

Saimaa University of Applied Sciences  
Business and Culture, Imatra  
Faculty of Tourism and Hospitality  
Degree Program in Hotel, Restaurant and Tourism Management

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## **Marketing plan for Aleksandra cafe**

Thesis 2015

## **Abstract**

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The aim of this project-based thesis was to create a marketing plan for Aleksandra cafe in Lappeenranta, Southern Finland. Even though the cafe is located in city center, company's popularity is low compared to other cafes. The main objective was to make advertisement promotions to achieve more publicity and increase visibility of the cafe's services.

The study includes theoretical and empirical sections. The theoretical part of the project is based on books, articles, online documents and author's experience. The theoretical purpose of this project was to learn, understand and apply knowledge of marketing and marketing planning process into practice. The empirical part is marketing advertisements themselves, placed in various sources.

As a result, based on analysis, the marketing plan was done successfully. Aleksandra cafe received various types of advertisements in several sources and amount of customers has increased significantly since.

Keywords: marketing plan, marketing, advertisement, Aleksandra cafe

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# 1 Introduction

Aleksandra cafe was opened eleven years ago in the city center of Lappeenranta, in one of the most popular districts of the city, where the majority of companies, shops and tourist attractions are located. Despite all these positive elements of the Aleksandra cafe, it is not popular among tourists, especially from Russia, international and domestic students from Saimaa University of Applied Sciences (UAS) or other educational centers and among people, who live in Lappeenranta.

The main aim of this project was to create a marketing plan for Aleksandra cafe, develop different ways about how to promote, make advertisements themselves and finally see the result, if it will be positive or not.

The choice of the topic was made deliberately. One of author's hobbies is photography. After visiting the cafe, which made a nice impression, it was realized that very small amount of people know this place and any cafe advertisement in newspapers, magazines or in other sources were not noticed. The idea was to combine author's hobby with the project - to visit the cafe, take several photos of the cakes, pies and cups of coffee, then add basic information about the cafe to the photos in Photoshop and create really attractive advertising banners. The fact that making promotion was made by the author herself, without asking someone with professional skills of design and ability to work in graphics editors to help, was very motivating for the project.

By implementing the marketing plan, number of key benefits could be achieved: increase customer amount, increase visibility of cafe's products, increase visibility of cafe's services and increase the number of new customers.

The project itself started at the beginning of October and finished at the end of November 2015. Two months was enough time for creating marketing plan, implementing it and receiving results of the work.

The thesis starts with an overview of the literature about marketing and marketing plan, as well as advertisement and market segmentation, as it is the foundation for the topic. Beginning by the extensive knowledge about marketing and marketing plan definitions, the theoretical part continues, constricting definitions of different types of advertisements and market segmentation, which are closely related to the thesis topic. Leaning on the theoretical knowledge, decisions of corresponding advertisements, their design and location were done. In the late sections of the thesis, process of making the marketing plan for each market segments of Aleksandra cafe are described step by step. The last phase concludes everything which was done, showing the results and evaluation of the whole project.

Collaborating with various advertising sources, such as newspapers and magazines, showed the current situation of advertisements in Finland: popularity, prices, effectiveness of reaching customers. Combining all these knowledge and author's own experience helped to create this marketing plan.

## **2 Aleksandra cafe**

The property sponsor of the thesis work is Aleksandra cafe, located in Lappeenranta. It is a cozy and nice cafe with comfortable and relaxed atmosphere. The cafe was opened in 2004 and since that has been successfully operated and has not lost potential customers. Sinikka Ikävalko is the headmistress of the cafe chain, which includes Aleksandra and Aleksanteri cafes. Both of them are located not far away from each other in the center of Lappeenranta city.

### *Logo*

Aleksandra and Aleksanteri cafes have their own logo. To the general public, logos serve as an instant reminder of a company or a product; to the client they're the point of recognition on which their branding hangs (Wyatt, Cass & Kitney 2014). It is used on both cafes' webpages, on cafes' windows as

stickers, in some pieces of cafes interior design and as well on several products, bakery and cakes.



Figure 1. Aleksandra and Aleksanteri cafes' logo. (Konditoria Aleksanteri 2015).

The logo is created successfully (see Figure 1). It clearly shows that there are two cafes in one chain and partly opens the idea of cafes' names with the help of "A" letters. Brown color means stability and tranquility, thereby reflecting cafes atmosphere. Moreover, the logo is simple, beautiful and recognizable.

### *Services*

Aleksandra is a medium size cafe for around 50 people maximum inside which does not require much staff to operate there. Besides the headmistress, there is a cafe manager and two more workers in the cafe.

In any establishment a customer's first impressions on entering service areas are of great importance: a customer may be gained or lost on these impressions alone. The creation of atmosphere, by the right choice of décor, furnishing and equipment, is therefore a major factor that contributes to the success of the foodservice operation. (Lillicrap & Cousins 2010, p. 55.)

The old style interior (see Figure 2 and Appendix 2) as in grandmother's house creates very warm surrounding for customers, transferring them to home atmosphere and inviting to come back again and again. According to their business philosophy Aleksandra wants to provide their customers with mouth-watering delicacies in an atmospheric setting.



Figure 2. Aleksandra cafe's interior.

Cafe's main purpose is to serve soups, salads, sandwiches during lunchtime, and pastries, desserts, cakes, coffee and tea all day long. Due to their location in the city center, the main customers are Finnish people, the majority of which are elderly, Russian tourists and walk-in guests.

There is a single point service with partly self-service customer process in the cafe. According to Lillicrap & Cousins (2010), "Self-service is when customer is required to help him or herself from a buffet or counter; single point service is when the customer orders, pays and receives the food and beverages, for instance at a counter, at a bar in licensed premises, in a fast food operation or at a vending machine". There is also possibility for take-away food.

Aleksandra cafe gives an option to rent a special closed room for 20 people for private parties. During this celebration, the cafe is able to serve buffet or à la carte. Moreover, Aleksandra cafe is specialized in baking various types of cakes for any themes: weddings, birthdays, anniversaries etc. They might be different sizes and fillings for any customer's taste. By offering various

services, Aleksandra cafe is attempting to attract large amounts of different customers.

### **3 What is marketing?**

At the beginning of the project it is important to study and understand the basis of marketing, attempting to create a successful marketing plan at the end. Further the information about marketing, its history, definitions of marketing plan and marketing mix, types of advertising and market segmentation determinations are represented.

#### **3.1 Definition of marketing**

There is no single definition of marketing but a range of them produced by various authors. For example, Philip Kotler (1994) the American marketing academic has defined marketing as: "A social and managerial process by which individuals and groups obtain what they need and want through creating and exchanging products and values with others". Levitt (1986) discussed the role of marketing as follows: "A truly marketing minded firm tries to create value satisfying goods and services that consumers will want to buy". Lendrevic and Lidron (1990) defined marketing as: "The assembly of methods and means at the disposal of an organization, in order to give favorable impressions to the public, to achieve the right objectives". The American Marketing Association Board of Directors (2015) approved the following definition: "Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large". Overall, whatever the definition, it is clear that marketing is a positive action, which helps connect market with customers, satisfying their needs and wants.

Thus, marketing is also a social, ethical and managerial process by which clients and companies obtain what they wish and need through a well-planned relationship system with good information exchange mechanism (Kotler & Armstrong 2010, p. 29).

Nowadays marketing is one of the relevant responsibilities of the top managers. Marketing has strategic, tactical and operational management importance. Today in many companies marketing director leads company forwards due to marketing-oriented strategy. Marketing is continual, it is a process. The world is continuously changing and consequently our customers and their wishes and needs change. Thus, for satisfying customers, one has to understand who they are. Therefore, before developing a new service or product, one needs to think about future and possible changes in customers' desires and needs and not just about their current demands. (Gosnay & Richardson 2008, p. 4.)

Visual aspects are also a key component of marketing collateral, which involves the use of visual advertisements to make sales effort more effective, after a prospective buyer has been identified. All this requires graphical design of the commercial visual stimuli in question. The basic elements of graphical design, as in many other areas of design, include shape, size, form, texture, lines, and color. However, the visual context in which products, brands, and ads are presented may affect consumers' reactions to them as well. (Wedel & Pieters 2008, p. 1.)

