large part of the target group. Instead it could creates incomes instead of costs if done properly (Behrer & Larsson, 1998).

Event marketing is not a new tool for marketers to use, so that is not the reason why it has increased in usage. The new thing lies in that the primary use of it has earlier been to communicate messages towards the companies’ professional customers, suppliers, owners and employees while nowadays the companies have started to use this tool to communicate towards consumer groups as well. When one looks closer into what motives there is for using event marketing, there are three main motives emerging:

- The economical incentives to find new and unconventional ways to communicate has increased.
- New demands of the companies marketing has been created.
- The knowledge and experiences of marketing via events have increased and systematized.

(Behrer & Larsson, 1998)

The two most common objectives concerning event marketing is to create image and to create awareness of the company. More objectives could be to strengthen internal relations and to identify the company with a target group. By identifying the company with a certain group of people, a target group could lead to great advantages. For instance this could establish relationships between customers and the company which hopefully in the end leads to customer loyalty (Behrer & Larsson, 1998).
3.3 Summarizing Model of the Frame of Reference

![Diagram showing the relationship between Traditional Marketing Strategies and Marketing Strategies concerning Doing More with Less, with subcategories such as Event Marketing, Packaging, Product Placement, Brand Management, Unique Selling Propositions, and Marketing Public Relations.]

Figure 3.3 Summarizing Model of the Frame of Reference
4 Empirical Findings

In this chapter there will first be a short presentation of the companies which have contributed to the empirical findings. Then the data collected by interviewing the selected respondents will follow. The interviewed people are: Tomas Gustafsson, Managing Director at Brämhults Juice, Jan Gustafsson, Marketing Manager at Saltå Kvarn, Hanna Lundgren, Marketing Project Manager at WeSC and Per Holknekt, Marketing Manager/ Business Developer at Odd Molly.

4.1 Short presentation of the companies

Brämhults Juice AB is a juice producer based in Borås, Sweden, which rather label themselves as a juice squeezer. The company was founded year 1948 and back then with the activity of selling freshly squeezed carrots. After pressures and demands from stakeholders Brämhults started to squeeze other fruits and vegetables as well. Today, between 20 and 25 different juices and smoothies are to be found out in stores in Sweden, Denmark, Norway and Finland (Brämhults Juice, 2008). For the last fiscal year, 1\textsuperscript{st} of July 2006 to 30\textsuperscript{th} of June 2007, Brämhults had a turnover of approximately 255 million SEK. Brämhults has increased their sales with over 30 percent per year the last couple of years. (Mellby Gård, 2008). We have interviewed Brämhult’s Managing Director, Tomas Gustafsson.

Saltå Kvarn AB is an ecological food company since 1964. All products are keyhole-labeled and origins from agriculture which not allowed artificial manure or chemical biocides. All grains which Saltå Kvarn refines are also biodynamical produced. The company’s way of production is concentrated on high and natural quality with minimal environmental damages (Saltå Kvarn, 2008). During year 2007, Saltå Kvarn increased its turnover with 35 percent and reached up to 101 million Swedish Crowns. During the last four years the turnover has more than tripled and the amount of employees has doubled. (Newsdesk, 2008) Jan Gustafsson, Marketing Manager at Saltå Kvarn, was interviewed.

Odd Molly International AB designs, markets and sells women’s clothing and accessories worldwide in more than 1400 stores and 33 countries. Odd Molly was founded in 2002. Odd Molly has from the foundation until 2007 more than doubled the turnover every year. Odd Molly is a Sweden based public company and traded on First North. Odd Molly’s value words are love, fashion and integrity (Odd Molly, 2008). Odd Molly had a turnover of 130 million Swedish Crowns for the year 2007. This is an increase of 139 percent comparing to the year of 2006 (Affärsvärlden, 2008). The person we have interviewed is Per Holknekt, Marketing Manager and Business Developer at Odd Molly.

WeSC is a street fashion brand founded year 2000 and which today exists in over 20 countries over the world. The founders were all skateboarders and snowboarders and certainly this connects with what WeSC want to deliver; life after skate. The “life after skate” is a more developed style which also targets people outside the skateboard community. We Are the Superlative Conspiracy, which is the company’s complete name, says that they represents a group, a family of good and competent people working towards the same ideal and goals (WeSC, 2008). WeSC had a turnover of 214 million SEK for the fiscal year 2007/2008, 1\textsuperscript{st} of May 2007 to 31\textsuperscript{th} of April 2008. This is an increase of 27 percentages comparing to the fiscal year 2006/2007 (Dagens Industri, 2008). WeSC says that their unparalleled image and brand building tactics make them stand out from the rest (WeSC, 2008). We have interviewed Hanna Lundgren which is Marketing Project Manager at WeSC.
4.2 Brämhults Juice AB

The fundamental is that Brämhults took a decision back in year 2004 that they are a branding company, not a production company. This is a very short explanation on how Brämhults has succeeded to become what they are today. After taking such a decision one have to fill such a decision with a lot of strategies (T. Gustafsson, personal communication, 2008-04-22).

The question for Brämhults is not how to market themselves it is more about which channels of marketing not to use or avoid. Brämhults marketing is based a lot upon the product and that is rather simple. 99% of all products that exist in a store are not unique in their content; there are several other products which content-wise are identical. Brämhults decided, that they do not want to be there and Tomas Gustafsson (Personal communication, 2008-04-22) states, that “If one is content-wise identical with four others one have to create the USP:s somewhere else”. Brämhults have determined that they are unique in the product due to that they are the only company in Nordic Scandinavian which squeeze fruits to juice and fill that in special bottles, HDPI. Therefore, Brämhults are mentioning a lot of technical terms in their communication. Tomas points out, that “It exists no other juice company which even could try to get close Brämhults in questions of how the juice is produced” (T. Gustafsson, personal communication, 2008-04-22).

When talking about what communication channels Brämhults uses, it is revealed they have chosen not to use TV as a distribution channel due to that the consumers which are attracted to Brämhults are according to surveys strongly conscious about what they put into their bodies. In addition, they are very interested in what long-run effect it has for the body. Therefore has Brämhults chosen to talk about the technical things in the product and consequently chosen not to communicate in TV due to that group of people communicate to a very limited extent to TV commercials. Tomas emphasizes that, this group of people attract more to things like product placement, PR, editorial articles and much more to that Brämhults exists in right contexts such as interior fairs and certain TV series (T. Gustafsson, personal communication, 2008-04-22).

