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a Start-Up Company

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Application of Digital Marketing Principles to a Business Development Strategy of a Start-Up Company

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Statement

To the best of my knowledge and belief, the academic contains no material previously

published or written by another person except where due reference is made in the

dissertation itself.

Abstract

The thesis was written as a result of a 5 month business development internship in

a start-up company Swimbeam Training that I undertook during the third semester

at ESDES, Université Catholique de Lyon. It summarizes the experience I gathered

during this period and it gives an overview of practical tasks and projects I was

involved in which concerned different aspects of the business. The practical part is

backed by a theoretical foundation that was based on a literature review. The thesis

is finished with the evaluation of my performance and the alignment of the

outcomes with the mission of the internship.

Keywords: business development, start-up business, search engine optimization,

ecommerce

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1. Introduction

The internship took place in a British company Swimbeam Training based in Edinburgh, Scotland which will be introduced later in the thesis. The main aim of this academic work is to put the theoretical knowledge, gained not only during the courses of the Master of International Business Administration programme at Université Catholique de Lyon, but also through a literature review, into practice. That shall be accomplished by setting specific goals that are derived from the overall goals of the company and try to achieve them while monitoring and evaluating the process.

This thesis is divided into several parts. The first part, namely chapters 1 and 2, gives the reader an overview of the company and its organisation and it also offers a closer look on the industry Swimbeam Training operates in and an analysis of the various market segments and the competitors. Additionally, it tries to provide an understanding of what my motivation was to undertake the internship in this company.

The second part is then dedicated to a definition of different terms and a theoretical foundation related to the methods and strategies applied during certain tasks I was assigned to during the course of the internship. This serves to underpin the importance of these tasks and projects, but more importantly it demonstrates how the desired outcomes, if properly achieved, align with my mission and the overall goals of the company.

Third part finally focuses on the practical activities and projects and their outcomes along with the issues that have been encountered. The outcomes are then evaluated and supported with a discussion that builds on the theoretical foundation that was laid down in the second part. This part is then finished by my reflections on the internship followed by the future recommendation for the company and a final conclusion.

1.1 Motivation and personal development goals

Firstly, I would like to explain why I chose Swimbeam Training for my internship and what the expected personal development targets were. Main criteria for selecting a company for my internship were the size of the company, the available position and the industry the company operates in. Swimbeam Training offered internship that combined various positions with the main focus on internet marketing which had been my desired field to work in even before I decided to undertake the internship. Moreover, it was a start-up company and it therefore offered a unique insight into a development of a newly established business with all its upsides and downsides. I strongly believe that is experience was invaluable for my future efforts of setting-up a new business.

In regards to the working environment, Swimbeam Training offered a high degree of flexibility and a very positive approach towards my ideas of which all were thoroughly discussed every time. Due to the structure of the company and the constant communication with the managing director, I did not have to wait long for a go-ahead for any personal task I came up with. This way I was able to maintain a

high level of individuality and more importantly a certain sense of ownership towards the work which very positively affected my motivation.

1.1.1 Internship objectives and main competencies

My position in the company was related to the general business development which was mainly focused on the online presence of the company. These duties included the development of new company website and managing its content along with the search engine optimization, where the latter was a continuous process that took place throughout the entire internship as it is necessary to frequently monitor the position in the search engine results and the behaviour of the competitors. However, the major SEO-related tasks were done during the second phase of the internship.

As any other modern business, even Swimbeam Training had to establish and maintain its presence on the social media. Facebook, Twitter and Instagram offer an enormous opportunity to increase the brand awareness which can turn into increased sales on a later stage. Therefore it was necessary to keep the social media active which was also partially my task.

Lastly, I was constantly researching the possible market opportunities and creating databases of potential customers such as universities, different swim clubs around the United Kingdom as well as fitness centres and gyms. The research also included numerous sports events and trade shows as they are very important for the company due to a high concentration of our target customer group.

The further specification of my mission along with the detailed descriptions of the different phases of the internship is provided in last part of the thesis.

1.2 Company Overview

I believe it is necessary to give a detailed overview of the company to give the reader a thorough understanding of how the company operates and what is its position on the market. This overview also strongly relates to the third part of the thesis that revolves around internet marketing for which is very beneficial to fully understand the market conditions.

Swimbeam Training can be classified, as was already mentioned, as a small-sized company since it employs currently only four people and it started to scale up its business just recently. Even though the number of employees is really low, each member of the team is well-experienced in his field of expertise, having gained numerous achievements. The company is built around its sole product - Swimbeam Airtrainer which is a swim training machine that replicates the biomechanics of swimming which has been developed with the goal to improve the performance of surfers, triathletes, surfers and to boost swim-powered physique in general. Main impetus for developing such product was the complete lack of any solid competition all around the world except the United States of America where a similar training has been used by top-performing swimmers and athletes for about two decades.



Figure 1 - Swimbeam training machine

1.2.1 The product and services

The swim training machine comes in two versions – Alpha and Elite. The Alpha version is the basic and cheaper version of the product; the main differences are in the materials used, where the Elite uses an aluminium beam, the Alpha only uses a steel one which makes the overall weight of the machine notably higher when compared. This feature goes hand in hand with the possibility of the Elite model to be easily folded using a quick-release system that makes it much more portable. These features with the corresponding price points were designed specifically to appeal to different target groups.

The basic, less portable yet more affordable Alpha model is meant for home gyms, fitness and rehabilitation centres; in other words places where Swimbeam would

remain mostly stationery. Price is the main factor here since this target group would be probably looking for an alternative to a rowing machine more than an expert training machine designed for specific performance gains. Therefor the Alpha version is suitable for people that take sports more casually. Nonetheless, this model will serve as good as the more expensive one for the rehabilitation purposes. Offering the product at lower price for such kind of use allows the company to more easily penetrate the home gym and fitness market and to compete with the classic equipment that is being commonly used nowadays. This approach also allows the product to be identified not as a niche professional-only training machine, but as a product that is meant for general public interested in sports, fitness and health.