All this is part of what visual marketing is; that is, the strategic utilization by firms of commercial and noncommercial visual signs and symbols to deliver desirable and/or useful messages and experiences to consumers. An important component of visual marketing is the actual design of the visual communication, including logo, packaging, and advertising design, and more recently web page design. If indeed "seeing is believing," and "believing is buying," it is important to manage what consumers see to maximize profit. This is increasingly recognized in business. (Wedel & Pieters 2008, pp. 1-2.)

### **3.2 The history of marketing**

To understand marketing in a better way, it is important to have a look to the past. Learning the history of marketing will help to realize what marketing exactly means.

Marketing is not a new phenomenon. It can be argued that marketing is as old as civilization itself. Early traders were very skilled at marketing in their daily exchanges. Entrepreneurs travelled the world to trade commodities which people wanted to buy. The rise of industrialization ushered in a new era of mass produced products being marketed to mass audiences, including clothes and cars. (Horner & Swarbrooke 1996, p. 8.)

Knowing the history helps to understand the current situation of the subject more clearly and see how fast it was developing through the years. Comparing marketing to other business areas such as economics, production or accounting, it is hard to believe how young this discipline actually is. It started to develop in early 1900s when people stopped associating most marketing issues with basic economic concepts. For instance, price setting was viewed as a simple supply issue and advertising was just in the process of developing. Such issues as customer purchase behavior or distribution channels had no opportunity to exist yet. But through the ages several major universities with marketing schools started to develop this area. They were motivated by the need to analyze in greater detail relationships and behavior that existed between sellers and buyers. (KnowThis 2014.)

## Sales Orientation vs. Marketing Orientation

Comparison

### The sales orientation



### The marketing orientation



Figure 3. Sales versus Marketing Orientation. (Kumar 2004).

Figure 3 represents that there are two ways of marketing orientation: sales and marketing. Whereas a sales-oriented company creates products firstly and after that looking for clients via advertising, the marketing-oriented company is trying to understand customers' needs and only after that use an integrated marketing mix to satisfy them. Companies, doing their business by marketing orientation strategy use marketing plan for achieving their goals.

Over the past two decades, marketing as the company's growth engine has sputtered amid increased market fragmentation, strong global competitors, product commoditization, increasingly shorter product life cycles, skyrocketing customer expectations, and powerful channel members. As a result, the ability of marketing to deliver significant growth has been severely constrained and marketing productivity has declined. Not surprisingly, in many companies, doubts have begun to surface about the value of contemporary marketing. (Kumar 2004, p. 2.)

### **3.3 Definition of marketing plan**

Chris Cooper, John Fletcher, Alan Fyall and David Gilbert (2005) said: "The use of the word marketing in the early stages was associated with a number of actions that were loosely related to the activity of achieving sales rather than marketing".

Marketing plan is a written document that summarizes what the marketer has learned about the market place, indicates how the firm plans to reach its marketing objectives, and helps to direct and coordinate the marketing effort (Kotler, Keller, Brady, Goodman & Hansen 2012). The marketing plan gives clear information about markets and explain action plan systematically about how to achieve company's goals. In service businesses, the most effective staff marketing directors turn marketing into a line function (Berry & Parasuraman 1991).

According to Kotler, Bowen and Makens (1996, p. 661): "A marketing plan serves several purposes within any hospitality company: provides a roadmap for all marketing activities of the firm for the next years, ensure that marketing activities are in agreement with the company's strategic plan,

forces marketing managers to objectively review and think through all steps in the marketing process, assists in the budgeting process to match resources with marketing objectives, creates a process to monitor actual against expected results”.

Whereas corporate issues relate to the direction and strategies of the entire corporation, marketing planning concentrates on the way in which a company’s resources are geared to the needs of the market or, more precisely, selected market segments. Nevertheless, corporate and marketing planning flow together, marketing being the power house which drives corporate direction. (Lumsdon 1997.)

During the study process in Saimaa UAS, the author attended a course “Planning marketing”. In that course, marketing plans were discussed in detail. One of the topics was the question of why marketing plans are needed.

Marketing plan provide a road map for all marketing activities, ensure that marketing activities agree with strategic plans made and forces marketing managers to review and think through objectively all steps in the marketing process. Moreover, marketing plan helps the budgeting process and makes it possible to monitor actual against the expected results. (Aineslahti 2014.)

Well-done marketing plan brings the following benefits to the company: forces an assessment of the external environment and an assessment of the organization’s internal competences; it quantifies the expected performance goals for the new venture and identifies the scale of required resources and the degree to which these will have to be met through the attraction of external funds. (Chaston 2008.)

There are two types of marketing plans: long-term and short-term. The main difference is the period of time when the marketing plan exists. Short-term marketing plan is used for this thesis project.

### *Long-term*

Long-term marketing plans look beyond a one-year period, often focusing on five- or ten-year periods. These time frames align with established corporate strategic periods so marketing activities support the company's overall business objectives. Long-term marketing strategies should be evaluated annually and adjusted according to changes in customer demographics, economic outlook and overall sales projections. (Grunert 2015.)

### *Short-term*

Short-term marketing plans are also called tactical plans. These plans focus on the upcoming quarter, half-year or one year's worth of marketing activities. Short-term plans provide details on the steps the company will take to promote its goods and services. Each marketing activity is listed, along with when it will be enacted, what will be done and to whom it will be promoted. (Grunert 2015.)

## **3.4 SOSTAC**

Smith and Taylor have developed a six-step model of marketing plan – SOSTAC: situation analysis, objectives, strategy, tactics, action and control. The first three questions authors ask in their model are: Where are we now? Where do we want to go? and How do we get there? The fourth step – tactics - consists of the detailed marketing action program. The last two steps include plan of the realization of the marketing actions and controlling mechanism. (Smith & Taylor 2004, p. 32.) Table 1 represents the SOSTAC planning system and questions of each section.

Stage	Section of plan	Which answers...
<b>S</b>	Situation	Where are we now?
		
<b>O</b>	Objectives	Where do we want to be?
		
<b>S</b>	Strategy	How do we get there – broad direction?
		
<b>T</b>	Tactics	How do we get there – individual steps?
		
<b>A</b>	Action	What are the specific actions required for each individual tactical step? How do we get people to do them?
		
<b>C</b>	Control	How do we know we have arrived?

Table 1. SOSTAC planning system. (Smith, Berry & Pulford 1997).

**Situation** involves analysis which includes a company's past performance in term of its marketing results, strengths and weaknesses and analysis of a company's environment, in terms of opportunities and threats. The key issues that affect the company's future must also be identified. (Smith, Berry & Pulford 1997, p. 117.) Aleksandra cafe has established good reputation since the time it operates. However, more cafes are opening in Lappeenranta yearly, which becoming more popular than Aleksandra cafe. At the moment the cafe was located in the middle of the list of all cafes in the city.

**Objectives** means mission, long/medium and short-term objectives, marketing objectives (e.g. sales and share), communications objectives (e.g. awareness, trialists, positioning) x timescales (Smith et al. 1997, p. 117). The aims of marketing plan were to increase number of customers and create new ones, promote company's products and services and improve Aleksandra cafe's reputation.

**Strategy** is the summary of how to achieve the above objectives – can include the “marketing mix’ target markets, spends/budgets/timescales, etc. (Smith et al. 1997, p. 117). Market segmentation was the first step of marketing plan strategy. Taking pictures and creating the advertising banners were the tools of promoting Aleksandra cafe.

**Tactics** means what communications tools (communications mix) should be used. What is the sequence of tools, when will they be seen externally? How much will be spent on each one? (Smith et al.1997, p. 117.) Newspaper and magazines advertising, advertisement banners as well as social media advertising were selected as a promotional tool for Aleksandra cafe.

**Action** is what steps are required to put each tool into action. What internal activities must occur in order for the communications tool to be created and delivered on time? (Smith et al. 1997, p. 117.) Collaborating with newspapers and magazines, making advertising banners and creating Aleksandra cafe’s profiles in various social media was done.

**Control** is knowing whether you are on target or not. Some form of monitoring to give you early indicators which let you adjust your plans before it is too late to maximize the results. (Smith et al. 1997, p. 117.) The social media platforms profiles helped to monitor the cafe’s advertising tools.

