

**GROWTH MARKETING CONCEPT:  
CASE STUDY ON FINNISH COMPANIES**

**Jyväskylä University  
School of Business and Economics**

**Master's Thesis**

**June 2019**

**Author: Orzheshkovskaya Daria**

**Supervisor: Mari Suoranta**



JYVÄSKYLÄN YLIOPISTO  
UNIVERSITY OF JYVÄSKYLÄ

## ABSTRACT

Author Daria Orzheshkovskaya	
Title Growth marketing concept: case study on Finnish companies	
Subject International Business and Entrepreneurship	Type of work Master's Thesis
Date June 2019	Number of pages 111
<p>Abstract</p> <p>The discipline of marketing has progressed from simple product selling into comprehensive approach of building long-term relationship with customers. Companies eligible for sustainable growth have shifted from product-oriented into customer focused business model. Because of the era of digitalization, consumers have unlimited power of choosing, thus customer relationship management has never been more difficult than now. Even though, role of marketing in overall company's performance has been researched, there is gap in understanding, how exactly a company can grow by implementing marketing into a strategy.</p> <p>The concept of growth marketing, has received practical attention, but academic definition is missing. For that reason, this study attempts to find out, what does growth marketing mean and how it is implemented. Also, this research tries to clarify the tools and measurements applicable in the process of growth marketing. Because the phenomenon is new, abductive logic of qualitative case study has been performed. Existing scientific literature has been supported by empirical findings in order to see how marketing can help companies growing, and what is its input strength based on the type of growth chosen. Four interviews with expert agencies and five case companies were examined in consideration of their marketing activities. Hence, one expert company is the developer of growth marketing balanced scorecard and one case company has already implemented this concept into own operations.</p> <p>It is revealed that the composition of applicable tools and investments in each component of growth marketing concept depends on company's strategic goal. Nevertheless, growth marketing is seen as a human-centric approach used by companies seeking for growth, where the highest potential is reached by balanced managerial strategic formation, effective management of relationship with employees for outstanding cooperation with customers.</p>	
Key words Growth marketing, external marketing performance, internal marketing performance	
Place of storage Jyväskylä University Library	

## TABLE OF CONTENTS

<b>ABSTRACT .....</b>	<b>3</b>
<b>LIST OF TABLES &amp; FIGURES .....</b>	<b>6</b>
<b>1 INTRODUCTION .....</b>	<b>7</b>
1.1 CONCEPTUAL DEFINITIONS .....	7
1.2 BACKGROUND AND MOTIVATION OF THE STUDY .....	8
1.3 RESEARCH PROBLEM AND QUESTIONS .....	9
1.4 OUTLINE OF THE STUDY .....	11
<b>2 LITERATURE REVIEW .....</b>	<b>13</b>
2.1 PREVIOUS RESEARCH ON THE TOPIC .....	13
2.2 DEVELOPMENT IN THE DISCIPLINE OF MARKETING .....	14
2.3 FIRM GROWTH .....	16
2.3.1 <i>Large-scaled and small to medium-sized enterprises</i> .....	18
2.4 COMPANY'S GROWTH DRIVERS .....	20
2.4.1 <i>Innovation as growth driver</i> .....	21
2.4.2 <i>Geographical expansion as growth driver</i> .....	24
2.4.3 <i>Marketing as a tool for firm growth</i> .....	24
2.4.4 <i>Marketing performance</i> .....	27
2.5 GROWTH MARKETING .....	31
2.5.1 <i>Growth hacking</i> .....	31
2.5.2 <i>Growth hacking VS. Growth marketing</i> .....	33
2.5.3 <i>Growth marketing metrics</i> .....	34
2.6 THEORETICAL FRAMEWORK .....	40
<b>3 DATA AND METHODOLOGY .....</b>	<b>43</b>
3.1 RESEARCH SETTING .....	43
3.2 RESEARCH METHOD .....	45
3.3 DATA COLLECTION .....	47
3.4 DATA ANALYSIS .....	49
3.5 CASE COMPANIES .....	51
3.5.1 <i>Case company F</i> .....	52
3.5.2 <i>Case company P</i> .....	53
3.5.3 <i>Case company J</i> .....	54
3.5.4 <i>Case company E</i> .....	54
3.5.5 <i>Case company S</i> .....	55
<b>4 FINDINGS AND DISCUSSION .....</b>	<b>57</b>
4.1 MARKETING PERFORMANCE .....	57
4.2 GROWTH MARKETING PROCESS .....	61
4.2.1 <i>Growth</i> .....	62
4.2.2 <i>Internal marketing performance: employee satisfaction and engagement</i> .....	66
4.2.3 <i>External marketing performance: customer retaining VS. search for new clients</i> .....	69
4.2.4 <i>External marketing performance: customer satisfaction and client retaining</i> .....	71
4.2.5 <i>External marketing performance: brand awareness and search for new customers</i> .....	77
4.2.6 <i>Increased productivity: cost reduction and resource utilization</i> .....	80
4.2.7 <i>Person-based growth marketing approach</i> .....	82
<b>5 CONCLUSIONS .....</b>	<b>84</b>

5.1	THEORETICAL IMPLICATIONS .....	85
5.2	MANAGERIAL IMPLICATIONS .....	92
5.3	RESEARCH LIMITATIONS .....	93
5.4	SUGGESTIONS FOR FUTURE RESEARCH .....	94
<b>REFERENCES .....</b>		<b>95</b>

## LIST OF TABLES & FIGURES

Figure 1. Research questions and study objective .....	11
Figure 2. Most commonly used internal and external MPMs.....	29
Figure 3. Organizational human capital and company growth .....	35
Figure 4. Growth marketing tools: marketing communication .....	37
Figure 5. Customer retaining and search .....	39
Figure 6. Theoretical framework for growth marketing.....	42
Figure 7. Qualitative research logic: 3 perspectives .....	45
Figure 8. Interviews with expert companies as a support for secondary and primary data collection .....	47
Figure 9. Case companies of the study .....	52
Figure 10. External marketing performance efforts of case F for customer retaining .....	73
Figure 11. External marketing performance efforts of case S for customer retaining .....	74
Figure 12. External marketing performance efforts of cases P and J for customer retaining .....	75
Figure 13. External marketing performance efforts of case E for customer retaining .....	77
Figure 14. External marketing performance techniques applied in all case companies for attracting new customers .....	80
Figure 15. Productivity increasing strategies for cost reduction and resource utilization in case companies .....	82
Figure 16. The process of growth marketing.....	88
Table 1. Company sizes in Europe and the United States of America.....	19
Table 2. Essential facts regarding SMEs and LSEs in Europe .....	20
Table 3. Types of Innovation.....	23
Table 4. Mechanisms of departments influence on a firm's performance .....	26
Table 5. Traditional ASP and GM implications.....	32
Table 6. Strategic targets of case companies .....	65
Table 7. GM tools and measurements for external performance.....	91

# 1 INTRODUCTION

*These days, nothing is going to work outside of the company, if it is not real.*

*(Aava & Bang, 2019)*

## 1.1 Conceptual definitions

Previously, Kotler and Levy (1969) have identified marketing as comprehensive societal activity, which has progressed far beyond its original thought, and thus it is outside the limits of simple toothpaste selling. Usually marketing can be approached from three perspectives: functional price management tool, visible marketing effort of advertising and promotion campaigns, and determination for CRM (customer-relationship management) and higher returns for shareholder value (Ambler, 2000). In this study, firm-level angle has been picked for concentration on marketing activities, which companies underpin for creating customer value (Srivastava et al., 1999). Immense change in marketing has been reported (Huhtala et al., 2014; Lager, 2015; San Francisco, 2019), so abductive logic of qualitative research is applied for studying the phenomenon of GM (growth marketing). Studies of Ambler (2000) supported by Frösen's (2013) outlined marketing performance metrics (MPM) and serve as a bottom line for investigation of the phenomenon in question.

Because mere focus on financial MPMs has been outperformed by usefulness of non-financial measures (Ambler et al., 2001; Clark, 2001), this study has in-depth interest in qualitative tools of marketing performance. As one of the expert companies stated: "company's growth is all about people, from inside and outside" (Aava & Bang, 2019), marketing performance is especially studied in this research from the perspective of employees' and customers' satisfaction and engagement. MPM analysis is conducted by identification of marketing metrics, which are used for investigating relationship between inputs and outputs of marketing activities in response to overall performance of a firm (Morgan et al., 2002).

Company's growth in this study is seen from the perspective of new growth theory, which prioritize knowledge and human capital input into innovativeness (Heimonen, 2013). Even though, company's age and size are known to effect on its innovativeness, amount of resources and growth speed (Cucculelli & Ermini, 2012), this study does not hesitate investigating bigger and smaller enterprises. Nevertheless, such differences are taken into account, when final conclusions

have been made. Also, variety of goals in companies depending on the business context is considered in this study (Day & Wensley, 1988). As a result, there is big chance that findings about applicable marketing metrics in case companies can change according to their goals set.

## 1.2 Background and motivation of the study

Marketing has been contemplated from two perspectives: traditional academic and managerial applicable (Webster, 1992). The former got own arise yearly in twentieth century and tended to be rather descriptive than normative (McGarry, 1950). However, later in 1960's multiple authors referred to marketing definition as a transformed unit into well-identified business functions with the emphasis on planning, control, strategic implementation and problem solving within a competitive market (Webster, 1992). The importance of marketing and its necessity of being properly understood has been studied with a purpose of delivering proper customer value (Kotler & Levy, 1969; Kumar & Reinartz, 2016). Assuming that growth has a major impact on company's continuous prosperity, businesses worldwide aim to embrace unique market opportunities, achieve value creation in previously unknown ways and operate growth by most sustainable and proactive means. Nonetheless, approaches undertaken by managers in firms relating to marketing, have tremendously changed due to large number of business environment changes such as acceleration of digital communication and amount of devoted data (Roberts et al., 2014).

What is the role of marketing in a company's growth? According to findings of Hanssens et al. (2016), elevated investments into marketing development practices within a business unit may assist it in achieving more sustained growth as a part of appealing business proposition. Even corporate investors can benefit from paying attention to marketing data, as they are enabled to see possible risky cash flows in advance (Joshi & Hanssens, 2010). Based on the findings of Mizik and Jacobson (2007), one can judge about company's quality, since marketing disbursement servers as a financial status. Investment into marketing is enhancing brand equity development through higher liquidity and maximized extensiveness of investor ownership (McAlister et al., 2007).

When growth and marketing are combined into a single strategically important unit, what features are created? While there is limited agreement on what is the best way to measure company's growth (Wiklund et al., 2009), there is an established connection between fast growth rate and marketing principals applied towards price competition, customer relationship and niche market development

(Brush et al., 2009). Several years before that, company's growth and its linking role between marketing and shareholder value has been discovered (Wiley, 2000). Connection between marketing and firm performance has attracted studies before, but there is academic gap in understanding exact approaches of implementing marketing into growth strategies by managers (Junge et al., 2016). According to Bird and McEwan (2012), organizational consistent growth process is driven by a complex marketing system, where strategic planning serves as connecting element with the following capabilities: innovative value creation, unique brand positioning, integrated communication and delivery of superior customer experience. Hence, the heart of such scheme indicates the importance of people's engagement as a fuel for global marketing.

Novel concept of growth marketing has been chosen as the focus area for current research. As the following study underpins, chosen concept lacks earlier scientific investigation, however, has been applied on practical basis for a while already. One of the most expected outcomes is assistance in bringing existing practical know-hows regarding the topic closer to the academic environment. Because of this ambition, the study has been accomplished in communication with expert companies, whereas one of them has integrated the term of GM into business operations of numerous Finnish firms. Analysis of five case companies is supposed to shed light on peculiarities of growth-related marketing strategies and classify the process of growth marketing.

The essential motivational aspect for this study derives from personal interest: company's growth and the role of marketing activities in it. As following parts of the research will show, marketing importance for a firm's performance is undoubtable. Researcher's interest lies within the desire to investigate how GM can influence on development of Finnish companies. Additional motivational aspect is caused by intentions for further studies of the concept on a broader scale during upcoming PhD studies in the University. Growth marketing phenomenon can serve as a subject for future investigations with a variety of niche focus areas: systematic combining analysis among SMEs and/or LSEs, the influence of a particular industry on principals of GM, evaluated outcomes of growth marketing in terms of productivity. Thus, this Master thesis is expected to become solid basis for further complex scientific studies.

### **1.3 Research problem and questions**

One reason for dedicating big efforts to studying this research problem is task's innovativeness and consecutive challenges. Despite this, the topic is useful for further managerial, theoretical and societal considerations. As earlier Verhoef



and Leeflang (2009) outlined, there is no so far academically established manual for reaching growth by constant use of marketing initiatives. Lately, the term of growth hacking received attention, though the research gap is still there. Thus, supplementary goal of this study is an attempt to fill the gap. The following part explains and justifies the research problem and questions in critical way.

As Frösen and Tikkanen (2016) clarified, the role of marketing in firm's development and applicable strategies have noticeably changed over the years. From one perspective, correct execution of marketing-related business activities have been proven to show great influence on firm's performance, especially in terms of customer relationship management (CRM), supply chain management and product innovativeness (Srivastava et al., 1999; Ramaswami et al., 2009). O'Sullivan & Abela (2007) managed to prove positive relationship among measurable marketing activities, company's performance and overall CEO satisfaction. It was very handy of Gulliford (1997) to emphasize the importance of innovative marketing activities for firm's growth by connecting a possibility of successful development only for pioneering marketers, which establish new trends instead of following old ones. However, what is a complex marketing scenario, which can help a company to grow?

In order to answer this question, case study approach of qualitative research has been applied in this scientific investigation. Two marketing agencies in Finland (Aava & Bang, San Francisco) played important role in the process of primary data collection. Expert interviews have been accomplished for collecting in-depth knowledge about the concept and its role in company's growth process. The material received from the interviews, served as the basis for further empirical data collection with the case companies. Case company selection process was demanding, thus selection criteria is critically explained later in the study. As stated previously, the whole concept is fairly fresh for academic environment, thus it was big luck, that one case has already inserted the principals of growth marketing into its renewed strategy.

The lack of scientific information regarding the concept of growth marketing can be seen as the research problem. All case companies of this study agree on the importance to study the phenomenon deeply. Thus, there is need to put the efforts for solving this research problem. The purpose of this analysis is description of the phenomenon and collection of practical data useful for academic environment and further managerial implementations.

Despite the lack of available secondary data, there are certain enterprises, which have already experienced the principles of growth marketing. Some of them serve as educators in the field, e.g. Aava & Bang, others get educated about the concept and apply gathered knowledge in facilitating own development. It is a

great luck to see the availability of such companies opening up to a potential of studying the phenomenon with assistance of high-quality empirical data. Nevertheless, there are certain research limitations in terms of accessible data pool: limited secondary data, restricted knowledge about the process of growth marketing and small number of suitable case companies. Thus, the phenomenon has been studied in relation to other theories, such as marketing performance and related metrics. To make this study more systematic, following research questions have been comprised, answers to which help to accomplish the main objective of the study.

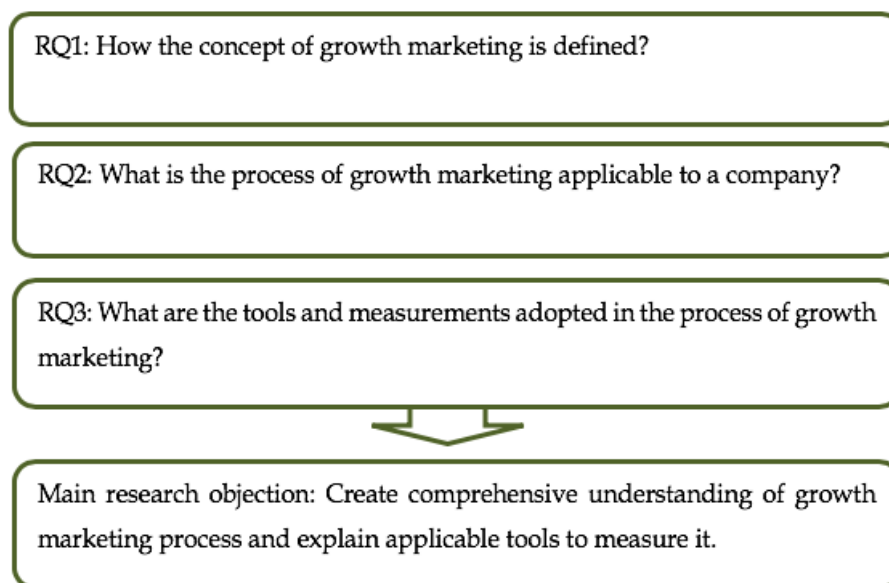


Figure 1. Research questions and study objective

An ideal scenario is that final findings of this academic study provide readers with information, beneficial for scientific, societal and managerial use. Hence, lack of pre-existing academically approved knowledge regarding the concept of growth marketing permits this study to establish summarizing view on the phenomenon in connection to other fields for the purpose of scientific gap filling. Furthermore, the target is to explain the process of growth marketing strategy with further identification of applicable tools and measurements.

## 1.4 Outline of the study

This part is written with a purpose of making navigation through the study more convenient. In total, this academic study has been divided into five parts, whereas the beginning is dedicated to explaining the need of this research and

the problem of the study. Additionally, first part underpins research objective and questions, and their usefulness for further theoretical and practical developments.

Part number two is focused on literature review, which studies main and secondary concepts related to the phenomenon of growth marketing. It starts from sharing the findings regarding previously accomplished research about the theme and follows with an overlook of how marketing discipline has changed over previous years. Second part also investigates firm growth peculiarities and triggers with the devotion of attention to large-scaled (LSEs) and small to medium-sized enterprises (SMEs). In this chapter marketing has been considered as one of growth drivers. Finally, the concepts of growth hacking and marketing have been determined in order to predict working principals for the topic.

Preferred method, approach, logic and tools of current research are presented in the third chapter. Related selection criteria is critically justified in the manner suitable to the research problem. Data collection and analysis tools are illustrated step by step in order to verify data handling accuracy. Furthermore, information regarding case companies' suitability presented in the same section.

Fourth part of this research is dedicated to summarized findings about the research problem. Interesting findings, which support and update already existing theories, are supposed to give fruitful and innovative guidance with managerial and academic implications. Later on, fifth part summarizes researcher's competent efforts of concluding existing knowledge with innovative empirical findings about the research problem. These two parts present the answers to research questions in a full manner. While all the study is concluded, research limitations and future suggestions are described lately, too. Complete list of references can be accessed in the end of this study in order to prove researcher's pure intentions for conducting comprehensive study based on usage of diversified professional sources and techniques.

## 2 LITERATURE REVIEW

Even though growth marketing is the focus area of this study, it is crucial to describe broader areas, from which the main concept of the study takes roots. Following chapters are organized in a way to demonstrate researcher's profound understanding of phenomenon structure. Because this understanding is further used for empirical data collection and interpretation, analytical report of existing theories is combined with personal contribution by navigating among secondary data findings. In order to understand the process of growth marketing, literature review part presents critically selected findings in a consistent way and links it to original research task and questions. For the purpose of maintaining the level of theory building and its linking to the concept of GM, advantageous pool of academic and practical sources has been selected and applied in this part of the research. In order to formulate the passage in a complex way, literature review is ending by theoretical framework figure, which serves as a connection between theoretical and empirical findings of the study.

### 2.1 Previous research on the topic

There is lack of academic determination of growth marketing, but a variety of accessible theories from related areas is reachable. According to Köksal and Özgül (2007), "general marketing strategies" have high degree of importance, when it comes to sales, market share and average point of success of a company. One of the main focus areas of marketing has always been an expansion of a demand regardless timing and industry (Kotler, 2011), still diversity of demands and products segmentation have been exploited by any sufficient marketing strategy (Smith, 1995). However, business environment has changed as well as decision-making within organizations (Freeman et al., 2007). Marketing specialists are expected to recognize that change and relocate from a single focus point on a customer or a product in favor to all stakeholders, in order to fortunate and grow within convoluted and uncertain business environment (Smith et al., 2009). Scientists managed to predict inevitable upcoming transformation of marketing as a discipline and as a managerial implication due to the rise of emerging markets (Palmer & Ponsonby, 2002; Sheth, 2011). Developing forward from older times, when cost reduction was one of the main growth strategies applied in firms, and marketing accounted to be unnecessary luxury (Thompson, 2011), sufficient marketing execution is seen as the right method for corporate growth and shareholder value (Ambler, 2001).

GM has been practically oriented and managerially applied (Aava & Bang, 2018). Growth marketing is invoked as a complex model, which specializes on company's marketing and sales' management development (San Francisco, 2019; Aava & Bang, 2018). In other words, this phenomenon refers to ongoing marketing activities of a company, which facilitate its development. Together with traditional internal and external marketing, experts affirm importance of resource allocation as a part of balanced scorecard. The main focus on how you are using the resources for balancing previously mentioned elements. Marketing theory and practice reformation have critical value for retention of customers' interest and continuous profitable growth (Liu et al., 2018). Growth marketing contributes to a company by transforming traditional approaches into sustainable continuous and goal-oriented growth strategy. In other words, new managerial approach incorporates sales management and marketing practices into a matrix with proper reforming for daily basis (Aava & Bang, 2018).

## **2.2 Development in the discipline of marketing**

It is used to agree on a fact that marketing discipline originates from the year 1959 when Ford Foundation released its report, which concluded into later foundation of first Marketing Science Institute in the United States of America (Neslin & Winer, 2014). Subsequently, in 1970s academics embodied the positivist empiricist approach for studying marketing, likewise their curiosity in cognitive, social and psychological mechanisms related to consumer behavior were the focal point (Tamilia, 2011). Alternatively, Wilkie and Moore (2003) have advanced in this area of studies through outlining five stages: pre-marketing, founding the field, formalizing the field, paradigm shift and intensification of shift. While first two stages took place in the first quarter of twentieth century, rise of marketing shift started after 1980s and is still ongoing (Hadjikhani & LaPlaca, 2013).

Closer to the end of the twentieth century, field researchers encountered a problem of information visualization (Holbrook, 1997), imbalance between technology- and customer orientation (Rosen et al., 1998), and lack of knowledge about evolving nature of branding (McEnally & Chernatony, 1999). High tech market development and dependence on innovative technologies were superseding companies' focus on existing customer' needs and expectations, conjointly certain absence of managerial understanding of novel influences stimulated in-depth research about the relationship between an organization and surrounding environment (Fahy & Smithee, 1999; McEnally & Chernatony, 1999; Rosen et al., 1998). Integration of information and communication technologies concluded

into Internet marketing (Gauzente & Ranchhod, 2001), which has had a variety of expressions from “viral” and “buzz” to “guerilla” and “word of mouth” marketing reliance on social networking (Owen & Humphrey, 2008).

Aforetime, field specialists concluded the decisive business element – customer orientation (Pekovic & Sylvie, 2016) and its positive influence on firm’s business performance (Pekovic & Rolland, 2012; Cross et al., 2007). While customer orientation has been explained as managerial ability to recognize, understand and reply to its main consumers and repeatedly deliver superior value to them (Narver & Slater, 1990; Gatignon & Xuereb, 1997), the essence of consumer behavior has changed due to the global economic crisis (Ang et al., 2000), developments in technology, globalization and increased competition (Huhtala et al., 2014; Gunday et al., 2011). Present-day corporate analytics have spotted the importance of connected consumers and delivery of superior experience to them for brand establishment and execution (Zhu & Nakata, 2007; Cross et al., 2007; Brady & Cronin, 2001).

However, mere focus on brand or innovation in a firm (Hirvonen & Laukkanen, 2014; O’Cass & Ngo, 2007) has potential for a rejection of opportunities, which do not line up with firm’s identity in an absolute way (Lee et al., 2016). Although, an acknowledged marketing function has been to link customers with a product (Moorman & Rust, 1999), ongoing field fundamental change from operational and institutional points of view has been debated for a long while (Quinn et al., 2016). At a time, when a consumer identifies the need for a product or service, passive or active seeking for more information will begin (Watson et al., 2002). Currently, internet progression has brought us to a situation, when a customer has unlimited access to information worldwide. Thus, they are given considerably more choices than before, which certainly changes consumer behavior in a way, how firms reach and retain connection with their customers (San Francisco, 2019). Simply, because in the digital age good product is not enough to interconnect with a consumer, firms ought to deliver superior experience by the means of its content, context and pricing (Minsker, 2014). The discipline of marketing has progressed in recent years by its input to sales management, differentiation of delivery methods, as well as experimental data collection tools (Lager, 2015).

## 2.3 Firm growth

Why some firms outperform others in terms of growth volumes and speed has been a question for researchers worldwide (Heimonen, 2013). Recognizable explanation of varying market performance among companies are often connected with politico-economic growth approaches and indicated within different growth triggers, strategies and barriers (Coates, 1999). One of latest research efforts resulted into identification of New growth theory, where the growth is sourced by endogenous method, producing knowledge-based factor of high quality. In this model, growth is triggered by knowledge and human capital input into innovation, which require strategically suitable investments. However, often barriers of disproportionate interference with government makes it difficult for enterprises to develop. Such model proposes that the main difference among companies' growth rates lies within a variety of cultural and institutional differences, resulting into unequal distribution of social capabilities (Evans, 1987; Coates, 1999; Heimonen, 2013; Muzhani, 2014).

Generally speaking, company's growth refers to an increase in its turnover rate or bigger number of employees (Pasanen, 2007). There is certain divergence between organic and inorganic types of growth, as the latter stands for acquisition-based development (Delmar et al., 2003). For companies with limited capital availability but eagerness to expand its market share, organic growth is known to be the best solution. Unsurprisingly, SMEs tend to grow organically more than LSEs. However, organically-growing enterprises often report slower speed of development and happens that a marketplace allows SMEs grow this way only until a certain moment (Frentzen & Lampadarios, 2016). Firm extension by acquisition is more common for bigger corporations with needed financial resources and readiness to operate with recently acquired production capacities, capabilities, and managerial resources. Both growing techniques, nonetheless, are applied when a firm is looking for increasing its market share in a certain industry or find a path into new industry (Coad, 2009).

When considering firm growth, it is essential to narrow down an understanding of its variables. As it is referred in "the passive learning model" of Jovanovic (1982), company's age and size have straight connection to growth, as younger and smaller firms are more likely to grow faster than their older analogues (Cucculelli & Ermini, 2012). In other words, company's growth speed decreases together with its age raising, while younger firms easier experience constant development (Evans, 1987). Together with the size of a firm, marketing capabilities, industry background and timing of innovation significantly influence company's

growth and shareholder returns (Chen et al., 2017). While innovation is another key influencing factor for firm growth (Cucculelli & Ermini, 2012; Demirel & Mazzucato, 2012), it also tends to change according to the age of a business unit: young companies face riskier innovation and R&D investments, while returns are unevenly allocated (Coad et al., 2016). R&D happened to be as well crucial effective factor for firm sales growth, as positive effect of R&D intensity on company's sales growth has been evidenced in the study held in Spain (Garcia-Manjon & Romero-Merino, 2012). Speaking of the importance of firm's age and size, the influence of these variables has shifted towards smaller companies. Development in accessible technologies has enabled smaller business units to act more like bigger ones: reach customers globally and serve them internationally, as well as provide support to each one without geographical limitations. Still, as research about Europe and the United States of America has shown, smaller firms have outperformed its larger competitors in job creating and more efficient innovation delivery, so that limitations of resources, previously obstructing them from developing, often lose its power due to SMEs' high speed of response towards change (Dewing et al., 2012).