Brämhults structure their marketing activities in the way that they have a marketing plan over the years and then they lay a basic platform which is always bought media. They do this two times a year and have chosen to use weekly magazines as their channel. These advertisements are uncommercial in the way that it is almost only text in them, almost no pictures. In fact, this is totally wrong, but they are reasoning that they rather have 5 readers out of 100 who think it is a really cool text and really get sympathy instead of having 70 readers out of 100 who just flashing by and think; “Wow, that was a good price”. In these advertisements Brämhults talks about what they do, who they are, where they exist, how they do it, why they do it. This is the basic platform for Brämhults communication. Moreover they add different activities such as for instance fairs/events and on the top of all; Brämhults is open for quick decisions. This is how the communication is structured outside of the store, and as one can see it is structured in different layers. Tomas also adds that Brämhults also have a huge program of in-store marketing (T. Gustafsson, personal communication, 2008-04-22).

When it comes to the marketing budget, Brämhults never reveals it. This has nothing to do with that it is secret; instead he says that it is really hard to define what activities to include in marketing and what to exclude (T. Gustafsson, personal communication, 2008-04-22).
A large chart of Brämhult’s budget goes to bought media. If one instead look at how much energy and effort they put in, Brämhult’s spend much more time in finding areas for media which is not bought, for instance barter solutions with different interior fairs and editorial spaces (T. Gustafsson, personal communication, 2008-04-22).

As mentioned before, Tomas (personal communication, 2008-04-22) stresses that since Brämhult’s product is unique when it comes to content they communicate a lot in technical terms.

“If one has the enormous advantages we have…you are the only company squeezing from fresh oranges, you are the only company who runs in a HDPI bottle everything else is in carton, you are totally unique in the product – why should you invest a great amount of money in talking about that we are unique in our outer attributes?” (T. Gustafsson, personal communication, 2008-04-22).

The fact that the German juice giant Eckes-Granini acquired Brämhult’s in July 2007 will not affect Brämhult’s to that great extent. The main thing Eckes-Granini paid for was the brand, approximately 60-70 percentage of the whole amount, and therefore it is of importance that Brämhult’s is able to continue to invest and to build the brand Brämhult’s (T. Gustafsson, personal communication, 2008-04-22).

Tomas (personal communication, 2008-04-22) opinions of what will happen with communication as a whole in the future, is that it is going to be even harder and more complex with more demands upon sophisticated analysis and that the advertising consumption is going to be even more fragmented. According to Tomas this means that in order to reach out, earlier it was enough with three TV channels, you must reach out in 15-20 different contexts.

“This leads to that many companies looks at alternative communication strategies which is more action related, more PR related. What I also believe in is this with good citizen, the environmental aspect, ecology parts that one is a good citizen sort of say. That is becoming stronger fundament then that we have a lot of commercials with crying children and suns.” (T. Gustafsson, personal communication, 2008-04-22).

### 4.3 Saltå Kvarn AB

Since Saltå Kvarn started their business back in 1964, they have a lot of experience in the industry. The brand has been filled with a lot of things since then. During all these years Saltå Kvarn has stood for ecology and biodynamic farming, and especially they have done it when no one else has did it. Today everybody does it to some extent but the credibility lies in that Saltå Kvarn has done it in more than 40 years (J. Gustafsson, personal communication, 2008-04-29).

“Chosen strategy since five years ago is to only work with PR.” (J. Gustafsson, personal communication, 2008-04-29).

Saltå Kvarn does not do any mass communication or advertising, instead they work with the web, fairs (mostly customer fairs). They have employed a PR agency which has been very successful (J. Gustafsson, personal communication, 2008-04-29).

“It is a completely different credibility than if one should try to blazon out the message. It is such an enormous noise today so it is not much that reach all the way through plus that the credibility becomes something
completely different if one works the way we do.” (J. Gustafsson, personal communication, 2008-04-29).

In principle Saltå Kvarn’s marketing budget is zero, but it is also depending on what one means with marketing. If one means marketing in the traditional sense, for instance advertising in TV, then it is zero Swedish Crowns (J. Gustafsson, personal communication, 2008-04-29).

Saltå Kvarn’s main strategy is PR. The core values that Saltå Kvarn stands for and also tries to communicate are dynamic and ecologic farming. Since Saltå Kvarn started to work actively with PR for about four years ago it is just getting better and better (J. Gustafsson, personal communication, 2008-04-29).

When talking about bought media with Jan Gustafsson (personal communication, 2008-04-29) is very clear in his opinions and Saltå Kvarns approach to it.

“We do not do it at all. It is an enormous waste of resources. I mean half of what you invest will not have any effect at all. Just to reach through today’s media noise is really a piece of art. Simply, it is too much today.” (J. Gustafsson, personal communication, 2008-04-29).

Saltå Kvarn believe in media which is not bought and that it does not really exists any media they do not want to be seen in as long as it is in a right context. The picture media presents of the company today is very much in line with Saltå Kvarns overall communication strategy. They get very good yield on the attempts they run. Saltå Kvarn has a very conscious strategy with a plan which follows what they do and active press contacts on a regular basis. Beyond these hits which they want and strive for, other contacts are coming as a fruit of it due to that many papers are running in the same direction (J. Gustafsson, personal communication, 2008-04-29).

Saltå Kvarn, simply as it is, communicates what they do to the media and often this has a value for media to catch up. Examples are when Saltå Kvarn introduce new products, climate compensate products or when they took away their oil dependency. Saltå Kvarn has also experienced an increase in activity from the media the last three years and especially the last year. Saltå Kvarn has strived for being a top-of-mind brand which they today have achieved not only among the consumers, but also among the media. It is not by chance that for instance TV visited them two times during year 2007 (J. Gustafsson, personal communication, 2008-04-29).