### **3.5 Marketing mix**

Chaffrey and Smith (2008) define marketing mix as: “A well-established conceptual framework that helps marketers to plan their approach to each market”. It provides not only the checklist of decisions which marketers must make, but also make marketers integrate these decisions together and allocate their resources accordingly (Chaffey & Smith 2008).

#### *4Ps model*

The marketing mix consists of four major elements: product, price, promotion and place. The 4Ps are the four key decision areas that marketers must manage so that they satisfy or exceed customer needs better than the

competition. In other words, decisions regarding the marketing mix form a major aspect of marketing concept implementation. (Jobber 2007, p. 18.)

Product means the item that company sells to customers and gets money for it. It is the based component of the whole marketing mix. Customer decisions will be potentially influenced by the range, style and presentation of the product (Hatton 2000, p.177). Price is the key element in marketing mix and it should always be seen as representing good value for money. Price may act an indicator of perceived quality as it is often difficult to evaluate a service before purchase. Price mix decisions include strategic and tactical decisions about the average level of prices to be charged, discount structures, terms of payment and the extent to which price discrimination between different groups of customers have to take place. (Palmer 2008, p. 39.) Place decisions refer to the ease of access that potential customers can reach a product or service (Palmer 2008, p. 40). The purpose is to ensure to allocate products or services at the right time and in the right place. Promotion is the link that connects company's products with customers. Promotion message should not only contain company's product information, but also what customers would like to hear. Promotion involves a series of activities as such advertisement, personal selling, sales promotion, public relations, direct marketing, and Internet and online promotion (Jobber 2010, p. 18).

The 4Ps framework calls upon marketing professionals to decide on the product and its characteristics, set the price, decide how to distribute their product, and choose methods for promoting their product (Kotler, Bowen & Makens 2005, p. 9).

#### *4Cs model*

Talking about marketing mix it is important to notice that it can lead to product orientation rather than a customer orientation (Chaffey & Smith 2008). Comparing this marketing mix to the traditional 4Ps model it is important to mention that 4Cs model of marketing is more consumer oriented, when 4Ps model is more business oriented. However, just like the traditional marketing mix, it can also be used for mass markets. (Marketing

91 2015.) 4Cs model consists of consumer needs and wants, cost, convenience and communication.

**Consumer.** The main focus of the 4Cs model is on the customer. Companies using this model believe that the products and services have to be made in order to satisfy customer's needs.

**Cost.** Prices have to be planned carefully in relation to the target group. Companies of the 4Cs model look at costs from the consumer's point of view.

**Convenience.** Companies should understand how a particular customer group prefers to make their purchases in order to make it convenient for them to buy.

**Communication.** Communication will work toward creating a meaningful relationship with the customers with a focus on what they need and what they want.

### **3.6 Advertisement**

Coulson-Thomas (1986) defined the role of promotion as: "To communicate with individuals, groups or organizations so as to directly and indirectly facilitate exchanges by informing and persuading one or more of the audience to accept an organization's products".

The fundamental task of marketers is to spread the word about their products and services in order to get people to buy them. To accomplish this task, marketers use a combination of outbound techniques including e-mail blasts, telemarketing, direct mail, TV, radio, and print advertising, and trade shows in order to reach their potential buyers. (Halligan & Shah 2009, p. 3.)

According to Kotler (1994), "Advertising is any paid form of non-personal communication and promotion of ideas, about goods, or services by an identified sponsor". Advertising is not an optimal way of marketing communication. There are both advantages and disadvantages of using advertising method, which are summarized in Table 2.

Advantages	Disadvantages
It is very flexible and can target large audiences or more precise market niches.	Expensive to design and carry out, particularly on primetime television.
Can be cost efficient if the aim is to reach a large number of people at a low cost per person.	Relatively difficult to monitor its effectiveness. This is because the aims of advertising are often long-term in nature.
The message can be repeated regularly and via different media, e.g. TV, magazines, outdoor displays, etc.	

Table 2. The advantages and disadvantages of advertising. (Horner & Swarbrooke 1996, p. 205).

David Jobber (2007) defined that: “Advertising can create awareness, stimulate trial, position products in consumers’ minds, correct misconceptions, remind and reinforce, and provide support for the salesforce”.

#### *Advertising strategy*

Jobber (2007) illustrated how to develop an advertising strategy. Figure 4 shows the main decisions which need to be taken while developing advertising strategy.

The strategy begins with identifying the group or groups of people at which the advertisement is aimed. The second step is to define advertising objectives. The next step is to decide how much a company is able to spend on advertisement. The decision depends on two factors – message and media. The last step is evaluation of advertisements and their results.

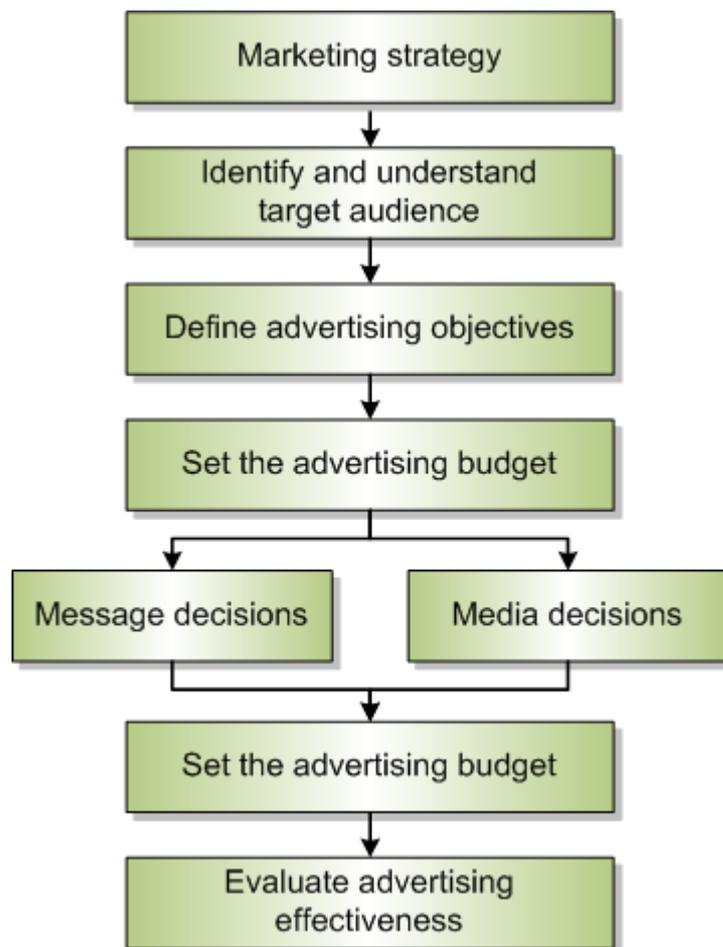


Figure 4. Developing an advertising strategy. (Jobber 2007).

### *Types of advertising*

There are several advertising types, which might be used by companies. Some of them are visual (posters, newspaper, periodicals), verbal (radio), visual and moving (television) etc. Nowadays, with the help of the Internet and modern technologies, more and more advertising types are arising constantly. For this project it was decided to use magazines, newspaper and outdoor (poster) advertising, because it suits several aspects best. Also, to improve cafe's attractiveness the help of social media networks and webpages was used to reach more customers this way.

### **3.6.1 Print advertising**

Print advertising is divided into the following three parts: newspaper advertising, magazine advertising and other print advertising. Among all print advertising, newspaper advertising is the most important.

### *Newspaper*

Newspaper advertising is print advertisements that run in local or national, daily or weekly news publications. Newspaper advertising has been around longer than any other form of advertising we see today and is still the first kind of advertising that businesses think about doing. These advertisements can do a lot more than just advertise one item or one sale--each one can work really hard to bring in customers, and then bring them back again and again. And you can target your advertisements to the appropriate markets by requesting that the advertisements run in the section(s) that most closely relate to the target audience, be it sports, lifestyle or business. (Entrepreneur 2015b.) Table 3 shows the advantages and disadvantages of newspaper advertising.

Advantages	Disadvantages
Geographic selectivity	Poor buying procedures
High flexibility	Short life span
High credibility	Major clutter (especially holidays)
Strong audience interest	Poor quality reproduction (especially color)
Longer copy	Internet competition with classified advertisements
Cumulative volume discounts	

Table 3 The advantages and disadvantages of newspaper advertising. (Clow & Baack 2010, p. 253).