Understanding of firm growth, its motivation and tools have evolved within the years of ongoing research. Growth could be related to naturally producing larger amounts of a same product with commitment to innovation, updated techniques of distribution or production management (Penrose, 1959). Though, certain criticism is feasible due to lack of generalizable knowledge about the process of firm growth, its facilitators and obstructs (Davidsson et al., 2006). The growth of firms, however, has attracted attention from researchers and summed up into multiple ways of classification. As a starting point, growth related studies are categorized by investigation of growth factors and processes of growth itself (Ardishvili et al., 1998). Based on this approach, Davidsson and Wiklund (2006) managed to determine company's growth by four correlated concepts: the resource-based perspective, the motivation perspective, the strategic adaptation perspective and the configuration perspective. In each scenario growth will be referred to various parts and activities of a firm. Deployment of firm's resources for activities expansion would be the focus in the resource-based perspective, motivation aspect focuses more on studying individuals and their responses, while strategic adaptation perspective's focal point is on distribution of power within an organization, complicatedness of its structure and control tools applied in the governance mechanisms. These perspectives are associated with the factors of growth, but configuration aspect of the theory is compromising with the process of growing: how managerial problems emerge and can be negotiated during all stages of company's development (Davidsson et al., 2006).



Later on, however, classification of firm growth processes was concluded by the approaches undertaken in various business units. Growth by diversification, which mainly refers to correct exploitation of current resources (Penrose, 1959) and has been affiliated with superior company performance (Martin & Sayrak, 2003), is one of the first classifications of firm growth (Coad, 2009). Other two types of growth, organic and by means of an acquisition, have certain similarities, though differ from each other by its principles. Alternative way to expand a firm is through geographic extension. An idea of offering company's products or services abroad with a help of a distributor, which is located in the target foreign market (Ansoff, 1987) or transfer the knowledge through foreign direct investment (FDI) in a shape of an acquisition or joint venture (Kogut & Zander, 2003). Expansion through internalization in early periods of development, also known as firm's ambition to be 'born global' (Coad, 2009), explains that some business enterprises may receive over half of their revenues from dealing in international markets already during the first fiscal year of operations (McDougall et al., 1994).

### **2.3.1 Large-scaled and small to medium-sized enterprises**

It would be a mistake to solely speak of large enterprises without relating it to small and medium-sized business units, because nearly every big company we know has begun from an SME (Lukacs, 2005). Even though, economy growth, innovation and employment have known to be triggered by SMEs (Turner et al., 2010), there are world known large-scaled enterprises and world economy could not be imagined without them, for instance, Google, Hewlett-Packard, Procter & Gamble and many others. While SMEs make up for over 90% out of all registered companies in the European Union (European Commission, 2005, 2008), LSEs provide slightly under 34% of jobs in the European Union (Lukacs, 2005). As European Commission has identified (2000), SMEs are those business enterprises, which employ less than 250 people, when in fact average employment rate per an SME is 4 persons, meanwhile a large-scaled enterprise accounts for 1000 (European Commission, 2000). The table below shows organizational classification depending on the determinations in the European Union and the United States of America.

	<b>Size classification</b>	<b>Other requirements</b>
<b>An LSE in Europe</b>	Over 250 employees	Annual turnover of more than €50 million
<b>An SME in Europe</b>	Micro: self-employment or less than 10 employees	Annual turnover: under €40 million OR
	Small: from 10 to 49 employees	Annual total assets: under €27 million
	Medium-sized: from 50 to 249 employees	Independent: under 25 % of voting rights or the capital is owned by one company
<b>An LSE in the USA</b>	More than 500 employees	Annual turnover for over \$7 million in retailing; more than \$35.5 million in service industry (industry-specific)
<b>An SME in the USA</b>	Under 500 employees	Annual turnover: under \$5 million

Table 1. Company sizes in Europe and the United States of America

Source: European Commission, 2000; Karmel & Bryon, 2003; Lukacs, 2005

Researchers from European countries have identified organizational groups slightly in a different way than American ones. European classification of companies' sizes is based on the number of registered employees within all private enterprises except for those in fishing, hunting and agriculture, as well as the range of additional requirements. When it comes to the US classification, the definition depends on the sector, within which a company is operating, as well as the number of employees and turnover at its maximum potential (Karmel & Bryon, 2003). American system of classification may be more useful, since industry competitiveness of a company, measured by its market share, is taken into account. As for instance, there are currently eight industry-based size standard levels in the US system; starting from employee-based level of 50 people aligned to annual receipts-based level of \$5 million and up to the last level of 1000 employees and \$35.5 million (Dilger, 2012). Because all case companies are Finnish firms, the summary for this chapter is the table, which collects European facts about SMEs and LSEs.

		<b>SME</b>	<b>LSE</b>
Number of enterprises	<b>(1000)</b>	20.415	40
Employment	<b>(1000)</b>	80.790	40.960
Persons employed by an enterprise		4	1.020
Turnover per enterprise	<b>Million €</b>	0,6	255,0
Share of exports in turnover	<b>%</b>	13	21
Value added per employed person	<b>€ 1000</b>	65	115
Percentage of employment by size class	<b>%</b>	66	34

Table 2. Essential facts regarding SMEs and LSEs in Europe

Source: European Economy (2001); Lukacs (2005).

Despite the fact that SMEs role in the world's economy has escalated (Manninen, 1996) due to their business responsiveness, flexibility and innovativeness (Lyberaki, 1994), LSEs have been known for innovation facilitation in such industries as nuclear, chemicals, synthetic materials and electronic systems (Manninen, 1996). Nevertheless, the level of contribution between companies of different sizes may vary according to an industry (Freeman, 1982).

## 2.4 Company's growth drivers

Decisive importance of growth for SMEs has been studied by numerous researchers (Golovko & Giovanni, 2011). Lack of development puts company's chances for survival under doubts (Greeman et al., 1983). In a search for new customers, companies often adopt one or several approaches to grow (Ansoff, 1965) by choosing, for instance, between territorial expansion or delivery of innovativeness (Golovko & Giovanni, 2011). Despite the fact that SMEs' difficulties regarding financial resources have almost double negative effect on annual growth than in LSEs (Beck & Demirguc-Kunt, 2006), small and medium enterprises have practiced various internal financing tools, such as personal savings and detained profits (Wu et al., 2008), and diversified external means starting from business angels and venture capital to financial institutions (He & Baker, 2007; Chittenden

et al., 1996). Company size and age are one group of related to growth characteristics, which have gathered attention from researchers (Becchetti, & Trovato, 2002). Regardless the lack of certain agreement among professionals about firm size and its growth rate (Wiklund, 1998) and wide variety of positive and negative reports about such relationship (Philp, 1998; Almeida & Campello, 2007), multiple studies could not confirm firm growth independency from its age or size (Becchetti, & Trovato, 2002).

A variety of business professionals have given already their comments regarding rapid technological development and its influence on firm growth. For instance, top level managers of Google and Cisco Systems endorse shift of a firm growth from linear to more aggressive state due to increased internalization of trading companies, emergence of novel business models and elevated speed of participation dynamics (Charbonneau & Menon, 2013). However, due to the fact that LSEs' growth process differs from SMEs' (Gilbert et al., 2006), development drivers of smaller ventures may have different affects and purposes. While, bigger well-established companies are seeking for the ways to sustain growth, smaller firms endeavor to obtain viability (Golovko & Giovanni, 2011). Furthermore, deviation among growth rates is declined accordingly with the size of a venture. Same researchers managed to outline that in most often scenarios, a company is capable of choosing between innovative approach towards own products and processes or geographical expansion through exporting or foreign direct investment (FDI).

#### **2.4.1 Innovation as growth driver**

Because innovation delivery within a business unit has been a matter of attention (Porter 1998), its positive influence on company's growth rate has been determined (Golovko & Giovanni, 2011). According to findings of Humphrey and Schmitz (2004), contentious cost and price reduction strategies concede in comparison with innovativeness accompanied by quality and value chain development in an effort to achieve or sustain competitive advantage. Similarly, innovation may lead to customers' readiness to pay more for product's diversified features (Cho & Pucik, 2005). Results belonging to the research of Lehtimäki (1991) referred to straight relationship between product innovation and total sales of Finnish SMEs, as well as Roper (1997) managed to confirm faster growth of product innovative SMEs. Same relationships found prove in later studies of Engel et al., (2004) and were developed into a confirmed positive effect of both, product- and process-related innovation, on performance of a company of any size group belonging (Lumiste et al., 2004).

In a context of firm development, upgrade in product's quality and competitiveness, process efficiency, available market share and other characteristics are those interconnections to innovation, which can be related to firm's performance and growth (Petrescu, 2012; Tavassoli & Karlsson, 2015). A study accomplished by Keeley et al., (2013) carried out that 95% of case companies from manufacturing and services industries have failed in their efforts to innovate due to such reasons as unsystematic approach, hard separation from the rest of a company and lack of clear vision regarding innovation types and expected outcomes. Two streams of innovation, technological and non-technological, (Tavassoli & Karlsson, 2015) together lead to raised knowledge capital of a firm and accelerated innovative capabilities (Arrow, 1962a). Multiple ways to adopt and implement innovativeness can be categorized by certain benchmarks: type of innovation, degree of change (radical or accumulative) and degree of novelty itself from brand-new, new to the market up to new to the firm (Petrescu, 2012). Same researcher points out how one type of innovation may have different goals based on a degree of its change. While radical product innovation would be determined by complex implementation of totally fresh activities so that a product differs significantly from previous solutions, incremental innovation refers to existing product and improvement of its features and performance. The table below depicts core distinctive ideas about organizational innovation approaches.

<b>Type of Innovation</b>	<b>Clarification</b>	<b>Primary Goal</b>
<b>Product</b>	Satisfaction of certain customer demand by introducing new product or unique category of it.	Introduction of a new product (and its varieties) to enable a company to set prices above marginal costs.
<b>Process</b>	Adoption and implementation of new production methods.	Reduction of production costs while retainment or increase of product quality.
<b>Organizational</b>	Improvement of firm's efficiency, profitability and flexibility by introduction of new internal structures, control systems, external networks, knowledge management systems and fulfillment	Assistance to other types of innovation by reduction of pressure within a company. Adoption and implementation of arising technology.

	of key positions by new personnel.	
<b>Marketing</b>	Access to new markets or effective manipulation of target markets through well-known marketing 4P's (product, price, promotion and place).	Boost of total sales volume, effective market segmentation and acceleration of customers buying power.

Table 3. Types of Innovation

Source: Tavassoli & Karlsson, 2015; Hollen et al., 2013; Khanagha et al., 2013; Johne, 1999.

Despite the lack of one final determination of what innovation is (Keeley et al., 2013), it is often identified as a series of actions for equipping in new and revised capabilities or expanded utility (Drucker, 1985). Fundamental role of organizational competitiveness through its services, processes, products and structure is also assigned to innovation (Gunday et al., 2011). Numerous research forces have applied efforts in terms of studying the relationship among firm age and size, innovativeness and growth rates (Heimonen, 2013), however, mainly LSEs have gathered concentration (Gudmundson et al., 2003). Growth rate is proven to slow down once a firm increases in size (Almus & Nerlinger, 2000), meanwhile SMEs, which are more innovative-driven, show accelerated speed of development in case, when growth and innovations are related in complimentary way (Heimonen, 2013; Churchill, 2000). Another group of researchers focused on investigating the relationship between company's size and innovation development approach. Their findings were controversial to previously mentioned ones, as LSEs cases outperformed smaller units due to their process innovation. Wagner and Hansen (2005) emphasized the importance of LSEs' greater resources in terms of higher innovative capabilities. Though it can be also pointed out that there are certain stopping factors for larger firms such as lack of flexibility and availability of bureaucracy, which make it difficult for managers to promote innovativeness within the company (Kamien & Schwartz, 1975; Cohen & Klepper, 1996). Based on the quantitative study of 27 US companies organized by Wagner and Hansen (2005), superior performance in process innovation by LSEs and middle-sized companies was spotted. Nevertheless, small enterprises were noticed to manage continued product- and business-relation innovative developments despite their constrained resource availability.

## 2.4.2 Geographical expansion as growth driver

Effects of internalization and innovation have been mainly studied in isolation from each other (Golovko & Giovanni, 2011; Zucchella & Siano, 2014) and only few researchers spent efforts on studying the relationship between these. Nevertheless, firm's decision of foreign market entry is often referred to its liability of foreignness (Zaheer, 1995) and restricted by own size and financial resources (Carroll, 1983; Zucchella & Siano, 2014). Mentioned before relationship among firm age, size and growth rate does not necessarily prove reliance of growth on firm decision to expand geographically, for example to export. First of all, positive influence of exporting on employment rate and increase in turnover growth was confirmed (Robson & Bennett, 2000). Later researchers established similar results and registered relationship among sales growth, employment rate and access to foreign markets (Becchetti & Trovato, 2002; Filatotchev & Piesse, 2009), though importance of indirect factors, such as revenue diversification and increased internalization, should not be neglected (Shaver, 2011; Sapienza et al., 2006).

Nonetheless, there is no certain justification upon how internalization, especially on early stages, complies together with growth rate (Zahra, 2005), advantages of learning, gained by a firm, are seen to be leading to potential growth (Sapienza et al., 2006). Because smaller and younger firms tend to face certain resource-related uncertainties and risks, it causes their eagerness to learn and adapt in a way, which affects internalization extent, speed and effectiveness (Lu & Beamish, 2001; Barkema et al., 1996; Delios & Beamish, 2001). Furthermore, international expansion, in particular export, has been proved to have positive connection with domestic sales, and thus, such interdependence should make firm managers accomplishing strategic decisions regarding domestic and export sales symbiotically (Salomon & Shaver, 2005).

## 2.4.3 Marketing as a tool for firm growth

Even though, importance of marketing discipline has rarely been examined with respect to firm performance (Junge et al., 2016), certain progression in this field of studies has been achieved. Developing forward from older times, when cost reduction was one of the main strategies applied in firms, and marketing accounted to be unnecessary luxury (Thompson, 2011), sufficient marketing execution is seen as the right method for corporate growth and shareholder value (Amler, 2001). What is more, innovation related to marketing leads to a more productive growth and is not a subject to organizational change (Junge et al., 2016).

The question is whether contribution to marketing has straight relation to firm performance and if so, how measurable this connection is? While trying to answer such a question, O'Sullivan and Abela (2007) managed to perform solid analysis of primary-data collected from senior marketers in tech companies regarding the importance of MPM (marketing performance measurements) and secondary data. They carried out that ability to measure marketing performance has positive influence on firm performance in terms of outperforming competitors, returns on assets, stock returns and is critical for CEO satisfaction with marketing initiatives. These results are significant findings, which promote the initial thought of Rust et al., (2004) that increase in marketing strength of a business unit leads to firm's better performance. When talking about company's capability to perform successful marketing activities, it is often referred to its competence of differentiating among own products and/or services from competitors in order to build a profitable brand (Kotabe et al., 2002).

When referring to the importance of marketing department within a firm and its influence on performance, one can see an organization as a system with limited resources, whereas capacity of each department (e.g., marketing department) is seen powerful if it can influence other people and decisions of other departments (Pfeffer, 1981). It is logical to conclude that different strategic departments may have own short-term tasks, so that each can successfully contribute to a long-term goal of a firm. Feng et al., (2015) managed to summarize three ways of marketing power influence on firm's performance and what is also very important, carried out that correct functioning of marketing department has a power of anticipating future financial performance of a firm. The table below shows three basic mechanisms of a department power influence on overall firm's performance.

<b>Department's power tool</b>	<b>General Performance Example</b>	<b>Potential GM implications</b>
<b>Resources</b>	Success of a department attracts higher-quality resources, raises in payments and superior talents	Reduction of costs and better resource utilization for improving productivity of a company
<b>Coordination</b>	Accomplishment of a goal in a collaboration with other departments in order to increase process quality	Teamwork with sales and HR departments for enhanced employee & customer satisfaction
<b>TMT consideration &amp;</b>	Orientation on department's focus and interests; empowering	Increased productivity and shareholder value lead to



<b>Strategic decision making</b>	position within firm's decision-making activities	company's profitability and capacity grow
----------------------------------	---	---

Table 4. Mechanisms of departments influence on a firm's performance

Source: Welbourne & Trevor, 2000; Salancik & Pfeffer, 1974; Feng et al., 2015; Aava & Bang, 2019.

As the table showed, firm department power attracts better resources, which often results into superior skills and successful performance outcomes (Salancik & Pfeffer, 1974). A business unit consists of a variety of departments, where functioning of each is crucial. Coordination with other parts of a company may be especially important for marketing departments, since input and cooperation with others is often needed for task accomplishment (Feng et al., 2015). Finally, those departments, which attract superior resources and efficiently coordinate with others, attract attention of TMT (top management team) towards internal and external environmental issues, which enables the department to strengthen its position within a firm and gain more weight in decision-making process (Delmas & Toffel, 2008). However, what comes to power of a well-functioning marketing department, same studies managed to prove several relationships between marketing activities and firm performance: positive effect on firm short-term profitability, long-term shareholder value and building short- and long-term market-based assets, such as brand equity, customer relationships and cash flow generation (Feng et al., 2015; Ramaswami et al., 2009; Dutta et al., 2003).

Operational realization together with marketing activities are those two core stones, which establish value of a firm (Nath et al., 2010). All in all, those business units, which are focusing on developing its marketing capabilities through learning from companies with superior performance, have better chances of maintaining its competitive advantage (Vorhies & Harker, 2000; Jaworski & Kohli, 1993). When Caragher (2015) refers to a missing ingredient of a firm growth, she speaks of marketing and its power to keep a company visible in a market with a positive brand image. Indeed, the importance of well-functioning marketing department within a firm has known to be crucial for achievement of short-term goals within a continuous growth strategy. Despite the fact that some scientists reported downturn in proper studies of marketing and its influence on increase in firm's profits (Morgan et al., 2009), there is clear understanding that firm's capability to understand its competitors, customers and market environment has straight linkage to revenue and growth rates. Appealing to know that previously mention firm's ability is often called market-sensing (Day, 1994).

#### 2.4.4 Marketing performance

For the last several decades numerous researchers have been discussing a variety of changes, which put survival of marketing in the role of a strategic firm's tool under uncertainty (Webster et al., 2005). One of the most common problems, which companies are faced with, is managerial malfunctioning: incapability to measure effectiveness of marketing activities and its financial influence on firm's performance (O'Sullivan & Abela, 2007). Investigation of Verhoef and Leeflang (2009) proved that role of marketing performance can and should be measured. Supplementary, it is worth of remembering that company's evaluation of past performance and analytical comparison with competitors can be simplified by metrical marketing examination, both financial and non-financial (Bennett, 2007). Financial means for MPM are assumed to be more frequently used but starting from 1980s, non-financial tools gained usability traffic (Ambler et al., 2001; Clark, 2001). Hence, absolute reliance on financial measurement tools is considered deficient and, thus hybrid assessments are often applied (Lehn & Makhija, 1996). Investigation of customer satisfaction, product's quality and innovation are the most typical non-financial metrics, which assist managers in predicting organization's performance in the future and set long-term goals (Eccles, 1991; Clark, 2001). Some financial MPMs are mainly advantageous if evaluation of a particular marketing effort is required, for example an advertising campaign. Thus, often it is difficult to evaluate real returns on investing into marketing as a whole (Ambler, 2003; Brooks & Simkin, 2011). However, some financial tools can be extremely useful for maintaining long-term customer relationships and identifying profitable ones (Rust et al., 2004).

LSEs often tend to experience issues with data gathering and comparing because of misleading exceeding amount of information, while at the same time smaller enterprises face scarcity of data (Seggie et al., 2007). Larger enterprises prefer to use customer loyalty and market share as key qualitative MPM tools: 64% and 79% correlatively out of 697 studied companies (Barwise & Farley, 2004). While a market share can inform about falling market, customer loyalty indicator helps to predict repurchasing power in the future (Clark, 2000). Despite the type of a measurement tool and organizational context, suitable MPM should assess marketing activities and business performance in order to improve managerial decision-making process (Brooks & Simkin, 2011).

One possible explanation of why numerous MPM models are managerially ignored is the lack of connection between tools of assessing marketing outputs and the organizational context of a business unit (Morgan et al., 2002). When speaking

of organizational context, MPM is addressed as evaluation of a relationship between outputs of marketing activities and business performance (Clark & Ambler, 2001). This classification has been further developed by a group of researchers. According to Frösen et al. (2016), marketing measurement tools assist managers in identifying market performance targets of a company and interpreting relatable results. Later on, they also managed to argue that there are numerous parts included within the term of marketing performance such as financial outcomes, customer approaching and company performance in regards to competition. Even though various forms of marketing control and its effect on company's performance have been under investigation of several researchers (Ramaswami, 1996; Jaworski et al., 1993) there is certain knowledge gap in the area of strategic development (Frösen, 2013). Moreover, latter studies managed to summarize an approximate number of previously conducted general and contextual investigations within such areas as: marketing control (10 studies, out of which 7 are empirical), MPM (24 studies with half of them based on empirical findings) and marketing metrics (13 studies with the most attention to conceptual research).

Based on dimensions of marketing performance stated by Ambler et al. (2004) and further scientific investigation of Frösen (2013) it is possible to summarize key influencing factors and metrics of marketing performance. The figure below, which has been adapted from several confirmed academic sources, depicts previously mentioned findings.

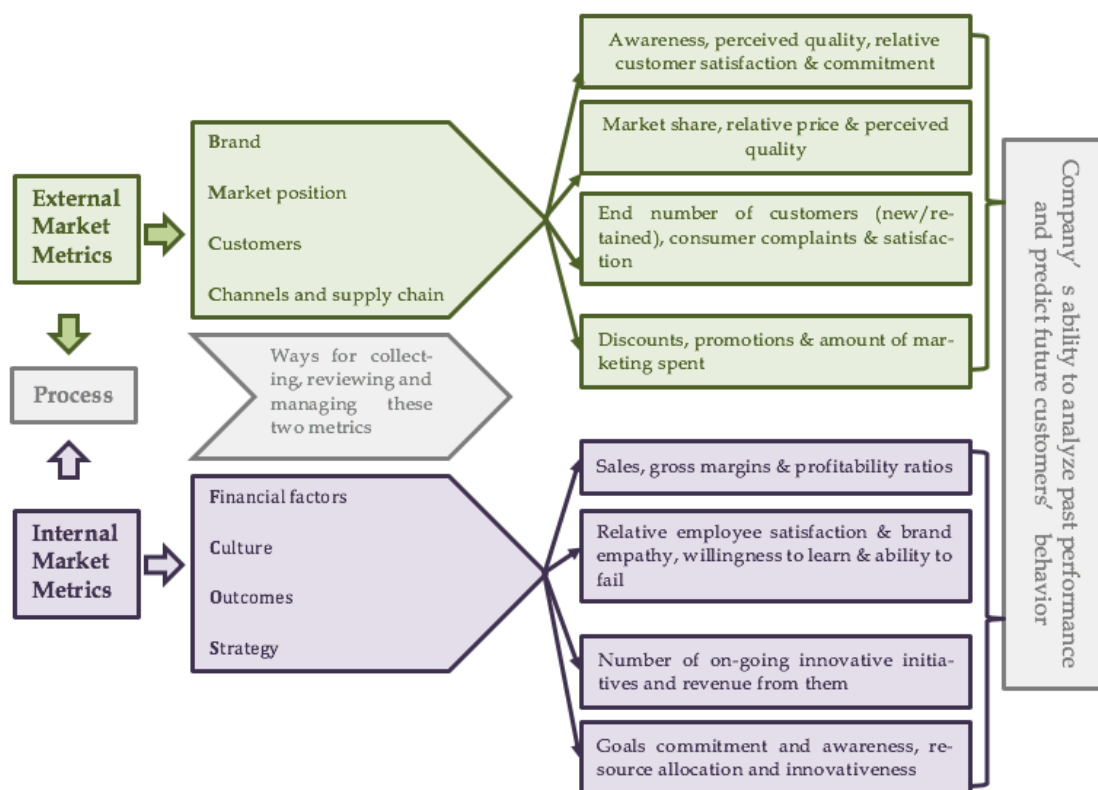


Figure 2. Most commonly used internal and external MPMs

Adapted from: Ambler (2000), Barwise & Farley (2004), Frösen (2013).

Ambler (2000) has identified most commonly used marketing metrics in a variety of companies. Marketing has been looked at from three different perspectives in his study: as a functional tool (trading, sales and price management), as a visible marketing effort (advertising and promotion campaigns) and as a mean for CRM and better returns on shareholder value. Finally, he defined two groups of metrics such as external and internal performance indicators and selected most applied in companies. It is essential to remember about importance of diversification in the discipline of marketing; thus, selection of marketing metrics must be adapted to preselected strategy of a firm, but most general indicators still can and should be comparable (Ambler, 2000; Barwise & Farley, 2004). Within several years after Ambler's investigation, latter group of researchers managed to accomplish similar style of a study: they identified most preferable marketing tools applied in 697 business units, though their research has had multinational approach as the companies were selected from five different countries. Correspondingly to earlier findings of Ambler, Barwise & Farley (2004) emphasized high frequency of applying such metrics as market share, customer retention, perceived product quality, profitability, customer lifetime value and relative price of a product in a variety of companies. Another very interesting observation of their study was

carried about the number of total metrics applied in those firms: nearly 4 % out of total number of cases (697) have not applied any marketing performance indicators at all, meanwhile a set of four metrics was the most popular choice in that pool of companies (21 %).

Later Frösen (2013) managed to outline an overall framework, where she summarized all marketing metrics and their belonging to a certain influencing factor of marketing dimensions. Large number of most applicable marketing performance indicators belong to analysis of brand equity. Long while ago brand equity has been argued to include five essential aspects such as perceived quality, brand loyalty and awareness, other brand assets and associations (Aaker, 1991). The way how current and potential customers think of your company and what kind of attitudes they possess has an influence on market position of a firm (Farris et al., 2010). Frösen (2013) stresses an importance of measuring market position (market share, pricing, customer satisfaction and loyalty, and perceived quality) in comparative analysis with the competitors. It supports the original thought of Ambler (2000) that it is far more important to analyze how satisfied your competitors' consumers in comparison with own ones, especially because they may even be the same people. Another external marketing metric is customers, though this aspect is very broad. It can start from company's total number of customers with the deviation between retained ones and recently acquired (Frösen, 2013). However, feedback received from the clients plays equally important role. Same study emphasizes the importance of company's capability to manage relationship with distributors as one way to measure its marketing performance. Ideally a company should be able to offer solid quantity of discounts and buying promotions for enlarging or maintaining its distributing network.

Internal quantitative performance indicators of marketing activities gathered a lot of attention in Ambler's (2000) research. Yet before Frösen's published dedications to the topic, Sampaio et al. (2011) united market and innovation aspects into same group for their fieldwork in studying insights from marketing metrics. Nearly 80 % of all studied business happened to be reporting new products quantity and product availability as key internal metrics applied. Correspondingly, Frösen's studies outlined product novelty and revenues from it as key innovation-related metrics. Even though original studies of Ambler (2000) also include innovation-driven company's activities as a dimension for strategic metrics, he accentuates key role of people working in the company together with their knowledge and commitment. As a result, he identified three most commonly applied internal marketing metrics: culture, strategy and outcomes. By culture, the author referred to company's willingness to learn and develop current state of understanding, as well as upgrade employees' relative satisfaction and brand's appreciation. Alike to this thought, Rucci et al. (1998) saw the importance of solid

relationship with employees, as in that case the latter are more eager to market correctly external consumers. Meanwhile, adequate resource allocation, common responsibility against company's goals and target's 'knowledge' box strategic aspect of marketing metrics (Ambler, 2000). The last but not the least is actual number of firm's ongoing projects regarding innovation busting and catalyzing of related revenue (outcomes metric).