Furthermore, Jan (personal communication, 2008-04-29) emphasizes the importance that Saltå Kvarn still is perceived as the small little company and not mass communicate it out. Saltå Kvarn realized early that if they mass communicate they would destroy all the values. It was a lot of people who was confounded when Saltå Kvarn chosen this line, but since then it is many other companies that have chosen the same way, so Jan (personal communication, 2008-04-29) proudly points out that he thinks they were the first to stood up for that also.

If one looks historically on Saltå Kvarn, have not possessed the resources for bought media. During the last five years on the other hand, since they took the decision to go for PR only, they have had the available resources but chosen to stick to it anyhow (J. Gustafsson, personal communication, 2008-04-29).
Saltå Kvarn puts a lot of resources, or rather energy, on product choices and design. Especially package design. As a consequence of this, Saltå Kvarn was awarded gold last year for best package from Kolla! which is arranged by the association “Svenska Tecknare”. They have one art director employed and one copyrighter who does all the texts in-house (J. Gustafsson, personal communication, 2008-04-29).

Saltå Kvarn is unique since they have a lot of opinions about different things which he thinks is important. If you do not agree with the opinion it is still fun with people who are having an other opinion. The media and especially the consumers appreciate this kind of thinking (J. Gustafsson, personal communication, 2008-04-29).

Saltå Kvarn is not going to change its behavior to that great extent in the future. “I think that we will grow even faster than we are doing today and that we only are seeing the beginning of something really big within the trade as a whole. Trade with provisions and food with ecology products I think is going to be really, really big. Today it is only 3 percentages of all provisions which is ecological so it is a lot left, 97 percentages.” (J. Gustafsson, personal communication, 2008-04-29).

4.4 Odd Molly International AB

One of the key factors which explains Odd Molly’s success is their core values and how they have chosen to profile themselves in the market. Furthermore, it is also about their market positioning, which is to work with fashion within areas of qualitative values with the three value words love, fashion and integrity. This market position was seen as a free platform within the fashion industry at the time they founded Odd Molly. From there Odd Molly has built up their brand. Moreover, Per (personal communication, 2008-04-29) says, that as marketing responsible one has an amount of 30 different weapons to use, all at different costs, when communicating the brand. The priority Odd Molly has made is to work in a B2B level and to invest the largest amount of money in fairs and PR.

Odd Molly’s main activities they use to reach their objectives are fairs and PR. In an historical perspective they also have made use of direct marketing, or direct communication as Per prefers to call it. The budget Odd Molly uses is right below usual budget for a normal company. So, despite that Odd Molly is in a growth phase they do not reach up to same budget levels that more stationary companies’ have (P. Holknekt, personal communication, 2008-04-29).

Regarding the budget, Per (personal communication, 2008-04-29) stresses the difficulties in separating marketing costs from sale costs. If one includes the sale costs 27 percentage of the marketing budget goes to fairs and 17 percentages goes to activities concerning PR.

On the question what Per Holknekt and Odd Molly thinks about bought media, he answers;

“It is fantastic, but it is too expensive.” (P. Holknekt, personal communication, 2008-04-29).

Odd Molly needs to place the money where they believe they are most useful and today that is not in bought media. This kind of marketing has a really short product lifecycle and since Odd Molly has chosen to work globally, it is going to be too large capital investments if they should start to invest money in advertisement. Although, they does not close the door totally for using bought media in the future, but today it is too expensive (P. Holknekt, personal communication, 2008-04-29).
Besides PR and fairs which Odd Molly focuses mostly upon, they also make use of other medias which is not bought such as product placement, event marketing and exhibitions. When it comes to PR Per says;

“What lies in our interest is that the market gets the same picture of the company as we have about ourselves. That’s how it looks in utopia but not always in the reality. We try to get as close as possible to it.” (P. Holknekt, personal communication, 2008-04-29).

Odd Molly is satisfied with the picture media presents of them and it fits rather well with the picture they have of themselves and with their communication strategy. Although, a slight change from media now when Odd Molly has done very well. They are no longer the sweet and cute little company in the industry and media, which they were the first five years of their business. Sweden starts to get enough (P. Holknekt, personal communication, 2008-04-29).

Per (personal communication, 2008-04-29) points out that he wants Odd Molly to be seen everywhere, and not only in the papers they are expected to be seen in. This is due to that if one look at Odd Molly’s typical consumer; he/she has more interests than clothes. These interests is funny to play with, since it is possible to introduce new people. The media Odd Molly is presented in does not have to be tied to Odd Molly’s target group, but it is good if it has a form of qualitative value (P. Holknekt, personal communication, 2008-04-29).

Odd Molly’s whole growth phase is built upon a “pull” strategy which Per explains this further by saying that Odd Molly does not have a conscious strategy where they contact persons actively. Instead they have only made themselves as beautiful as possible, as clear as possible, tried to get as close as possible to people without that it seems ridiculous. Then the people have chosen to contact them. All the showrooms agencies, business partners in the whole world, that Odd Molly works with today, have chosen to contact them (P. Holknekt, personal communication, 2008-04-29).

“We can not do anything else than doing the best possible of ourselves so that everything that reaches media is deeply rooted in the reality what we do. So we do not want to buy some unnecessary compliments that we do not deserve.” (P. Holknekt, personal communication, 2008-04-29).

The trade fairs is a really important tool for Odd Molly and they put a lot of effort into it before, during and after. Today, Odd Molly is only represented at fairs which concerns clothing but everything could happen in the future. Odd Molly has a geographic strategy concerning fairs, which means that they are consciously only represented in fairs with strong international connections. (P. Holknekt, personal communication, 2008-04-29).

When it comes to product placement, Odd Molly has so far only worked passively with it. This implies that Odd Molly is waiting for requests from famous persons regarding co-operations. Odd Molly does then evaluate from case to case if the person stands for Odd Molly’s values in a good way. Odd Molly does not pay anything extra excluding the clothes and they never have contracts which demands something additional in return (P. Holknekt, personal communication, 2008-04-29).

When Odd Molly first started, Per Holknekt, got 1000 dollars for the marketing budget in order to establish the whole company internationally. With such an unbelievable limited budget at hand one is forced to be ten times more creative and the portfolio of selection is much smaller (P. Holknekt, personal communication, 2008-04-29).
“So what we did instead was to buy a ballpoint pen, a scissor, 1400 stamps and a lot of paper and then started to do direct dispatch that we have painted ourselves due to it was the cheapest way. So in the beginning we were absolutely forced by the conditions to choose among fewer tools, today we have a larger budget and the opportunity to choose among more tools.” (P. Holknekt, personal communication, 2008-04-29).