### *Magazines*

Magazine advertising is print advertisements that run in local or national magazines (Entrepreneur 2015a). The effectiveness of magazine advertising depends on advertising and promotion objectives, as well as the budget you have for advertising. (Kokemuller 2015.) Table 4 shows the advantages and disadvantages of magazine advertising.

Advantages	Disadvantages
High market segmentation	Declining readership
Targeted audience interest by magazine	High level of clutter
Direct-response techniques	Long lead time
High color quality	Little flexibility
Availability of special	High cost
Long life	
Read during leisure time (longer attention to advertisement)	

Table 4. The advantages and disadvantages of magazine advertising. (Clow & Baack 2010, p. 251).

### 3.6.2 Outdoor advertising

Outdoor advertising is defined as anything that can carry an advertisement – posters, signs, neon lights, pillars, placards, bus stop posters, advertising rubbish bins etc. The sign should be sufficiently bright and conspicuous to attract attention (without being garish) and sufficiently informative to let prospective customers know what is sold there. (Entrepreneur 2015c). The advantages and disadvantages of outdoor advertising are shown in the Table 5.

Advantages	Disadvantages
Geographical and short term flexibility	Short exposure time
Profitability when considering the large audience reached.	Brief message
Speedy influence on purchasing decisions	Little segmentation possible
Good opportunities to use distinctive colors	Cluttered travel routes

Table 5. The advantages and disadvantages of outdoor advertising. (Lahtinen & Isoviita 1994, p. 240).

### **3.6.3 Social media**

Social Media Defined (2014) website describes social media as: “A future of communication, a countless array of Internet-based tools and platforms that increase and enhance the sharing of information”. This new form of media makes the transfer of different content in general increasingly fluid among Internet users. Social media is not only for regular Internet users but business as well. (Social Media Defined 2014.)

What is the advantage of being present in social networks? The answer is reach. A company wants its message to reach as many people as possible. To maximize this reach, a business needs to have a presence where the customers are and increasingly they are on social networking sites. (Halligan, Shah, & Scott 2009.)

## **4 Market segmentation**

Markets consist of buyers, and buyers differ in one or more ways. They may differ in their wants, resources, locations, buying attitudes, and buying practices. Because buyers have unique needs and wants, each buyer is potentially a separate market. (Kotler et al. 1996, p. 240.)

According to Rope (2005), “market segmentation means allocation of company’s strategy and resources to increase market demand by specific marketing moves at different target groups of customers”.

Market segmentation, then, consist of dividing a diverse market into a number of smaller, more similar, sub-markets. The objective is to identify groups of customers with similar requirements so that they can be served effectively while being of a sufficient size for the product or service to be supplied efficiently. Usually, particularly in consumer markets, it is not possible to create a marketing mix that satisfies every individual’s particular requirements exactly. Market segmentation, by grouping together customers with similar needs, provides a commercially viable method of serving these customers. (Jobber 2007, p. 275.)

There is no single way to segment a market. A marketer has to try different segmentation variables, alone and in combination, hoping to find the best way to view the market structure. (Kotler et al. 1996, p. 241.) The technique used by the marketers to get to grips with the diverse nature of the market is called market segmentation. Market segmentation identifies the similarity of individuals or organizations characteristics which have significant implications for the determination of the marketing strategy. (Jobber & Fahy 2009, p. 109.) There are several segmentation options, which are: no segmentation, full segmentation, concentrated segmentation and focus segmentation.

Marketing mix decisions include, for example, decisions on the price level and advertising methods (Lahtinen & Isoviita 1994, p. 39). For this project, it was decided to use full segmentation, which means that all customers are fully divided into segments and a unique marketing mix is used for each segment separately.

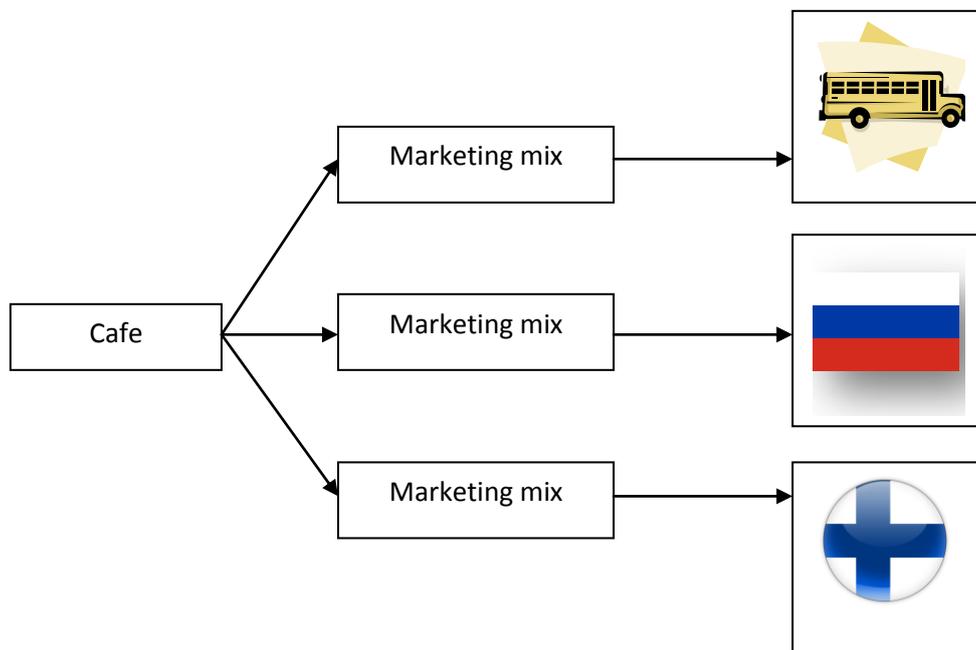


Figure 5. Marketing strategy based on full segmentation.

Figure 5 represents marketing strategy used for this project, where each box means each market segment. School bus means students, the Russian flag means Russian customers and the Finnish flag – Finnish people correspondingly.

For this thesis project all cafe's customers were divided into three segments: students, Russian customers and Finnish people. The division was not made randomly. During several visits, the audience in the cafe was observed and after that the decision of forming three groups was done.

These groups are all potentially strong customer segments. The benefit of this mix of customers is that it helps maintain consistent business throughout the year. (Dark Roast Java 2015.)

A successful segment must fulfill three key criteria: accessibility, profitable and measurable. A company must be able to formulate effective marketing programs for the segments that are identified (Jobber & Fahy 2009, p. 117). For example, to know better about what types of marketing communication work best for each segment. Segments must be large enough to be profitable to serve (Jobber & Fahy 2009, p. 117). There must be some way of identifying the members of the segment and knowing how many of them there are (Blythe 2005, p. 76).

Marketing's basic mission is to create a difference between a company's offering and that of its competitors on an attribute important to customers. To create differentiation, marketers use segmentation, targeting, and positioning (STP). Market segmentation is the process of dividing the market into homogeneous groups of customers who respond similarity to a particular marketing mix of the 4Ps – product, price, place, and promotion – the essential tactical tools for positioning the firm's offer to the targeted segment. (Kumar 2004, p. 27.)

## **5 Marketing strategy for Aleksandra cafe**

In the empirical part of this project the author describes marketing mix decisions and actions for each segment separately (see page 15 and 20 also). The strategic marketing process includes six steps: specifying objectives, analyzing opportunities, segmenting markets, deciding the marketing programme, implementing a profitable exchange and controlling the programme.

The first step was to take photographs. During several visits to Aleksandra cafe pictures of pastries, desserts, cakes, food (sandwiches, salads), beverages and cafe's interior and interior details were taken.

The illustration below shows four phases of this entire process. The process starts with understanding the subject – a dish one wants to photograph in this case. Once one understands their subject, they move to the next phase where one plans photo shoot. After planning it is then time for setting up the stage before starting to shoot the subject. This is a high-level process that you can use when photographing food. (LearnFoodPhotography.com n.d., p. 8.)