The Elite model as its name suggest is then in the first place meant for competitive athletes looking for an effective way to boost their performance. The added mobility of the Elite model allows them to carry the machine around making it much easier to fit the training sessions into their busy schedules, which is particularly important for triathletes who need to practice for three substantially different disciplines and swimming is typically the one where training sessions are the most demanding for various reasons. Since only a limited number of people involved in triathlon can support themselves simply by competing professionally, the daily work routine make it rather difficult for most of them to train properly for the swim section since it requires additional finance and time to find the appropriate swimming venue with right conditions, whereas running and cycling are not that dependent on such circumstances.

Lastly, unlike any of its competitors, Swimbeam Training runs a hire service for their products with a possibility to buy the machine later on.



Figure 2 - Swimbeam Airtrainer disassembled

1.2.2 The employees of the company

As I already mentioned, the company currently consists of 4 key people. I deem it important to provide a little introduction of every team member in order the let the reader know what their expertise is since all of them take care of a very different aspect of the business and their involvement during the course of the internship helped me to gain an insight into the fields which normally would not have been able to access.

FOUNDER and MANAGING DIRECTOR - Jamie Hume: A triathlete and long-time surfer, Jamie Hume designed early Swimbeam Airtrainer prototypes for his own use, before founding the company in 2014. Jamie's first job was as an award winning salesman for Vorwerk domestic appliances. He has held leadership positions across public, private and voluntary sectors, including as a Director with

PricewaterhouseCoopers, and Head of the Strategy Unit for the Scottish

Government. He has pulled together a talented international team of suppliers and partner organisations to develop and bring the final product to market.

TRAINING DIRECTOR - Joe Enoch: Joel is an award winning triathlon and sports nutrition coach. He finished 10th in the 2013 Triathlon World Championships, worked for 2 years with the Lucozade Sports Science Team, and currently coaches one of the UK's leading amateur performance squads. Joel is a popular speaker, and writes for a number of sports publications, including the industry leading Tri220 magazine. He was most recently awarded Scottish Triathlon Performance Coach of the Year 2015. 8. He also holds an MSC in Nutrition and a BSc in Sports science.

NON-EXECUTIVE DIRECTOR – Jon Rolls: As a former Regional Director with Nuffield Health, and a former semi-professional rugby player, Jon brings over 20 years of experience in coaching, corporate fitness, and health centre management. His contacts throughout the gym industry are already benefitting Swimbeam Training, as we are now preparing for a trial with the Nuffield Health Centre¹ in Edinburgh.

Hrvoje Becic is in charge of the engineering side of the project. Having worked on various steel work engineering projects in Germany and with his specialisation in sports equipment, he makes sure that the products are constructed in a desired way with no margin for error.

1.2.3 SWOT Analysis of the company

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¹ Nuffield Health is the largest non-for-profit organisation providing healthcare. It runs 31 hospitals, 112 Fitness and Wellbeing Gyms, 5 medical centres, 200 Corporate Fitness and Wellbeing Gyms, 50 Health Clinics and 66 Specialist Rehabilitation Centres.

To get a deeper insight into the current state of matters, a SWOT analysis is provided. This should also help the reader to better understand what issues is the company facing and what are the possibilities of its future development.

Strengths	Weaknesses
 The project is built around the experts from the industry. Positive testimonials from the UK's top athletes. Financed exclusively by own capital. Being the only player on the European market. The machines are available for hire with a possibility of later buyout for a discounted price; this service is not offered by any of the competitors 	 Swimbeam Airtrainer may appear as a very niche product to the potential investors. Very problematic shipping due to the dimensions of the machine. Rather high production cost with the current scale of production. No official distributors yet.
Opportunities	Threats
 Rather rigid competition, so far unwilling to fully expand to the European market. Swimming is one of the most popular sports in the UK and membership in sports clubs is traditionally very popular there. Numerous co-branding opportunities. Week pound makes the products more affordable for customers outside of the UK 	 Further pronounced negative impacts of Brexit resulting in even higher production cost and therefore lower margins. Faulty machines. New competitors offering similar product at lower price. Unsatisfying customer service due to a low number of employees. Issues with a diversified supply chain.

Table 1 - Swimbeam Training SWOT analysis

1.2.4 Production and Outsourcing

The manufacturing originally took place in Scotland and some of the early models were made there, but that was unfortunately put to an end when the manufacturing company rapidly increased the price which left the margins for Swimbeam Training very low. The production was then, after a period of searching for a suitable manufacturer, relocated to Croatia, where all the heavy components are currently being made. The rest, things such as different types of weight straps and additional attachable handles are being ordered in bulk from China. This decision substantially cut down the production costs while the quality of the product was not only maintained, but also increased due to better expertise in sports equipment of the Croatian manufacturers. Even though the company would benefit from the short lead times and tighter span of control, the cost of the domestic production notably outweighs its benefits.

This also led to a certain change in the image of the company, since it could no longer use the "Made in Scotland" branding. The value of such branding for the customers can be an object of discussion, but the merits of having it come in place with rather a larger scale of the production when the product is well-known among the general public.

Since the production has been established in the EU, the issues of importing, which might have been problematic, if the company was outsourcing from for example India are non-existent. Additionally, Croatia is easily reachable from the UK and therefore the looser span of control is not a major constrain. This may however change in the years to come due to the UK no longer being an EU member.

2. Market overview

This section is dedicated to a detailed overview of the company's market. The main aim is to provide an analysis of the target segments and the competitors of Swimbeam Training.

2.1 Target groups

The different target groups can be seen on the figure below, some of them may seemingly overlap with each other, but a different marketing approach must be tailored for every single group.



Figure 3. Different target groups

2.1.1 Swimmers

Swimming is one of the most popular and ever-growing sports in the United Kingdom which leads to a continuously increasing number of potential customers. According to swimming.org[21], swimming is a sport with the highest participation in the UK and more than 2.6 million people took part in a weekly swimming session in 2014 in England only. Even more importantly, the numbers of people joining swim clubs and receiving swim tuition has also increased. This does not only concern the usual way of swimming, but also the triathlon swimming and open water swimming which is increasingly gaining popularity. Raising number of people interested in swimming in turn translates into higher attendance at various events and trade shows which than makes these events very lucrative for Swimbeam Training since the company can acquire new customers and get valuable contacts as well as to simply spread the notion about its existence.