The fact that Odd Molly had such a limited budget in the beginning definitely stimulated the creativity. Moreover Per has worked in the advertising business and seen companies with huge budgets without a touch of creativity, but if one has no money one has to think it through carefully (P. Holknekt, personal communication, 2008-04-29).

Odd Molly has made a change internally, due to that they built the brand as a clothing brand. Now they are trying to give the brand a more central position in the whole build-up of the company in order to open up doors for a brand extension. This in order to do almost whatever they like with the brand in the future (P. Holknekt, personal communication, 2008-04-29).

4.5 WeSC

WeSC has grown through what they have called “life after skate”. All the founder of WeSC had something to do with skateboarding and all of them wanted to wear clothes that they could use when they did something else than skateboarding. The whole of WeSC is built upon four cornerstones and they are Creativity, which means that everything should include thinking in new ways and walk in different directions. The second cornerstone is Punk Mentality and this implies dare to go your own way, but still have a humble attitude. The third is Community and this cornerstone is about people doing great things together. Hanna goes on claiming that it is a special fellowship in everything that WeSC does. The forth cornerstone is Having Fun and it means exactly this; having fun in all aspects (H. Lundgren, personal communication, 2008-05-12).

Hanna Lundgren (personal communication, 2008-05-12) argues that WeSC does not have a set marketing strategy. There are no predetermined schedules of events or what is to be printed, but it is more about doing what suits the moment the best. WeSC has an overall goal for the whole company and that is to be the best street fashion company in the world. All work in the company is aimed in that goal (H. Lundgren, personal communication, 2008-05-12).

WeSC has a marketing budget that is set annually. This budget is used for several marketing activities such as advertising; both on the web and in print, events and different activities arrange for the activists to attend. A large part of the amount is put on creating the campaign to be able to spread it. This includes making catalogues etc. (H. Lundgren, personal communication, 2008-05-12).

Which type of media that is the most common one in WeSC is depends on the situation. Both bought media and media which is not bought are both proven useful. Print media are able to strengthen your brand in a different manner; since you show the public that you still exist (H. Lundgren, personal communication, 2008-05-12).

WeSC works with persons they call We-activists and these are persons who work really close to WeSC. They are not necessarily famous, but the most important thing is that they like what WeSC stands for and that they are able to communicate the same message as WeSC is built upon (H. Lundgren, personal communication, 2008-05-12).
The reasoning behind the activists was not deliberate or necessary due to lack of money, it just happened. This due to that there were friends around the founders of WeSC that also lacked street fashion or ”after skate” fashion. There were also other people that liked this type of clothes and through this the WeSC activists grew (H. Lundgren, personal communication, 2008-05-12).

WeSC will never see their activist as advertising pillars, since they are not bought; they are cooperating with WeSC on their own will, so if they want to leave there are no hard feelings. WeSC has no specific demand on the activist either, more than they have to be good on what they do and like what they do (H. Lundgren, personal communication, 2008-05-12).

All events and campaign are based on the four cornerstones and the activists are added to that similar to a fifth cornerstone. The activists take part in all campaigns and videos. They do not use the activist as other use their advertising pillars. WeSC does not buy the activists they more create a relationship between WeSC and the activist. The activists are persons that look upon life with the same philosophy that WeSC is founded on. WeSC activate the activists and the activist gives WeSC something in return. It is really important that the person acting like an activist is communicating the brand WeSC in the right manner. For example if someone has a dream to go to Alaska and ski, WeSC can help him/her with that and in return the activist tape while skiing and due to that gives WeSC something back.

“This foundation is built upon trust and mutual communication” (H. Landgren, personal communication, 2008-05-12).

Media such as Youtube is media can not be affected by WeSC as a company. People can write about certain WeSC-items on their blogs and the rumour is spread without WeSC making any specific effort. Hanna (personal communication, 2008-05-12) claims, that this type of publicity is good for everyone.

Recently, WeSC has improved their homepage, uploaded videos on YouTube and done some broadcasting on for example MTV and Fuel TV to increase their marketing (H. Lundgren, personal communication, 2008-05-12).

WeSC will not change any other major things in the nearest future. They will go on with the We-activists, but they want to develop their activity on the web. They want to show more videos and material in motion compared to what they have done in the past (H. Lundgren, personal communication, 2008-05-12).
5 Analysis

In this chapter the analysis of this thesis will be presented. It will in the best way possible apply the frame of reference with the empirical findings in order to answer the purpose of the thesis.

5.1 Brand Management

The brand of a company create a certain value for the company (Riezebos, Kist & Koostra, 2003) and therefore it is of great importance to build a brand which coincide with what the company stands for. As revealed of the interviews all companies are proud of their brands and put a lot of emphasis on developing them further. All the companies have a somewhat different view on how they look upon brand management.

Per Holknekt (personal communication, 2008-04-29) wish that the Odd Molly brand is going to be even stronger in the future so that they will be able to expand it and not only make clothes. This can be possible if the brand associations can be extended and if the customers are becoming loyal enough; in other words depending on the brand equity (Kotler & Armstrong, 2001). If the brand is able to root itself in peoples mind’s there is a possibility to do almost anything one wish with it. Odd Molly’s internationalization has surely contributed to increased brand recognition. It can also be argued that Odd Molly has a good reputation and the stores selling Odd Molly automatically are considered as stores worth entering.

Per Holknekt (personal communication, 2008-04-29) also argues that the brand Odd Molly is mainly based on the three value words; love, fashion and integrity. This was a free platform in the fashion industry at the time when Odd Molly was founded. This type of words can be seen as value adding characteristics to the brand. WeSC have other brand associations connected to them. The brand value of WESC can be linked to that people are identifying themselves with the We-activists. One can say that the brand WeSC is in the hands of the activists. A brand can be a name, sign, symbol or design, or a combination of these (Kotler and Armstrong, 2001), and therefore the activist can be seen as the symbols for WeSC.