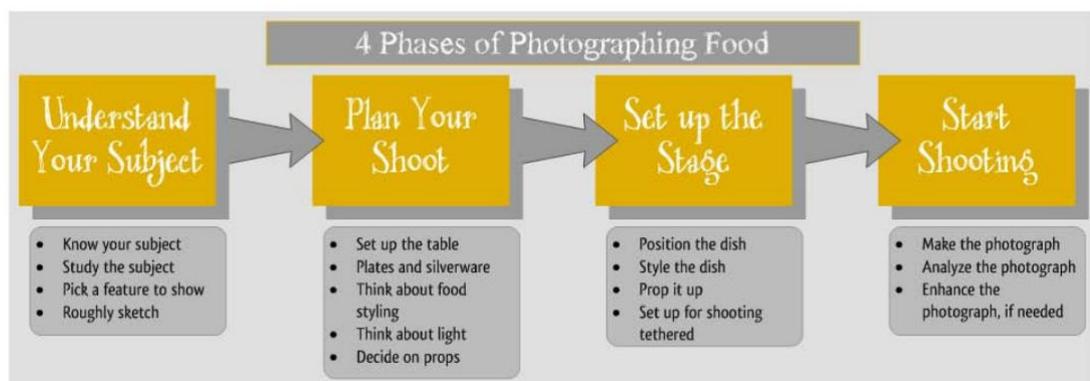


Figure 6. 4 phases of photographing food. (LearnFoodPhotography.com n.d.).

While photographing food and beverages, there were several difficulties from the perspective of professional photography. The storefront of desserts and pastries distracted taking a picture of the product and refracted the light. Because of this, it was necessary to separate the dishes or take them away from storefront for several minutes to get a professional shot. Another problem rose during interior's photo session: there were a lot of customers in the cafe, which was not desired. The aim was to take pictures of the empty cafe, which was slightly difficult because of sitting customers.

When all the pictures were taken, they were improved in Photoshop graphic editor, to achieve more brightness and photos improvements. Professional knowledge and experience in photography and graphic design helped to achieve the results. The cafe manager has received all photos and they were

placed in several Internet sources, such as Facebook and cafe's official webpage.

Organizations use different methods of marketing communication to achieve their aims. It is important that they choose the correct mix of the different methods to achieve an effective promotional campaign. (Horner & Swarbrooke 1996, p. 204.)

The Integrated Marketing Communications (IMC) was used to connect the company and the customers. IMC is the coordination and integration of all marketing communication tools, avenue, and sources within a company into a seamless program that maximized the impact on customers and other stakeholders at minimal costs (Clow & Baack 2010, p. 32). For this project, six marketing channels were used: posters, newspaper advertisement, magazine advertisement, social media, cafe's official webpage and word of mouth. Channel mix was created based on the three market segments described in chapter 3.6 and from information about the cheapest, effective and well-spread marketing ways of promotion.

Most small companies in Europe have limited budgets for promotion, so that for most of them television advertising is not a viable option. Perhaps the most important promotional device for most attractions is their general brochure which is designed to encourage people to want to visit the attraction and to provide practical information to help them when they do visit. (Horner & Swarbrooke 1996, p. 284.) In the current study all costs were minimized. This was possible because all marketing material was created by the author. The only cost, which in total was around 500 €, was paid by Aleksandra cafe for newspaper and magazines advertisement places.

The marketing concept calls for understanding customers and satisfying their needs better than the competition. But different customers have different needs, and it rarely is possible to satisfy all customers by treating them alike. (NetMBA 2010.) In the following chapter the marketing plan is described by each segment.

## **5.1 Attracting students**

The first group was students. There are several educational centers in Lappeenranta, for example Saimaa UAS and Lappeenranta University of Technology (LUT), which means that large amount of young people study and live in the city. For the current study this is the most important group, because there is the least number of people coming into Aleksandra cafe from this particular segment. It is very popular for students to go out during the week and especially at weekend's afternoon. Cafes provide an option to spend their free time there. Unfortunately, Aleksandra cafe is not in the top list for students. This is the reason why much attention was paid for questionnaire and posters design.

First of all, it was decided to create a questionnaire and ask only this segment because of the lack of information about students visiting the cafe. It was clear that Aleksandra cafe is popular enough among other segments, Russian customers and Finnish people, because the author had seen plenty of these people in the cafe during several visits. However, students did not appear to visit the cafe. This is the reason the questionnaire was done for students only, to fill in missing data about customers.

### **5.1.1 Questionnaire**

According to Hart and Stapleton (1977), "Questionnaire is base document for research studies which provides the questions and the structure for an interview and has provision for respondents' answers".

The questionnaire provides precisely with qualitative data, because we ask some open-ended questions and the major part of questions are not based upon numbers. Usually this method is challenging, when investigators are dealing with a lot of people and do not have enough time and money resources. However, the more people one asks – the greater accuracy one will gain in the result. (Gosnay & Richardson 2008, pp. 43-44.)

There are three different types of interview situations which in turn require different types of questionnaires: structured, semi-structured and unstructured.

It was decided to create a structured questionnaire to receive clear vision about Aleksandra cafe's popularity.

In structured interviews, the questionnaires set out the precise wording of the questions and the order in which they are asked. Most of the questions have pre-coded responses and there is little latitude to stray beyond them. Semi structured type of interview employs questions with pre-coded responses as well as those where respondents' comments are written down verbatim. In unstructured interviews the researcher uses a check list of questions, capturing the responses as notes or on tape. The interviewer is allowed considerable latitude and will draft questions as appropriate, exploring avenues raised in the discussion and not necessarily covered on the check list. (Hague & Jackson 1995.)

Three conditions are necessary to get a true response to a question. First, respondents must understand the question; second, respondents must be able to provide the information; and, third, they must be willing to provide it. Researchers must remember these conditions when designing questionnaires. Questions need to be phrased in language the respondent understands. (Jobber 2007, p. 253.)

The questionnaire included eight closed ended questions about Aleksandra and other cafes in common. This type of questions helps to answer all questions fast, because the answers are already given and makes the respondents answer simple and in a short time.

Closed ended questions are followed by a structured response. All possible answers are given with the question. Closed ended questions include two types. Dichotomous question – suggests two answers: usually yes and no. It is good choice where a fact is to be determined and where the views of the respondents are likely to be clear cut. Multiple choice question means that respondents are offered a list of answers from which to select one that is closest to their view. (Mirola 2015.)

Questionnaire starts from the information about Aleksandra cafe itself and finishes by questions about a good cafe conditions in common, receiving

clear view about the positive and negative elements of Aleksandra cafe. The questionnaire was given to students at the beginning of the thesis project to evaluate a percentage of cafe popularity. The questionnaire was spread with the help of social networks, VK and Facebook. There were total 26 answers from first, second and third years of education students of Business Administration and Engineering degrees from Saimaa UAS, and of Technology and Industrial Engineering degrees from LUT. This number of participants, especially from various university departments, was enough to make a saturated result. The questionnaire itself is shown in Appendix 1.

### *Questionnaire results*

The figure below represents that the majority of students do not visit any cafes in Lappeenranta very often. The largest number of them visit cafes once per month (12 persons) and less of them (8 and 6 persons) even more seldom.

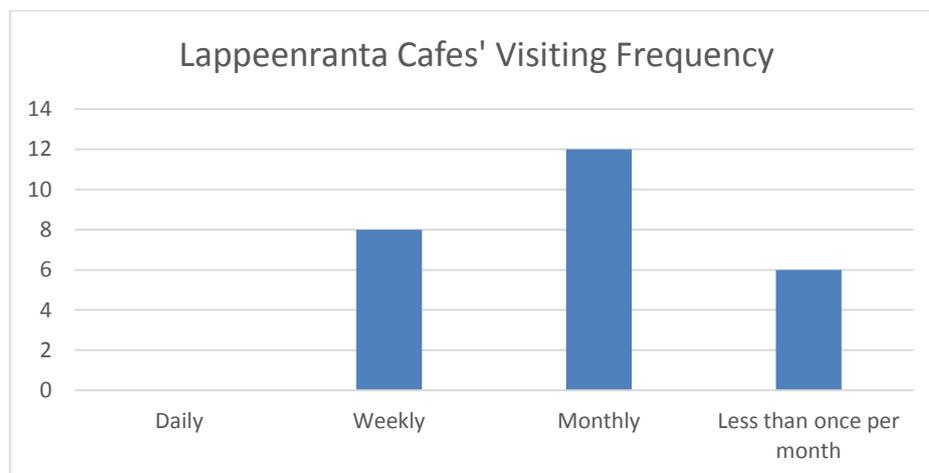


Figure 7. Lappeenranta cafes' visiting frequency.