## **2.5 Growth marketing**

### **2.5.1 Growth hacking**

Until recently, there was no established term of 'growth hacking', and yet companies around the world have been trying to gain and sustain attention of customers. For the very first time, the conception of growth hacking got visibility in the year of 2010 with the referral to activities, which only motive is constant growth (Geru et al., 2014). Subsequently, this term started to be understood as an updated model of viral marketing, whereas the focus is on engaged users, lately referring to like-minded people such as friends and family (Casanova, 2013).

Growth hacking may be applied on a different scale (company-wide or for a single project) and on a different stage: penetration of new innovation or development of already existing products, attraction of new consumers or maintaining relationship with existing ones (Ellis & Brown, 2017). As new form of marketing approach, criteria for growth hacking techniques are still same: scalable, testable and trackable in order a firm to grow (Holiday, 2014). As a result, The American Marketing Association has addressed growth hacking as "the activity, set of institutions, and processes for creating, communicating, delivering and exchanging offerings that have value for customers, clients, partners and society in large" (Palmer, 2012: 4). Additionally, it is important to notice that growth hacking is not necessarily leading to selling a product to a consumer but creating value for community by establishing and maintaining relationship with users around your brand (San Francisco, 2019). Furthermore, this expert believes in marketing as building a relationship about something, which you care about; instead many companies simply push their products around. These words go along with the essential findings of the 'founder' of growth hacking term. According to Ellis and Brown (2017), main focus of professional growth hackers is not on marketing itself or product disclosure to the market, instead it is a cooperative work of a whole team in order to understand customer behavior, optimize the product and learn how to succeed in a product fit to a market. Slightly before those statements

got published, other researchers came up with ASP model (automated sales process) and used this as a definition of growth hacking process. The following table identifies the components of this optimal growth hacking model and illustrates possible growth marketing implications.

<b>ASP component</b>	<b>Goal</b>	<b>GM Goal</b>
Attraction	Attention towards products/services	Attract potential customers to create a product together: build customer-oriented model. Coming to customer before they come to you.
First Impression	Superior value to customers in exchange for a strong brand image	Evaluate new/retained customer ratio and evaluate value for them in order to build unforgettable impression
Engage & Educate	Customer persuasion for product testing by educating about its features	Engage and educate employees as well, as you want to be engaged with your customers
Follow-up	Ongoing dialogue with target customers	Ongoing dialogue with target and end users.
Sales Technology	Variety of tools applied for sales and consumer manipulation	Ongoing application of certain tools for retaining customers and other tools for attracting new ones
Referrals & Retention	Functional channels for customers to share positive experience and product's value	Functional channels for customer recommendation & learning about customer needs

Table 5. Traditional ASP and GM implications

Source: Fong & Riddersen, 2016; Aava & Bang, 2019; San Francisco, 2019.

Even though, each component of this framework compliments another, one can be developed in a separate way, depending on the growth stage. As for instance, when growth should be preserved, a firm can increase the number of active referrals about the product/service (e.g. word of mouth) and upgrade the level of delivering value (Fong & Riddersen, 2016). Furthermore, the findings from Swedish qualitative study of Siurblyte carried out that the relation between growth

strategies and retaining customers is very tight, i.e. the difference vanishes. It is no secret that the term of growth hacking is relatively fresh and only few studies have been accomplished for it, as for instance, no supporting information was discovered in such platforms as Google Scholar, Web of Science and ScienceDirect (Siurblyte, 2018).

### **2.5.2 Growth hacking VS. Growth marketing**

The topic of Internet development and its influence on business administration may cause contrasting point of view among researchers and more operationally focused people – managers. Since 1995 a lot has changed, as well as online space developed into fast-working environment, which changed the way of selling and purchasing things (Wildstrom, 1995; Taylor & Strutton, 2010). But did the Internet really change the whole game of doing business? On one hand, if a company is caught on performing unethically, or even conducting illegal activities, the brand image of it is still going to suffer from losing loyalty of its customers. The difference in such circumstances, which appeared with the development of the Internet, is the speed of information spreading, which results into immediate negative outcomes (Stratten & Stratten, 2018). On the other hand, the Internet has given people the choice and fundamental right to navigate their own purchasing power, thus made things more complicated for marketers (San Francisco, 2019). Therefore, application of previously working selling methods may not bring same outcomes in current environment. The print-media industry could serve as a suitable example of how innovation can affect a firm. During series of interviews with the editor of two well-known Canadian magazines (Today's Parent Magazine and Chatelaine), clear notion of the change was explained: a lot has moved forward since 2010, when the business had a mere focus on printing. Since shift towards videos became one of the biggest innovations (Guo et al., 2017), focus on content and its distribution is a key to growing a firm. Furthermore, the authors state that acceptance of this type of a change is not only a market-driven adjustment, but also is driven by better value proposition to consumers (Stratten & Stratten, 2018).

One of the main conclusions, which derive from thinking about growth marketing, is such a tremendous change the discipline of marketing has experienced. As empirical findings part shows later, one of the barriers against growing for companies is their mere focus on product itself and related innovation. Companies may even have great products, but what is the use of that, if customers either do not want it or do not know how to use it (Aava & Bang, 2019). Thus, the question,



which another expert agency refers to its clients, is brilliant for identifying readiness for sustainable growth in companies: How do you describe your company without talking about your product? (San Francisco, 2019)

### 2.5.3 Growth marketing metrics

Marketing efforts make a company being able to enhance own market-related performance (Rust et al., 2004) and outperform competitors by its differentiation power, which can lead to higher brand profitability (Kotabe et al., 2002). Marketing activities are mainly planned and implemented by firm management team and employees. Already Rucci et al. (1998) dedicated their research to assessing the importance of satisfied and aware employees, and classified employee satisfaction and knowledge about corporate culture as key performance triggers for healthy communication with end users. Relatively recent scientific investigation of Antoncic (2011) managed to prove positive influence of employees' satisfaction on company's growth based on the study of firms from different industries. When speaking of employee satisfaction, most traditional understanding is correlated either with employees' degree to which they are liking their working place or satisfaction of employees with their jobs (Spector, 1997). In most common scientific discussions, it is used to look at this matter from the perspective of employees' motivators and dissatisfaction factors. While workers may find themselves more motivated by the feel of recognition and responsibility with the notice of self-development and higher achievement rate, same people can feel dissatisfied by the factors, which are out of their control: working conditions, working-related relationships, policies and work securities (Herzberg, 1966). At the same time, engagement with which employees are eager to work for company's future is considered as one of the most critical triggers for growth (Lockwood, 2007). Unsurprisingly, Lockwood (2007) supports the initial thought of Ambler (2000) and Rucci et al. (1998) about the connection between satisfied and skillful employees and healthy firm's communication with its end users. The author also contributes to a variety of engagement rates of employees based on the nature of their interest:

*Employees emotional state of engagement is addressed to their feelings about an employer, co-workers and company's image itself; cognitive engagement refers to their beliefs regarding the cultural aspect of the working place together with belonging leaders, meanwhile employees also engage into company's activities based on how their input (as energy and extra hours) is considered in relation to received outcomes (Lockwood, 2007).*

As previously referred to findings of Ambler (2000), employees' willingness to engage and develop own knowledge are important aspects of cultural marketing metrics in terms of measuring firm's performance. Furthermore, Lockwood (2007) emphasizes that companies, which have highly-engaged skillful employees, are more likely to be more productive in practical accomplishment of strategic goals than competitors. The author also notifies that selection of 'correct' employees is also useful for adequate resource allocation: reduced safety and time costs, which result straight into monetary savings. Correspondingly to multiple researchers, human power and know-how are the key starting points to well-functioning managerial board (Aava & Bang, 2018).

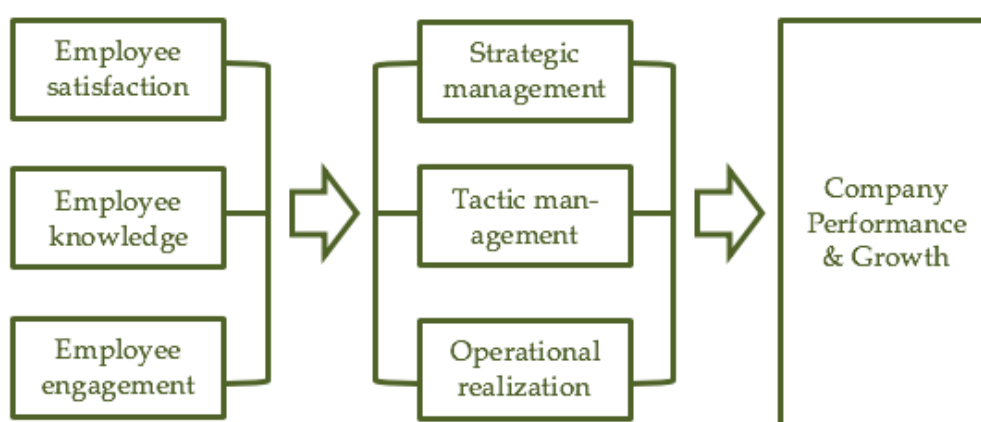


Figure 3. Organizational human capital and company growth

Adapted from: Ambler, 2000; Lockwood, 2007; Aava&Bang, 2019.

When it comes to measuring the inputs and outcomes of marketing activity, numerous firms face difficulties. O'Sullivan and Abela (2007) refer such difficulties to managerial incapability of measuring marketing efforts in relation to its financial effectiveness. In support to this notion, Bennett (2007) analyzed the importance of marketing tools to be measured in relation to activities and proved the need for financial and non-financial metrics to be applied in companies in long-term perspective. Much earlier Wilkie and Moore (1999) have categorized marketing by means of routine accumulative knowledge, which assists professionals in narrowing down an understanding of what to produce in relation to customers' view. Orlova (2018), however, has looked at marketing tools from a slightly broader variety of perspectives.

Marketing tools composition can be under constant change due to the progression in the field of information technologies (Ceglinski, 2016). It is logical than, that original 4P's marketing mix model has been developed into more updated tool for marketing performance enhancement. Even though, product, price, place

and promotion have been key dimensions applied by managers for decades (Goi, 2015), Kotler and Keller (2012) together modified previous marketing mix by adding such important dimensions as: people, processes, performance and programs. Interesting to notice, that the researchers' focus on people, which emphasizes the importance of internal marketing communication with employees, supports other numerous researchers in their belief that this group is one of the main tools for reaching customers (Ambler, 2000; Rucci et al., 1998; Lockwood, 2007; Antoncic, 2011). Meanwhile, company's ongoing processes and programs are supposed to depict its current state of creativity and role of marketing in overall structure by estimating the number of actual related activities happening and their weight of total managerial effort (Kotler & Keller, 2012; Frösen, 2013). Furthermore, Orlova (2018) sees marketing mix composition as a conclusion of different marketing tools, which are implemented by managerial board into growth strategy of a company.

As a result, Orlova (2018) managed to summarize marketing tools based on the nature of their belonging: market analysis, strategy formation and communication. Original studies of Ambler (2000), however, considered a variety of marketing metrics according to their functioning belonging: outside or inside measuring tools. Despite the notion of Orlova (2018) about general effective use of all marketing tools and its influence on enterprise's value, marketing communication is known to take special place in brand identity formation (Pelsmacker et al., 2004). Researchers see communication as the main tool for making consumers liking the personality of a company. Even though, their findings mainly focus on various types of advertising and its influence on consumer thinking, specialists from Aava&Bang place an emphasis on other communication tools for superior customer relationship. The following figure is the summary of previously mentioned research findings elaborated partly with expert company's growth marketing metrical tool.

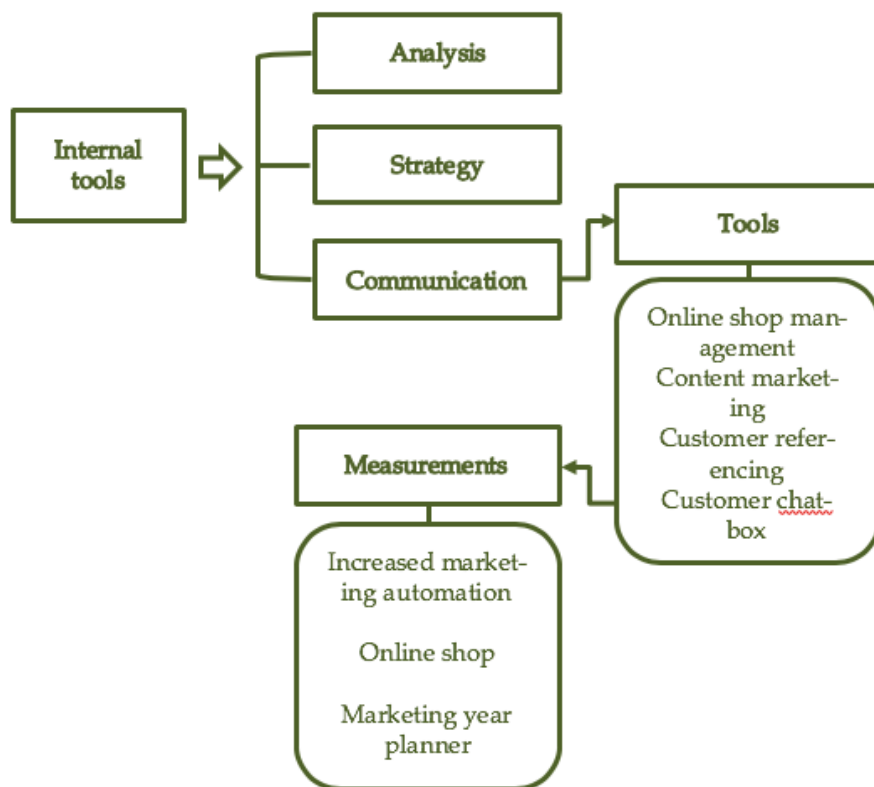


Figure 4. Growth marketing tools: marketing communication

Adapted from: Orlova (2018), Aava&Bang (2018).

In the book report LeBoeuf (1987) conducted a survey, the purpose of which was identification of most common reasons for losing clients. According to their findings, the most popular reason for customers to walk away is due to company representatives' inattention to customers' needs (about 68% of all respondents), meanwhile second and third most common reasons are customer dissatisfaction and market competition (14% and 9% correspondingly). Defeated communication with a customer often leads to higher acquisition costs and smaller revenues on sales (Athanasopoulos, 2000; Risselada et al., 2010). Consumer retaining is getting more complicated, since customers now are much better informed and educated, thus have wider variety to choose from (LeBoeuf, 1987; San Francisco, 2019). But if a long-term relationship with a customer can be broken so easily, why not to focus on seeking for new ones instead? LeBoeuf (1987) discovered that an average company has overall six times higher expenses for attracting new customers than keeping old ones. Thus, managers nowadays aim to retain existing customers and benefit revenues from them, since customer loyalty is known to be resistant against company's competitiveness (Lam et al., 2004). What is even more important is that the same tendency is applicable to both, B2C and B2B contexts. Because of higher volumes of money being given by B2B clients (Rauyruen

& Miller, 2007), customer retention is especially crucial for this type of business operations (Eriksson & Vaghult, 2000).

When talking about customer retention, one automatically remembers about customer satisfaction. However, customer service, the result of physical distribution function of a company, is one of the fundamentals for customer satisfaction and higher brand awareness (Innis & La Londe, 1994). Many researchers link customer service to the marketing mix, as physical distribution can influence on marketing activity's success and the other way around. In other words, customer service as any other performance tool leads to some degree of customer satisfaction (Innis & La Londe, 1994). Also, firms with higher degree of customer service tend to gain a market share of an average of 6% annually and set higher prices for its products and services (LeBoeuf, 1987). Besides superior customer service, researchers have identified a pool of other drivers for customer satisfaction. Depending on the industry, combination of such parameters as consumer's expectations, brand image, product and service quality may vary (Martensen et al., 2000). It is proved that the expectations, which a person has prior to a product or a service, have no or very little influence on overall customer satisfaction rate: it has had an effect on people's experience in supermarkets and banks, though had zero importance for telecommunications industry. Furthermore, businesses from such industries as fast food, the Internet and soft drinks happened to retain customer satisfaction due to the product or service quality. Also, researchers pointed out that the image of a company is the crucial aspect for satisfaction increase, especially in the sector of supermarkets and the Internet.

Because customer satisfaction has tight connection with the willingness to recommend a company to others, many managers nowadays have included such willingness rate (NPS) as extra performance benchmark of a company and pay attempts to manage it. According to the survey findings of LeBoeuf (1987), a satisfied customer is capable of recommending a company up to five people, while negative experience can cause complaint spread up to twenty people per a complainer. As a result, the author makes it clear that one customer dissatisfaction takes up to twelve positive incidents to be absolved. This customer power to spread information has a direct influence on brand awareness. Based on the project of the expert company, improved communication with clients (through direct and indirect conversations) may lead to higher degree of interest payed towards the company and raise brand awareness for potential customers. In overall, it is not suggested to focus entirely on customer retaining due high related costs and the fact that not all consumers under the risk of cancelling, thus search for new clients is also required (Hadden et al., 2007). The figure below illustrates the composition of marketing client-related effort.

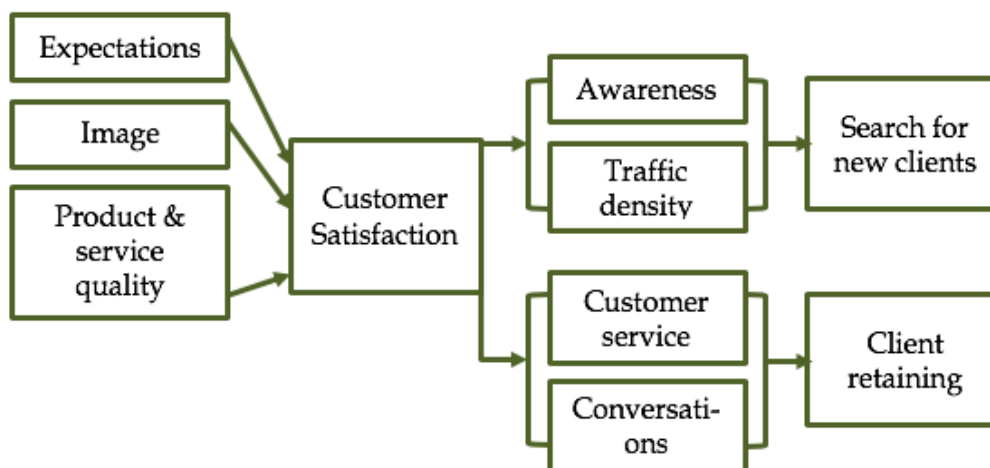


Figure 5. Customer retaining and search

Adapted from: Martensen et al., 2000; Aava&Bang, 2018; Jahromi et al., 2014.

Based on previously mentioned scientific studies, customer satisfaction is one of the key elements of company's success, because it is the basis for retaining current customers and raising brand awareness for attracting new ones (LeBoeuf, 1987; Aava&Bang, 2019). Sufficient internal and external marketing operations can enable a company for growing. Even though growth strategy depends on company's nature of operations (Aava&Bang, 2019), customer satisfaction and enhanced productivity are known to be two interconnected yet central areas for proper measurement in order to meet customer needs and grow repeatedly (Anderson et al., 1997). Correspondingly to the expert company, group of researchers have established the fact of customer satisfaction positive influence on potential increased revenues (Rust & Keiningham, 1994), thus higher ownership value of a company (Aava&Bang, 2019). Furthermore, the same element has been associated with a round of cost savings: reduced future transaction costs, price elasticity, defection costs and costs associated with new customers' search (Anderson et al., 1997). Reichheld and Sasser (1990) do not simply state that the quality of a service increases customer satisfaction and leads to increased sales, but emphasize how important it is to understand why customers leave your company: besides paying attention to competitors' and their pricing strategies, consumer decline forces a firm redefining its strategy and decide on most profitable tools of resource utilization. Even though LeBoeuf (1987) has accomplished a set of numerical studies, proving that customer retaining is cheaper than constant search for new ones, some companies have to continue looking for new clients due to business peculiarities (Aava&Bang, 2019). A while ago, Anderson (1994) has established an understanding of a connection between positive customer referencing and reduced cost of attracting new clients: a satisfied human is more likely to

spread a word in favor to a company, if previously has experienced a service of high quality, as a result brand awareness rises. Nevertheless, not all companies desire to grow physically and open up new markets: many business enterprises place efforts on increasing effectiveness of internal processes and enhancing the quality of customer service. In this case, growth strategy target is achieved by gathering and retaining bigger market share (Aava&Bang, 2019).

## 2.6 Theoretical framework

The background of current academic study depends much on literature review of the thesis. Because the concept of growth marketing blends firm's growth and marketing into a single strategy (Aava&Bang, 2019; San Francisco, 2019) one part of theories revision is dedicated to companies' growth understanding, while another section is focusing on the development of marketing discipline and its role in growth process a company. Several frameworks are applied there, for instance, Frösen's marketing performance metrics research, supported by other theories, take decent space in the literature review and serve as the fundamental basis for further bridge building with the main term. Because no academic sources describing growth marketing were found, secondary data about related theories are presented in the first part of the study. The later part of literature review presents findings in relation to the phenomenon.

In order to understand the phenomenon theoretical framework is presented in the end of literature review part. Theoretical framework is developed in GM process figure later in the study, as it includes empirical findings from case companies, thus it is slightly different than first version. Current framework is summarized upon Figures 2, 3, 4, 5 and Tables 4 and 5, which are explained before. Furthermore, this part summarizes the findings of numerous field researchers from the past and attach it to the perspectives of expert companies. The aim of this framework is showing the link between the concept of growth marketing and company's development.

People are the most important aspect of growth marketing balanced scorecard (Aava & Bang, 2019). This does not only apply to customers, as the process starts far before a company is working on marketing communication with them. After a firm has identified its preliminary strategy, one has to identify if there is enough of people with suitable knowledge and engagement rate, which are motivated to make the plan working (Anderson et al., 1997; Rust & Keiningham, 1994). As the expert accentuates, it all starts from the inside:

*These days, nothing is going to work outside of the company, if it is not real.*

*(Aava & Bang, 2019)*

In order to make it real for your clients, a company must constantly apply internal marketing communication for its main people - employees. Already Ambler (2000), whose studies became the basis for further scientific investigations, outlined the key role of employees among other MPMs. As further empirical studies will prove, relative employees' satisfaction and engagement are crucial for company's growth, as it is the key for retaining old customers and raising brand awareness (Frösen, 2013; Aava&Bang, 2019). Hence, satisfied employees are more likely to find the best solutions for marketing communication with company's customers and retain long-term relationship with them (Rucci et al., 1998). Nevertheless, a variety of researchers put stressing on market share as the first MPM to consider. As customer satisfaction and loyalty are one of the components of firm's market share success, Frösen (2013) emphasizes the importance of ongoing external marketing activities for outperforming competitors by having more satisfied clients and attracting significant portion of attention by solid product selection and supportive innovativeness.

Tools, however, play an important role in the concept of growth marketing as well. At the times, when companies have not been aware of MPMs yet, Kotler and Levy (1969) have already identified marketing as extensive social activity, which develops outside the limits of simple toothpaste selling. Researchers see an average organization being in tight relation with a product in relation to certain group of customers, with whom they are trying to apply best tools for receiving further approval. Unsurprisingly, their findings carried out several well-known concepts for effective marketing strategy, which is heavily based on such terms as planning, analysis, differentiation, segmentation, constant feedback and integration. But due to rapid development of online environment, which became new business arena for multiple businesses, a set of marketing tools has been also upgraded. As another expert company has shared, now companies have greater number of tools to apply, when they want to see if they are doing well. When Facebook just appeared and companies started publishing randomly selected information there, several hundred 'likes' under each post seemed as a prospect for selling more. Though, only few managers would track the numbers and compare social media figures to the actual sales. In other words, just a while ago smart companies started thinking, how to measure their external and internal marketing activities for further forecasting (San Francisco, 2019). Luckily for this thesis, expert company Aava&Bang has been developing the managerial implication of



the concept of growth marketing by creating fresh version of the balanced scorecard. This structure identifies growth marketing as a systematic build-in strategic force with a variety of internal and external tools and measurements. Therefore, a company with an intention to grow, undoubtedly will find this concept being effective. This version of theoretical framework summarizes previously explained theories in support to the findings of the expert company.

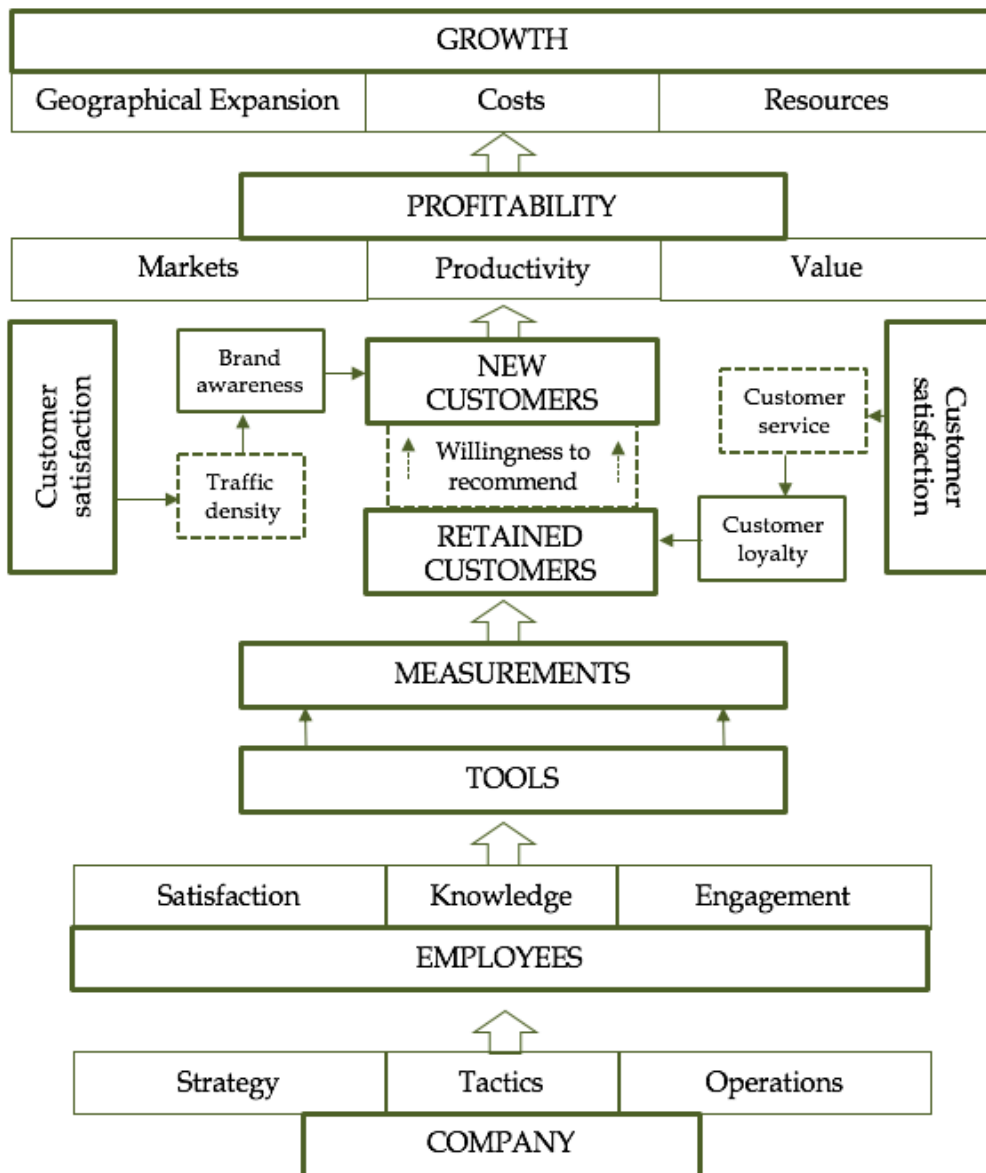


Figure 6. Theoretical framework for growth marketing

### 3 DATA AND METHODOLOGY

Current chapter delineates selected approach and method of data collection and analysis for this research. The choice of qualitative research conduction with the use of case study approach is explained and critically justified. Hence, abductive research logic choice is also justified in terms of its suitability to the research problem and questions. Furthermore, the chapter explains precisely data collection methods and ways of analysing gathered results. The author explains the reasons for selecting certain sources for empirical data and the format for data collection methods. Case companies are introduced in this part of the research in relation to the task of this study. The researcher has put efforts into critically justifying the criteria for choosing the cases and demonstrating applied skills for proficient empirical data treatment.