Brämhults decided four years ago that they wanted to be a branding company and not a production company (T. Gustafsson, personal communication, 2008-04-22) and one can say that they have succeeded. Last year in July Brämhults were acquired by Eckes Granini, a German juice giant, and they paid up to 70% of the whole amount for the brand Brämhults. It is therefore considered wise for Brämhults to continue investing and building the brand Brämhults. A brand strategy is mainly based on two parameters, namely differentiation and added value (Riezebos, Kist & Koostra, 2003). Brämhults fulfill both these criteria, since they are both unique in that they are the only freshly squeezed juice company and that they use special HDPI bottles also differentiated from the competitors. The added value in their brand is the fact that the freshly squeezed juice can be considered both healthy and pure since it does not contain any artificial content.

Saltå Kvarn has strived to be a top-of-mind brand which they claim that they have achieved not only among the consumers but also among media. Their media activity the recent three years have increased and they claim that they often have something of value for media to catch up (J. Gustafsson, personal communication, 2008-04-29). This can be argued in several aspects. Due to the current environmental awareness hype all companies that engage in
ecological activity have presumably experienced similar increased attention as Saltå Kvarn. They might win in the aspect that they have been in the industry for over 40 years, but Swedish people try harder than before to be a “good citizen”.

Blackwell (2006) states that organizations today operate in a faster pace and Kotler and Armstrong (2001) mention that it are a rapid growth of communication technologies, especially the Internet. Due to these matters the companies engaging too much in branding might be disappointed since consumers now tend to be less brand loyal and more knowledgeable. Brämhults and Saltå Kvarn for instance can in the future be demanded to do more trade promotion in order to compete about scarce shelf place. According to Kotler and Armstrong (2001) the retailers are becoming more and more powerful and this give less money to other activities.

5.2 Product Attributes and USP

As described in the theory every company should preferably have an USP, since the USP helps the company to differentiate themselves from their competitors (CIM, 2004). It can be argued whether all companies interviewed have figured out their USP or whether the existing one is the most appropriate for the specific service or product. Anyhow, one can tell that competitive advantage can be reached through strong USP and the companies might save a lot on marketing spending used to enhance the wrong attributes.

Tomas Gustafsson (personal communication, 2008-04-22) states that Brämhults is unique in their products since there is no other product that is identical with Brämhults juice in Swedish stores at the moment. Tomas argues further, that no other company is even close to Brämhults when it comes to how the juice is produced. The competition should however not be underestimated, since no USP last forever. Despite the fact that Brämhults is far ahead compared to its competitors, there is still a risk that other companies will launch identical products within the nearest future. It is really important that Brämhults act proactively and keeps developing its USP.

Saltå Kvarn on the other hand use other attributes to highlight in their products. The marketing manager Jan Gustafsson (personal communication, 2008-04-29) claims, that the fact that their products are biodynamic and ecological produced since a long time and packed in special designed packaging increase the potential success of their products. It can be discussed if their products face a prosperous period since they have a strong opinion about what they think is important. Jan goes on claiming that the consumers appreciate if the companies show that they take things seriously. The reputation is always counted as an attribute worth enhancing. Environmental awareness is increasing in general and Saltå Kvarns’s products can rely on their experience from such products. Since Saltå Kvarn experience in working with environment friendly products goes 50 years back it is really hard for competitors to receive the same credibility. Therefore, further development of their USP from before can be done. CIM (2004) states, that a USP can also be company related. Both Brämhults and Saltå Kvarn can be considered using a USP that goes for the entire company, not just only one single product.

The most important thing with identifying a USP is to focus on the product’s key benefits one wish to promote and how & why the consumer is using the product (CIM, 2004). Both Brämhults and Saltå Kvarn have managed to succeed in finding suitable and successful USP’s for their products. The products produced by both of these companies are rather unique and then it is easier to find attributes and features that can be highlighted. For com-
panies that sell products that are almost identical content-wise have fewer options; the only option might be to reduce the price of the product and that of course has its limitations. With competition from abroad with cheaper and cheaper prices puts further pressure on the domestic products to be even cheaper and better.

WeSC does not have a significantly obvious USP. Their clothes are not too unique compared to competitors but Hanna, (personal communication, 2008-05-12) argues that the organization behind the clothes, WeSC themselves, are unique in how they are doing things. Their USP do not lie in the product, more in the way that they are promoting the clothes. Therefore, their USP lies more in outer attributes when compared to Brämhults and Saltå Kvarn. WeSC are known for their We-activists and they also put a lot of resources into activities engaging them so that they can show off WeSC’s clothes in a variety of places around the world.

Per Holknekt (personal communication, 2008-04-29) at Odd Molly states, that Odd Molly is presented in media in the same manner as they are trying to communicate it. This means that Odd Molly are aware of their USP and are communicating the features they wish and they also seem to know what their customer wants. Per goes on arguing that Odd Molly is trying to communicate an as realistic picture of them as possible and this can also be seen as a sign of USP awareness. This could be argued similar to WeSC since their USP also tend to lie in outer attributes.

5.3 Packaging

Two of the companies under study have huge focus on packaging and product design; namely Brämhults and Saltå Kvarn. These two companies are in the retail industry where the focus on packaging is the highest. Due to the increased competition and the chaos that exists on the retail store shelves today, packaging must perform many sales tasks. This can be for instance attracting attention, describing the product, contribute to purchase (Kotler, 2005). A package design can make the consumer skip the product they usually buy.

Bergström (2007) argues, that the habit that people have when it comes to buying the same product over and over again is hard to break, so there needs to be a significant difference in the product if people should consider switching. Brämhults is successful in packaging. Brämhults juice is sold in plastic bottles differentiated from every other juice packaging there is in Swedish retail stores. All different kinds of Brämhults juice are poured in the same kind of bottles and are easily separated of that of its competitors. Since most of the competitors use squared formed packages in paper and Brämhults round plastic bottles one does not need long to point them out.