The next questions show that Aleksandra cafe is not really popular among students (see Figure 8). Even despite the fact that 17 of 26 persons had heard about the cafe, only 6 of them had ever visited it at least once.

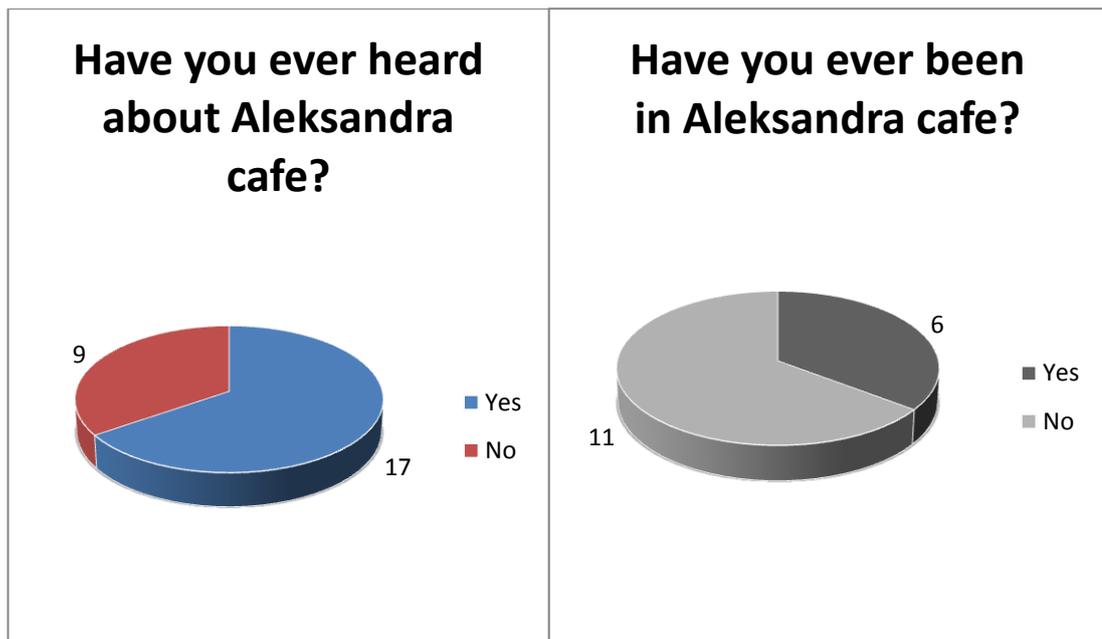


Figure 8. Aleksandra cafe’s popularity among students.

The last questions give information that Aleksandra cafe has a chance to become very popular place among students: prices are not high and there is a very nice and relaxed atmosphere. This result was gained by comparing answers about cafe amenities and what Aleksandra cafe already had. The only thing that might attract young generation more is to prolong cafe’s operation hours, especially on Fridays and Saturdays.

Answers to the two last questions represent that word of mount (WOM), as well as magazines and newspapers are a really popular way of getting the information. The willingness to receive any discount in the cafe will motivate students to come, according to the answers.

After the questionnaire results were processed, the decision to provide 10% discount for students was made with the manager approval. This decision was made because all people usually would like to get a discount, especially students, who do not have stable earnings and would like to save money. This action plays a significant role in the cafe’s attractiveness. 10% of the whole order price will be off after showing the appropriate document (student card). The discount information was placed on the banner, which were located at Saimaa UAS and LUT.

### 5.1.2 Posters

All posters and banners for advertisements were created from the photographs taken by the author. Photographs were used as a background for posters. Different pictures and items on them were selected to present the maximum variety of products cafe offers.

The first critical element for any photograph to become a masterpiece is appropriate exposure. For food photos, appropriate exposure means well lighted subject. Shadows and dark areas (under exposed) make beverages and dishes look unappealing. The second element - great photograph has thoughtful composition. The elements of composition are well placed. The frame and the subject have a relationship. (LearnFoodPhotography.com n.d., p. 12-13.)

The posters themselves have basic information about Aleksandra cafe, an attracting tagline and inscription about discount. Around 70% of the poster was dedicated to the item on the picture (cafe's pastry or dessert). The beautiful, engaging and eye-catching picture was aimed to create a good cafe's vision. If the product's benefits can be presented within an emotional framework, the advertisement is normally more effective (Clow & Baack 2010, p. 205). In this way, the aim was to catch the viewers' attention with an appealing photo and this make them come closer to see the actual information. This is one of the best ways to attract – use the maximum space to show what the company has and is able to offer, use tagline to concrete the information and do not forget about contact information. This strategy was followed when creating all banners.

Depending on the photo, the best location for the cafe label was selected. The choice was made based on several criteria: the label should not overlap the central product and it should not merge with background.



Figure 9. Original cafe's label. (Konditoria Aleksandra 2015).

The label was taken from Aleksandra cafe's official webpage (see Figure 9). It was shaped and turned, depending on the picture. The author decided to use English language only for writing information on the posters designed for student. Cafe's basic information was translated and placed back into label.

Three various attracting taglines were used on the posters. They were: "Come and take me!", "Mmm...I'm waiting for you!" and "I know you want me!". To attract young generation it was decided to use these modern and in some cases funny slogans, which should give positive effect on students' decision to visit the cafe. Another important thing, which was considered, was the font size and color. Choosing the appropriate size and color might affect either positively or negatively on the outlook of the whole poster. Taglines must be visible, easy to read, should not cover the main object of the picture and to stand out against a background. Bright noticeable fonts were used on all banners.

The last but not least element of the poster was the discount inscription. After deciding it would be 10% discount, it was necessary to write this information on posters. According to the fact that the discount option is given for students only, this information was only written on the posters destined for students. Other advertisements, for Russian customers and Finnish people, did not contain this information. White color was used in the inscription, which should play a significant role in attractiveness.

First, the author connected with the offices of Saimaa UAS and LUT to ask for permission of placing posters in universities' campuses. When posters allocation was approved, the next step was to print advertisements in color in A4 format, which was done without any problems in the art faculty of Linnala campus of Saimaa UAS. There were twelve posters in total, four of each design type. All advertisements were placed on the week 45, 2015 on both campuses walls to get the maximum student attention. Posters themselves and their location could be seen in Appendices 3, 4 and 5.

## **5.2 Attracting Russian customers**

There is a big amount of tourists coming to visit Lappeenranta from different countries during the whole year. Tourism may be defined as the processes, activities and outcomes arising from the relationships and the interactions among tourists, tourism suppliers, host governments, host communities, and surrounding environments that are involved in the attracting and hosting of visitors (Goeldner & Ritchie 2006).

The majority of tourists are from Russia because Lappeenranta is located not far away from the border of Russia and Finland. Russian people come from nearby cities, such as Vyborg, Svetogorsk and Saint Petersburg. People visit Lappeenranta mostly for shopping reasons during the week and the biggest number of them in the city is during the weekends. Between shopping times, tourists like to take a rest and relax in nearby cafes and Aleksandra cafe gives a great opportunity for that, because it is located in the city center.

Nowadays, people would travel a hundred miles to taste new food, eager to explore the different cultures, and show their willingness to experience the world of others. There are various reasons triggering such decision to seek for unfamiliar dishes; for example people are bored with the repeated daily foods, they want to add more nutrition to their diets, they are curious of something new, or they want to experience an authenticity of a country. (Long 2004, p. 45.)

To attract this segment the author decided to place banners into Russian newspapers and magazines as well as to create a cafe group in V Kontakte social network.

### 5.2.1 Advertisements

The first step was to create banners. For Russian customers, the same advertisement strategy was used as in creating process of students' posters. The only things, which were changed, were taglines, taglines' language (English into Russian) and pictures, to avoid photos repetition. Three taglines were used: "Вкусно как дома!" ("Tasty as at home!" in English), "В гостях хорошо, а у нас еще лучше!" ("It is good to be in guest house and even better at our place!" in English) and "Остановись, мгновенье...с круассаном!" ("Stop, the moment... with a croissant!" in English). The phrases used for taglines in Russian have unique and interesting meanings, which lose their significance when translating them into other languages. Each poster design was created for particular advertising channel. One of the banners is represented in Appendix 6.