#### 3.1 Research setting

Despite the importance of quantitative research and its conclusive deductive methods (Miller & Fredericks, 2006; Morse, 2005), a variety of qualitative research tools are capable of creating complete theory building in different ways (Doz, 2011). According to Weick (2007), tools of qualitative research motivate a researcher for deeper understanding of a phenomenon by providing more comprehensive descriptions of it. Furthermore, this research setting allows a scientist to navigate effectively between rich amount of collected data and appearing conceptual observations. Thus, healthy relationship of existing theories and new concepts is central in qualitative theory building (Weick, 1989). Based on the findings of Flick (2007) one can say with confidence that a text is the main practical material, which is used to understand the whole process or relation, which is under examination. Overall, words instead of numbers are playing the key role in terms of describing certain phenomenon or even generating new theory.

Due to the fact that disciplines vary tremendously among each other, particular research setting may be more/less appealing to a certain matter. Indeed, field of marketing has often been developed with the assistance of qualitative methods, as after all primary and secondary evidence has been gathered and analysed, scientists are provided with the right direction and meaningful answers for their concerns (Cohen, 1999). Because of constant development in the discipline of marketing (Holt, 2002), qualitative research execution enables people getting

comprehensive understanding of cultural contingency and complexity of a phenomenon (Moisander & Valtonen, 2006). Moreover, this type of research approach is known to be best suited for studying marketing-related hypotheses due to its commitment to fundamental and in-depth investigating process (Carson et al., 2001). Finally, it is worth mentioning that discipline of marketing goes along with qualitative research and together they perform in a functional way: exploration of a phenomenon, understanding of which is limited; description of a phenomenon with already gathered evidence; test of a phenomenon and the relationship with gathered data; and usage of findings for further prediction of possible outlines (Clow & James, 2014).

Scientists are known to pay much attention to planning and executing qualitative research so that research questions are answered with the use of sufficient evidence and within the limits of available time and resources (Ragin, 1994). Thus, selection of the most suitable research design is essential. Besides most obvious elements of sufficient design such as goal formation, selection of empirical materials and questions formulation, the choice of correct research logic plays important role in overall process (Flick et al., 2004). Since the aim of this research is studying fresh phenomenon of growth marketing, which has not yet acquired scientifically admitted terminology, abductive logic could be the most suitable choice for this matter. To see, which research logic can work the best for current research topic, it is important to compare all three forms by their structures (Table 7).

<b>Form of qualitative research logic</b>	<b>Consequence of theory building</b>	<b>Possible appliance to current research</b>
<b>Induction</b>	All observed Z are Q (all observed women are beautiful) Thus, all Z are Q (all women are beautiful)	All marketing tools effect company's performance well --- GM is advised to effect company's performance well
<b>Deduction</b>	All X are Z (all women are beautiful) Q is X (Anna is a woman) Thus, Q is Z (Anna is beautiful)	Marketing effects well company's performance --- GM relates to marketing --- GM effects company's performance well
<b>Abduction</b>	The surprising case Q is observed	GM is managerially applied --- Marketing has positive influence on

---

<p>But if X were true, Q would be a matter</p> <p>Hence, there is a reason to suspect that X is true.</p>	<p>firm's growth --- GM assists companies growing</p>
---	---

---

Figure 7. Qualitative research logic: 3 perspectives

Source: Tavory & Timmermans, 2014; Flick, 2014.

Even though 'abductive' in scientific studies has been around for a while already (Wirth, 1995), it may not be as popular as inductive or deductive approaches. Nevertheless, production of reproducing and rule-governed piece of novel and relatable knowledge has been seen as the main purpose of abductive logic (Flick et al., 2004). Based on numerous findings of Peirce (1997), abductive reasoning is based on analysis of observation regarding other related observations. For instance, it is commonly applied when unknown phenomenon is related to already studied concept. Furthermore, same researcher recommends using abductive logic because unknown phenomenon is neither assumed before the fact (as in deduction), nor is observed beforehand (as in inductive approach). While one approach is focused on summarizing already existing general knowledge, another incorporates everything to it. But only abductive approach is capable of bringing new ideas by establishing a hypothesis based on related interpretations (Flick, 2014). As a result, it was decided to study the phenomenon of growth marketing in reliance to the concept of marketing performance.

### 3.2 Research method

Case study research approach has not always been considered appropriate enough (Yin, 1994), as numerous researchers in the past named this method not solid enough for generalizing and making conclusions. But this has changed after this issue got transformed into an opportunity: in-depth study of a case is supposed to bring more complex knowledge regarding a phenomenon (Dubois & Gadde, 2002). As a result, explanation of this research approach is known to be:

*A case study is an empirical inquiry that investigates a contemporary phenomenon in-depth and within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident (Yin, 2009: 18).*

Normally, case study research interest lies within investigation of single or multiple cases with the help of common ways of collecting empirical evidence such

as interviews or surveys (Farquhar, 2012). Same source notifies about most typical research questions, which case study approach answers: when, why and how type of questions. Alike previously mentioned scientific findings on case study approach, Eriksson & Kovalainen (2008) claim it to be suitable for those, who is particularly looking for in-depth analysis through complex understanding of a case. Accordingly, this approach was chosen for current study in order to accomplish proper study of the concept.

It is no doubt that case study as a research method has been one of the most popular tools as well in marketing (Easton, 2000). However, when applying this method, one may wonder how many cases are required to analyse in order to build solid phenomenon explanation. According to Eisenhardt (1989), there is no unique number of cases to be studied, though some number from four and up to ten usually performs out very well. This suggestion may sound very reasonable as research sampling can continue until same result pattern is detected. Nevertheless, does it mean that a single case scenario has no weight? On contrary, Easton (2008) puts stressing on the term of the method by underlying the importance of studying a single case (occasion) so that a phenomenon is investigated in comprehensive way. There is limited number of potential case companies for this study due to novelty of the phenomenon. Additionally, focus on few cases may provide solid material for particular conclusive findings and support future studies.

Empirical data collection has been focused on studying several business cases, collection of secondary data also has certain limitations. Due to the lack of available academic literature about GM, several expert interviews have been conducted. The purpose is to improve the quality of gathered secondary data and widen the amount of knowledge accessible to the context of growth marketing. The following table introduces information regarding supporting expert interviews.

<b>Expert company</b>	<b>Interviewee</b>	<b>Date</b>	<b>Duration &amp; agenda</b>
<b>Aava &amp; Bang</b>	Managing director	28.11.2018	1 hour; growth hacking VS. GM, traditional school of marketing, GM balanced- score-card

<b>Aava &amp; Bang</b>	Business director	4.12.2018	1 hour; administrative aspects within the context
<b>San Francisco</b>	Director, communication strategy	8.01.2019	1 hour; GM VS. traditional marketing, GM VS. growth hacking, evolution of marketing
<b>Aava &amp; Bang</b>	Business director	9.05.2019	1 h; growth marketing process and implications in companies

Figure 8. Interviews with expert companies as a support for secondary and primary data collection

### 3.3 Data collection

Primary goal of data collection in qualitative research is solid material gathering, which will suit factual study of particular phenomenon (Flick, 2018). Because research may bring new questions and areas of interest, it is beneficial to be able to modify preliminary design settings (Eriksson & Kovalainen, 2008). Nevertheless, it is possible to agree on how data is going to be gathered in advance. The nature of qualitative research data is not strict, as many pieces of evidence can be suitable, until they are not concluded in numerical form. For example, very comprehensive research may even combine textual or visual analysis together with observations and interviews. Nonetheless, focus groups and interviews are known to be the most common tools for qualitative data collection (Flick, 2018).

Interviews in the light of qualitative research are known to have a purpose of collecting descriptions from an interviewee to interpret the understanding about the phenomenon (Kvale, 1983). Successful interview process aims to understand and explain experiences, perspectives and/or reasoning of individuals related to the phenomenon. Because such data collection tools as interviews are known to provide deeper exploration of the phenomenon, this design setting requires different from quantitative studies skills and interpretations (Gill et al., 2008).

An effective way of conducting qualitative in-depth interviews could be outlined by three categories: informal, general and standardized open-ended formats (Turner, 2010). In order to bring meaningfulness to this study, in-depth literature search has been accomplished beforehand, so that the context of the study is clear before the beginning of empirical data collection. When identification of qualitative data collection method happened, semi-structured interviewing tool was

preferred. This type of information gathering implements pre-determined set of open-ended questions with a possibility to ask subtle questions for collecting extra data (Patton, 2015). Also, semi-structured interviews are known to be highly efficient for small scoped research due to its flexibility (Drever, 1995). Informal conversational format or unstructured interview (Harrell & Bradley, 2009) has not been picked up for this study due to restricted time availability for data gathering and analysis. General structured type of interviews was not applied in this study as it reminds survey type of data collection: an out loud mode with strict order of questions and addressed to multiple participants (Fowler, 2002).

It is important to keep in mind that any interview can serve as a tool either for exploring or for verifying a phenomenon (Gubrium, 2012). Because the concept of GM is relatively unknown, first pack of interviews with expert companies mainly delivered investigative insights about the phenomenon. Later social interactions with case companies and final expert interview carried the role of information improving and verification of constructed theory in this study. Due to the fact that online arena has become an essential part of our lives, online interviews similarly have happened to be very attractive mean of data collection. Numerous academic studies have applied online interviewing tool for empirical data gathering, especially in social sciences, for instance one-to-one interviews via emails (Bampton & Cowton, 2002). Another favouring factor for conducting online interviews is avoiding Heisenberg effect (Bogdan & Biklen, 1997), which stands for a change in interviewee's behaviour while being accompanied by an interviewer. While synchronous online interviewing technique is a copy of traditional interview format happening in real time but in online environment, asynchronous method happens in a time-lapsed manner. The latter data collection approach allows participants to answer in the time slot preferable for them, thus healthier relationship between an interviewer and interviewees is expected (Gubrium, 2012). It was decided to host both (online and face-to-face) interviews with business cases. First asynchronous interviews via emails took places because of all previously mentioned benefits. The main reason is comfort of interviewees, so that the participant has time to acknowledge the purpose of the study and think about their answers. Also, this strategy is beneficial for this study as a researcher is capable of rearranging the questions for the following face-to-face interviews according to the lacking spots of information and those parts, which need to be verified. In some cases, all questions have to be asked during face-to-face collaboration.

### 3.4 Data analysis

As mentioned previously, abductive logic is the one, which follows this study all the way through. This approach enables a researcher to build up a hypothesis, which illustrates the best certain empirical case or series of data (Flick, 2014). Furthermore, case study approach of qualitative research is applied. According to Bogdan & Biklen (2007), flexible and evolving design of qualitative studies has a goal of developing descriptive concept understanding within multiple related contexts. Thus, it has been preferred for this academic study.

As Eriksson and Kovalainen (2016) studied the importance of qualitative content analysis, it became essential method for studying the phenomenon and presenting comprehensive understanding about the matter. Researchers emphasize the importance of interpreting related to the concept external data, which is especially useful for studying unknown phenomenon. Even before previously mentioned research got published, Morgan (1993) has been already widely discussing the benefits of content analysis in qualitative research and comparing it to similar coding techniques in quantitative study settings. According to his findings, content analysis does not stop once coding revealed the results, instead it goes on for understanding broader picture of the concept in communication to related contextual details. What is important is that format of data analysis may be more or less standardized depending on the targets, which a researcher is trying to achieve (Wildemuth, 2017). The process of empirical data analysis of this study is accomplished by content analysis of multiple cases based on the scheme outlined by Eriksson & Kovalainen (2016) and Wildemuth, 2017.

The earliest step is to prepare the data to be analyzed later (Wildemuth, 2017). Depending on the topic and research questions, a person can freely decide on the format of studied empirical data such as interviews, written documents or audiovisual pieces of data (Eriksson & Kovalainen, 2016). Because of the phenomenon terminology early state of development, transcribed interviews with case and expert companies hold the main position in scientific evidence analyzed and applied in this study. However, small supplementary pieces of data are also applied while analyzing the cases: statistical data about case businesses from Finnish search online agency (Finder.fi) and informative figures, acquired during the interviews. A researcher may start wondering, whether all questions should be transcribed as well as if there is a need to report observations and verbalization (Schilling, 2006). The decision regarding such doubts should be justified by own research questions and desired depth of studies, since complete transcribing consumes a lot of time (Eriksson & Kovalainen, 2016). As a result, all questions have



been transcribed from expert and case Face-to-face and phone and Skype interviews, all email answers are taken into account as well as additional notes during the interviews have been taken.

A design for coding and categorization of empirical data can be determined by previously studied related theories and collected data (Wildemuth, 2017). Researchers suggest that in the case of existing related supportive theories, this knowledge can be modified into own study context and used as fresh categorization tool (Miles & Huberman, 1994). Even though systematic coding is important for traditional research setting and is summarized in various techniques, for instance labeling with descriptions, qualitative research analysis does not necessarily need to have coding techniques to be applied (Eriksson & Kovalainen, 2016). Careful selection of categories used in this analysis took certain period of time. Categories' determination has derived from related parts of literature review and collected data from expert interviews. Since this is not a numerical study, there was no required number of certain categories to be reported, instead broad interview answers with explicit explanations supported each category with fruitful information. In other words, each transcribed face-to face and email interviews have been categorized in separate parts and then brought back into universal picture.

Due to relatively modest number of case studies, there has not been any need for creating coding manuals, but instructions prescribed by researchers have been followed. After coding categories have been assigned, a sample of data is coded in order to see the level of coding consistency and spot potential issues for further repairs (Weber, 1990). This manipulation has been accomplished after transcribing first case interview with the first company, thus the same rule of coding has been applied to rest of empirical data. Coding consistency of the data has been re-checked, since human coders are more likely to face process-related difficulties and make mistakes (Wildemuth, 2017).

The following activity includes studying the relationship between the categories and their testing against the whole amount of data (Wildermuth, 2017). Findings of the study are summarized and depicted in the related part of this study and supported by previously collected and analyzed secondary data. One another fundamental part of findings presentation is empirical data collected from the experts. Their answers, which have been supported by numerous academic sources, also take part early in the literature review part of the study. Each part of the findings will depict direct quotes from the interviews. Because of the wish of case companies, each case has been assigned with a letter and this is the way how related to them conclusions are referred.

### 3.5 Case companies

There is no acknowledged perfect minimum or maximum number of cases to be studied (Eisenhardt, 1989). Even single case study can serve fruitful empirical data for phenomenon investigation (Easton, 2008), though the number of cases is influenced by the nature of the topic (Eriksson & Kovalainen, 2008). There is no academically established term for GM, though it has been applied in managerial sense. Thus, multiple case study is best solution for studying the phenomenon and draw an overview of the concept and its application.

Communication with one of the expert companies was about their vision of GM and their piloting balanced scorecard. Because this tool and the concept itself have taken place in only few firms, selection of case firms has shifted towards broader scale: companies with active marketing actions as a part of overall strategy. Still, one of cases has been applying GM metrics already and implementing those into overall development strategy. Thus, it became first case of the study. SMEs have been gathering academic attention due to their flexibility and innovativeness (Golovko & Giovanni, 2011). As follows, it may suit this study, since innovative and flexible companies are usually more eager to apply fresh knowledge into daily operations.

Active marketing activities and interest in GM concept are the common thing in all case enterprises. The fact that cases represent different industries increases managerial and scientific usefulness of the results. The table below describes case companies and related interviews, though broader picture of each case is presented later in this chapter.

Search for case companies started from communication with one of the expert firms. Through this collaboration first firm derived. Snowball sampling technique can be seen in this study. This method is used for investigation of something novel within target population or used to reach the subject, that has been difficult to specify (Lewis-Beck et al., 2003). Some leads derived from the expert company, some from the University of Jyväskylä. All cases affirm importance of marketing in company's growth strategy and are willing to broaden their knowledge regarding the studied phenomenon, though some of them have already applied GM onto their activities.

Company	Industry	Turnover, € million	Employees	Interview date & format	Interviewee	Interview duration
F	Healthcare	~110	~ 1000	24.04.2019 Email	Marketing & communications manager	-
				25.04.2019 Face-to-face		2 h
				7.05.2019 Email		-
P	Healthcare/ Hospitality	~16	~200	06.05.2019 Face-to-face	Marketing director	1,5 h
				03.06.2019 Email		
E	Education	~12	~125	21.05.2019 Face-to-face	CEO	1,5 h
J	Transportation: taxi	~6	~25	17.05.2019 Email	Marketing & communications manager	-
				20.05.2019 Face-to-face		1,5 h
				23.05.2019 Email		-
S	IT	~57	~567	03.06.2019 Phone	Unit marketing director	1h

Figure 9. Case companies of the study

### 3.5.1 Case company F

The case company, which is referred to letter F, is holding leading position in healthcare industry inside Finnish market. F is fully Finnish publicly-owned enterprise with approximately 110 million Euros turnover. The company has been operating since the year 2011, however only two years ago opened up to having own marketing department. While the executive board includes 14 people, there are 5 top management people. About 50% of all employees have healthcare-re-

lated education, whereas most of personnel are females (91%). Hence, F's business model differs from traditional business environment, thus it is taken into account once empirical data analysis is presented.

The company itself sees its competitive advantage in service offer width and uniqueness of own IT department, which is responsible for innovation creation with secret techniques. Altogether, about 20 % of outsourced professionals have long-term connection with F. Professionalism of the employees and clear strategic vision have allowed company F to avoid aggressive hunt for their target (hospitals + doctors = B2B) and end customers (regular patients= B2C) until now. Upcoming market change and legislations have been the reasons for strategy change and moderation of marketing activities. The company has already started optimizing its working process in order to utilize important resources and the operational costs. Furthermore, F has recently cooperated with the expert company regarding their marketing performance and started application of GM scheme.

### **3.5.2 Case company P**

Finnish privately-owned company P has attracted attention by the dramatic change happening in its core structure, activities and strategy. Founded slightly over 40 years ago, the original focus of P was on healthcare industry. This company still offers rehabilitation services to its customers by engaging 50% of its employees in this business area. Up to date, it is proud of own doctors and wellness professionals, who have been cooperating with applied scientists for superior experience delivery to all customer segments. Nevertheless, P is currently working on a change: renewal of its vision and the strategy. Some years after establishment, the company started side activities in hospitality industry. By the time, this business area outgrew original focus and offered customers a variety of services: accommodation, restaurant services, travel and leisure activities. At present moment, 80% of all operations belong to hospitality industry.

While P is employing about 200 people, its executive board includes 6 people. Marketing director is responsible for marketing-related outcomes, though each activity is done by teamwork of marketing and sales employees. As the company operates solely in Finland, only 5% are international customers. It is difficult for P to outline its target group in the healthcare area. However, generally, from both business directions, it has 4 customer segments: healthcare, free-time, corporate and event clients. Because larger % of sales derive from new customers and P has only 1% of the market share, it is currently working on raising brand awareness partly through re-establishment of its core principals. Due to P's structural

change in the year 2018, there is ongoing strategic renewal and active application of various marketing tools. Thus, it has been chosen as one of the case companies for this study.

### **3.5.3 Case company J**

Case J has been operating in transportation industry for 27 years. In taxi sector it has been a market leader, though increased competition within last 10 months due to industry-related changes was acknowledged. Even though company's marketing name has been changed few years ago, J's focus on current geographical location has not faded. Currently, there are 25 office employees and over 160 cars deriving from industry entrepreneurs, with whom franchising agreements have been made. These cars, which have J's logos, are maintained and driven by 300 drivers, which have indirect connection to the company. Hence, the size of managerial board is 7 people. Because of the specifics of the business, company J does not identify target focus group among its customers, but it invests into identifying the ways to attract the least interested social groups.

J's mission is outperforming the usage of private cars by giving a variety of services, thus promoting ecologic environmental issues. J has experienced stagnant turnovers, but increased sales are expected because of reduced operational costs and process-related innovations. Also, the company has already proved itself to be some sort of industry pioneer: first Finnish company in the industry to create own app. However, nowadays similar companies from other cities have also followed the path. Because of ongoing organizational developments, J has started tracking the balance between new and retained customers in terms of profitability, though the results have not been accessible yet. On the opposite, the company has had big inputs into external marketing communication and has shared the ways, how they measure related performance. This case identifies themselves in the stage of growing despite the long history.

### **3.5.4 Case company E**

Founded in the year 2010, the mission of the company E is delivering high quality Finnish educational system around the world. Unsurprisingly, the company has been holding leading market position in Finland with an average profitability level of 30% and they plan to continue this way. Domestic dominance of E is reasoned by employees' and experts' professionalism, its first-mover advantage against other Finnish firms and the value, deriving from its shareholders – local educational institutions. However, case E sees competition on global scale among educational systems from other countries. This rivalry has been managed by the

means of E's superior quality educational projects, which result in customer loyalty and strong referencing power.

The company is growing organically through opening schools abroad, providing teaching training in Finland and abroad, as well as serving with language proficiency certification. This has been achieved by 125 employees, 100 of which work abroad, and a managerial board consisting of 5 people. Most of employees, including the board, have expertise in Finnish education. Classification of E's business model in terms of the clients is more complicated than in other companies. There have been occasions, when it has been operating in B2G structure, where the project was ordered by the government. In most common sequence of events, E operates in B2B sector, where foreign educational institutions ask for integration of Finnish educational system. The case is not operating in B2C sector in its traditional understanding, however sales derive from the level of children' and parents' satisfaction and tuition fees. Research interest towards this case was caused by its meaning for growth - geographical expansion and high speed of growing.

### **3.5.5 Case company S**

Case firm S has been operating for 37 years already and providing companies with a variety of IT and software services, and digital solutions. Because of fast-scale growth, number of employees is rather approximate of about 567 people, whereas managerial board is represented by 6 people. Currently, there 14 offices in 6 countries. Company's growth mainly derives from opening to new geographical locations and acquisitions. Despite this, case S has been actively investing into product- and process-related innovations as well as tracking the situation of its resource allocation and reduction of costs.

Because of high number of employees and multiple offices, there are in total four business units, which have rather autonomous power of decision-making related to customer search and retaining. Nevertheless, decisions regarding whole company come from top-level team. These units are divided among two main departments of digital and core business (robotics, automation, cloud-solutions, etc) services. A simplified for understanding way of delivering wide range of services in professional manner is seen as the main competitive advantage of S. From the point of view of digitalization unit, industry competitive landscape is quite calm and presented by smaller enterprises, which cannot offer same range of services to potential clients. Meanwhile, core business department experiences more severe competition, though admit small number of competitors, which could offer same package of tools for the audience. Recently focus point of the company was

rearranged by the target of attracting more clients from mid-market, so resources have been attracted to this side of the business. Company's annual reports research and one interview with marketing director of digital services unit (30 % of overall turnover) were accomplished for this study.

## 4 FINDINGS AND DISCUSSION

This part of the study provides a reader with fresh and interesting findings, which derived from the interviews with expert and case companies. These findings support previously presented literature review part, but present extra findings, which can be interesting for further theoretical and practical implementations. To make it easier for a reader to follow this chapter, information is presented from the angles in logical sequence. All parts of this chapter got named after empirical data was gathered, coded and analysed, thus they reflect the context in a proper way. Because all interviews resulted into fruitful pieces of evidence, each segment of this chapter includes examples and direct quotes from the respondents. However, due to privacy protection issues, case companies will be referred to as Company F, P, E, J and S. Expert companies have preserved their business names, though personal names of the respondents are hidden. It is impossible to imagine a better way to start presenting empirical findings, than showing the perspective of the expert company about the tremendous change in marketing we all experience.

*Company marketers in the past were used to get so excited, when someone liked their Facebook page, while even executives thought of it as a big deal. At that time, people liking their page was the only important thing for them. But there was not any value in it. Same happened with other advertisings: you put the billboard and watch all these people looking at it. Same applies to Twitter, people, you think a company is reaching, are not really reading it. What has changed over these several years is that engagement measurements have become very important. When these measurements have been applied, smaller engagement rate is shown to a company. But these smaller numbers tell a better story of how successful your company really is. So, when we speak of growth marketing or hacking, what company is trying to do is to grow these numbers of real engagement. (Expert company San Francisco).*

### 4.1 Marketing performance

All case companies, despite their size, market share and business model, have proved that marketing performance and its metrics take big part in their strategic planning and operational execution. Most of the interviewees admitted that their companies are no exception and marketing has been surviving on its own, or missing at all, until recently in their enterprises. Company F specifies that two



years ago there was no such thing as marketing performance measurement in their operations, but now it plays an important role for identifying their vision and modification of the strategy. Correspondingly to that, Company P embraces to admit the situation getting better and better in their company, since now they have marketing director and assistant, which constantly work in tight collaboration with sales department and have its word at executives' meetings. Additionally, Company P sees as great benefit that their CEO has had long-term roots with marketing discipline, thus internal communication does not take much time for unnecessary explanations and negotiations. Case firm E, on the opposite, has had in total 4 people responsible for marketing and sales development, though some of them are not permanent in the company.

*Currently we are not deviating marketing from sales that much. We normally have sales leads as a long process and marketing is integrated into it. (Company E)*

When previously accomplished literature review proved the importance of measuring marketing performance and identified most common marketing metrics, it was decisive to find practical support. The following is how Company F sees its current situation regarding its marketing performance.

*Once marketing director has been hired, it was acknowledged that marketing has to be incorporated inside the company' strategy. This was in 2017 and, at the moment, we are harvesting first outcomes. We are measuring the results in comparison to the goals, we set before, and also look out for the competition. Now, when it is the biggest ever transformation in healthcare in Finland, triggered by legislative changes for 2022, we have to modify the strategy according to the vision and put more efforts into marketing and how we measure it. (Company F)*

Similarly to previous case, firm S also belongs to large-scaled group of enterprises. Though possibly because of its longer history or wider range of geographical presence, company S has had multiple marketing specialists:

*We certainly have umbrella marketing: main decisions are made by S Group marketing, which is run by board members, plus each department of both main units has autonomous decision-making power regarding external and internal marketing performance. We have been growing through marketing. (Company S)*

Company F agrees that outside triggers, such as legislations and new parliament elections, had influenced on the decision of a company to change the way it has

been seeing its position in the market before. J has experienced quite similar situation: change in laws have facilitated their investments into process-related innovations. Also, findings from Company P support the notion of the researchers about increased importance of non-financial MPMs over financial signs. Marketing director of the company delivered the knowledge about previous experience with negative employees' feedback and relatively low market share as one type of a trigger, which forced a company to start continuously measuring its marketing activities. This company also wishes, it has had started MPMs application before, as then they could avoid the situation of blind-folding. P's business is heavily dependent on the seasons, but only now it has created new ways of measuring external marketing communication and tracking customers' behaviour within these seasons. Before, there was no knowledge about customers' density and satisfaction depending on a season, and so forth, the company was incapable to create long-term vision regarding their marketing performance situation. Same has happened to company J, since only now they start seeing the picture of customer satisfaction broadly and realize the importance of measurement application.