To demonstrate how popular swimming is in comparison to other sports, following graph has been created.

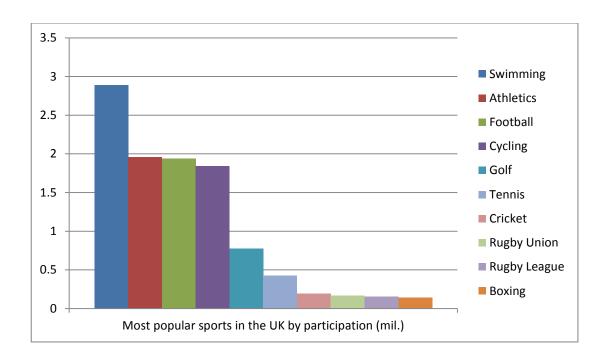


Figure 4 - UK's most popular sports by participation, data source: sportek.com [23]

2.1.2 Triathletes

Triathletes are the most important of our target groups, because the machine and with its features is designed for them in the first place, especially the higher-priced Elite model that offers additional mobility which can be a huge advantage to a busy schedule of a competitive triathlete. Swimming, as was already mentioned, is usually the weakest section for triathletes since the training sessions are more complicated in comparison with the other two sections – running and cycling, due to the issues such as insufficient time and inappropriate facilities.

Swimbeam Airtrainer not only helps triathletes to get rapid performance gains, but it also enables them to significantly improve their technique which is absolutely essential in order to get the desired results and be well-prepared for the other two sections without a crucial loss of energy.

Typical profile of a customer from this target group would be characterized by the following:

- 35 to 45 years old professionals with commitment to swimming and general interest in water sports.
- Work and family life restrict training time.
- High disposable income; spends approximately £2,790 per year.
- Attends some of the 950 annual race meets in the UK alone.
- Trade on our elite credentials and ambassadors.

2.1.3 Surfers

According to the study [20] conducted by the charity organisation Surfers Against Sewage², that gathered more than 2000 usable responses, surfers spend on average annually £2,013.82 on surfing-related activities and £3,624.77 including fuel and foreign travel. Additionally, in comparison to the wider public, surfers have on average higher educational attainment which logically corresponds with another result of the survey and that is that the majority of surfers (79.1%) were disproportionately represented in managerial and business owning positions when compared to the wider population. Lastly, the survey tore down the myth that surfing is restricted only to people below 30 years of age. The truth is that people tend to stick with surfing through their 40s, 50s and even beyond.

The typical surfer customer of Swimbeam Training would be characterized by the following:

² Surfers Against Sewage is an environmental charity that tries to protect UK's oceans with the help of volunteers, communities, education and scientific research.

- 35 50 years of age.
- Earning above average income.
- Managerial or professional job.
- Spends approximately £3000 per year.
- Located in the Midlands and South East of the UK.

Swimbeam Airtrainer helps surfers to significantly improve their paddling technique, which might not look very important on the first sight, but the reality is that surfers spend 54% of time paddling and 28% waiting for the waves as was measured during a study [5] carried out by The Sports Performance Research Institute New Zealand.

As was mentioned before, surfers tend to spend a notable amount of money every year to go riding waves abroad. That can lead to an assumption that people would appreciate to be prepared and on top of their performance for such occasion and Swimbeam Airtrainer can be a very simple solution to do so.

2.1.4 Clubs and pools

As was shown on Figure 3, swimming is the most popular sport in the UK by participation. That highly correlates with the number of various sports and health clubs with available swimming facilities. Swimbeam Airtrainer offers the club members a supplement to their usual swim training routines, and a novel cardio and strength training platform not currently offered by any alternative product on the UK market. There are more than 1,500 swimming clubs and over 300 triathlon clubs in the UK alone and according to the Sports Club Survey [16] swimming clubs

and triathlon had respectively 24 and 124 adults participating members in 2013 and at the same period, average sport club had also 33 non-participating members.

Moreover, there is a broad distribution of swimming pools all across the UK, with an approximate total of 5,000 divided between independent clubs, and council sports facilities, with 15% of the total in the South East.

This market segment, in particular the Scottish swim clubs, could be reached in the near future, because the company has already established strong relationships with coaches at Edinburgh Performance Squad.

This market segment can be characterised by following:

- 2,500 Private Schools.
- 200 Universities. Access via existing relationship at Edinburgh University.
 Heriot-Watt interested.
- 3,000 council gyms. Target Edinburgh Leisure as route in.
- 3,000 private gyms.
- 2,300 UK hotels with pools.
- 1,500 swimming clubs.

Lastly, exposing the product to such a vast number of people can potentially create many customers that would buy Swimbeam Airtrainer for their private use as a part of their home gym.

2.1.5 Home Fitness

Home gyms are a major market segment, but it is also where the highest number of competitors has to be faced. Swimbeam Airtrainer can be used for numerous types of exercises that result in rapid performance boost which affects not only swimpowered physique, but it is also highly beneficial for running and cycling. Special exercises have been developed and tested for such activities by the training director Joel Enoch.

What is unique about this market segment is that it requires a very specific marketing approach that gives Swimbeam Airtrainer the image of a product that is suitable for wide public rather than a niche product for professional athletes.

According to the following graph, the UK's fitness and health market is the biggest in Europe which gives Swimbeam Training enormous opportunities to acquire new customers. Establishing strong position on this market will then serve as a very solid base for the expansion to Europe.

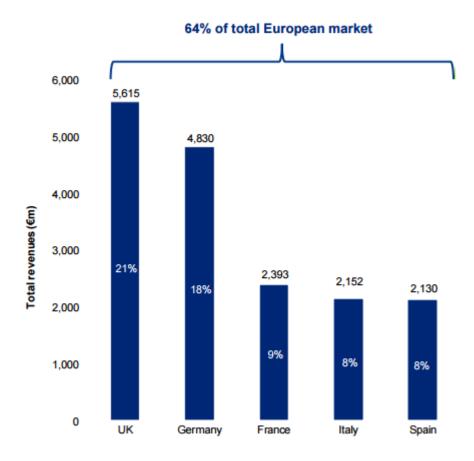


Figure 5 - Top 5 health and fitness markets by revenue (2015) source: European Health & Fitness Market Study 2016, Deloitte [10]

Home fitness is nowadays a growing market that is expected to continue to grow in the following years mostly thanks to the rising healthy lifestyle awareness. There is also a growing generation of older ex-gym users that want to continue to stay fit at home since going to the gym has become rather inconvenient for them.