### 5.2.2 Newspapers and magazines

Advertisements are placed promoting the merits of visiting the destination. As the budgets of the relevant agencies are often limited, most advertisements are placed in the printed media rather than the more expensive, but more effective, medium of television. (Horner & Swarbrooke 1996, p. 301.)

There are three main magazines and newspapers, which are popular among Russian tourists: *Spektr* (originally *Спектр*), *Shopping navigator* and *Finnish trade route* (originally *Финляндский торговый путь*). All of them are released in Russian language and available in every popular place in Lappeenranta, Imatra, Svetogorsk, Vyborg and right on the border checkpoints. These magazines and newspaper publish basic news about Imatra and Lappeenranta region and many advertisements from different companies, firms, shops etc. Poor translation and the misuse of language are among the common traps of international marketing, but no aspect of

international marketing is insulated from the problems associated with the management of cultural issues (Ricks 1983).

Firstly, the author connected with advertising managers of all two newspapers (*Finnish trade route* and *Spektr*), the magazine (*Shopping navigator*) and ask about the minimal price per minimum size of advertising banner place. Table 3 represents all prices in the print sources.

Newspaper/Magazine	Minimal price per banner place
Finnish Trade Route	160 €
Shopping Navigator	350 €
Spektr	145 €

Table 6. Banner prices in Russian newspapers/magazines.

The next step was discussion about banners location with Aleksandra cafe manager. After the meeting, decision to collaborate with and place banners in two newspapers (*Finnish trade route* and *Spektr*) was made. The solution based on prices and manager's desire to spend specific amount of money for this project. According to discussions with newspapers, the banners will be published in the succeeding outlets, on 15 December in *Finnish trade route* and on 16 December 2015 in *Spektr*.

### 5.2.3 VKontakte

Different social media platforms require different contents. Content is nothing without the right distribution channels. Great content will be essential to succeeding at social media. (Lepage 2014.)

Vkontakte or VK is a Russian social network, established in 2006. There are millions of people using VKontakte everyday for connecting with friends and relatives or for searching any information about particular group or company. Creating an Aleksandra cafe's group there opened a new door for linking customers with cafe services.

The decision of creating Vkontakte group was made in the middle of the thesis process, when it was realized that newspaper and magazines

advertisement were not enough for reaching the maximum amount of customers. VK group creation is a free tool to connect clients and the company. A lot of people make their decision of visiting any place based on searched information in know, accustomed source and in their native language. The group consists of basic information about Aleksandra cafe, such as hours of operations, location, contact telephone number), some description about the cafe and interior and photographs of the products (see Appendix 8).

### **5.3 Attracting Finnish people**

While observing the market segment, it is impossible to avoid the evident group, which is Finnish customers. This is the biggest segment among all customers of Aleksandra cafe. Due to the fact that the cafe has been operating for a long time, there are plenty of potential clients who love Aleksandra cafe and used to come there often. However, some Finnish customers seem to skip this place because they do not know about it. To get people's attention, the author used the same strategy as was used for Russian customers: newspaper advertising. In this way, advertisements in the local newspapers should work very well, because the cafe's Finnish customers are mostly elderly people, similar to the newspaper's audience. Also, decision to place advertising banners in cafe Facebook group was made for expanding the audience.

#### **5.3.1 Banners**

For creating banners the same strategy as first two segments was used, however with different photographs. Label information and taglines language was changes into Finnish. Three phrases were chosen to write onto banners – “Maukasta kuin kotona!” (“Tasty as at home!” in English), “Tervetuloa kylään!” (“Welcome to guests!” in English) and “Makunautintoja jokaiseen päivään!” (“A taste of pleasure every day!” in English). Each poster design was created for particular advertising channel. One of the banners is represented in Appendix 7.

### 5.3.2 Newspapers

There are plenty of local newspapers in Lappeenranta region. The most popular ones are *Lappeenrannan uutiset*, *Imatralainen*, *Etelä-Saimaa*, *Uutisvuoksi* and *Vartti Etelä-Karjala*. All of them are released weekly and are spread among Lappeenranta citizens to their homes. Also, they are available in popular places, such as cafes, restaurants etc.

The first step was to contact newspapers by email to get to know minimal sizes, prices and availability to place advertising banners. Table 4 shows that not all newspapers answered, which could be estimated as a result as well. Other advertising place prices are represented in the table below.

Newspaper	Minimal price per banner place
Lappeenrannan uutiset	100 €
Imatralainen	100 €
Etelä-Saimaa	200 €
Uutisvuoksi	130 €
Vartti Etelä-Karjala	---

Table 7. Banner prices in Finnish newspapers.

The second step was to determine about placing banners into defined newspapers. With the cafe manager it was decided to allocate advertisements in two newspapers: *Lappeenrannan uutiset* and *Uutisvuoksi*. The choice was made based on advertising place prices and obtaining people by newspapers. According to agreements, the banners will be placed in the succeeding outlets at the beginning of December 2015.

### 5.3.3 Facebook

Facebook is an international social network, created in 2004 and has 1,5 billion users at the moment. Facebook has become one of the most popular social media that connects people as well as spreads information. Not only

users can connect themselves for personal ties, but there is also a blooming opportunity for business owners to introduce themselves (Hassan 2014).

Aleksandra cafe's Facebook page had already been created by the manager and was used actively. The manager was posting upcoming events, news and photos of the cafe. There were around 1100 people, who "liked" the page in November 2015.

The author decided to support the Facebook page by posting advertising banners there as well. Banners had not only beautiful pictures, but also taglines in Finnish language to attract people's attention (see Appendix 10).

#### **5.4 General marketing plan**

There are some other ideas, which can be described as advertising for all types of customers. An entrepreneur should care about social media because it provides a great way to reach and engage potential customers. The entrepreneur should operate where the potential customers are. For this purpose, social media and internet sources as easy and free way of marketing were chosen.

##### **5.4.1 TripAdvisor**

TripAdvisor is an American travel website company providing reviews of travel-related content. It also includes interactive travel forums. TripAdvisor was an early adopter of user-generated content. The website services are free to users, who provide most of the content, and the website is supported by an advertising business model. (Wikipedia 2015.)

Aleksandra cafe's TripAdvisor page was already created by the manager. However, at the moment of beginning this project there were only two pictures, which do not give concrete information and performance of the cafe. The photographs taken from this project were uploaded to the page to create a realistic vision about this place (see Appendix 12).

### 5.4.2 Instagram

Since Internet boomed and their advantages outweighed the traditional method of communications, many business owners have chosen Internet as a crucial marketing channel. An effective online marketing (e-marketing) would provide public relations announcements, press release on other webpages, talk about the company, dispense catalogues or menu, in this case, take orders, handle customer requests, etc. Overall, the Internet has changed the traditional way of buying and selling. (Clow, & Baack 2010, p. 287-288.)

Instagram is the most popular photo-sharing smartphone application nowadays established in 2010 and has obtained huge amount of users since. Instagram is the perfect advertising channel for this project because the main tool of promotion there is photographs. It helps companies to be closer with their customers, especially with the young generation.

An Instagram profile for the cafe was created in the middle of the project. The profile page is represented in Appendix 9. There is basic information about the Aleksandra cafe. For the main profile picture Aleksandra and Aleksanteri cafes' logo was taken (see Figure 1). The main attention point was pictures, published in the Instagram page.

There is no rule that says one has to post images multiple times a day, every day. Consistency is the key to any social media tactic, one should start by posting one original image on one platform at the same time every day. (Moritz 2014.) One photo was posted in two or three days, to get people interested in the profile. A good photo blog should be all about quality over quantity (Messieh n.d.). For increasing amount of followers and reaching audience, the profile was set to "follow" various popular Instagram pages of companies in Lappeenranta region, for example GoSaimaa and ImatraBaseCamp. Also, by using the location tag, it was possible to find other users who took photos in Aleksandra cafe and to start following them. It attracted people's attention and received more followers of the cafe's Instagram profile.

### **5.4.3 Official webpage**

Official webpage is the face of a company in the internet. Aleksandra cafe has had the webpage for several years. Basic information and products pictures are shown there. Customers visit the webpage mostly to choose cake for their celebration, for instance wedding or birthday.

Due to the fact that the author does not have the access to the webpage, the manager was asked to allocate photographs there by herself (see Appendix 11). These photographs helped to expand customer vision about the cafe.