It was figured out that case companies are very careful with what comes to its brand equity. Company F has been investing into external marketing performance for evaluating its brand identity, perceived quality of the services and relative satisfaction rate. The results are measurable and comparable to market competitors. Based on these figures, they hold the position industry leaders in Finnish market.

A big luck for this study is to see that the discipline of marketing has been considered from all three perspectives, which were previously outlined by researchers. For example, Company F has accomplished big change in its internal marketing efforts and created unique strategy for using marketing as a mean for CRM. More in-depth findings will be shared in later parts on this chapter but is worth saying that this company is making sure that all employees are aware and engaged into company's vision and strategic formation and are motivated to deliver this knowledge to target and end customers. Company P has done a lot in order to develop its marketing function as a visible marketing effort in terms of diversified advertisings and promotional campaigns. Multiple traditional channels of external marketing communication have been applied such as radio and television advertisements, billboards and shopping centres' placements. As face-to-face interview has showed, Company P is now actively investing into performing more effectively in marketing sense in order to do price management better.

*Because 80% of our business relies on the industry of hospitality, we have 'good' and 'bad' seasons. We have revenue group meetings, where we plan our tactical and operational*

*process for upcoming quarter according to the seasonal change. There we gather a group to come up with reasons why to come to us and how we manage prices. During 'bad seasons' we focus on pricing a lot: we need to satisfy both, free-time and corporate customers. (Company P).*

All case companies agreed on the importance of MPMs, though an extent, to which each company is actually implementing it, varies. As previously researched theories stated: size and age of a company have an influence on multiple aspects of company's performance. First of all, larger business enterprises have greater amount of resources to invest into marketing performance and its measurements. Companies F and S emphasize that not only they focus on external marketing communication for increasing brand awareness and managing the level of customer loyalty, but heavily invest into building mutually healthy relationship with employees through internal marketing communication.

*A brand can develop, only if it has its inner beauty and people are the big part of it. Before communicating to a customer, we 'hold the horses' and develop very unified working community, where people are proud to be and do not leave soon. Thanks to different techniques and materials, every employee knows what it means to work here. It applies to every single person out of 1000 people, who work in the main office and the rest of offices around Finland. (Company F).*

Together with size, firm's age is also acknowledged to be influencing factor on company's growth speed. As researchers have identified that innovation serves as one of growth triggers, they also proved that older companies tend to have slower speed in innovative development, thus their growth rates are also suffering. Even though Company P is not the only case, which has been established in the previous century, it is the oldest enterprise on the list. The company itself admits the fact that for a long time it has been operating according to old strategy and vision, which root far from modern times. As it is seen, it could be one of the biggest reasons, why Company P holds 1% of market shares. Nevertheless, the board has recently decided on renewing the strategy and enlarging its business density within its market, thus the importance of marketing performance and related measurements has lately increased. Long history of doing business within the same market is also relatable to company J. This case has had its own app only one year but has already started tracking marketing metrics and invested more into process- and product-related innovations. Despite its relatively long history, J has realized rapidly increased competition within the market and made a set of investments in order to keep previously gained leading position. Case company E is younger than most of the cases and has had relatively fast turnover

growth as it almost doubled within years 2015-2017. The company itself is highly innovative in terms of creating unique offer for foreign markets, and thus outperforming local competitors. As the CEO of the company has underlined, there are always minor process-related innovations due to the approach of employees and open communication structure. Despite relatively long history of existence, case S is highly innovative in terms of products and services. This case is more exceptional than common, since the company's business lies within IT industry, which automatically implies investments into innovativeness at high level.

When research of secondary data has been accomplished for the literature review part, innovation took a lot of space as it is known to be one of the main triggers for firm's growth. Some companies tend to focus only on product-related innovation forgetting about other ways for innovation improvement related to operations and marketing. Such vision has resulted into a situation, when a company tries to convince a customer to buy a product regardless its usability and appropriateness for this person.

*What is often needed to be done is customer service model. In other words, customer-oriented company must be built inside already existing enterprise. Sometimes companies are too product-oriented, so they do not hear customer needs and wishes. (Expert Aava & Bang)*

San Francisco expert company has similar opinion to previous quotation. As literature review has already partly introduced the perspective of this agency, people are nowadays well aware of their rights to choose, those rights, which were given them by the Internet. San Francisco believes that instead of trying to tell a customer about how perfect a product is, it should listen the story of a potential client first and then see the fit between what it is trying to sell and the person.

*Everything we do has to have strong emotional connection, but this is difficult to do, since customers can choose now. By using channels similar to what your customers use, a company must learn, what clients care about. (Expert San Francisco)*

## **4.2 Growth marketing process**

In the figure, which has been presented in the end of literature review, growth stays on the top of the structure, meaning that companies' strategic, tactic and operational tools and measurements must be applied to several groups of people in order to achieve desired development. Precise tools and result measurements

are discussed further, though the key are the people. Because expert company Aava & Bang has been the one, who delivered great input into developing GM balanced scorecard, its vision is very valued in this part of empirical findings. Hence, main findings from case companies are applied as the basis for building conclusions in support to experts' findings and secondary data.

Before going in detail with the process, one should identify the nature of the phenomenon. After MPM literature was analysed, numerous similarities between marketing performance and the concept of GM were identified. Balanced scorecard, which has been constantly under development, has similar key performance tools. However, GM process is all about people, first from inside and then from outside a company. Firm's strategy and people could be called the main identification factor for the process of growth marketing.

*Growth marketing is all about one internal goal of a company, i.e. long-term strategic goal. Then, the question is what it means to people, what working experience is needed and how to measure the results. Each process should be built according to own goal of a company, otherwise it is not working. Depending on the strategy and people within a company, tools are selected. (Expert Aava & Bang)*

#### **4.2.1 Growth**

It is not a coincidence that different growth models are discussed in the beginning of literature review part. In its last interview, expert Aava & Bang have agreed that not every client-firm wants to grow the same way. Many companies see opening new markets as the way to develop business viability, and thus growing. Some others chose the path of increasing productivity by cutting costs or enhancing resource utilization for raising ownership value of a company. Expert interviews resulted into an understanding that growth marketing does not always concern growing by geographical expansion. Market expansion is not necessarily needed as it is determined by the strategy and the nature of company's business. As both experts have agreed, in our digital times a company having an online shop on the website is pretty global already. Instead of geographical expanding, new selection of products and services can be accomplished for the clients as it also leads to increased sales. Nevertheless, the process of growth marketing is triggered in order to achieve company's strategic goal, wherever it wants to expand physically or develop in other ways.

*GM balanced scorecard can have only one strategic target for the structure. But this target depends on a company. Many of them, for example, have a goal of getting best employees and it is another very important goal. Employee experience management leads to better customer experience. So, employees are one of key focus areas. In GM it always starts from employees as growth is all about people. Depending on the target, tools may slightly change: some company will need higher degree of external marketing communication over internal one and vice versa. (Expert Aava & Bang)*

Business nature of case company F is different from the rest. It is not planning to expand outside of Finnish market, but neither it has been heavily focusing on attracting customers within the market. The company has been holding position in the market they operate in and plans to continue doing so. F's vision is two-sided: hold leader position and integrate marketing deeper into the strategy and operations. This goal is planned to be achieved by following GM process, where the target is maintained productivity of a company with attraction of customers. As interviews with the company have illustrated, the company is focusing on operational cost reduction and increasing its network of partners. Hence, both scenarios are heavily dependent on human sources. Interesting to notice that company F sees the need of intense partnering despite its good market share holding because of upcoming changes, which are out of their own control: healthcare industry legislations have restricted to who such companies as F can sell its services, thus the strategy has been modified. Once question about financial year results has been addressed during face-to-face interview, it became clear that company's growth figures derive from mergers. Despite this, the company sees its survival possible due to its competitive advantages such as in-house produced innovation, educated and engaged employees. Later discussed empirical findings will explain F's effective resources utilization as a benefit for employees and customers.

Company P, on the opposite, is tied up to its location, but is putting efforts into attracting new customers and grow the number of retained ones. Marketing director of the company came clean about the fact that effective marketing solutions for evaluating the situation with customer retaining came in action only last year. Thus previously, company's sales management was relying on marketing less than now. Case company P is determined to grow by offering better services to larger number of customers. This approach formation has begun with strategy renewal, which soon will be available on the renewed website of the company. Furthermore, strategy includes more effective outside marketing communication in order to attract higher percentage of new customers and forecast client retention situation for upcoming seasons. Even though no geographical expansion is

planned by P's board, increased number of foreign customers is expected due to current collaboration with [name is concealed] in order to attract customers from Japan. Once question about financial year results has been addressed during the interview, it became clear that main sales derive from hospitality industry operations (80% of the business) in terms of event organising, accommodation and restaurant services. As a result, company's growth strategy is to show the higher number of clients, how staying in their hotel can boost customer's life experience through entertainment, wellness and food services.

Case J has something similar to both of previously mentioned companies. Areal industry entrepreneurs, which own company's shares, own cars used in the business and 25 office employees are in franchising collaboration with them. This type of networking has been effective for the company, though it is not the focus area of the growth vision. J's vision is offering wider variety of services to bigger number of clients but within the same market. As mentioned before, company's target is to reduce the number of private cars used in the area by offering reliable transportation, thus promoting the importance of the environment. Because of that, this case firm outsourced local general IT force and Canada-located app developers, which create innovative solutions for better internal and external marketing communication. Together with this, J has opened up about their instruments for reducing operational costs, such as gasoline, in order to increase its productivity.

It was a luck to communicate with case company E as their perspective for constant growth is different from the rest of the firms. Even though E's headquarter office is in Finland, 99% of the sales derive from abroad. As mentioned before, the company is a clear leader within Finnish market, thus partnering with other companies is not seen to be a plan for them. E has been accomplishing organic growth by implementing Finnish educational system in more countries, providing teaching training in Finland and abroad and certifying language skills of the specialists. Company's purpose is to continue giving the best education to bigger number of people every year. In other words, expanding the business geographically is the focus in this situation. Moreover, the company invests efforts into maintaining its productivity level not lower than previous year. This effort is planned to be accompanied with cost reductions in order to keep up the shareholder value of the company. A very interesting notion came up during the interview. The CEO sees the country and its educational system as a strong tool for increasing brand awareness itself. However, solid focus on customer service was discussed during the meeting.

Similarly to previous case, company S grows by delivering services to new geographical locations, in other words, by means of internalization. Also, acquisitions take place, as for instance in 2018 round of acquisitions has been made for

operations expanding in Finland, Norway and Denmark. Because each project takes from 3 to 18 months and requires serious monetary inputs, company S has been developing its external marketing performance for customer retaining. However, adequate level of internal marketing development and ongoing rearrangements have been affirmed. Besides marketing performance, internalization and acquisitions, investments in innovations take important place in this case. Business nature of the company automatically underlines the importance of technical perfection thus innovation development is constant activity for a company. Finally, the company always assesses its resource allocation for further planning and cost reductions.

The table below depicts the ways, how each case company see themselves grow and what are the key areas, which they have been actively investing in.

<b>Case company</b>	<b>Growth orientation</b>	<b>Growth tools</b>
<b>F</b>	Wide partnership networking for keeping leading position within the same market	In-house innovation, investments in internal & external marketing performance, cost reduction and partnerships
<b>P</b>	Increased number of new and retained customers for increasing market share within same location	Investments in external & internal marketing performance, and cost reduction
<b>J</b>	Increased number of new and retained customers for keeping leading position within the same market	Investments in external marketing communication, product- and process- related innovations, cost reduction
<b>E</b>	Opening to new markets in order to deliver the product to larger number of people across the globe.	Geographical expansion, external marketing performance, reducing operational costs
<b>S</b>	Attract mid-market firms and continue geographical expansion to simply digital world for larger number of customers	Geographical expansion, product- and process-innovation, external & internal marketing performance, efficiency of resource allocation

Table 6. Strategic targets of case companies



#### 4.2.2 Internal marketing performance: employee satisfaction and engagement

Based on studied theories of marketing performance metrics and measurements, it is expected that there are certain similarities among different companies in terms of their inputs into increasing the quality of internal marketing performance. All case companies have admitted the importance of constant dialogue with engaged employees. However, the extent to which companies dedicate themselves to internal performance measurement, depends on the nature of their businesses, resource availability and strategic goal. Based on the opinion of the expert Aava & Bang, one can state that the balance between external and internal marketing communication is determined by the vision of a company about its growth.

*A lot of workshops and planning take place in the beginning, but the difference is seen in the tools. Usually, if a company is focused on the effectiveness of customer service instead of physical growth, more of inside marketing performance activities are required. (Expert Aava & Bang)*

Case companies J and P have determined their strategies in terms of increasing quality of customer service by offering wider spectre of services to more customers within the same geographical location. Both companies have agreed on the importance of engaged and satisfied employees to be the best mean for CRM. Both companies measure its employees' satisfaction rate with the use of questionnaire results compared to previous outcome. Because company J is focused on measuring satisfaction only of those people, who have straight belonging to the company - office employees - the amount of data to be analysed in this case is smaller than for company P.

*This year the questionnaire has been answered two times already. Each month we have office meetings for 2 hours, where we discuss job-related things as well as the results of such surveys. Also, we have online forum where everyone freely can raise some issue for discussion. (Company J)*

Company P has several times more employees, satisfaction of which has to be measured, thus the procedure is done with smaller frequency. P has been measuring it every second year and has lately reported rather negative situation with the results. While deviation of business processes for P looks like 80% hospitality-20% healthcare, distribution of total number of employees is 50-50. The company uses online tool for creating questions for the survey, whereas questions are same to everybody despite a position within organizational hierarchy. Besides ques-

tionnaires, a company holds yearly development meetings, though statistical results are measured only from the surveys. This is how P sees its employee satisfaction situation:

*Negative results from latest employee satisfaction survey can be caused by working power adjustments, which were triggered by the change of the strategy. We had to make some dramatic changes in our process because of that. But employees' turnover rate is positively calm in the healthcare area, in hospitality part of our business it is more active, though nothing too bad to be worried about. (Company P).*

Case companies F and E, were so far the only firms of this study, which have been already measuring the satisfaction of its employees in relation to competitors. E has been outsourcing the expertise from an agency, which is responsible for gathering data, calculating the results and analysing it among all Finnish professional service companies. HR department of company F has basic level comparison scale, where this case holds high numbers. The CEO of E provided this study with the knowledge, that satisfaction of office and distant employees is measured. The tool for measuring in this case is the same – questionnaires:

*Satisfaction of our employees is of high value, because we get real results. We do not just compare it to our previous questionnaire results, but we know our performance within the competition. (Company E)*

Alike another case, company S has been also outsourcing a service for evaluating employee satisfaction rate from a partner. The company has affirmed growing positive number, as current result of 4.3 (out of 5) truly supports S's vision regarding the intake of this measurement:

*We measure it 4 times a year. It is not about an end number, but about each employee knowing, that every answered questionnaire can make real change for their and company's best. Employees here are taken seriously including their lives, families, interests. (Company S)*

After empirical data from all cases was collected, it became clear that each of them measures employee satisfaction rate by the use of questionnaires. However, one company also calculates the % of employee engagement rate connecting it to more efficient CRM. Before case companies measure employee satisfaction rate, they apply diversified tools in order to increase the quality of internal marketing communication. Luckily, all case firms have stated that there is certain number of corporate events happening, where all employees take part and feel the spirit

of team building. However, company F has been outstanding in the number of internal marketing tools implemented so far. F's goal is to engage every employee into understanding the culture of the company despite their regional or organizational belonging: there are electronic info boards for lab people to be always updated and employees outside of the main office always can receive updates through online communication channels as newsletters and emails. Application of a culture playbook, which has been suggested by the expert company, has been liked by employees at company F:

*To know what it means to work at F, we have created a culture book for employees. If you are new to the company, you can read it and do exercises for self-development. For example, you can take notes about seeing something good happening: if you see a co-worker doing something in a great way, you can write it down and learn from others. (Company F)*

Despite usefulness of the Internet, companies appreciate face-to-face time. In order to increase employees' engagement rate and maintain knowledge level, F regularly managers coaching sessions for supervisors and managers, so that they know how to wear a 'communication hat' in such situations, when they need to interact with own teams. Case company P has also been providing employees with personal sessions. The firm organizes private meetings between a manager and an employee, who's performance has been negatively brought up in customers' feedbacks. The company reports that increased employees' engagement and customer services quality are the reasons for such internal communication tool. Company F shares similar opinion about straight connection between employees' engagement rate and the level of customer satisfaction. The company has launched innovative internal marketing activity, which is called workday experience. 10 selected employees join the managerial board for limited period of time and do all the planning together: decision about newsletters' topics, future events and potential inside marketing campaigns.

*Since we are doing marketing activities externally, it would be very important for our employees to understand the campaign for customers and get involved into this. (Company F)*

Similarly to case company F, firm E and S are proud of highly engaged employees as well. According to empirical findings from case E, any upcoming project is discussed within the team, where each office employee (25 people) is free to engage with the team and offer its vision. However, the CEO mentions that the control over this high engagement is conducted through budget limitations for each

project, thus all ideas are going through selection criteria by the board. The company admits that their internal marketing performance may be slightly less appealing than their external one. They explain it by relatively narrow internal structure, thus lack of a need to organize formal individual meetings. On the opposite, case E has reported about monthly extra 2 or 3-hour non-official team gathering, where any light sport activity can take place. Similarly to that, firm S has reported about each department power of own decisions to be made and shared that corporate culture is very open. Besides, engaging in team and seasonal activities, online communication and planning, employees are engaged into 'manager happy hour' for open communication.

On one hand, it can look that one case company has had wider range of internal marketing tools applied due to its greater size and resources. On the other hand, the fact that it is the only company, who has already started developing its GM balanced scorecard, cannot be ignored. Together with resources, F has been developing its understanding of the importance of employees for profitable engagement with consumers. The bright side is that all cases invest into internal MPM system in order to achieve its strategic goal, even though they have different targets. Also, all companies have proved the importance of employees' knowledge regarding customer service and satisfaction. Case P has promoted collaboration between its healthcare sector employees and applied scientists; case J markets its main product – own app - as the guarantee of reliable and trained transportation service. Similarly to them, case F sees its in-house IT professionalism and tight collaboration with University scientists as innovativeness trigger and main competitive advantage. Company E went even further by describing Finnish educational system itself and professionalism of the experts as the main tool for increasing brand awareness and supporting existing relationships with customers. For S, employees' professionalism and expertise is a must since, it is the actual product of a company.

#### **4.2.3 External marketing performance: customer retaining VS. search for new clients**

Despite the fact that both expert companies have affirmed the importance of constant collaboration with consumers in order to create a product, knowing which part of customers generates more sales is crucial:

*It is always cheaper to retain customers than seek for new ones. Because getting new customers is much more time consuming, customer rating by looking at existing customers and doing ABC analysis is needed in order to know, who is the most useful to a firm.*

*Then, the customer model is built: customer service and products should be established together with A customers as it often gives strong competitive advantage. (Expert Aava & Bang)*

Due to its business nature, companies P and J have to attract new customers on regular basis in order to keep sales up. Thus, these two companies have two things in common: marketing as a price management tool and heavy investments into brand awareness raising. Marketing director of J believes that specifics of taxi industry forces using campaigns for both, attracting new customers and retaining old ones, so one marketing tool can serve several purposes. J's situation is concluded into finding ways to attract less interested groups of customers into continuous use of company's services. By identification of A customers and least interested ones, J's board has decided to use campaigns in order to reach all. Nevertheless, J has recently started in-house analysis of the ratio between new and retained consumers:

*We now started working on measuring, which customers bring us the main sales: old or new ones. It is very hard to return old customer, once you lose them. That is why we are now trying to measure this ratio. (Company J)*

Cases J and P has something else in common: seasonal activities. Both companies experience varying traffic and financial density, thus have invested into technical solution in order to forecast future seasons based on the data from previous ones. Both companies had to admit that price management tools such as loyalty programs and campaigns have been considered very seriously due to high dependence on seasonal change. Nevertheless, case P has affirmed use of constant employee engagement for creating stable external marketing communication with a purpose of stabilizing customer buying power within the seasons.

Another half of enterprises has reported that their investments into superior customer service, thus satisfied retained customers with strong recommending power, is the main tool for getting new customers. Case E has had exceptional situation, since their main product – Finnish education – has been serving as a powerful way to increase its brand awareness, so all their sales leads are coming from the clients. Still, professionalism of their experts and external marketing communication have been validated as the tools for retaining old customers. As a result, case firm E has not been heavily focusing on increasing company's awareness, but instead they have retained the clients, who's recommendation brought new projects. Case company F has had leading position within the market, thus was not pushed into looking for new customers. F's B2B customers –

hospital doctors – are serving as an active recommending tool for attracting new clients. However, because of recently increased competition, legislation changes and F's inspiration to help people, the company has made a round of external marketing communication attempts. They were not waiting until the client comes to F, instead the firm started communication with potential clients in order to save people from fear of illnesses or feeling of shame:

*In our customer service the marketing part is very important - letting patients know that we are not just sending them data (test results). In B2C sector, we are not waiting until a person comes to us with an illness, but we offer risk groups of people to try our services to lower chances of getting sick. So, instead of being one-time place where people come, we offer long-term relationship for supporting clients. (Company F)*

Luckily, case S has already accomplished evaluating value of retained and new customers according to sales volumes. For their type of projects, retained customers are the ones, which generate main sales. So, customers are engaged in the project from the beginning. The longest collaboration with a customer in the history of S has been 20 years.

The bright site of this empirical study was the fact that all case companies supported the vision of the experts and agreed on the importance of knowing, which clients generate the sales. They also all affirmed ongoing and potential relationship building with communities in order to establish long-term mutual understanding. Depending of the industry specifics, some companies rely on price management and search for new customers, more than others. The following chapters will show how exactly each company develops its external marketing performance in order to grow.

#### **4.2.4 External marketing performance: customer satisfaction and client retaining**

High quality of offered services was concluded to be one of the most important areas of focus and development for all case companies. Combination of tools varies in the cases, but all of them have been actively measuring the outcomes of their external marketing performance instruments and using these results for moderating future steps. All companies have been measuring customer satisfaction and for most of them the results have been very positive.

Case company F is the one to start from, since it has been actively implying GM metrics on its business. The firm has been measuring customer satisfaction by different instruments depending on the sector. Direct customers (healthcare professionals) receive satisfaction survey once in a year. Meanwhile, end customers (regular patients) are asked to choose 'emotion face' physically in the office after the service or previously traditional feedback questionnaires have been filled out in paper. Measuring satisfaction of both types of clients result into follow-up process: monthly face-to-face meetings of managers and their professionals (geographical belonging). Each year, according to the results, the board identifies the target for the upcoming period of time to increase customer satisfaction by certain per cent. The company also measures customer satisfaction based on Google Maps reviews left from clients.

*We think about people, time and money. But it is all about whole customer experience and the journey, which we take care of and increase satisfaction level by doing it. Because we end up in the situation, where everyone can choose where to go. (Company F)*

The company has been actively investing into process-related innovations in order to increase quality of customer service and change the way, how external marketing communication has been managed before. Originally, a patient receives the results of blood testing and the statement, whether the illness takes place or not. Company F tries to offer better value to regular customers by doing relative analysis with previous history of testing of the patient. According to the company, such approach results in more accurate outcomes and gives every retained client an understanding that company F is supporting him or her all the way through. Another example is company's online portal, where F is delivering healthcare data but in understandable for end users. F's research showed that people have been googling certain illnesses and questions, but available online information is too difficult for understanding by a person, who does not have suitable education. In order to save people's time and nerves, F has decided to organise a portal on its own webpage, where customers can find answers to their questions in a clear way. The company also invested into simplifying the process of online shopping and communication on its website by moderating its chatbot option and online shop. In order to adjust its services according to the wishes and needs of the customers, F has organized special online utility, within which customer engagement rate is promoted: clients are brought on board for service-related discussions. The last but definitely not the least cost-reducing tools for increasing customer loyalty is F's invention of a service [Name concealed], which allows customers and employees saving time and resources: instead of visiting multiple rooms for giving different samples, clients sit in a special room, where

an employee can take all necessary samples by using portable cart and handy tools, and print recipes immediately by handy small printing device. Next figure summarizes F's external marketing efforts for customer retaining.

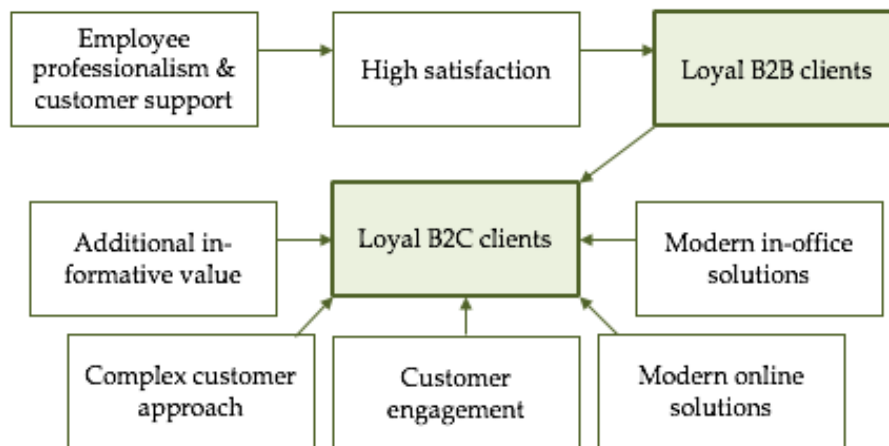


Figure 10. External marketing performance efforts of case F for customer retaining

Similar to previous case, company S sees its competitive advantage for winning clients in wide variety of own services, which provide customers with complex solutions to their businesses. Additional informative value of S is meant to simplify an understanding about technologies, offered to a client, and make further collaboration smoother. Informative value and superior customer service with products are sourced by professionalism of employees, and it is seen as the main tool for customer retaining in the company. Simplified and clear external marketing performance is what makes outstanding from other companies with similar offer:

*What happens after our marketing message? The time after the contract signing, should be very clear to every client. Each service lasts 3-18 months and costs big money, so do everything possible to give the value to customers, which they wished. The end result creates the value, which is promised to a client. (Company S)*

In addition to that, S reports about high engagement rate of customers and general client-focused approach. For instance, a company has been doing a set of seminars, where current and potential clients of a company could bring up interesting for them topics for discussion. The figure below depicts empirical findings regarding S's external communication for retaining clients.