The home fitness market is characterised by the following specifics:

- target market for premium product
- £170m annual UK spend on home fitness kit by 1.7m people
- target top 50,000 buyers: 25% of total spend

- retail outlet opportunities (e.g. John Lewis, House of Fraser) ³

2.1.6 Physiotherapists and sports injury specialists

Last market segment is physiotherapy, statistics [18] from 2015 show that there were more than 52, 000 registered self-employed physiotherapists in the United Kingdom alone. Penetrating this market would be a ground-breaking success for Swimbeam Training since it would help to notably improve its brand image in terms of credibility. More focus on this segment is expected after the trial with Nuffield Health.

 $^{\rm 3}$ John Lewis and House of Fraser are one of the largest department stores in the United Kingdom.

2.2 Competition analysis

Competition for Swimbeam Training ranges from top-end specialist swim training devices, targeting professional athletes and coaching institutions, to widely available fitness equipment, both for industrial (gym) and light (home) use.

There are only very few companies offering similar product, of which the largest is based in the United States, and all of them mostly aim at the elite, competitive athletes. That therefore leaves the UK and European markets almost entirely untapped. However, few products of the competitors can be already found in the pools and sports clubs around the United Kingdom.

As per the market for swim benches, it is still small: internationally, there are only 4 manufacturers, all based in the US. This compares with 200+ international suppliers of items like rowing machines, cross trainers, exercise bikes and treadmills. This can be largely accounted for by the fact that most swimming equipment is targeted at professional swimmers and athletes. All of the companies listed below making swim benches have been founded by professional coaches, who have so far made only limited efforts to broaden the appeal of their products to the mass market. At the same time, the potential market has mushroomed, particularly because of the popularity of triathlon, multi-sport events, surfing, and swimming, as well the trend away from heavy weights machines in gyms and fitness centres.

The competition analysis has been made only for competitors in the same or very closely related categories. Even though it was mentioned that Swimbeam Airtrainer

has to compete with numerous companies on the home fitness market, there isn't any particular competitor that would stand out and therefore focus on swim training benches is in this case more relevant.

2.2.1 Product category: Swim training bench

Supplier	Product specifications and features	Price	Pros	Cons
Vasa	Using same	£924 to £1,399	- great range of	
https://vasatrainer.com/	design as	(standard)	products	
	Swimbeam	£1,695	- long-time	
		(stainless steel)	experience	
		£2,595	(established	
		(ergometer) all	more than years	
		+£100 shipping	ago)	
			-great	
			testimonials and	
			evidence of	
			benefits	
			- lifetime	
			guarantee	

Vasa is the strongest player in the limited swim training bench market, and is Swimbeam's closest competitor, with the same basic design and exercise benefits. Our main advantage is the fact that Vasa manufactures in the US, has US-only patents, and has not made serious inroads into the UK market. Since the late 1990s, it has, however, gradually raised product awareness, and created a good degree of latent demand in the UK and elsewhere, for competitively priced swim training benches amongst the swimming and triathlon training communities.

White Dolphin	Double flywheel	£2,749 (+£150	- established	- high price
www.whitedolphin.co.uk	swim training	shipping)	company	- very badly
www.wiitedoipiiii.eo.ak	bench – best		offering a range	made,
	described as 2		of specialist	unappealing
	rowing machines		swim training kit	website
				- product
				geared at
				professional
				coaches

White Dolphin and Triton swim training benches are too highly priced for mass appeal beyond specialist swim training communities. Their brand image, reflected in their websites, is technical and

scientific based - niche products of interest to professional coaches and athletes.					
Triton http://www.tritonfitness.com/	Specialist swim bench equipped with resistance rails and leg weights	£1,522	-innovative design -control panel	-difficult to order (currently unavailable) -specialist equipment, technical looking and hard to operate - very poor website	

Triton swim training is the second competitor that is pricing the product at around the same level as Swimbeam Airtrainer. However due to its very specialist-oriented nature it is not perceived as a serious threat.

Halo	Static bench with	\$444	- cheapest swim	- no direct
	resistance cords		training bench	shipping to UK
http://lanegainer.com/			on market	-disadvantages
			- lightweight	of resistance
				cords

The Halo swim training bench is a simple device, with no moving parts, and is relatively low cost. It offers an accessible alternative to Vasa to US buyers, though it has a limited range of exercise options, and does not provide the same swim-specific movement. If Halo makes their product available in the UK, they would be a more serious competitor - though high shipping costs from the US mean it would be cheaper, and very easy for people to buy a cheap weights bench and stretch cords, from independent suppliers, at a quarter of the price (as some currently do anyway).

Table 2 - Competition: Swim training benches

2.2.2 Other swim training devices

Supplier	Product	Price	Pros	Cons
Various suppliers	Home swimming pools and endless pool	£6,000 +	genuine home swimming	high cost and space needs give this limited appeal

Endless pools appeal to a different market segment - those who need to log serious pool time to hone their performance. The Swimbeam Airtrainer will nonetheless appeal to this market of serious swimmers, as a supplement to their in-pool training, in the same way that Vasa has become a staple addition to the US Olympic swim team training routine.

Various suppliers	Resistance cords	£20 to £30	-budget training device -minimum space requirements	-limited exercise options -creates lower back pressure -more resistance not less at end of stroke
Various Suppliers	Swim paddles	£10 to £20	- strength training in pool	- requires pool - can cause shoulder injury

A range of low cost devices to increase swimming strength are available, and may be the only default option for those unable to afford or to access a custom swim bench. Good opportunities to market the benefits of the Swimbeam Airtrainer to current users of these types of devices, particularly those which anyway can only be used when actually swimming.

Table 3 - Competition: Other swim training devices

3. Theoretical foundation – Internet marketing and its importance for business

This part of the thesis will be dedicated to a theoretical foundation and explanation of the internet marketing concepts since it is essential to have at least superficial knowledge of this problematic in order to understand how these concepts were exploited during the course of the internship, but also to get a notion of how beneficial internet marketing is for business.