Bergström (2007) also mentions the color as one factor to highly prioritize when designing new packages. Brämhults has the green attention drawing top on all its bottles and Saltå Kvarn has different beautiful colors on all their packages. Saltå Kvarn put a lot of emphasis on their packaging. Important to consider is the expressions that are associated with different colors, a tool used to measure these feelings are called the Natural Color System and can show whether two large color contrasts can be seen as unprofessional if done in a bad manner. Saltå Kvarn is making use of whispering, talkative as well as screaming colors on their packages. To use coherent packaging over the whole product range might be considered since the consumers are able to recognize the products even though they are not placed in the same shelves.
A combination of text and picture seems to have greater impact on consumer than packaging with only one or the other (Bergström, 2007). Both Brähmulls and Saltå Kvarn use a combination to really emphasize the content.

5.4 Marketing Public Relations

When looking closer into the interviewed companies’ view upon PR it is mainly two companies which say they focus on it, namely Odd Molly and Saltå Kvarn. Jan Gustafsson (personal communication, 2008-04-29) at Saltå Kvarn argues, that they are using PR mainly due to the increased credibility the message has if one compares it with other more traditional marketing tools. This is in line with what both Harris and Whalen (2006) and Kotler et al. (2005) state as one of the unique qualities of PR. An other reason that Jan highlights why they put a lot of focus into PR is due to the difficulty in reaching all the way through the media noise that exist today. This also agrees with what Kotler et al. (2005) argues is another of the unique qualities of PR, since the message gets to the buyers as news rather than sales directed communication. Furthermore, Harris and Whalen (2006) are saying that MPR is very cost-effective when comparing it to traditional advertising. This is the exact reason why Odd Molly has chosen to work with PR according Per Holknekt (personal communication, 2008-04-29) they need to place the money where they believe they are most useful.

Neither Odd Molly nor Saltå Kvarn targets their PR activities, which according to Harris and Whalen (2006) is good way to make the MPR more effective. Instead, both Odd Molly and Saltå Kvarn want to be seen everywhere as long as it is in the right contexts.

When it comes to Odd Molly and Saltå Kvarn’s chosen PR strategy they differ to a large extent. Saltå Kvarn has a conscious strategy which they follow and it includes active press contacts on a regular basis (J. Gustafsson, personal communication, 2008-04-29) while Odd Molly do not have a conscious strategy with objects they contact actively (P. Holknekt, personal communication, 2008-04-29). This is in line with Odd Molly’s overall “pull” strategy. Per points out, that they have not contacted any of their current business partners actively. Instead, they have just tried to make themselves as clear and as beautiful as possible and then people has chosen to contact them on their own behalves (personal communication, 2008-04-29). This strategy is similar to what Harris and Whalen (2006) label “pull” strategy. This can be argued risky for Odd Molly since they prioritize to work in a B2B level. Although, as long as people demand the products this strategy is valid. If one looks deeper into Odd Molly’s “pull” strategy one sees that they are compromising with it to some extent since they are represented in trade fairs in order to reach out to their potential B2B level partners. This could be categorized as an activity under “push” strategy. According to Harris and Whalen (2006), “push” and “pull” strategies could be employed simultaneously. On the other hand, Saltå Kvarn’s strategy with regular, active press contacts could be interpreted as a ”push” strategy but it depends on if they focus to promote towards consumers or wholesalers.

When looking at Edelman’s (1989) circumstances for success concerning MPR in the cases of the companies under study, one could see that they fit to a large extent (cited in Harris & Whalen, 2006). One of the most interesting points is the second, that the company is new or small and there is little and no money for advertising. Odd Molly has experienced a change from media’s attitude towards them now when they have become bigger and more established. Per Holknekt stresses, that media was more positive towards them during the first five years when they were the sweet and cute little company compared to today (P. 
Holknekt, personal communication, 2008-04-29). Jan Gustafsson (personal communication, 2008-04-29) at Saltå Kvarn, in contrary, does not mention anything about that he has experienced a negative change in media’s attitude towards them now when they have grown bigger. Although it could be the case that a reason why they have been so successful in their PR activities until now is due that they have been rather small. The challenge for Saltå Kvarn lies in to continue with being successful with PR even when they are becoming bigger. The first point suits very well to the case of Saltå Kvarn. Not due to that their products are revolutionary but more that they could make news. This has a lot to do with the increased environment awareness during especially the last three years. Since Saltå Kvarn has produced ecological and bionomic since the beginning their credibility is high when communicating that they are a caring for the environment. The circumstance explained in the eight point suits very well to both the case of Brämhults and Saltå Kvarn that their products take time to explain. Or at least the uniqueness of their products takes time to explain. This could be a reason why Brämhults chooses to advertise themselves with a lot of text instead of pictures in the printed media; they really want to communicate what they do and how they do it. This is similar to the case of Saltå Kvarn, which also undertakes activities which takes time to explain. The difference between these two companies is that Saltå Kvarn is more effective when it comes to using publicity which is cheaper compared to Brämhults that make use of advertisements.

Furthermore, Harris and Whalen (2006) argue, that certain product categories are better suited for MPR than others. The companies under study in this thesis are all producing products which suit particularly well for MPR, namely food and fashion products. By the help of “The Harris Grid” we will try to identify what newsworthiness each of the companies under study has. We are aware of that this model originally is done for different product categories but still we think it will hold also for companies and its products. We will denote the different companies with different numbers in order to make it easier to them to fit in the grid.

1. Brämhults Juice AB
2. Saltå Kvarn AB
3. Odd Molly International AB
4. WeSC

<table>
<thead>
<tr>
<th>High Media Interest</th>
<th>Low Media Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Consumer Interest 2</td>
<td>3</td>
</tr>
<tr>
<td>Low Consumer Interest</td>
<td></td>
</tr>
</tbody>
</table>

Figure 5.1 The Harris Grid applied to the Study Objects

As we see it, the consumer interest for the four companies are similar, all four products are consumer products and unique in their own way. What differs to a greater extent is the media interest. Here we think Saltå Kvarn has the highest media interest due to not mainly the product category, instead it is their awareness about the environment that creates interest. Not least due to that the focus upon the environment in general and environment friendly products in particular has gained interest to a very large extent the last three years.
Odd Molly has still a high media interest due to that they are rather new as an actor in the industry but they are in a changing phase and therefore facing a big challenge. Brämhults has less media interest but tries, intelligent as they are, to compensate this with writing their advertising in text as it takes time for them to tell their story. WeSC is trying to create media interest with for instance their work with attention-bringing We-activists. One interesting thing about Brämhults, which we think have the lowest media interest, is that according to Harris and Whalen (2006) if placed in that quadrant one should look for a sponsorship in order to increase the media interest. When talking to Tomas Gustafsson (personal communication, 2008-04-22) it shows that this is exactly what they do.