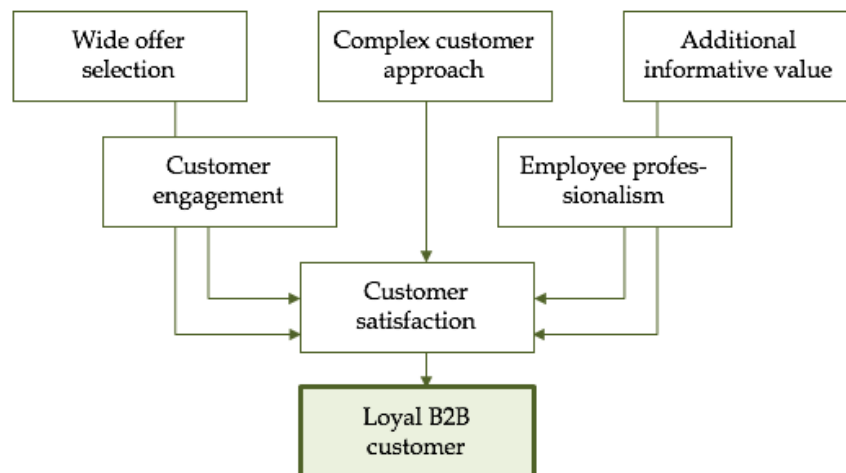


Figure 11. External marketing performance efforts of case S for customer retaining

In cases P and J customer retaining was more difficult to accomplish, because online booking systems, allowing companies tracking customers coming back, came in use only last year. Thus, both companies are now in the process of data gathering and analysis. Nevertheless, both cases have realized the importance of keeping clients and invested in this direction. Each case promotes highly educated employees as their main attraction and source for retaining customers. However, P and J have invested into online solutions to enhance customer experience. Own applications with comfortable interfaces and online booking systems allow companies evaluating customer satisfaction and forecast clients' density for upcoming seasons. J's own application has made the process of ordering and paying cars more convenient for users and easier for the company to track the number of orders. It also serves as a tool for asking feedback from a customer and measuring their satisfaction from received ratings. J has been doing in-house customer engagement and satisfaction analysis, and by outsourcing research from local University of Applied Sciences. Company J affirmed using Google analytics tools for tracing customer activities weekly. Cases P and J have been maintaining CRM through newsletters but plan to introduce customer loyalty programs in the future. Both cases have reported about critical focus on customer feedbacks. They take it case by case, instead of creating quantitative analysis, and try to solve every problem, which is assigned to them. Still, case P affirms measuring customer refencing power by calculating NPS and having industry-related high results of slightly above 30. As mentioned before, measurement of customer satisfaction and boosting customer experience are quite same in companies P and J despite different model structure and industries.

*Number one priority right now for external marketing communication is the app, social media and google analytics with google ads, because these tools can be measured. (Company J)*

Case P and J are forced to apply campaigns often to survive against seasonal changes in traffic density among their clients. Thus, campaigns are used in these firms in order to attract and retain clients, measure customer engagement and forecast activities for further seasons. Most of campaigns are planned and executed within the company, but J has outsourced minor research from municipal organization in order to cover larger % of potential auditorium. Both companies trace the level of each campaign but agree on certain difficulty to identify exact % of sales deriving straight from each activity. Next figure summarizes J's and P's external marketing efforts for customer retaining.

*We measure the data regarding the number of people, who have seen and used the campaign. We also measure how much density the app and the web page are growing after each campaign takes place. (Company J)*

Because cases P and J are mainly operating in B2C sector, execution of marketing automation is slightly easier and makes more sense for them than to others. Marketing automation is presented in its traditional mean served by emails. This is one more online solution for increased number of retained clients and company P has been able to see first outcomes already:

*Post-departure emails got in use from December 2018. We try to get people to give us the feedback and order the newsletter. I have been checking the amount of feedback and in the first quarter we had +277% growth in feedback number. So, it has been effective. (Company P)*

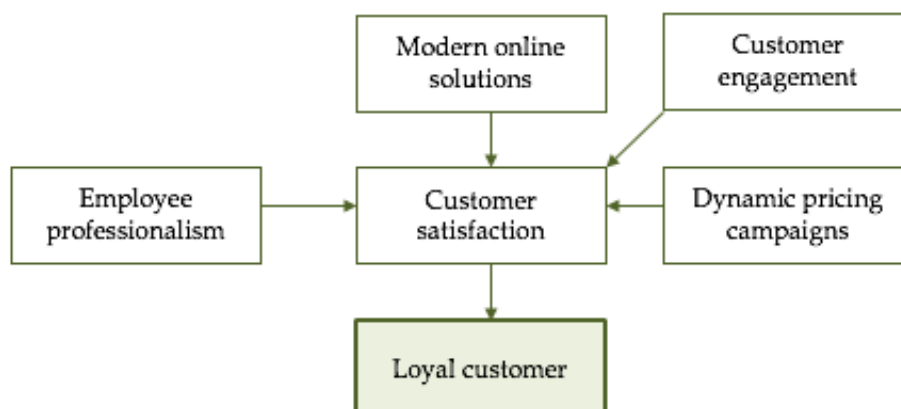


Figure 12. External marketing performance efforts of cases P and J for customer retaining

Company's E is delivering the product of Finnish education, where establishment process with each client lasts for long time and requires multimillion investments. Because of this, customer retaining is seen differently in this company. According to the vision of the CEO, company's product itself and highly professional employees and education experts work as the best tool for retaining customers. Also, each sales lead is accomplished by customer-based approach, where the first stage is to make sure that the client truly understands the nature of the product for which big investments are accomplished. Only after such workshops and established understanding, the co-operation between foreign educational institution or government and E begins. In each project, all employees and communication tools are focused on delivering high-quality services to an end customer: children and their parents, who pay tuition fees. Also, the company is not negotiating its service pricing through campaigns, though admits that E's price (tuition fees) is lower than global competitors' (American or British educational systems). This has been made to support main goal of the company – deliver best education and future to children around the world. Thus, their pricing strategy can be also assigned to person-based approach. The company sees keeping its IPR rights as one more way for retaining customers as it allows the company to continue delivering superior quality of education instead of empty brand promotion.

*We had to give up one project in China, because our B2B sector client was not interested in maintaining quality of Finnish education as much as we did. Without quality, it is just a logo on the top of the building. (Company E)*

Company E has been capable of engaging end customers (paying parents) into the process by several means. First of all, the board of the school, established by the company abroad, includes two members represented by parents. Also, there are weekly 'principle and parents' meetings, where all process-related issues are discussed and reported to the main office in Finland. Also, this engagement has online presence: parents have online forum for raising issues and showing their satisfaction state. Based on all of these tools, case company E has been capable to measure customer satisfaction in several dimensions: last results showed that end users (parents and children) scored very high, educational experts' satisfaction ranked 4.8 (out of 5). Long-term B2B partnerships with foreign institutions are not measured the same way, as the CEO's replies: end user satisfaction and repeated payments make B2B part automatically satisfied. The following is the figure illustrating E's external marketing efforts for customer retaining.

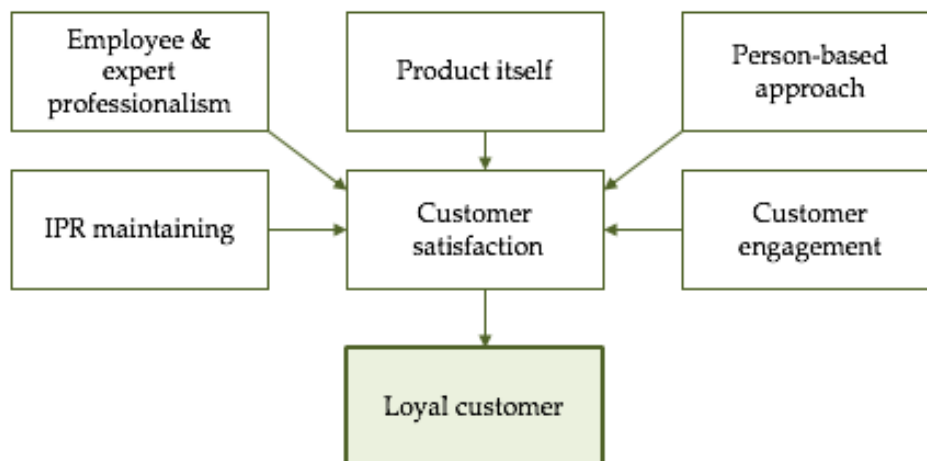


Figure 13. External marketing performance efforts of case E for customer retaining

#### 4.2.5 External marketing performance: brand awareness and search for new customers

Case company F is the one to start from in this situation as well, because it has been the case, which starts communication with clients before, they come to F. Here are two examples proving it. First, the company offered young part of Finnish population to order F's test samples for checking the existence of sexual diseases. The reason was the statistics proving that this part of population is the risk group for such illnesses, thus should be aware the most. Because this is a delicate issue, the campaign was held in anonymous way and results were forwarded via text messages. Second, F has made a research, where elderly women were identified as a risk group for certain disease. Instead of waiting these people coming to F's office with an illness, the company initiated on its own an offer for this group to participate in home-based sampling taking. According to the vision of marketing manager of F, both of these campaigns had a great success for establishing trust between the company and potential clients. Partly because of this and partly because of own-in-house innovation, the company has been the market leader. Since F's board has decided to keep its market share and increase brand awareness for competition resistance, marketing manager opened up about upcoming mergers and partnerships. Even though previously, company F was not in the position of hunt for new clients, it has been investing in traditional means of external marketing communication, such as information stands in its locations, advertising posters and other. Akin to all other case companies, enterprise F has acknowledged the connection between satisfied B2B clients and their recommending power for increasing brand awareness among potential B2C customers. Similarly to that, F's marketing and communications manager referred

to satisfied retained B2B clients and their referencing as one of the main channels for attracting new end users. Finally, the company plans to increase traffic density on its webpage due to their online solutions: modified version of online shop, where people can book the time or purchase testing samples for home use. Also as referred in previous chapter, F has identified and satisfied human's need for healthcare-related information in an understandable language, thus the company has established special section on its page, where people freely can access needed data. At last, F started active presence in professional networks like LinkedIn despite that normally healthcare companies are not going this direction. The company has been measuring the outcomes of such initiatives and reported highly positives results in terms of increased views and calls, and higher rates are expected.

Company S has been initiating communication with potential clients as well. Current strategy has been rearranged due to S's interest in attracting mid-market firms as their long-term customers. Nevertheless, marketing director sees employees' professionalism and engagement supported by recommendation power as the main way to increase brand awareness. Still, previously mentioned breakfast-seminars and webinars, organized by S, are partly focused on delivering brand message to potential customers. Because of certain business specifics, the company is not using traditional advertising methods as radio, TV or shopping mall stands, because product information is too narrow for being generally-observed. Despite this, S has proactive approach towards attracting new customers, thus trial periods, and workshops with proof of service are performed.

Case company P has invested into in-house and traditional channels. Marketing director reports that first the company measures the power of P's brand image by outsourcing industry research from Taloustutkimus. Results appear every two years and based on them, ways for increasing brand awareness are planned and executed. Because the company sells range of outside sport activities and spa services, all belonging facilities are used for passive advertising of one another. Also, MTV3 channels, radio stations and shopping mall spaces have been actively used for promotion of the image. Like all other cases, the company has seen retained customers as one of the main channels for getting new ones, thus NPS rate is measured by the company regularly. The company has already started partnering with [Name is concealed] in order to increase its percentage of international clients (currently, it is 5 %) and attract customers from Japan. However, because of strong dependency on seasonal change the company reports about dynamic pricing campaigns to be regular part of internal marketing communication agenda.

Similarly to case P, company J has also implemented dynamic pricing campaigns for attracting larger number of people from different groups of people such as tourists, elderly people and students.

*When we make new campaign on social media, we track how many people can see it. Not always we can see everyone, who uses our services, if they pay by card. But, we track the number of app downloads and feedback sent to us. Also, we measure the data regarding how many people have used an exact campaign. (Company J)*

Hence, when J is outsourcing customer-oriented research from local educational institution, it is also promoting own brand image among those potential clients, for whom campaigns take place. Firm J has shared that their B2B side collaboration with hotels has also brought much in sales. Hotels get VIP services, which ease the procedure of car ordering up to single button push and fixed price, instead hotels' clients become J's customers. Furthermore, marketing and communications manager of the company affirmed numerous ongoing collaborations with enterprises from different industries: education, telecommunications, transportation, IT and others. Finally, J has not been an exception in advertising promotion through local newspapers and radio stations for constant and campaign-based advertisements. Normally, the company measures the number of potential audiences, which will hear or see the promotion as well as certain campaign's effect on the number of received calls.

Company E has had almost perfect situation as their sales leads have been deriving from the clients. So, discounting campaigns and traditional advertising were not necessary for the enterprise so far. However, E has considered recommendation power of retained satisfied customers to be the strongest tool for gathering new projects. In terms of this company, own image is less important as it is often hidden behind the brand of Finnish educational institute in different countries, thus it has been doing wide labeling of business by branding through Finland. Company itself sees such passive branding scheme possible only for similar cases, where the product itself has outspoken reputation and superior offer of high quality for customers, which initiate the process by themselves. The company recognizes potential in creating joint ventures in the future instead of establishing own schools each time.

The following is the figure summarizing external marketing techniques, which case companies have been using for raising their brand awareness and attracting new customers. It is noticeable that green windows depict those approaches, which have been favored by every case firm, while dashboards signal about application in smaller number of cases.

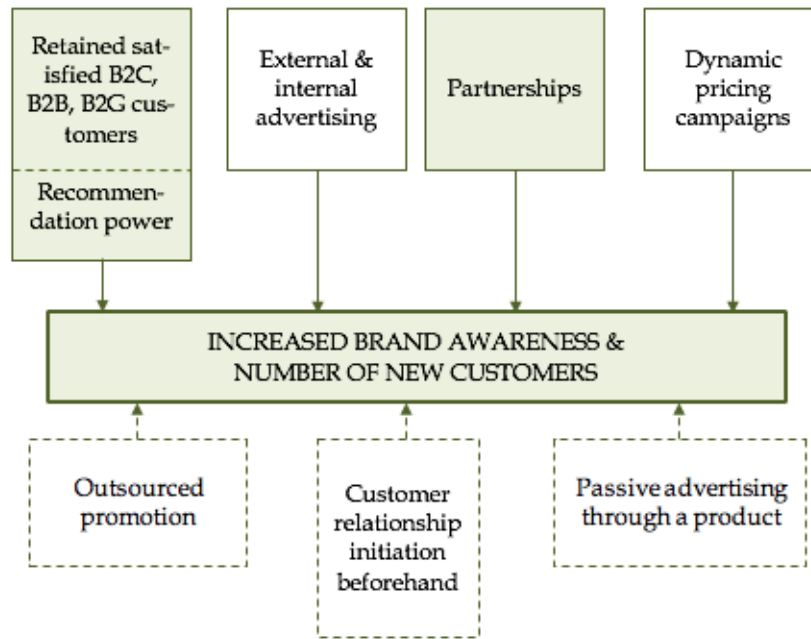


Figure 14. External marketing performance techniques applied in all case companies for attracting new customers

#### 4.2.6 Increased productivity: cost reduction and resource utilization

Regardless its strategic target and understanding of growth, all case companies referred to multiple ways of reducing operational costs and more adequate resource utilization.

Case firms F, P and J affirmed ongoing reduction of personnel and time spent for CRM over phone calls. Case F has installed chatbot on its webpage and uses text messages format instead calls. Meanwhile J and P have invested in own applications, booking systems and chat operators.

*Last year we had 700000 calls and 3000 app orders. To reduce number of phone calls, we try to make people using our app more. We also measure and try to reduce number of car orders made through [Valopilkku], because we market our own app as the guarantee of professional service. (Company J)*

Together with phone calls reduction, J has been cutting paper consumption and investing into process-related innovation in order to decrease consumption of gasoline and reduce waste time, which every driver spends without providing customer with the service. The latter problem was solved by innovative application for drivers, which tells when and where to go for the next client so that destinations and time slots are designed for more responsible resource utilization. Similar to this, case company F has launched in-house innovative approach for

customer handling. F's service [N] allows customers and employees saving time: instead of visiting multiple rooms for giving different samples, clients sit in a special room, where an employee can take all necessary samples by using portable cart and handy tools; also, print recipes immediately by handy small printing device. In this case, a patient does not need to book a time slot. Such service has already brought visible results:

*We constantly measure correct amount of resources, we use. In the beginning of this year we launched quick service [N], which resulted into time saving by 3 times. It has been a success as in 2 months of operations almost half of customers are using the service in the main business area. We have about 500 customers a day in main center, almost 250 people a day use this service, but it is suitable only for certain tests taking. The limit we try to reach is 80%. (Company F)*

Since company F sees one of its main competitive advantages in own IT department, process-related innovation took place in order to make automated tests management smoother. Similar to F, case firm J also relies heavily on IT solutions due to nature of the business. However, outsourcing is the most logical solution for their firm size and resource availability. Thus, J has outsourced general IT services from its local partner, while mobile application has been created and maintained in Canada. After measuring its productivity, company P has noticed inadequate HR usage in office customer management between two sides of its business. As a result, there has been range of process-related deviation of HR between healthcare and hospitality employees.

Meanwhile, case companies E and S are the cases, which have not yet applied any technical means for cost reductions. Instead, these firms have learnt from previous projects to optimize the overall process and avoid future unnecessary expenses and mistakes. The figure below summarizes applicable in case companies approaches for increasing productivity by cutting costs and utilizing resources.

*We track how resources are applied. In our unit, the rest of the year is dedicated to our new project [Name is concealed], digitalization services and content formation. Doing many things at once does not always bring profit. So, we outline our focus and do not spend much money on other events. (Company S)*



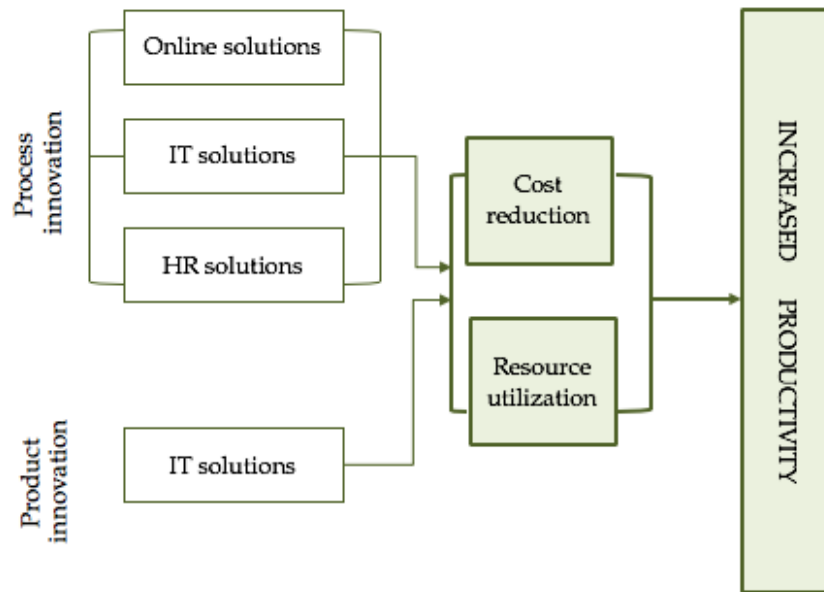


Figure 15. Productivity increasing strategies for cost reduction and resource utilization in case companies

#### 4.2.7 Person-based growth marketing approach

During interviews with expert company Aava & Bang, GM concept developer has reported about core role of a customer and internal human forces. According to it, whole company growing in marketing sense is built upon people rather than a product. Thus, expert shares perfect scenario for a firm of getting competitive advantage and gain force for growth: build or adapt a product in engagement with your target consumers. In support to this notion, another expert company San Francisco refers to globalization and Internet development as main reasons for customers' unlimited ability to choose from where to buy. The expert sees community building-like type of CRM as the only way a company can survive massive competition and increase turnovers. Thus, the question asked from companies by this expert reflects growth marketing concept the best: *describe what your company is doing without talking about the product?* Based on the vision of both expert companies, only enterprises, which can answer this question, are sustainable for growth. The following are the answers of case companies to this question:

*Finnish education is the best in the world, we help people having better future.*  
(Company E)

*We offer high-quality service no matter what kind of contact you have with us.*  
(Company J)

*We offer people our complex services, so that they feel good* (Company P)

*We create growth and success for our customers through digitalization (Company S)*

*Our aim is to provide the most beneficial information on-time to our customers and end users.  
(Company F)*

All case companies have reported full attention to customer needs and wishes by outsourced research and in-house efforts of external marketing communication. Both LSEs affirmed own initiatives to start communication with potential clients not just for attracting new clients and increasing brand awareness but establishing years-lasting relationships.

## 5 CONCLUSIONS

The concept of growth marketing provides companies with a unified scheme of tools and measurements for growth. Depending on what a company considers to be the best solution to grow, different tools are applied. Firm's clear vision regarding own long-term strategic goal, available resources and customer relationship gives power of fast and profitable development. Because the term of GM is fresh to academic environment, recent developments of expert agency Aava & Bang and empirical findings have been useful for demonstrating interesting results in connection to already existing theories of marketing performance. Because results are interesting from scientific and managerial sides, implications for both dimensions are presented further in this chapter.

As analysis of scientific literature has outlined, previously researchers already described the role of marketing in organizational overall performance. Also, sufficient effort has been dedicated to studying the paths of growth for SME and LSE companies. Despite the availability of scientific explanation about marketing and its influence on company's development, one could not simply find complex guidance for firm's growth by means of marketing. Luckily, there are several pioneering agencies (one of them is the expert company), which have been developing the concept of growth marketing and helped firms growing by educating them about the process. These firms have learnt to apply complex approach, where the central part is always about people from inside – employees, and outside – customers.

In order to reach the essential goal of creating an overview of GM concept, the following research questions were answered:

1. How the concept of growth marketing is defined?
2. What is the process of growth marketing applicable to a company?
3. What are the tools and measurements adopted in the process of growth marketing?

Current study contributes to previous research about marketing performance and related metrics by including case study of five Finnish firms, within which the largest company has been already actively implementing growth marketing approach into its long-term development strategy. Because the concept itself is highly practical, this study's effort was to introduce the phenomenon into academic world. In total, this study included findings regarding organizational strategic planning, internal and external marketing performance and methods for productivity enhancement. The findings concluded the ways for improving em-

ployees'- and customer-related tools management for finding the balance between related inputs and growth rate. Current findings could be interesting for scientific, societal and managerial fields by topic's innovativeness and completeness of the final thought.

## 5.1 Theoretical implications

It is worth mentioning that all case companies have provided this research with full openness regarding own operations. Thus, all research questions have been answered in consistent way, and the objective of the study was fulfilled by presenting interesting results. As the target of the study was to introduce complex understanding about the concept of growth marketing, collaboration with experts was extremely helpful, still necessary due to lacking scientific literature about the phenomenon.

Figure 2, which depicted theoretical framework, was comprised mainly from analyzed scientific secondary data about marketing performance metrics, growth triggers and explanations of expert companies regarding modern role of marketing, growth hacking and role of marketing in firm's growth. One part introduced different types of innovation and geographical expansion as most natural triggers for growing. One can see certain differences between Figure 2, which illustrates most commonly used marketing performance measurements, and Figure 6, where the focus is on describing what is the process of growth marketing. Even though, both figures outline internal and external marketing activities, perceptions about GM have more attentions towards internal humans and the tools, helping them to reach external humans - clients. Meanwhile, Figure 2, which is constructed from findings of numerous researchers, has, on one hand, broader scale including also financial marketing metrics and ratios. Adapted knowledge from Ambler (2000), Barwise & Farley (2004) and Frösen (2013), on the other hand, analyzes wider number of marketing metrics for easing the process of forecasting customer behavior. Later figure, however, follows slightly different target: explaining the ways a company can grow by implementing marketing activities.

### **RQ1: How the concept of growth marketing is defined?**

Due to the fact that LSEs' growth process differs from SMEs' (Gilbert et al., 2006), development drivers of smaller ventures may have different affects and purposes. While, bigger well-established companies are seeking for the ways to sustain growth, smaller firms endeavor to obtain viability (Golovko & Giovanni, 2011). Thus, it was expected to experience different degree of understanding among

case companies. Nevertheless, round of similarities has been determined between experts' perspectives and ongoing activities of case firms.

Once a company is measuring its brand equity, product-related innovations have been one of the most invested areas (Moorman & Rust, 1999; Clark, 2001). Though empirical findings showed that all case firms have been investing into process-related innovations rather than the product itself. Such decisions have been explained by companies' eagerness to manage relationship with employees and customers smoother and reduce operational costs. These process developments increase the quality of services and the degree of understanding between cases and their clients. Internal marketing performance metrics, which are oriented on measuring the outcomes of organizational strategy implementation, corporate culture and financial figures (Ambler, 2000; Frösen 2013) take the starting point in the process of growth marketing. The difference is that financial factors, such as sales and gross margins, are seen as a logical consequence of company's investment into internal marketing communication. So, GM considers internal marketing performance as the initial starting point for companies' development. In this case, degree of employee' education and working expertise are referred to company's know-how and is considered to be automatic 'must' for further implementations. The questions, though, were not about how companies choose 'the right' people for the company. Instead, tools for increasing employees' satisfaction and engagement in firm's growth are the things, which are central to the concept.

Customer satisfaction was already known as key influencing factor of retaining rates (Ambler, 2000; Clark, 2001). Previously studied literature about MPM was conducted in order to understand, how to retain clients and forecast their behavior. Also, numerous sources identified customer retaining to be cheaper and less time-consuming. Expert company Aava & Bang affirms that quality of maintaining relationship with existing clients has straight influence on the number of new customers. However, GM concept implies the need for evaluating the balance between old and new customers based on their importance to sales. During the interviews, it was discovered that relationship between sales and customers depends on the business model, thus some cases need more new clients than others. Altogether, experts report that proper customer service, which assures customer satisfaction, increases customer loyalty and wish to recommend a company. Also, brand awareness is increased, which results into higher number of new clients. However, it is seen as the main competitive advantage, if a company is capable to outline its target customers and create or adapt its product or service in collaboration with them.

Human-centric approach of growth marketing concept continues into importance of partnerships. Even though, none of two experts classified networking approach as an absolute necessity, all case companies have been either widely cooperating with other firms or considered it as potential.

Based on empirical findings from case and expert companies combined with already existing theories, it became clear that growth marketing phenomenon is very much like marketing performance measurements, but with slightly stronger focus on human factor. The attention to employees' satisfaction has never been more important (Aava & Bang, 2019), as it is the best known way to maintain dialogue with customers (Rust & Keiningham, 1994). The following is a suggestion of how the concept of GM could be defined in referral to existing theories and empirical findings:

*Growth marketing is a human-centric approach used by companies seeking for growth, where the highest potential is reached by balanced managerial strategic formation, effective management of relationship with employees for outstanding cooperation with customers.*

The notion that customers are not seen as only 'money bags' is another signature of GM. Interviews with expert companies have showed, that sustainable for growth companies are capable to create or adapt their product together with target customers. Thus, customers in GM concept are seen more as community partners, rather than simple monetary source. Product- and process-related innovations have positive influence on a firm of any size and age (Engel et al., 2004; Lumiste et al., 2004). Empirical findings from the cases have outlined secondary role of innovations. Investments into innovations serve as a helper for creating well-functioning client-based business model in GM concept.

## **RQ2: What is the process of growth marketing applicable to a company?**

Illustrative form of answer to a practical question seems to be the best solution. Figure 12 summarizes study findings, which derived from vast literature review and interviews with five case and two expert companies.