### **5.4.4 Word of mouth (WOM)**

Arndt (1967) defined word of mouth (WOM) as “Product-related, oral, person-to-person communication”. WOM might be defined as another way of marketing communication of company with the customers. It is the most effective and trusting way of giving or receiving the information. According to some studies, about 92% of customers appreciate friends’ or family’s recommendation more than mere advertisement; and professionally speaking, 64% of marketing specialists believe that WOM is the most effective means to advertise (Whitler 2014).

A substantial part of the success of innovations depends upon the influence of one consumer on another. Sometimes, consumers just see what others do and copy them, but much social influence starts with word of mouth (WOM). WOM may be positive (recommendation, advocacy, PWOM) or negative (advising against, NWOM). (East, Wright & Vanhuele 2008.)

Aleksandra cafe has established a great reputation through all years of operation. The author wanted to keep positive impact in the future and was talking positively to any people about the cafe, while collaborating or discussing the project.

## **6 Evaluation of the project**

This chapter summarizes all of the findings and received knowledge during the project. The main purpose of this thesis project was creation of marketing plan for Aleksandra cafe in Lappeenranta. This project started in the beginning of October and finished in the end of November 2015. This thesis work has two sections. In the theoretical section the definitions of marketing, marketing plan, marketing mix, types of advertising and market segmentation were described. The empirical section developed and described creation of marketing plan for the cafe step by step.

### **6.1 Promotions' attractiveness**

Due to the fact that at the end of the thesis not all of planned marketing projects were realized, the result of promotions is based on existent marketing. Unfortunately, Russian and Finnish newspapers had not printed the advertising banners on time, by the end of this project, which was the end of November 2015. The advertisements will be published in newspapers only at the beginning of December 2015. Thus, there was no possibility to evaluate newspaper advertising as well as to represent the final work in appendices. Despite this fact, there were ways of advertising and the following represented results of the project are based on that information.

Results of the work are based on advertisements in social media: VKontakte group, Instagram page, Facebook promotion, Tripadvisor page, cafe's official webpage and on banners placed in Saimaa UAS and LUT.

The first part of collection of results was made by the author herself, while observing the cafe as well as by discussing increasing amount of customers with cafe manager and cafe staff at the end of the thesis process. According to discussion with the manager, cafe staff and own observation, it could be said that the marketing plan was done successfully and that it achieved the main aim: the total amount of customers from all segments increased noticeably. The biggest increase happened in students market segment. According to the manager Sinikka Ikävalko: "More and more students are coming every day to the cafe. They very appreciate the 10% discount. Some

of them had come already and the next time they came bringing couple of friends". When one shows what their company has, what they are able to offer, in addition with a discount, marketing works very productively this way.

The second part of collecting the results was made by the information from social media platforms about Aleksandra cafe. At the moment of evaluation the project, cafe's group in VKontakte had 68 members (see Appendix 8), Instagram page had 14 followers and 135 likes in total (see Appendix 9), Facebook banners advertising had 3 likes in total.

Moreover, the author suggests that word of mouth (WOM) way of marketing played positively on customers' decision to visit the cafe. It was hard to make results of WOM marketing because of factual data absence, however the author hopes that she was not the only one person, who was talking about the cafe during the project, but also author's friends, supervisor, people who had seen one of the advertisements were spreading the information about Aleksandra cafe, reaching more audience this way. A successful example of WOM marketing was the fact that one of the author's friends ordered a cake for her wedding in Aleksandra cafe.

To conclude everything, the marketing plan was done successfully, it reached the main aim and attracted a lot of existing and new customers into Aleksandra cafe. The cafe received quality pictures, which could be used for any purposes in the future, increasing number of customers and popularity among other cafe in Lappeenranta. The author hopes that when the newspapers will publish the advertising banners, they will reach clients' attention and encourage more customers come to Aleksandra cafe in the future.

## **6.2 Self-evaluation**

The author is pleased with the marketing plan and the project outcome. The author got a lot of useful information from the theoretical part. Reading various books and articles helped to supplement her knowledge about marketing in common. This knowledge as well as own experience played a significant role in marketing plan creation process.

The author was learning new information during the whole thesis project. Some knowledge was supplemented, some was changed and improved. One of example of this was the budget for advertising. At the beginning, the author suspected to spend around 1 000€ for advertisements. However, after collaboration with newspapers, the total amount was changed for 500€. Challenges and solving problems made the author to think more and to do more. In fact, the best way to learn is by doing the job. After the project, the author has taken her marketing skills and management skills to a higher level, which will be beneficial in future career.

This project proved that creating a marketing plan is very interesting process, which does not require large amount of money and will be very attractive for creative people. Also, the author proved that combining hobby and study process is possible and creates positive results. The author hopes that this thesis project will be useful for students interested in marketing topics and encourage people to do marketing for any purposes by themselves.

## Figures

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## Appendices

### Appendix 1 Questionnaire

1. How often do you visit cafes in Lappeenranta?
  - Daily
  - Weekly
  - Monthly
  - Less than once per month
  
2. Have you ever heard about Aleksandra cafe?
  - Yes
  - No (if no, go to question 4)
  
3. Have you ever been in Aleksandra cafe?
  - Yes
  - No
  
4. Which time of the week is the most likely for you to visit a cafe?
  - Weekday morning (9:00 – 12:00)
  - Weekday afternoon (12:00 – 18:00)
  - Weekday evening (18:00 – 23:00)
  - Saturday morning (9:00 – 12:00)
  - Saturday afternoon (12:00 – 18:00)
  - Saturday evening (18:00 – 23:00)
  - Sunday morning (9:00 – 12:00)
  - Sunday afternoon (12:00 – 18:00)
  - Sunday evening (18:00 – 23:00)
  
5. How much do you usually spend on a visit to a cafe?
  - < 2,50 €
  - 2,50 – 5,00 €
  - 5,00 – 7,50 €

- 7,50 – 10,00 €
- > 10,00 €

6. How important are the following qualities to you when choosing a coffee shop? Use a scale from 5 as most important and 1 as least important.

Atmosphere	(1)	(2)	(3)	(4)	(5)
Noise level	(1)	(2)	(3)	(4)	(5)
Price	(1)	(2)	(3)	(4)	(5)
Quality of drinks and food	(1)	(2)	(3)	(4)	(5)
Wi-Fi accessibility	(1)	(2)	(3)	(4)	(5)
Staff friendliness	(1)	(2)	(3)	(4)	(5)

7. Please rank the following advertising channels according to their effect on your decision to visit a cafe. Use a scale from 5 as most important and 1 as least important.

TV	(1)	(2)	(3)	(4)	(5)
Radio	(1)	(2)	(3)	(4)	(5)
Magazines	(1)	(2)	(3)	(4)	(5)
Newspapers	(1)	(2)	(3)	(4)	(5)
Word of Mouth	(1)	(2)	(3)	(4)	(5)

8. A coffee shop who offered discounts to college students would encourage me to go.

- Yes, definitely
- Maybe
- Definitely not

Appendix 2 Aleksandra cafe's interior



### Appendix 3 Advertisement banner for students



### Appendix 4 Advertisement banner for students placed on info board in LUT



**Appendix 5 Advertisement banner for students placed on info board in Saimaa UAS Skinnarila campus**



**Appendix 6 Advertising banner for Russian tourists in Spektr newspaper**



## Appendix 7 Advertising banner for Finnish customers in *Lappeenrannan Uutiset* newspaper



## Appendix 8 Aleksandra cafe's group in VKontakte

**KAFFE ALEKSANDRA**  
Пн. – Пт. 8:00-17:00  
Сб. 9:00-15:00  
Toikankatu 1  
53100 Лappeenрanta  
Тел. 050 441 5160

Кафе Aleksandra в Лappeenрante, Финляндия

Description: Кафе Aleksandra в Лappeenрante. Вкус удовольствия каждый день!  
Website: <http://www.aleksandra-konditoria.fi/fi/>

14 photos in the main album

5 posts

Друзья! Мы всегда рады видеть Вас в нашем кафе!

68 people

## Appendix 9 Aleksandra cafe's Instagram page



## Appendix 10 Promotion in Aleksandra cafe's group in Facebook



## Appendix 11 Aleksandra cafe's official webpage



## Appendix 12 Aleksandra cafe's TripAdvisor page