Marketing online today plays a crucial role in the development of any business, in particular the start-up businesses, since it is relatively an easy way to increase the brand awareness, change the perception of the image of the company and least, but not last, to attract other businesses looking for cooperation. Marketing via online channels also allows gathering almost immediate feedback regarding the effectiveness of the employed marketing strategies which results in a high degree of flexibility. One can also relatively easily monitor the presence and performance of the competitors and learn from their practices. Even more importantly, much can be achieved with only a little cost.

Firstly, there are two terms that are being very frequently encountered and those are the internet marketing and the digital marketing. Even though these terms might seem interchangeable, they are not. Alex Chris, a digital marketing manager from reliablesoft.net marketing agency describes internet marketing as a subset of digital marketing. [4] Digital marketing can be understood as a very broad term that describes the building and promotion of a brand in the digital environment which in some cases does not necessarily relates to the online presence. To give an example

of offline digital marketing, we can have a look at advertising in video games or advertising via SMS.

Internet marketing however makes up a major part of digital marketing and it consists of the following channels:

- Web sites
- Social media marketing
- Search engine marketing
- Email marketing
- Banner advertising
- Mobile marketing
- Content marketing

From the above-mentioned channels only selected were used during the course of the internship, because they were thought to be more suitable for the business, especially in terms of return on investment.

3.1 Search Engine Marketing

Search engine marketing (SEM) refers to a method that aims to improve the visibility and reachability of one's website in the search engine results. SEM is divided into two categories: Search Engine Optimization (SEO) and Pay Per Click (PPC). Both basically serve to the same purpose, but they differ in terms of cost, duration and the frequency of maintenance.

3.1.1 SEO

Search Engine Optimization is an activity with the aim to achieve a high ranking in the results of search engines such as Google, Bing or Yahoo for a particular website by following a certain methodology that complies with the ranking rules and principles of those search engines. SEO of a website is something that every single modern business has to do in order to harness the benefits that the online world offers; this is even more pronounced if there is a high number of competitors in the same product category.

The results shown by a search engine after a certain set of keywords is searched for are called the organic results. These results are ordered by the relevance of the website in relation to the input keyword; this is also known as website ranking. The ranking is based on a certain set of formulas the search engines use which basically means processing large amounts of data. By having these formulas and rules, search engines can show the user only the relevant pages without unnecessary spam. The difficulty for the owner of the website is that the formulas are changing constantly and therefore it is necessary to continuously update the SEO in order to keep up with the search engines, because a rapid drop in raking can occur any time. The ranking is calculated on the basis of two types of criteria which is firstly the content on our website including right architecture followed by how is the website referenced from outside sources. Individual subsets of both categories are shown on the figure below:

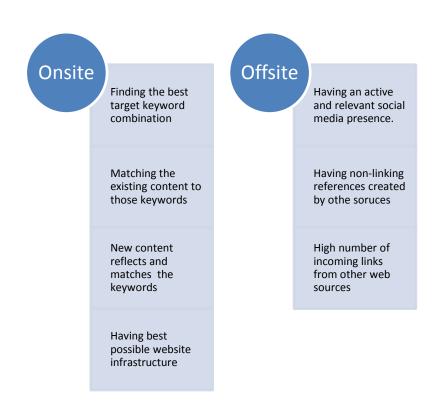


Figure 6 - Different SEO components [24]

The steps from the first category should be the primary goal of any company that is planning to optimize its website for search engines, because it can be achieved inhouse without a necessity of having anyone else involved. This should at the same be aided with a solid social media presence. Everything previously mentioned then serves as basis for gaining more attention from other sources.

Probably the most important step is to choose the right keyword or as seoWork calls it, the right keyword cluster [24], which means a set of keywords or a phrase containing the keyword. It begins with the core high-search density keywords such "food" or "shoes" and gets further specified to keyword clusters such as "vegetarian food" or "men's running shoes". To evaluate the usability of any selected keyword, one can use for example the freely available tools such as Google Adwords Keyword Planner as suggested by SEO expert and marketing entrepreneur

Evan Bailey [1] . The keyword selection will be discussed more in depth further later on.

Additionally, SEO can be used also for gathering useful information, because, if done properly, it can lead to a rapid increase of visitors to the site which means that the company is able to capture more data about its users. This data with the use of tools such as Google Analytics can help the company to narrow down its target group on the market, because it show many useful details such us: geographical location, technology that was used to access the website or whether the user found the website in the search results or if he/she was redirected to the website via an external link (for example from social media).

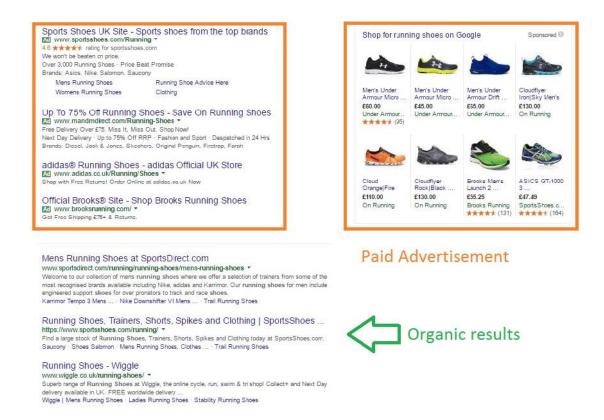


Figure 7 - Paid advertisement and organic results in Google search, own creation

3.1.2 PPC

Pay Per Click refers to a paid search engine advertising where the advertiser pays the search engine company every time the displayed advert is clicked on; clicking on the link then redirects the user to the marketer's website. The best known service for PPC is the Google Adwords ⁴ since Google is the most popular search engine in the world with of over 89% of the market share followed by Bing and Yahoo, both claiming roughly 4% of the market [19] . This is therefore an enormous opportunity for any internet marketer, but then again, the vision of acquiring a huge number of new customers also attracts many competitors.