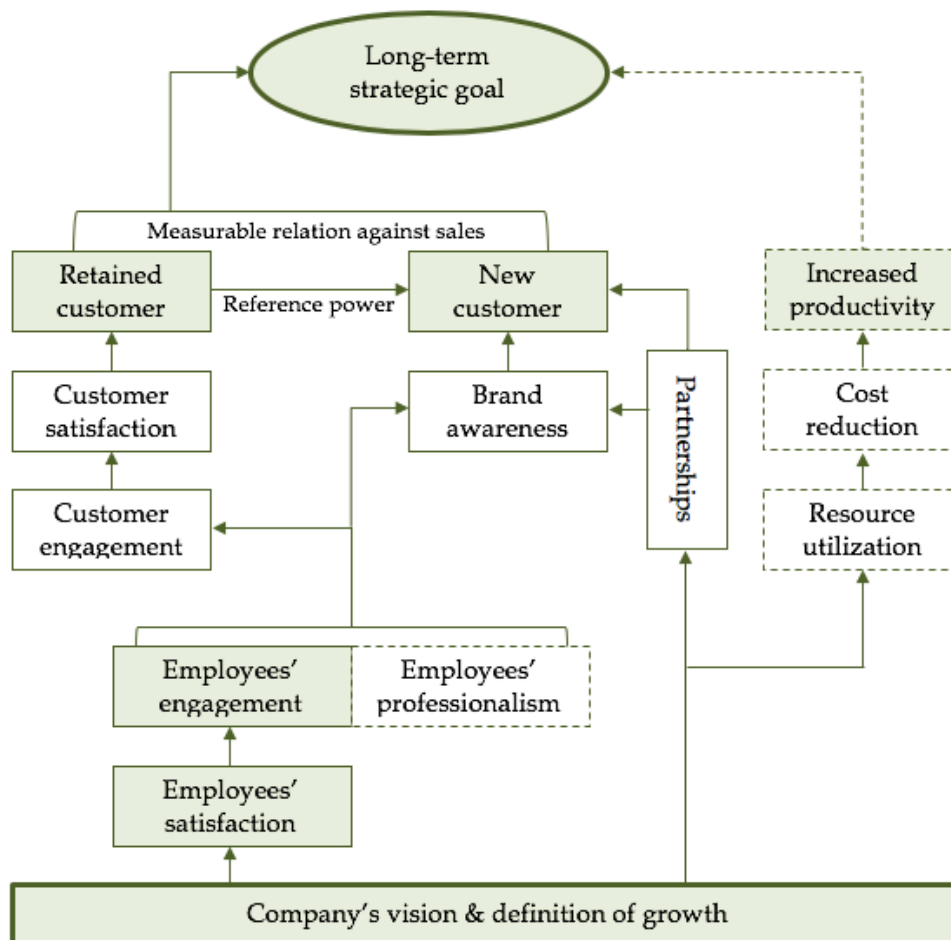


Figure 16. The process of growth marketing.

It is not a mistake that the outcome of GM process is not depicted as actual growth, instead it is named as long-term strategic goal. Normally, SMEs are growing organically for increasing its turnovers and number of employees, while LSEs are expected to develop through major mergers and acquisitions (Pasanen, 2007). But in every case, identification of growth plan is the task of strategic management. Depending on financial and human capital of a company and its related strategic vision, type of growth is formulated and achieved (Aava & Bang, 2019). As the expert affirms, there cannot be one GM card suitable for every company, thus figure 16 is a general overview, of what company's development should look like.

Expert interviews have showed, that a firm needs a minimal package in the beginning of GM process: strategic goal, resources and vision about suitable growth. Geographic expansion is often preferred, but many companies also see potential of growing by other means: increase of market share within the same market, higher productivity through cost reduction, employment of higher number of

most qualified employees. Any choice of one or several points supported by correct execution can boost company's turnover (Aava & Bang, 2019). GM process includes two major parts: internal and external marketing performance. Whereas some companies need stronger focus on internal performance, others invest more into external activities. The expert company justifies this thought by the initial choice of a company: if a company is focused on effectiveness of customer service but not geographical growing, inside marketing activities are highly valuable. It is also important for companies intending to grow physically, but in such scenarios external marketing communication management is priority number one.

Depending on its long-term strategic target, a company evaluates expected inputs into internal marketing performance (with employees) and external one (with customers). When marketing mix composition was upgraded by Kotler and Keller, the component of 'people' has been added among others. Employees are the main tool for healthy CRM (Rucci et al., 1998; Ambler 2000; Lockwood, 2007; Antoncic, 2011). All case companies have affirmed applying tools for increasing and measuring employee satisfaction. Motivated and satisfied employees perform best results, once their opinion and vision is heard at higher levels of an organization. About 68% of customers are known to discontinue relationship with a firm due to its employees' inability to adapt the product towards customer needs (LeBoeuf, 1987). Thus, GM approach indicates employees' engagement being a bridge for communicating firm's values to clients' needs. The level of employees' expertise is usually addressed to HR area of operations. Despite this, all case companies referred to it as one of their competitive advantages and essential attributes of engaged workers, thus this unit could not be missed out. This is why this part is dashed.

The developer of GM balanced scorecard, expert company Aava & Bang, sees importance of the knowledge about group of customers, which generate better sales: retained or new ones. Normally, attraction of new customers is six times more expensive than retaining loyal customers (LeBoeuf, 1987). However, several case companies reported major sales deriving from new clients due to peculiarities of their business sector. GM concept suggests calculating the balance between retained/new customers in relation to sales for wiser resource usage. Commonly, satisfied and engaged employees are eager to engage with target customers for creating better value to them. Person-centric approach is the identification of GM process, where creation or moderation of a product/service together with main consumers is a one step closer to sustained competitive advantage.



Amount of focus on external marketing communication, precisely customer satisfaction, depends on company's strategic goal. Though, it has been central component of MPMs as well as it is core for the phenomenon of growth marketing. As 14% of customers tend to leave due to their low level of satisfaction and search of new clients is expansive (LeBoeuf, 1987), companies do all the possible to satisfy retained clients. It is especially needed for companies operating in B2B sector, due to higher volumes of money provided by each client (Eriksson & Vaghult, 2000; Rauyruen & Miller, 2007). Furthermore, all case companies affirmed that high level of customer satisfaction multiplied by their recommendation power, increases the number of new clients. Simultaneously, engaged employees work harder for increasing brand awareness of a firm by implementing a range of external marketing communication means, including advertising and dynamic campaigns.

Brand awareness and retained customers are not the only way to attract new consumers. Partnerships are placed into the process of GM. All cases reported about ongoing or potential partnerships with players from same or other industries. Also, one LSE case implements non-organic growth scheme, so its turnover derives straight from mergers. The reason why increased productivity, caused by cost reductions, is dashed could be explained based on empirical findings. Most of the cases reported ongoing operational costs reduction and increased concern about resource utilization. One firm, however, did not include such practicalities into its growing strategy, though higher number of samples could show different results. In other words, the composition of GM tools depends on how a company wants to grow, its vision and available resources. Figure 16 has illustrated generalized understanding of growth marketing process and its applicability to a firm.

### **RQ3: What are the tools and measurements adopted in the process of growth marketing?**

Based on empirical findings, the composition of tools used for increasing employee satisfaction depends on the size of a firm. Despite it, team-building events, benefit packages, internal verbal and online communication were reported to be most common GM tools in this case. Usage of electronic information boards has been used for maintaining engagement level of distant employees. Culture play-book is another way for boosting employee engagement by introducing new people to the values and procedures within a firm and making them closer to each other. As explained before, culture book is used in the process of internal GM

communication for making adaptation of new employees smoother: new employees can read it and do exercises for self-development. For example, you can take notes about seeing something good happening, as if you see a co-worker doing something in a great way, you can write it down and learn from others. Coaching sessions are applied among managers and employees for personal development and discussing questions related to customer feedback. 'Workday experience' has been introduced in the concept with a purpose of employees to understand the values and processes of company better, so that those are naturally communicated to customers. Investments into process-innovations were reported and applied in order to make operations easier for employees, reduce costs and retain consumers. In this study, process innovation was presented by mobile applications, electronic systems for drivers, novel approach of medical tests taking in hospitals and labs, and online booking systems.

To measure employees' satisfaction, all firms have been applying in-house or outsourced services for providing with questionnaires from 1 to 4 times per year. GM implies that results must be compared to competitor firms and own goals, so that realistic picture is received. Yearly self-development meetings and weekly gatherings have been mentioned to be common in case firms.

Depending on company's interest in retained and/or new clients, case companies shared their tools for increasing customer satisfaction and engagement as well as widening its brand awareness. The following table introduces GM tools applicable for external marketing performance.

	<b>Tools</b>	<b>Measurements</b>
<b>Customer retaining</b>	Marketing automation, online shop, app development, additional informative value, dynamic pricing campaigns, online communities	NPS, questionnaires, "happy/sad faces", outsourced marketing research, KPI, social media engagement, growth in newsletter orders and received feedbacks
<b>Customer search</b>	Internal & external advertising, initiation of service use, outsourced promotion, dynamic pricing campaigns	Brand awareness rate (often outsourced), brand image analysis (often outsourced), traffic density, social media engagement rate

Table 7. GM tools and measurements for external performance.

It is worth mentioning that empirical findings conclude each section of GM balanced scorecard to be filled in response to particular expected outcome: % increased customer & employee satisfaction level, % of social media engagement increase, satisfaction level of internal communication by certain %. Also, depending on a goal, a company can increase its productivity by cost reduction. Most cases affirmed ongoing activities for reducing number of phone calls and amount of natural resources waste. Moreover, process innovations were implemented in order to utilize human resources and save time used for customer service. In other words, conceptual framework of GM combines IT, online and HR solutions in a unified way for reducing operational costs. Such activities are normally measured by turnover rates, financial results of fiscal years and lifetime value of customers.

Third main principle of GM, after importance of employees and balance between new/old customers, is constant result measuring in relation to competition and own goals (Aava & Bang, 2019). This function can be outsourced or managed inside a firm, but only relative analysis shows real picture to a company.

## **5.2 Managerial implications**

The secret to maintain relationship with your clients is to add value to everything your company is doing (San Francisco, 2019). Thus, it is highly important that a product/service replies to people's needs and wishes. Same expert has specified that one of the biggest problems, which companies experience, is their mere focus on product's functionality instead of making sure, that this highly innovative solution is needed. Another expert company adds, that very often, customers simply are not aware of how to apply the product for maximized value (Aava & Bang, 2019). Thus, for firms, which are planning to grow in any mean, it is highly recommended to shift its focus on listening to potential clients and then create physical solution responding to their needs.

Another issue, which gathered attention during interviews, is companies' inability to integrate marketing into its strategic actions in full volumes. Marketing importance for organizational performance has been discovered solid time ago (Brush et al., 2009; Srivastava et al., 1999; Ramaswami et al., 2009), but still companies affirm certain separation. Most commonly, it has happened due to top's management inflexibility towards resources investment. Luckily for this study, all case companies affirmed changing situation for the discipline of marketing in a better way. Nevertheless, this study is one more effort to illustrate the ways

how marketing can enable companies for growing in terms of healthier relationships with customers and employees.

Developing the importance of human factor, Table 7 has outlined numerous tools, results from using which, should be measured. There is no surprise, that experts and case companies reported high degree of process-related innovation. Making processes easier for employees to execute and evaluate, increases the chances to have satisfied customers as well as reduced operational costs. GM concept is another reminder for adequate resource allocation in order to increase quality of CRM and maintain healthy internal environment.

### **5.3 Research limitations**

This study is limited to concluding emerging concept of growth marketing based on related existing theories of marketing performance, practical understanding by expert companies and findings received from case enterprises. Because GM concept is a fresh term for both, scientific and managerial environments, this thesis presents general balanced scorecard for marketing of growth, components of which may and will vary according to firm's strategy, existing resources and business model. Thus, the scheme presented in this study must not be used as an outspoken approach for any growth in any company, on the opposite, data received from the cases showed how tools vary according to the 'type' of growth a company works for.

Due to the novelty of the term of GM, there is limited number of suitable expert and case companies, which could openly speak of existing strategies for concept usability. Limited amount of scientific literature is noticed for same reasons. All expert and case companies are based within Finnish business landscape, in such wise current conclusions are most relevant to local companies, though some of them operate also abroad, so overall process could be moderated for global scale. In time-wise sense, the study has been accomplished within relatively tight frame assigned by degree structure and was done by one person. Wider range of companies were contacted for collecting empirical data, but only those, with whom communication reached its end point, got place in this research. This in turn means, that there is potential for higher variety of answers. It is worth mentioning that couple companies, which agreed to participate in the interviews, were not applicable to this study due to modest level of their marketing activities.

When speaking about reliability of research findings, it is usually referred to a degree to which a measure or process gives same outcomes (Eriksson & Kovalainen, 2008). Only responses from 5 case companies and 2 expert companies were used for drawing conclusions about the concept. So, it is possible to imagine

slightly different results, if same study would use other cases for the same agenda. Nevertheless, big number of similarities among cases and experts' answers, empirical and theoretical findings were discovered. In other words, there is big chance to find prove for the outcomes of this study by conducting similar research with other cases. Also, it is crucial that conclusions accurately describe what has happened (Eriksson & Kovalainen, 2008), so this study's validity is limited to precise illustration of what could be gathered from 5 case and 2 expert companies.

#### **5.4 Suggestions for future research**

The main issue, which this study has seen, is zero academic literature about the concept of growth marketing. This situation has been seen as a difficulty in scale of Master thesis but can be seen as an opportunity for Doctoral studies and other research initiatives. Thus, the main suggestion is to increase the number of scientific publications dedicated to the topic, as it helps future researchers to broaden the vision.

This study is focused on delivering an overall picture of growth marketing process within existing practical understanding. After more literature appears, it could be beneficial to dedicate efforts into studying what exact growth marketing tools and specific activities are common for companies of certain industry, size and business model. This could make understanding of the process easier and more practically applicable for firms with different business backgrounds.

As mentioned earlier, Aava & Bang company has been developing the concept and the balanced scorecard for GM and has started implementing it in several firms. It is seen valuable to conduct interviews with all those firms after 2 years and measure their dynamics of growth in order to see concept's usefulness. Besides evaluation of GM's usability and its part in company's growth, this activity would help identifying essential process tools for a company depending on its area of growth and business model.

## REFERENCES

- Aaker, D.A. (1991). *Managing Brand Equity*. Free Press, New York.
- Aava & Bang. (2018-2019). 3 Expert interviews in local office. Jyväskylä
- Almeida, H. & Campello, M. (2007). Financial constraints, asset tangibility and corporate investment. *Review of Financial Studies*, 20 (5), 1429-1460.
- Almus, M. & Nerlinger, E. A. (2000). Testing Gibrat's law for young firms – Empirical results for West Germany. *Small Business Economics*, 15, 1-12.
- Ambler, T. (2000). Marketing Metrics. *Business Strategy Review*, 11 (2), 59-66.
- Ambler, T. (2001). Value-based marketing: Marketing strategies for corporate growth and shareholder value. *Journal of Brand Management*, 8 (6), 463.
- Ambler, T., Kokkinaki, F. & Puntoni, S. (2004). Assessing Marketing Performance: Reasons for Metrics Selection. *Journal of Marketing Management*, 20(3/4), 475-498.
- Ambler, T. (2003). *Marketing and the Bottom Line*, 2<sup>nd</sup> ed. London: FT Prentice-Hall.
- Ambler, T., Kokkinaki, F., Puntoni, S. & Riley, D. (2001). Assessing Market Performance: The Current State of Metrics. Centre for Marketing Working Paper 01 (903).
- Anderson, E.W. (1994). Customer Satisfaction and Word-of-Mouth. Working Paper. National Quality Research Center, University of Michigan Business School, Ann Arbor, MI.
- Anderson, E.W., Fornell, C. & Rust, R.T. (1997). Customer Satisfaction, Productivity, and Profitability: Differences between Goods and Services. *Marketing Science*, 16 (2), 129-145.
- Ang, S. H., Siew M. L. & Kotler, P. (2000). The Asian Apocalypse: Crisis marketing for consumers and businesses. *Long Range Planning*; London, 33 (1), 97-119.
- Ansoff, I. (1965). *Corporate strategy: an analytic approach to business policy for growth and expansion*. McGraw -Hill Book Company, Inc.
- Ansoff, I. (1987). *Corporate Strategy*. Harmondsworth: Penguin Books.
- Ardishvili, A., Cardozo, S., Harmon, S. & Vadakath, S. (1998). Towards a theory of new venture growth. Paper presented at the 1998 Babson Entrepreneurship Research Conference, Ghent, Belgium.

- Athanassopoulos, A.D. (2000). Customer satisfaction cues to support market segmentation and explain switching behavior. *Journal of Business Research*, 47 (3), 191-207.
- Bampton, R. & Cowton, C.J. (2002). The e-interview. *Forum: Qualitative Social Research*, 3 (2), Art.9.
- Barkema, H. G., Bell, J. H. & Pennings, J. M. (1996). Foreign entry, cultural barriers and learning. *Strategic Management Journal*, 17, 51–166.
- Barwise, P. & Farley, J.U. (2004). Marketing Metrics: Status of Six Metrics in Five Countries. *European Management Journal*, 22(3), 257-262.
- Becchetti, L. & Trovato, G. (2002). The determinants of growth for small and medium sized firms. The role of availability of external finance. *Small business economics*, 19 (4), 291-306.
- Beck, T. & Demirguc-Kunt, A. (2006). Small and medium-size enterprises: access to finance as a growth constraint. *Journal of Banking and Finance*, 30 (11), 2931-2943.
- Bennett, R. (2007). The use of marketing metrics by British fundraising charities: a survey of current practice. *Journal of Marketing Management*, 23 (9), 959-989.
- Bird, A. & McEwan, M. (Ed. 1)(2012). *The Growth Drivers: The Definitive Guide to Transforming Marketing Capabilities*. John Wiley & Sons, Incorporated.
- Bogdan, R.C. & Biklen, S.K. (Ed. 5)(2007). *Qualitative Research for Education: An Introduction to Theories and Methods: United States Edition*, Allyn & Bacon.
- Brady, M. K. & Cronin, J.J. (2001). Customer orientation: Effects on customer service perceptions and outcome behaviors. *Journal of Service Research : JSR*; Thousand Oaks, 3 (3), 241-251.
- Brooks, N. & Simkin, L. (2011). Measuring marketing effectiveness: an agenda for SMEs. *The Marketing Review*, 11 (1), 3-24.
- Brush, C.D., Ceru, D. J. & Blackburn, R. (2009). Pathways to entrepreneurial growth: The influence of management, marketing, and money. *Business Horizons*, 52 (5), 481 – 491.
- Caragher, J. M. (2015). The missing ingredient in growth. Does your firm need to hire a marketing director? *Accounting Today*, 29 (10), 36.
- Carroll, G.R. (1983). A Stochastic Model of Organizational Mortality: Review and Reanalysis. *Social Science Research*, 12 (4), 303.
- Carson, D., Gilmore, A., Perry, C. & Gronhaug, K. (2001). *Qualitative Marketing Research*. London: SAGE Publications.
- Casanova, J. & Casanova, J. (2013). *Growth Hacking: A How to Guide on Becoming a Growth Hacker*. CSNV Books.

- Ceglinski, P. (2016). Use of strategic marketing management tools in contemporary enterprises. *Marketing in Zarzadzanie*, 5 (46), 9-16.
- Charbonneau, J. & Menon, H. (2013). A Strategic Approach to SME export growth. *International Trade Forum*; Geneva, 1, 32-33.
- Chen, L., Lai, J. & Chang, S. (2017). The long-term performance of new product introductions. *Finance Research Letters*, 20, 162-169.
- Chittenden, F., Hall, G. & Hutchinson, P. (1996). Small firm growth, access to capital markets and financial structure: review of issues and an empirical investigation. *Small Business Economics*, 8 (1), 59-67.
- Cho, H.J. & Pucik, V. (2005). Relationship between innovativeness, quality, growth, profitability, and market value. *Strategic Management Journal*, 26 (6), 555-575.
- Churchill, N. C. (2000). The six key phases of company growth in S. Birley and D. Muzyka (Ed.). *Mastering Entrepreneurship*, Harlow, FT Prentice Hall, USA.
- Clark, B.H. (2001). A summary of thinking on measuring the value of marketing. *Journal of Targeting, Measurement and Analysis for Marketing*, 9(4), 357-369.
- Clark, B.H. & Ambler, T. (2001). Marketing Performance Measurement: Evolution of Research and Practice. *International Journal of Business Performance Management*, 3 (2-4), 231-244.
- Clow, K.E. & James, K.E. (2014). *Essentials of Marketing Research: Putting Research into Practice*. Thousand Oaks, California; London: SAGE Publications.
- Coad, A. (2009). *The Growth of Firms. A Survey of Theories and Empirical Evidence*. Edward Elgar Publishing, Inc.
- Coad, A., Segarra, A. & Teruel, M. (2016). Innovation and firm growth: Does firm age play a role? *Research Policy*, 25 (2), 387-400.
- Coates, D. (1999). Why growth rates differ. *New Political Economy*, 4 (1), 77-97.
- Cohen, R.J. (1999). Qualitative Research and Marketing Mysteries: An Introduction to the Special Issue. *Psychology & Marketing*, 16 (4), 287.
- Cohen, R.J. & Klepper, S. (1996). Firm size and the nature of innovation within industries: the case of process and product R&D. *The Review of Economics and Statistics*, 78 (2), 232-243.
- Commission, European. (2005). *The New SME Definition: User Guide and Model Declaration*. European Commission Publications Office, Luxembourg.



- Commission, European. (2008). Putting Small Businesses First Europe is Good for SMEs. SMEs are good for Europe. European Commission, Luxembourg.
- Cross, M. E, Brashear, T. G, Rigdon, E. E. & Bellenger, D. N. (2007). Customer orientation and salesperson performance. *European Journal of Marketing; Bradford*, 41 (7/8), 821-835.
- Cucculelli, M. & Ermini, B. (2012). New product introduction and product tenure: What effects on firm growth? *Research Policy*, 41 (5), 808-821.
- Davidsson, P., Delmar, F. & Wiklund, J. (2006). *Entrepreneurship and the Growth of Firms*. Cheltenham, UK: Edward Elgar Publishing Limited.
- Davidsson, P. & Delmar, F. (2006). High-growth firms and their contribution to employment: the case of Sweden 1987-96', in P. Davidsson, F. Delmar and J. Wiklund (eds), *Entrepreneurship and the Growth of the Firm*, Cheltenham, UK and Northampton, MA, USA: Edward Elgar.
- Day, G.S. & Wensley, R. (1988). Assessing Advantage: A Framework for Diagnosing Competitive Superiority. *Journal of Marketing*, 52(2), 1-20.
- Day, G.S. (1994). The capabilities of market-driven organizations. *Journal of Marketing*, 58 (4), 37-51.
- Delmar, F., Davidsson, P. & Gartner, W.B. (2003). Arriving at the high growth firm. *Journal of Business Venturing*, 18 (2), 189-216.
- Delmas, M.A. & Toffel, M.W. (2008). Organizational Responses to Environmental Demands: Opening the Black Box. *Strategic Management Journal*, 29 (10), 1027-1055.
- Delios, A. & Beamish, P. W. (2001). Survival and profitability: The roles of experience and intangible assets in foreign subsidiary performance. *Academy of Management Journal*, 44 (5), 1028-1038.
- Demirel, P. & Mazzucato, M. (2012). Innovation and Firm Growth: Is R&D Worth It? *Industry and Innovation*, 19 (1), 45-62.
- Dewing, C., Jones, T. & McCormick, D. (2012). *Growth Champions: The Battle for Sustained Innovation Leadership*. Wiley 2012.
- Dilger, R.J. (2012). *Small business size standards: A historical analysis of contemporary issues*. Washington, DC: Congressional Research Service.
- Doz, Y. (2011). Qualitative Research for International Business. *Journal of International Business Studies*, 42 (5), 582-590.
- Drever, E. (1995). Scottish Council for Research in Education, Edinburgh. Undefined. 98. 1995.

- Drucker, P.F. (1985). *Innovation and Entrepreneurship*. Butterworth-Heinemann, Oxford.
- Dubois, A. & Gadde, L.E. (2002). Systematic combining: and abductive approach to case research. *Journal of Business Research*, 55 (7), 553-560.
- Dutta, S., Zbaracki, M. & Bergen, M. (2003). Pricing Process as a Capability: A Resource-Based Perspective. *Strategic Management Journal*, 26 (3), 277-285.
- Easton, G. (2000). Case research as a method for industrial networks: A realist apologia. *Realist Perspectives in management and organizations*. London: Routledge.
- Eccles, R. (1991). The performance measurement manifesto. *Harvard Business Review*, 69 (1), 131-138.
- Eisenhardt, K.M. (1989). Building theories from case study research. *Academy of Management Review*, 14 (4), 532-550.
- Ellis, S. & Brown, M. (2017). *Hacking Growth. How today's fastest growing companies drive breakout success*. New York: Crown Business.
- Engel, D., Rothgang, M. & Trettin, L. (2004). Innovation and their Impact on Growth of SME – Empirical Evidence from Craft Dominated Industries in Germany. Paper presented at the EARIE 2004 Conference, 2-5 September, Berlin, Germany.
- Eriksson, P. & Kovalainen, A. (2008). *Qualitative Methods in Business Research*. London: SAGE Publications Inc.
- Eriksson, P. & Kovalainen, A. (2016). *Qualitative Methods in Business Research* (2<sup>nd</sup> ed.). London: SAGE Publications Inc.
- Eriksson, K. & Vaghult, A.L. (2000). Customer retention, purchasing behavior and relationship substance in professional services. *Industrial Marketing Management*, 29 (4), 363-372.
- European Economy. (2001). Estimated by EIM Business & Policy Research. Supplement A. *Economic Outlook*, 69 (2001).
- Evans, D. S. (1987). Tests of Alternative Theories of Firm Growth. *Journal of Political Economy*, 95 (4), 657-674.
- Fahy, J. & Smithee, A. (1999). Strategic Marketing and the Resource-based View of the Firm. *Academy of Marketing Science Review*; Vancouver, 1999 (10).

- Farris, P.W., Bendle, N.T., Pfeifer, P.E. & Reibstein, D.J. (2010). *Marketing Metrics* (2<sup>nd</sup> ed.): The Definitive Guide to Measuring Marketing Performance. Pearson Education Ltd.
- Farquhar, J.D. (2012). *Case study research for business*. Los Angeles, (California); London: SAGE.
- Feng, H., Morgan, N.A. & Rego, L.L. (2015). Marketing Department Power and Firm Performance. *Journal of Marketing*, 79 (5), 1-20.
- Fong, R. & Riddersen, C. (2016). *Growth Hacking: Silicon Valley's best kept secret*. Lioncrest Publishing.
- Fowler, F. J. (2002). *Survey Research Methods*. Thousand Oaks, California: SAGE.
- Freeman, C. (1982). *The economics of industrial innovation*. Frances Pinter, London.
- Freeman, R., Harrison, J.S. & Wicks, A. C. (2007). *Managing for Stakeholders: Survival, Reputation and Success*. New Haven: Yale University Press.
- Frentzen, H. & Lampadariou, E. (2016). Evaluating SMEs Growth Strategies: The Case Study of a Medium-Sized UK Specialty Chemical Distributor. *Case Studies in Business and Management*, 3 (2), 122-145.
- Frösen, J. (2013). *Marketing Metrics, Marketing Performance Measurement and Marketing Control*. Aalto University School of Business.
- Frösen, J. & Tikkanen, H. (2016). Development and impact of strategic marketing- a longitudinal study in a Nordic country from 2008 to 2014. *European Journal of Marketing*, 50 (12), 2269-2294.
- Frösen, J., Luoma, J., Jaakkola, M., Tikkanen, H. & Aspara, J. (2016). What counts versus what can be counted: The complex interplay of market orientation and marketing performance measurement. *Journal of Marketing*, 80 (3), 60-78.
- Filatotchev, I. & Piesse, J. (2009). R&D, internalization and growth of newly listed firms: European evidence. *Journal of International Business Studies*, 40 (8), 1260-1276.
- Flick, U., Kardorff, E. & Steinke, I. (2004). *A Companion to Qualitative Research*. London: SAGE Publications.
- Flick, U. (2007). *Designing Qualitative Research*. SAGE Publications Ltd.
- Flick, U. (2014). *The Sage handbook of qualitative data analysis*. Los Angeles: SAGE.
- Flick, U. (2018). *The Sage handbook of qualitative data collection*. London: SAGE Publications Ltd.