5.5 Product Placement

Of our companies under study it is mainly two companies which focus upon product placement in their marketing. The two companies are Odd Molly and WeSC. We have identified one activity that WeSC undertakes that we sort under product placement, namely the co-operation with their We-activists. Hanna Lundgren at WeSC (personal communication, 2008-05-12) emphasizes, that they do not buy the activists and that they instead create a relationship between WeSC and the activist. Most commonly WeSC gives something in return to the activist. If this is a ski-trip or something else is often up to the situation or the person. But still WeSC gives something in return, a compensation. If this compensation could be seen upon as WeSC is paying the activist is really a matter of definition. They are definitely not paying them in the traditional sense with money, but in other ways. However, no matter if one sees upon it as the We-activist is getting paid or not this is really an intelligent co-operation where both parts win. This is somewhat similar to what Balasubramanian (1994) says about hybrid messages. The sponsor in this case, WeSC, will retain control over the messages, since they choose how they will activate the We-activist, but since that the sponsor is not always identified the message appears credible. It is although important to remember that the relationship is not built upon obligations, instead it is built upon trust and mutual communication (H. Lundgren, personal communication, 2008-05-12). Odd Molly, on the other hand, is more passive in their work with product placement; they wait for people to contact them for a co-operation (P. Holknekt, personal communication, 2008-04-29). But their activities regarding product placement differs a lot from the case of WeSC since they are not giving anything more but their clothes.

According to Shermach (1995) and Dahlén (2006), it is of importance that the product placement is done correctly in order to be effective. Therefore, WeSC is very careful when selecting the We-activists. The most important thing for WeSC when choosing what persons to work with as We-activists is, according to the marketing project manager, that they like what WeSC stands for and communicate the same message as WeSC is built upon (H. Lundgren, personal communication, 2008-05-12). This is similar to the case of Odd Molly which also highlights that the person under subject really stands for the company’s values in a good way (P. Holknekt, personal communication, 2008-04-29).

5.6 Event Marketing

One of the main reasons according to Behrer and Larsson (1998) for choosing event marketing is due to its cost-effectiveness. This could be seen as the main reason for Odd Molly for using this tool since this is categorized under an activity which they think the invested money is most useful (P. Holknekt, personal communication, 2008-04-29). Odd Molly’s activities concerning event marketing does mainly take form as trade fairs. This is a really im-
important tool for Odd Molly which they put a lot of efforts in both before, during and after (P. Holknekt, personal communication, 2008-04-29). Odd Molly is only represented in fairs which concerns clothing and their main objective for this could be seen as to create awareness. These fairs are even more important for Odd Molly in order to create awareness since they are not doing any advertising at all and therefore these occasions is almost the only way to communicate to potential B2B level partners that they exist.

Odd Molly’s objectives for using event marketing as a part of their marketing strategy differ from those of WeSC and Brämhults’s since the two latter are mainly attending events which could be seen as image creating. Brämhults is for instance attending, through the use of barter solutions, interior fairs (T. Gustafsson, personal communication, 2008-04-22). This activity could be seen as they try to identify themselves with the target group in accordance with what Behrer and Larsson (1998) mentions as one of the main objectives for event marketing. In this case the target group is the ones attending at the interior fair. WeSC is using their activists to a large extent in their events (H. Lundgren, personal communication, 2008-05-12). This is due to that WeSC want to be identified together with the activists and as WeSC is very careful with that the activists share the same values as them (H. Lundgren, personal communication, 2008-05-12), they will be communicating the same values towards the people attending in the event.

5.7 Traditional Marketing vs. Doing More with Less

Two of the companies, Odd Molly and Saltå Kvarn, in this study have deliberately chosen not to use any kind of traditional marketing when communicating themselves. Both companies’ marketing managers Per Holknekt and Jan Gustafsson indicates that the two companies were forced to use other ways to communicate due to that the necessary capital did not exist. The interesting thing about this is that both the companies have chosen to continue with neglecting traditional marketing now as well when the necessary capital actually exists. Per (personal communication, 2008-04-29) sticks to the argument that they do not make use of it due to that it is still too expensive while Jan at Saltå Kvarn has a different view upon it. He says that it would even destroy all the values Saltå Kvarn has concerning that they are the small, little company if they start to mass communicate it out (J. Gustafsson, personal communication, 2008-04-29). This could be perceived as a tremendous threat to the advertising industry, especially as other companies have chosen to do the same. Regarding that Odd Molly had such a limited budget at hand in the initial phase, Per even emphasizes that he thinks that it stimulated the creativity. Furthermore, he says that from his experience in the advertising business he has seen huge marketing budgets without a touch of creativity (P. Holknekt, personal communication, 2008-04-29).

In contrary to Odd Molly and Saltå Kvarn, the other two companies included in this study, WeSC and Brämhults have not neglected traditional marketing. Although, they have features of Doing More with Less in their marketing strategy which we have chosen focus upon in this thesis. Tomas Gustafsson (personal communication, 2008-04-22) emphasizes really strong, that since Brämhults is so unique in their content they just have to emphasize on exactly that in their communication. This is very cost-effective since it demands much less investments to do this than to communicate the uniqueness in outer attributes, they are therefore doing more with less. Although, uniqueness does not manna from heaven. Firstly, it is a tremendous job behind to just create the possibility of being unique content-wise. It demands skills in both marketing and in other areas to be in such a position. Sec-
ondly, one has to identify that one is unique and in that area it is surprisingly many companies which fails. This requires a highly skillful management team in marketing.

When it comes to WeSC, they have successfully co-operated with their so called We-activists. Despite the fact that the We-activists are getting something in return for their activities, this is still a strategy which very well suits under Doing More with Less. The process behind why they have chosen this strategy is due to Hanna Lundgren (personal communication, 2008-05-12) not necessary due to lack of money; instead it just happened since friends of the founders also lacked the “after skate” fashion which WeSC provided.