The actual price of the click is set every time a particular keyword or its cluster is being searched for. This happens in a form of an auction for which the company needs to set its budget and select a maximal amount it is willing to pay for a click. The click prices are estimated during the keyword selection in Google Adwords and logically the prices are proportional to the number of bidders. The PPC campaign can be further refined by adjustments regarding the target audience such as selecting only a specific geographical location or by other options, for example by creating a list of negative keyword clusters which means that even though the cluster contains the keyword we are bidding on, we are not taking part in the auction. To make the matter regarding the negative keywords list clearer, an example can made of an imaginary company that sells sports shoes that are more on the expensive side of the price range of the market. The company could be

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⁴ Google AdWords is a Google advertising service that enables the subscribers to show their adverts on Google and its advertising network. [2]

negatively affected in terms of brand image if their product advertisement was shown when somebody searched for "cheap gym shoes", even though the cluster contains the selected keyword and search volume is very high; it is simply not worth in the long run, because it might create a negative association with the low quality products.

Additionally, what determines what advert is displayed is not only the final price of the winning bid, but other factors are also crucial. Those are the quality of the adverts and the expected impact from the ad extensions and others ad formats. [8] The former is based on the "Quality Score" given by Google which is determined by the relevancy and usefulness of the ad and the website it links to; this evaluation system is therefore very similar to the SEO ranking mentioned earlier in this paper. The latter refers to the additional information attached to the ad such as telephone number or links to particular pages on the website. This additional information is then used to estimate the performance of the advert.

Finally, having properly optimized advert that is well-aligned with the content it links to can result in a situation, where a lower bidder can end up higher in the displayed results than a competitor with higher bid using less relevant keywords and extensions. [8]

To avoid any confusion regarding the above-mentioned terms, the major differences between the Search Engine Optimization and Pay Per Click can be seen in the table below:

	SEO	PPC	
Cost	Free	Advertiser pays every	
		time a user clicks on the	
		displayed ad.	
Time	Longer.	Shorter.	
Stay of Rankings	Well-optimized website	The ranking can change	
	can maintain its rank for a	rapidly depending on the	
	long time.	budget, the amount of the	
		bid and optimization.	
Risk of invalid clicks	None.	High. If the ad is being	
		clicked on only by	
		mistake, the advertiser	
		still has to pay for it. This	
		may even lead to abuse in	
		most extreme cases.	

Table 4 - SEO and PPC comparison

3.1.3 The importance of ranking in Google search results

It has been explained what is the aim of the Search Engine Marketing, but only little stress has been put onto the explanation why it is so important to be among the first few search results. As Michael Hodgdon, an expert SEO consultant, claims, only 8.5% of the people searching for a certain keyword make it past the first page of the search results leaving hundreds of websites almost unnoticed. [9] It is also important to realise that the estimated amount of clicks is then divided among all

the search results on every single page and therefore only a fraction of that traffic reaches a particular website. The breakdown [9] of the first result page traffic is the following:

•	Page 1 Average Result 1	29.6%
•	Page 1 Average Result 2	13.1%
•	Page 1 Average Result 3	9.2%
•	Page 1 Average Result 4	6.5%
•	Page 1 Average Result 5	4.9%
•	Page 1 Average Result 6	3.6%
•	Page 1 Average Result 7	3.0%
•	Page 1 Average Result 8	2.6%
•	Page 1 Average Result 9	2.2%
•	Page 1 Average Result 10	2.1%

This list makes it more than clear that reaching the first result page in a search engine is very beneficial, but being among the top 3 results is what really matters the most, since the decline in the number of visits for every subsequent result is rapid.

What is also very interesting is that 94% of websites that are visited are visited via organic search according to a study conducted by GroupM UK [17]. This can be explained by a very simple assumption that people perceive the websites among the first results as more trustworthy than the paid ads. [9] This happens even

though probably not every user has knowledge of Google advertisement and the fact that it is paid.

3.1.4 Keyword research

Selection of right keywords was already mentioned before, but I believe it's important to discuss this matter more in depth. The keywords are typically classified as *short tail* and *long tail*. The former refers to a simple and very general word such as "shirt". *Short-tail* keywords are very popular and are researched every day by vast number of users. Even though being among the first search results for such keywords leads to a rapidly increased exposure, the competitive nature of such general keywords makes it rather difficult to remain at the top. Moreover, the *short-tail* keywords have a very low conversion into sales, because they are usually used only for the initial research about the particular product of service and therefore it is advised not to use them for the SEM purposes. [6]

Long-tail keywords are basically further specified short-tail keywords. If the short-tail keyword was "shirt" the long-tail keyword would be for example "brand xx shirt size L sale". According to the MOZ SEO guide [6], these keywords make up 70% of the overall searches on the internet. What is very characteristic about this type of keywords is that they are very unique in nature which means that even though they make up the majority of the internet search, searching for these keywords might happen only a few times on any given day. However, the conversion into sales rate is very high since a person searching for such term has probably already made the buy decision and now is only searching for the most favourable offer.

The structure of the internet search can be seen on the following figure:

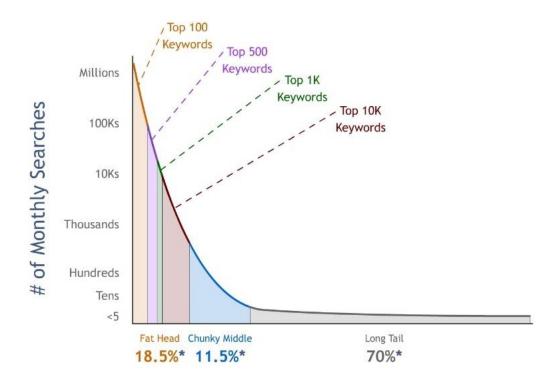


Figure 8 - Search Demand Curve [6]

3.1.5 The benefits of SEM and proper SEO

To finish off the Search Engine Marketing section, the benefits of this marketing method will be summarized in the following text. It is clear on the first sight that making more people see our advertisement can possibly result in an increased number of sales, but increased sales are not the only beneficial thing SEM can accomplish. When planning an SEM campaign, one should also think about advantages of having the increased numbers of visitors to the site, since these can be a source of valuable data that can be used for further refinement of the marketing campaign. One example of this can be a heat map, which gives us a visual interpretation of the most scanned areas on the website by the visitors; this

enables us to get rid of redundant content and focus on the important parts as well as to further improve our advertisement strategies.