- Garcia-Manjon, J.V. & Romero-Merino, M.E. (2012). Research, development, and firm growth. Empirical evidence from European top R&D spending firms. *Research Policy*, 41 (6), 1084-1092.
- Gatignon, H. & Xuereb, J. (1997). Strategic orientation of the firm new product performance. *Journal of Marketing Research*; Chicago, 34 (1), 77-90.
- Gauzente, C. & Ranchhod, A. (2001). Ethical Marketing for Competitive Advantage on the Internet. *Academy of Marketing Science Review*; Vancouver, 2001 (10), 1.
- Geru, M., Rusu, E. & Capatina, A. (2014). Growth Hacking Practices in a Start-Up: A Case Study on Thecon.ro. *International Conference "Risk in Contemporary Economy" 15<sup>th</sup> Edition*, 1(1), 212-216.
- Gill, P., Stewart, K., Treasure, E. & Chadwick, B. (2008). Methods of data collection in qualitative research: interviews and focus groups. *British Dental Journal*, 204 (6), 291-295.
- Goi, C.L. (2005). Marketing Mix: A Review of 'P'. *Journal of Internet Banking and Commerce*, 10 (2), 2-15.
- Golovko, E. & Giovanni, V. (2011). Exploring the complementarity between innovation and export for SMEs' growth. *Journal of International Business Studies*; Basingstoke, 42 (3), 362-380.
- Greeman, J., Carroll, G. R. & Hannan, M. T. (1983). The liability of newness: age dependence in organization death rates. *American Sociological Review*, 48 (5), 692-710.
- Gilbert, B.A., McDougall, P.P. & Audretsch, D.B. (2006). New Venture Growth: A Review and Extension. *Journal of Management*; Tucson, 32 (6), 926.
- Gubrium, J.F. (2012). *The Sage handbook of interview research: The complexity of the craft* (2<sup>nd</sup> ed.). Thousand Oaks, California: SAGE.
- Gudmundson, D., Tower, C.B. & Hartman, E.A. (2003) Innovation in small businesses: culture and ownership structure do matter. *Journal of Developmental Entrepreneurship*, 8 (1), 1-17.
- Gulliford, S. (1997). Marketing for Growth. *The journal of Brand Management*, 4 (5), 292-299.
- Gunday, G., Ulusoy, G., Kilic, K. & Alpkan, L. (2011). Effects of innovation types on firm performance. *International Journal of Production Economics*, 133 (2), 662-676.
- Guo, J., Hu, G., Xu, W. & Huang, L. (2017). Hierarchical content importance-based video quality assessment for HEVC encoded videos transmitted over LTE networks. *Journal of Visual Communication and Image Representation*, 43, 50-60.

- Hadden, J., Tiwari, A., Roy, R. & Ruta, D. (2007). Computer assisted customer churn management: State-of-the-art and future trends. *Computers & Operations Research*, 34 (10), 2902-2917.
- Hadjikhani, A. & LaPlaca, P. (2013). Development of B2B marketing theory. *Industrial Marketing Management* 42 (3), 294-305.
- Hanssens, D, M., Wang, F. & Zhang, X.P. (2016). Performance Growth and Opportunistic Marketing Spending. *International Journal of Research in Marketing*, 33 (4), 711-724.
- Harrell, M.C. & Bradley, M.A. (2009). Data collections methods. Semi-structured interviews and focus groups. *Rand National Defense Research Inst santa monica ca*, 1-146.
- He, W. & Baker, H.K. (2007). Small business financing: survey evidence in West Texas. *The Journal of Entrepreneurial Finance and Business Ventures*, 12 (1), 27.
- Heimonen, T. (2013). Characteristics of innovative, high growth and highly successful SMEs. *Aalto University Publications Series Doctoral Dissertations* 26/2013.
- Herzberg, F. (1966). *Work and The Nature of Man*. World Publishing, Cleveland, OH.
- Hirvonen, S. & Laukkanen, T. (2014). Brand orientation in small firms: an empirical test of the impact on brand performance. *Journal of Strategic Marketing*, 22 (1), 41-58.
- Holbrook, M.B. (1997). Three-Dimensional Stereographic Visual Displays in Marketing and Consumer Research. *Academy of Marketing Science Review; Vancouver*, 34 (4), 526-536.
- Holiday, R. (2014). *Growth Hacker Marketing: A Primer on the Future of PR, Marketing and Advertising*. London: Profile Books, Ltd.
- Hollen, R., Van Den Bosch, F.A. & Volberda, H.W. (2013). The role of management innovation in enabling technological process innovation: an inter-organizational perspective. *European Management Review*, 10 (1), 35-50.
- Holt, D.B. (2002). Why Do Brands Cause Trouble? A Dialectic Theory of Consumer Culture and Branding. *Journal of Consumer Research*, 29 (1), 70-90.
- Huhtala, J.P., Sihvonen, A., Frösen, J., Jaakkola, M. & Tikkanen, H. (2014). Market orientation, innovation capability and business performance. *Baltic Journal of Management*, 9 (2), 34-152.

- Humphrey, J. & Schmitz, H. (2004). Chain governance and upgrading: Taking stock. In H. Schmitz (Ed.), *Local enterprises in the global economy: Issues of governance and upgrading*. Cheltenham: Elgar.
- Innis, D.E. & La Londe, B.J. (1994). Customer service: The key to customer satisfaction, customer loyalty, and market share. *15* (1), 1-27.
- Jahromi, A.T., Stakhovych, S. & Ewing, M. (2014). Managing B2B customer churn, retention and profitability. *Industrial Marketing Management*, *43* (7), 1258-1268.
- Jaworski, B.J., Stathakopoulos, V. & Krishnan, H.S. (1993). Control combinations in Marketing: Conceptual Frameworks and Empirical Evidence. *Journal of Marketing*, *57*(1), 57-69.
- Jaworski, B.J. & Kohli, A.K. (1993). Market orientation: antecedents and consequences. *Journal of Marketing*, *57* (3), 53-70.
- Johne, A. (1999). Successful market innovation. *European Journal of Innovation Management*. *2* (1), 6-11.
- Joshi, A. & Hanssens, D. M. (2010). The direct and indirect effects of advertising spending on firm value. *Journal of Marketing*, *74* (1), 20-33.
- Junge, M., Severgnini, B. & Sorensen, A. (2016). Product-Marketing Innovation, Skills and Firm Productivity Growth. *Review of Income and Wealth*, *62* (4), 724-757.
- Kamien, M.I. & Schwartz, N.L. (1975). Market structure and innovation: a survey. *Journal of Economic Literature*, *13* (1), 1-37.
- Karmel, S.M. & Bryon, J. (2003). *A Comparison of Small and Medium Sized Enterprises in Europe and in the USA*. London: Routledge. 2003.
- Keeley, L., Nagji, B. & Walters, H. (2013). *Ten Types of Innovation: The Discipline of Building Breakthroughs*. John Wiley & Sons, Inc.
- Khanagha, S., Volberda, H., Sidhu, J. & Oshri, I., (2013). Management innovation and adoption of emerging technologies: the case of cloud computing. *European Management Review*. *10* (1), 51-67.
- Kogut, B. & Zander, U. (2003). Knowledge of the firm and the evolutionary theory of the multinational corporation. *Journal of International Business Studies*, *34* (6), 516-529.

- Köksal, M.H. & Özgül, E. (2007). The relationship between marketing strategies and performance in an economic crisis. *Marketing Intelligence & Planning*, 25 (4), 326-342.
- Kotabe, M., Srinivasan, S.S. & Aulakh, P.S. (2002). Multinationality and Firm Performance: The Moderating Role of R&D and Marketing Capabilities. *Journal of International Business Studies*, 33 (1), 79-97.
- Kotler, P. & Levy, S.J. (1969). Broadening the concept of marketing. *Journal of marketing*, 33 (1), 10-15.
- Kotler, P. (2011). Reinventing Marketing to Manage the Environmental Imperative. *Journal of Marketing*, 75 (4), 132-135.
- Kotler, P. & Keller, K.L. (2012). *Marketing Management* (14<sup>th</sup> ed.) New Jersey: Prentice Hall.
- Kumar, V. & Reinartz, W. (2016). Creating Enduring Customer Value. *Journal of Marketing*, 80 (6), 36-68.
- Kvale, S. (1983). The qualitative research interview: A phenomenological and a hermeneutical mode of understanding. *Journal of Phenomenological Psychology*, 14 (2), 171-196.
- Lager, M. (2015). Where Do We Go from Here? Customer Relationship Management: CRM; Medford, 19 (1), 16-20.
- Lam, S.Y., Shankar, V., Erramilli, M.K. & Murthy, B. (2004). Customer value, satisfaction, loyalty, and switching costs: An illustration from a business-to-business service context. *Journal of the Academy of Marketing Service*, 32 (3), 293-311.
- LeBoeuf, M. (1987). *How to Win Customers and Keep Them for Life*. BERKLEY: New York.
- Lee, W. J., O’Cass, A. & Phyra, S. (2016). Why doesn’t our branding pay off: optimizing the effects of branding through innovation. *European Journal of Marketing*; Bradford, 50 (3/4), 509-529.
- Lehn, K. & Makhija, A. (1996). EVA and MVA as performance measures and signals for strategic change. *Strategy and Leadership*, 24 (3), 34.
- Lehtimäki, A. (1991). Management of the Innovation Process in Small Companies in Finland. *IEEE Transaction of Engineering Management*, 38 (2), 120-126.

- Lewis-Beck, M.S., Bryman, A. & Liao, T.F. (2003). *The SAGE encyclopedia of social science research methods*. Thousand Oaks, California; London: SAGE.
- Liu, Y., Foscht, T., Eisingerich, A.B. & Tsai, H.T. (2018). Strategic management of product and brand extensions: Extending corporate brands in B2B vs. B2C markets. *Industrial Marketing Management*, 71, 147-159.
- Lockwood, N.R. (2007). Leveraging Employee Engagement for Competitive Advantage: HR's Strategic Role. *SHRM Research Quarterly*, 1, 1-12.
- Lu, J., & Beamish, P. (2001). The internationalization and performance of SMEs. *Strategic Management Journal*, 22 (6-7), 565-586.
- Lukacs, E. (2005). The economic role of SMEs in world economy, especially in Europe. *European Integration Studies*, 4(1), 3-12.
- Lumiste, R., Lumiste R. & Kilvits, K. (2004). Estonian Manufacturing SMEs Innovation Strategie and Development of Innovation Networks. Paper presented at the 13<sup>th</sup> Nordic Conference on Small Business Research, 10-12 June, Norway.
- Lyberaki, A. (1994). European Briefing. Mirages and miracles of small and medium enterprise development. *European Planning Studies*, 2 (4), 449-521.
- Manninen, O. (1996). Small and Medium-Sized Enterprises in the European Union. *Archives of Complex Environmental Studies*, 8 (3-4), 1-56.
- Martensen, A., Gronholdt, L. & Kristensen, K. (2000). The drivers of customer satisfaction and loyalty: Cross-industry findings from Denmark. *Total Quality Management*, 11(4-6), 544-553.
- Martin, J. & Sayrak, A. (2003). Corporate diversification and shareholder value: a survey of recent literature. *Journal of Corporate Finance*, 9 (1), 37-57.
- McAlister, L., Srinivasan, R. & Kim, M. (2007). Advertising, research and development, and systematic risk of the firm. *Journal of Marketing*, 71 (1), 35-48.
- McEnally, M. & Chernatony, L. (1999). The Evolving Nature of Branding: Consumer and Managerial Considerations. *Academy of Marketing Science Review*; Vancouver, 1999 (2), 1-16.
- McDougall, P., Shane, S. & Oviatt, B. (1994). Explaining the formation of international new ventures: the limits of theories from international business research. *Journal of Business Venturing*, 9 (6), 469-487.



- McGarry, E.D. (1950). Some Functions of *Marketing* Reconsidered. Theory in *Marketing*, Reavis Cox and Wroe Alderson, eds. Homewood, IL: Richard D. Irwin, Inc.
- Miles, M. & Huberman, A.M. (1994). *Qualitative Data Analysis*. Thousand Oaks, California: Sage Publications.
- Miller, S.I. & Fredericks, M. (2006). Mixed-methods and evaluation research: Trends and issues. *Qualitative Health Research*, 16 (4), 567-579.
- Minsker, M. (2014). Modern Marketers Must Focus on Context, Content and Revenue. *Customer Relationship Management: CRM; Medford*, 18 (10), 16.
- Mizik, N. & Jacobson, R. (2007). Myopic marketing management: Evidence of the phenomenon and its long term performance consequences in the SEO context. *Marketing Science*, 26 (3), 361-379.
- Moisander, J. & Valtonen, A. (2006). *The 'Cultural Turn' in Marketing and Consumer Research*. London: SAGE 2006.
- Moorman, C. & Rust, R. (1999). The role of marketing. *Journal of Marketing*, 63 (1), 180-197.
- Morgan, D.L. (1993). *Qualitative Content Analysis: A Guide to Paths Not Taken*. *Qualitative Health Research*, 3 (1), 112-121.
- Morgan, N.A., Clark, B.H. & Gooner, R. (2002). Marketing productivity, marketing audits, and systems for marketing performance assessment: Integrating multiple perspectives. *Journal of Business Research*, 55 (5), 363-375.
- Morgan, N.A., Slotegraaf, R.J. & Vorhies, D.W. (2009). Linking marketing capabilities with profit growth. *International Journal of Research in Marketing*, 26 (4), 284-293.
- Morse, J.M. (2005). Evolving trends in qualitative research: Advances in mixed-method design. *Qualitative Health Research*, 15 (5), 583-585.
- Muzhani, M. (2014). *Mainstream Growth Economists and Capital Theories: A Survey*. Montreal & Kingston: MQUP. 2014.
- Narver, J.C. & Slater, S. F. (1990). The Effect of a Market Orientation on Business Profitability. *Journal of Marketing*, 54 (4), 20.
- Nath, P., Nachiappan, S. & Ramanathan, R. (2010). The impact of marketing capability, operations capability and diversification strategy on performance: a resource-based view. *Industrial Marketing Management*, 39 (2), 317.

- Neslin, S.A. & Winer, R.S. (2014). *The History of Marketing Science*. World Scientific-Now Publishers Series in Business, 3. Singapore: World Scientific/Now Publishers.
- O’Cass, A. & Ngo, L.V. (2007). Market orientation versus innovative culture: two routes to superior brand performance. *European Journal of Marketing*, 41 (7/8), 868-887.
- Orlova, K. (2018). Key marketing tools formation and application in business management. *Economics, Management and Sustainability*, 3 (2), 76-84.
- O’Sullivan, D., & Abela, A.V. (2007). Marketing Performance Measurement Ability and Firm Performance. *Journal of Marketing*, 71(April), 79-93.
- Owen, R. & Humphrey, P. (2008). The structure of online marketing communication channels. *Journal of Management and Marketing Research*, 2, 1-10.
- Palmer, A. (2012). *Introduction to Marketing: Theory and Practice*. Oxford University Press.
- Palmer, A. & Ponsonby, S. (2002). The Social Construction of New Marketing Paradigms: The Influence of Personal Perspective. *Journal of Marketing Management*, 18 (1-2), 173-192.
- Pasanen, M. (2007). SME GROWTH STRATEGIES: ORGANIC OR NOT\_ORGANIC? *Journal of Enterprising Culture*, 15 (4), 317-338.
- Patton, M. Q. (2015). *Qualitative research & evaluation methods* (4<sup>th</sup> ed.). Thousand Oaks, California: SAGE.
- Peirce, C.S. (1997). *Pragmatism as a Principle and Method of Right Thinking: The 1903 Harvard Lectures on Pragmatism*. Albany, NY: SUNY Press.
- Pekovic, S. & Rolland, S. (2012). An empirical investigation of the effect of customer orientation on the business performance of French firms: a firm-level analysis of direct and moderation effects. *Recherche et Applications en Marketing*, 27 (4), 11-37.
- Pekovic, S. & Sylvie, R. (2016). Customer orientation and firm’s business performance. *European Journal of Marketing; Bradford*, 50 (12), 2162-2191.
- Pelsmacker, P., Geuens, M. & Bergh, J.V. (2004). *Marketing Communications: A European Perspective* (2<sup>nd</sup> ed.): Prentice Hall.
- Penrose, E.T. (1959). *The Theory of the Growth of the Firm*. Oxford, UK: Basil Blackwell.

- Petrescu, I. (2012). Analysis of Types of Innovation in Organizations. *Annals of the Academy of Romanian Scientists: Series on Engineering Sciences*, 4 (1), 7-15.
- Pfeffer, J. (1981). *Power in Organizations*. Marshfield, MA: Pitman Publishing.
- Philp, N.E. (1998). The export propensity of the very small enterprise (VSE). *International Small Business Journal*, 16 (4), 79-93.
- Porter, M. E. (1998). *On competition*. Boston: Harvard Business School Publications.
- Quinn, L., Dibb, S., Simkin, L., Canhoto, A. & Analogbei, M. (2016). Troubled waters: the transformation of marketing in a digital world. *European Journal of Marketing; Bradford*, 50 (12), 2103-2133.
- Ragin, C.C. (1994). *Constructing Social Research*. Thousand Oaks, California: Pine Forge Press.
- Ramaswami, S.N. (1996). Marketing Controls and Dysfunctional Employee Behaviors: A Test of Traditional and Contingency Theory Postulates. *Journal of Marketing*, 60 (2), 105-120.
- Ramaswami, S., Srivastava, R. & Bhargava, M. (2009). Market-Based Capabilities and Financial Performance of Firms: Insights into Marketing's Contribution to Firm Value. *Journal of the Academy of Marketing Sciences*, 37 (2), 97-116.
- Rauyruen, P. & Miller, K.E. (2007). Relationship quality as a predictor of B2B customer loyalty. *Journal of Business Research*, 60 (1), 21-31.
- Reichheld, F.F. & Sasser, W.E. (1990). Zero Defections: Quality Comes to Services. *Harvard Business Review*, 68 (5), 105-111.
- Risselada, H., Verhoef, P.C. & Bijmolt, T.H.A. (2010). Staying power of churn prediction models. *Journal of Interactive Marketing*, 24 (3), 198-208.
- Roberts, J.H., Kayande, U. & Stremersch, S. (2014). From academic research to marketing practice: Exploring the marketing science value chain. *International Journal of Research in Marketing*, 31, 127-140.
- Robson, P. J.A. & Bennett, R.J. (2000). SME growth: the relationship with business advice and external collaboration. *Small Business Journal*, 15 (3), 193-208.
- Roper, S. (1997). Product Innovation and Small Business Growth: A Comparison of the Strategies of German, UK and Irish Companies. *Small Business Economics*, 9, 523-537.
- Rosen, D.E., Schroeder, J.E. & Purinton, E.F. (1998). Marketing High Tech Products: Lessons in Customer Focus from the Marketplace. *Academy of Marketing Science Review; Vancouver*, 1998 (6), 1-17.

- Rucci, A.T., Kirn, S.P. & Quinn, R.T. (1998). The Employee-Customer-Profit Chain at Sears. *Harvard Business Review*, 76 (1), 82-97.
- Rust, R.T. & Keiningham, T.L. (1994). *Return on Quality: Measuring the Financial Impact of Your Company's Quest for Quality*. Chicago, IL: Probus.
- Rust, R.T., Ambler, T., Carpenter, G.S., Kumar, V. & Srivastava, R.K. (2004). Measuring Marketing Productivity: Current Knowledge and Future Directions. *Journal of Marketing*, 68 (October), 76-90.
- Rust, R.T., Lemon, K.N. & Zeithaml, V.A. (2004). Return on marketing: using customer equity to focus marketing strategy. *Journal of Marketing*, 68 (1), 109-127.
- Salancik, G. R. & Pfeffer, J. (1974). The Bases and Use of Power in Organizational Decision Making: The Case of a University. *Administrative Science Quarterly*, 19 (4), 453-473.
- Salomon, R. & Shaver, J.M. (2005). Export and Domestic Sales: Their Interrelationship and Determinants. *Strategic Management Journal*, 26 (9), 855-871.
- Sampaio, C.H., Simoes, C., Perin, M.G. & Almeida, A. (2011). Marketing metrics: Insights from Brazilian managers. *Industrial Marketing Management*, 40 (1), 8-16.
- San Francisco. (2019). Expert interview from 08.01.2019.
- Sapienza, H.J., Autio, E., George, G. & Zahra, S.A. (2006). A capabilities perspective on the effects of early internationalization on firm survival and growth. *Academy of Management Review*, 31 (4), 914-933.
- Schilling, J. (2006). On the pragmatics of qualitative assessment: Designing the process for content analysis. *European Journal of Psychological Assessment*, 22 (1), 28-37.
- Seggie, S., Cavusgil, E. & Phelan, S. (2007). Measurement of return on marketing investment: A conceptual framework and the future of marketing metrics. *Industrial Marketing Management*, 36 (6), 834-841.
- Shaver, J.M. (2011). The benefits of geographic sales diversification: how exporting facilitates capital investment. *Strategic Management Journal*, 32 (10), 1046-1060.
- Sheth, J.N. (2011). Impact of Emerging Markets on Marketing: Rethinking Existing Perspectives and Practices. *Journal of Marketing*, 75 (4), 166-182.

- Siurblyte, V. (2018). Growth hacking as a methodology for user retention in the entrepreneurial venture: A case study. Degree Project in Media Technology, KTH Royal Institute of Technology, Stockholm, Sweden.
- Smith, W.R. (1995). Product differentiation and market segmentation as alternative marketing strategies. *Marketing management*, 4 (3), 63-65.
- Smith, N.C., Drumwright, M.E. & Gentile, M.C. (2009). The New Marketing Myopia: Faculty & Research Working Paper. *Journal of Public Policy & Marketing*, 8, 1-28.
- Spector, P.E. (1997). *Job Satisfaction: Application. Assessment. Causes and Consequences*. Sage, Thousand Oaks, CA.
- Srivastava, R.K., Shervani, T.A. & Fahey, L. (1999). Marketing, business processes, and shareholder value: an organizationally embedded view of marketing activities and the discipline of marketing. *Journal of Marketing*, 63 *Fundamental Issues and Directions for marketing*, 168-179.
- Stratten, S. & Stratten, A. (2018). *UnBranding: 100 Branding Lessons for the Age of Disruption*. John Wiley & Sons, Inc., New Jersey.
- Tamila, R.D. (2011). Reflections on the history of marketing thought and theory development. *Marketing Theory*, 11 (4), 507-512.
- Tavassoli, S., and Karlsson, C. (2015). Persistence of various types of innovation analyzed and explained. *Research Policy*, 44 (10), 1887-1901.
- Tavory, I. & Timmermans, S. (2014). *Abductive Analysis: Theorizing Qualitative Research*. The University of Chicago Press.
- Taylor, D.G. & Strutton, D. (2010). Has e-marketing come of age? Modelling historical influences on post-adoption era Internet consumer behaviors. *Journal of Business Research*, 63 (9-10), 950-956.
- Thompson, N. (2011). Going for Growth. *Renewal: A Journal of Labour and Politics*; London, 19 (3/4), 140-142.
- Turner, D.W. (2010). Qualitative Interview Design: A Practical Guide for Novice Investigations. *The Qualitative Report*, 15 (3), 754-760.
- Turner, R., Ledwith, A. & Kelly, J. (2010). Project management in small to medium-sized enterprises: Matching processes to the nature of the firm. *International Journal of Project Management*, 28 (8), 744-755.

- Verhoef, P.C. & Leeflang, P.S.H. (2009). Understanding the marketing department's influence within the firm. *Journal of Marketing*, 73 (2), 14-37.
- Vorhies, D.W. & Harker, M. (2000). The capabilities and performance of market-driven firms: an empirical investigation. *Australian Journal of Management*, 25 (2), 145-173.
- Wagner, E.R. & Hansen, E.N. (2005). Innovation in large versus small companies: insights from the US wood products industry. *Management Decision*, 43 (6), 837-850.
- Watson, A., Viney, H. & Schomaker, P. (2002). "Consumer attitudes to utility products: a consumer behaviour perspective". *Marketing Intelligence & Planning*, 20 (7), 394-404.
- Weber, R.P. (1990). *Basic Content Analysis*. Newbury Park, California: Sage Publications.
- Webster, F.E. (1992). The changing role of marketing in the corporations. *The Journal of Marketing*. New York, 56 (4), 1-17.
- Webster, F.E. Jr., Malter, A.J. & Ganesan, S. (2005). The decline and dispersion of marketing competence. *MIT Sloan Management Review*, 46 (4), 35-43.
- Weick, K. (1989). Theory construction as disciplined imagination. *Academy of Management Review*, 14 (4), 516-531.
- Weick, K. (2007). The generative properties of richness. *Academy of Management Journal*, 50 (1), 14-19.
- Welbourne, T.M. & Trevor, C.O. (2000). The Roles of Departmental and Position Power in Job Evaluation. *Academy of Management Journal*, 43 (4), 761-771.
- Wiklund, J. (1998). Small firm growth and performance: entrepreneurship and beyond. *Internationella Handelshögskolan*.
- Wiklund, J., Patzelt, H. & Shepherd, D.A. (2009). Building an integrative model of small business growth. *Small Business Economy*, 32 (4), 351-374.
- Wildemuth, B.M. (2017). *Applications of social research methods to questions in information and library science* (2<sup>nd</sup> ed.). California: Libraries Unlimited.
- Wildstrom, S.H. (1995). Easing your way onto the Net. *Business Week*, 3434, 19.
- Wiley, J. (2000). Value-based marketing: Marketing strategies for corporate growth and shareholder value. Henry Stewart Publications 1350-231X *Brand Management*, 8 (6), 463-466.

- Wilkie, W.L. & Moore, E.S. (1999). Marketing's Contributions to Society. *Journal of Marketing*, 63(3-4), 198-218.
- Wilkie, W. L. & Moore, E. S. (2003). Scholarly research in marketing: Exploring the '4 eras' of thought development. *Journal of Public Policy & Marketing*, 22 (2), 116-146.
- Wirth, U. (1995). Abduktion und ihre Anwendungen. *Zeitschrift für Semiotik*, 17 (3-4), 405-424.
- Wu, J., Song, J. & Zeng, C. (2008). An empirical evidence of small business financing in China. *Management Research News*, 31 (12), 959-975.
- Yin, R. (1994). *Case study research. Design and methods*. Thousand Oaks: SAGE Publications.
- Yin, R. (2009). *Case Study Research: Design and Methods*. Fourth Edition. Thousand Oaks, CA: Sage Publications
- Zaheer, S. (1995). Overcoming the Liability of Foreignness. *Academy of Management Journal*, 38 (2), 341-363.
- Zahra, S. (2005). A theory of international new ventures: A decade of research. *Journal of International Business Studies*, 36 (1), 20-28.
- Zhu, Z. & Nakata, C. (2007). Reexamining the Link Between Customer Orientation and Business Performance: The Role of Information Systems. *Journal of Marketing Theory and Practice*, 15 (3), 187-203.
- Zucchella, A. & Siano, A. (2014). Internalization and Innovation as Resources for SME Growth in Foreign Markets. *International Studies of Management & Organization*, 44 (1), 21-41.