What is interesting to see is the connection between the identified marketing strategies the four companies under study use. Especially: PR, Product Placement and Packaging. To some extent also Event Marketing, depending on how it is carried out. The messages are presented in a way, or delivered in a media; so that the receiver is not aware of that they are exposed for a commercial message. The potential consumer does therefore not identify the message as commercial and do not block it. This is obviously something that the receiver otherwise is doing, automatically they block the message if they could identify it as commercial.
6 Conclusions

In this chapter we will mainly answer our research questions and consequently the purpose will be fulfilled. This will be followed by critiques of the study and suggestions for further research.

How could one work with marketing by using limited capital but still achieve great results?

There are several strategies that can be used in order to achieve great results, but only invest limited capital. Given strategies are PR, Packaging, Product Placement, Event Marketing, USP and effective Brand Management. We came to the conclusion that it is cheaper to communicate what you are actually doing than mass communicate what you think that people want. It is shown that as long as the companies are clear about what they stand for and are doing the best they can to communicate this, marketing spending can be limited.

How does the process or pattern of activities regarding marketing by the use of limited capital look like?

It is proven that no specific process or pattern of activities exist since all investigated companies have used different ones when it comes to marketing strategies concerning doing more with less. Out of the companies examined in this thesis all four use different combinations of strategies to market themselves; all proven successful for that specific company. It is obvious that one strategy can be successful for one company but useless for another.

However, similarities are found. For example both Saltå Kvarn and Odd Molly have continued to neglect traditional marketing even though they do not lack the capital needed. We also concluded that with the media noise that exists today there is a need to adapt to the current environment and reconsider existing marketing strategies.

What is the difference among traditional marketing and marketing with limited capital among the study objects?

We have concluded that there exist one connection between the strategies that are described as doing more with less; they are often presented in a way which is not as easy for the potential consumer to perceive as commercial.

Anyhow, the biggest difference with traditional marketing and marketing with limited capital is obvious to be the cost of the actual marketing. Traditional marketing and marketing with limited capital is not even close in being equal since traditional marketing is getting even more expensive. In addition, more and more capital is needed today in order to reach out with the marketing to consumers in the traditional way and therefore companies need to find strategies that can make the most of the capital invested and we concluded that it is not in traditional marketing.

6.1 Critique of the study

Even if the authors of this thesis put a lot of efforts in the pre-research of finding proper companies to interview, it was only two of them, Odd Molly and Saltå Kvarn, which actually matched our criteria perfectly. However, as we had to compromise with our criteria and also include companies which partly matched our criteria it could have decreased the value of this thesis to some extent. Although we, as authors, are satisfied with how we dealt
with this problem and instead focused on parts in their marketing strategies where they practice Doing More with Less.

Many of those strategies we have identified and categorized under Doing More with Less are to a large extent dependent of how they are carried out. Otherwise they would not be more cost-effective than those under traditional marketing. It could be the case that we have focused too much upon identifying and explaining them in this thesis, instead of how they should be carried out in order to be as effective as possible. But as that in a way lies outside the purpose of this thesis, we decided not to focus on it to that great extent.

We have ran into several conceptual difficulties during the process of this thesis. This is due to that there in relation to the subject under study exist several definitions of concepts which are not clear or precise; it is not black and white. We have tried, especially in the introduction chapter, to make them as clear as possible. Hopefully we have succeeded so it will not have affected the reader of this thesis in a negative way.

Another drawback that we have identified under the process of writing this thesis is that we have only used one source of information in each company. This implies that we only got his/her view and maybe it would have increased the validity even more if we would have used another source as well. Although, we argue that since the selected interviewees possess such a high marketing related positions it would not affect the outcome to that great extent.

### 6.2 Suggestions for further research

As stated earlier in this thesis we have seen a connection between the different strategies identified under doing more with less. This connection concerns how people perceive commercial messages vs noncommercial messages. It would be interesting to investigate this further and for instance study peoples attitudes towards this matter. One example could be to do survey where a sample has to grade different noncommercial messages such as in public relations, product placement, guerrilla marketing and viral marketing.

During the process of this thesis we have seen that companies are reluctant to talk about their marketing budget in numbers. Therefore, it would be interesting to examine specific parts of companies marketing budgets and to measure the effectiveness of them. One could for instance put them against a certain parameter such as brand recognition. If the companies are presented in an anonymously way, we do not think the companies will be that reluctant.

Another area which would be interesting to examine further is to do a study concerning marketing with limited capital in an other country. It could be the case that totally different results would be received and therefore maybe also useful insights for the Swedish market.
References


Appendices

Appendix 1

Intervjufrågor

• Hur har ert företag lyckats komma dit ni är idag? (Nyckelfaktorer osv)
• Hur marknadsför ert företag er idag?
  - Vad har ni för budget?
  - Hur ser er budget fördelning ut?
  - Hur ser er marknadsföringsstrategi ut?
• Hur ser ni på köpt media även kallad traditionell marknadsföring?
  - Använder ni er av det?
  - Om ja, varför?
  - Om nej, varför inte?
• Hur ser ni på media som inte är köpta?
  - Använder ni er av det?
  - Om ja, varför?
  - Om ja, var det ett medvetet val från start eller bottnade det sig i att det nödvändiga kapitalet ej fanns så att ni därmed tvingades tänka i annorlunda banor?
  - Om nej, varför inte?
  - Hur ser processen ut när ni väljer medier som inte är köpta?
• Hur ser ni på ert företag och marknadsföring i framtiden?
Appendix 2

Interview questions

- How have your company managed to come where you are today? (Key factors etc)
- How does the marketing in your company looks like today?
  - How does the budget in your company look like?
  - How does the distribution of the budget look like?
  - How does the marketing strategy look like?
- What is your attitude of bought media, also called traditional marketing?
  - Are you using it?
  - If yes, why?
  - If no, why not?
- What is your attitude towards media which is not bought?
  - Are you using it?
  - If yes, why?
  - If yes, was it a conscious choice from the beginning or was it due to that the necessary capital did not exist so you consequently had to think in alternative ways?
  - If no, why not?
  - How does the process look like when you choose media which is not bought?
- How is your view upon your company and the future concerning marketing?