A proper PPC campaign and SEO bring the following benefits to the table:

Increased visibility – Even if the link is not clicked on, the increased visibility of the results can help to spread the awareness of the company and might lead to possible later visits.

High ROI – The initial steps might be costly, especially if the SEO is done by hired professionals and not in-house or if the PPC campaign is using broad and highly competitive keywords. Nonetheless, benefits should outweigh these initial costs in the long-run.

Increased usability of the website – Increase in visits will put the website to a real test. This period offers an opportunity for a significant improvement in the user-friendliness of the website if proper feedback is gathered.

Brand awareness – Increased exposure to the company's name helps to create a connection in people's minds between the name and the keyword they are search for. Moreover, it makes the company look more trustworthy since people tend to perceive the first results in search engine as trustworthy. [17]

Constant 24/7 marketing – The ads are displayed every day and every minute.

When considering all mentioned above, it is important to realize that setting up a search engine marketing campaign can be done very easily and in a very little time, but that doesn't mean that the maintenance will be also as easy. The great

advantage of the Pay per Click marketing tools is that they offer a vast number of adjustments which make the targeting substantially more convenient when compared to other marketing channels. In other words, it is possible to advertise exclusively to the people who are or very likely might be interested in the offered product or service. These adjustments go then well hand-in-hand with the option of flexible scalability of the Google Adwords campaign where the budget can be increased or decreased at any point in time. This is therefore an extremely powerful tool for almost any business of any size, it allows small business to only target customers in their local area and then slowly expand whereas a large, already well-established company can target customers all across Europe for example.

3.1.6 Email marketing

It might seem that internet marketing is a thing of a past, but it is still very frequently used by many businesses today, because it still brings many benefits at no or only minimal cost, even though this term is to some extent connected with spam mail in the minds of many. This however should not prevent the business owners from embracing this marketing strategy, especially today when there are numerous email marketing management tools available. According to a study conducted by Custora [7], the email marketing is still on the rise and in 2013 accounted for more acquired customers than social media. Extreme popularity of smartphones is another reason why email marketing should not be neglected, because every smartphone owner can basically check their email any time of the day.

More importantly, email marketing tools enable creation of a very customizable content that can be tailored to a particular target group, be it a special offer for current customers or a welcoming message for the newly acquired contacts. Email marketing systems such as Mailchimp include advanced tracking and reporting features that enable the user to see what the open rates, click through rates, subscriber retention and other metrics are. Among other advanced email marketing features belong the following: [15]

Integration – Integration with website analytics and social media helps businesses to get a better understating of their customers and their profiles.

Automation – Emails can be scheduled to be sent automatically on a given date and time. Emails can be also sent as result of a user's action on the website for example.

Personalisation and segmentation - Emails can be specifically tailored according to the purchase history or actions taken.

4. Mission Statement and the organisation of the internship

My mission is to strengthen the online presence of the company in order to attract new customers and to ensure that more sales will be acquired via its website. This is to be accomplished by setting up a fully functional website using free available content management systems along with the optimization for search engines as well as by strengthening social media presence and email marketing campaigns.

4.1 Methodology

The following methodology was characteristic for most of the projects I was working on during the course of the internship:

- 1) Setting a task that needs to be done during a company meeting.
- Review of literature and best practices regarding the problematic of the given task.
- 3) Prepare my findings and present them.
- 4) Create a specific to-do list with a set time scope, aided by the input of the other employees in order to get industry-specific expertise.
- Monitor the effect of actions taken and report the results to the managing director.

4.2 Internship road map

In order give the reader the general idea of how was the internship conducted and what its organizational structure was, I deem it important to present a road map that can be understood as a planned schedule for the projects I was involved in.

This road map was created during the initial meeting with the managing director Jamie Hume.

Phase 1 -June -August: Website development , Social Media and trade shows

- assisting at product photoshoot
- •preparing media for Twitter
- •taking care of online inquiries
- •website development using Wordpress
- •website content management
- •assisting at Henley Mile open water swimming event

Phase 2 -August -September: Search Engine Opitimaziton and Market Research

- research regarding the SEO
- •keyword research using tools such as Google Keyword Planner and Google Trends
- •competition analysis in terms of popular keywords
- •research of the UK's university swimming clubs and creating a contact database as a result

Phase 3 -September
- October:
Monitoring the SEO,
Email Marketing and
Advertisement

- •monitoring the effect of the SEO using Google Analytics
- •email marketing management using MailChimp
- •preparing a reward scheme for the official website launch

Figure 9 - Internship schedule

The overview of every single phase will be given further in this work along with the detailed description of the projects and activities. The results will be then discussed in the results and discussion section.

4.3 Phase 1

Main responsibilities: Website content management

Software tools used: Wordpress, Twitter, Internet search, Gimp⁵

Objective: Fully functional website rich in visuals with a loading under 3 seconds.

Personal learning outcomes: Get an experience of what it's like to set-up a new website for a newly established company.

This phase did not require much academic knowledge, but was mostly focused on individual learning as it would be a case of any other person put in charge of such tasks. My main personal objective was to find how difficult is to carry out some steps that are necessary for a start-business as well as to observe what the imaginary steepness of the learning curve is when it comes to the acquisition of the skills necessary to sufficiently manage the website content management system Wordpress. Therefore no theoretical foundation was laid down for the projects that I was involved in. This phase had hardly any measureable performance outcomes and therefore the results can be only evaluated by empirical observation.

4.3.1 Website development

As the company was at time planning to abandon an old website and set-up a new one my main responsibility was to take care of website development mostly

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⁵ Gimp is freely available graphic editor very alike the famous Adobe Photoshop

concentrated in the content management area during the first 2 months of the internship. The website was handed over by the hired development team mostly as a template that required additional work.

In the initial stage, I was given a study period to get familiar with the tool that was used for the website development. The software that was being used is called Wordpress and it is a very common choice among newly-emerging business.

Wordpress

Wordpress content management system was used for most of the time of the internship since it allows creating a modern-looking website where new content can be easily added and modified relatively easily. This can be achieved with minimal costs in comparison to a website build from a scratch by a team of professionals. The reason this tool is mentioned separately is to underpin its high usability for anyone that wants to create a highly functional website without any prior knowledge of website development. Wordpress allows the user to choose from many ready-made website templates where only content needs to be uploaded and additional functionality can be achieved by installing specific plugins such as those for ecommerce use that add online store features, hence the popularity among small businesses. Moreover, there are many freely available online guides that allow the user to learn about the techniques and concepts relatively quickly.

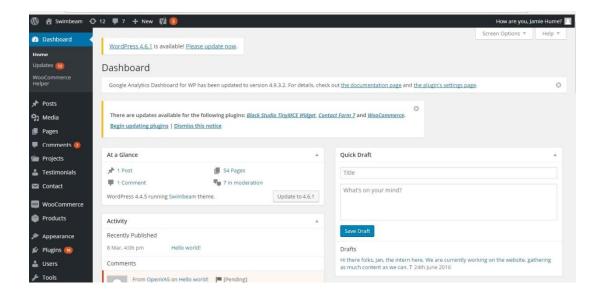


Figure 10 - Wordpress working environment screenshot, own creation

After a briefing with the managing director, the objectives set for the website development were the following:

- Create a database of royalty-free⁶ images that would fit the profiles of our target customers.
- 2) Sort out the imagery and prepare the images for the website use.
- 3) Take care of the website functionality Link building and maintenance.
- 4) Create additional pages and update the website.
- 5) Create video projects.
- 6) Prepare layout for the new content that needs to be uploaded.
- Tackle the issue of slow loading times which was one of the downsides of the old website.

⁶ Royalty free images are those that can be freely publicly used and modified without the consent of the owner as they were made available for such use on his/her behalf.

The images on the website have a crucial effect on the engagement of the users therefore their selection should undergo a well-thought selection procedure. The goal was to acquire images that would be appealing to all the target groups: swimmers, triathletes, surfers and gyms. The visual representation had to be also aligned with the general image of Swimbeam Training that could be simply described as casual but with a high degree of seriousness and expertise. More importantly, proper visuals are thought to be something that makes Swimbeam Training stand-out from its competitors.

The primary source of imagery was the photos gathered during the new product photoshoot which I attended as an assistant. These photos have been sorted out during a meeting with the managing director. For the rest of the imagery, I had to carry out my own research and I came up with various free imagery sources, most notably the work of Jay Mantri⁷, that offered high quality authentic photographs, very unlike the generic stock photos.

Next steps involved the preparation for the website use which meant editing the size of the photos before they were uploaded to website in order to avoid long loading times of website due to a large amount of data which might be a problem for mobile users and which would be a major issue for the visitors with slower internet connection.

The functionality of the website was maintained by building all the necessary onpage link leading to other pages and outside sources such as social media. This was

Nature and lifestyle photographer, for the reference see http://jaymantri.com/

done after a thorough website user usability analysis with other Swimbeam employees and a number of independent users were also asked to test the usability of the website. Carrying out his task resulted in highly user friendly environment that was fully operational even on mobile devices that make up currently almost 40% of the Swimbeam Training website visits.

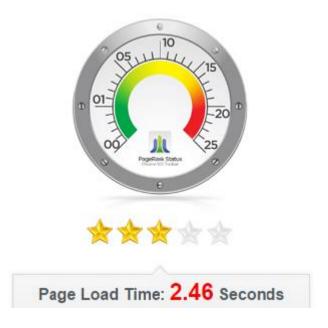


Figure 11 - Swimbeam Training homepage loading time

Lastly the website management task included the creation of an entire training video section which is the second most important part of the website whose purpose is to guarantee that customers are provided an additional free of charge service that makes them visit the website repeatedly. This task was initially broken down into various steps. Firstly it was necessary to create template pages for the videos that were divided into various sections according to the different target groups. This was easily achieved via the user friendly Wordpress working environment and the text content was prepared in cooperation with the managing

director. This was followed by the editing of the video thumbnails which were later on uploaded to the templates and linked with the company's Youtube channel that enables monitoring the performance of the videos.

4.3.2 Social media

Regarding social media, my task was to keep a certain level of interaction on Twitter which is the main social media channel for Swimbeam due to its high popularity among the triathlete community. Twitter is therefore the place where many of the enquiries are taking place. These concerned mostly the availability of the product or specifications about the rental service. Having a social media presence was very important for the company during the transitional period from the old website to the new one since at that time none of them was working properly. Managing social media in Swimbeam Training also involves the following tasks:

- Getting new followers
- Following related brands, groups and people
- Creating new posts to keep the followers engaged and informed



Figure 12 - Example of a Swimbeam Twitter post

Social media therefore work as public relations tools for the company at moment and as one of the major channels used to increase the brand awareness.

4.3.3 Assistant of the managing director

My last, however rather minor competency during the first phase of the internship was assisting the managing director during events and trade shows. My main tasks consisted of demonstrating the functionality of the Swimbeam Airtrainer and gathering feedback and contacts from the visitors that came to try the machine out. These events, such as Henley Mile⁸, attract every year hundreds of visitors and therefore make them a perfect opportunity to gather valuable contacts. Contacts gathered during these events have a high conversion into sale and also can lead to new business opportunities. Another valuable outcome of such events is the brand exposure to the wider public. As we found out, people in the UK who interested in swimming and triathlon are already familiar with concept of swim training benches that have been used by US top athletes for several years now and therefore much more willing to follow the activity of the company. As was already mentioned in the market analysis, many people in the UK are members of sports club which potentially helps to spread the word about the company to others interested in this field. Lastly, these contacts are later on used during the email marketing campaigns.

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Henley Mile is an annual open water swim competition and trade show held in Henley upon Thames in Oxfordshire, England.

4.4 Phase 2

Main responsibilities: Search engine optimization of the website.

Software tools used: Wordpress, Google Analytics, Google Trends.

Expected outcomes: The Swimbeam's website is optimized in a way that it appears on the first page of the Google results for selected keywords.

Personal learning outcomes: Gain insight into the field of search engine optimization and learn how to work with the available Google tools.

The second phase was the most important part of the internship as the SEO is an essential part of the internet marketing. Due to the limited budget of the company SEO was preferred to Pay per Click campaign after a discussion with the Swimbeam Training team. Main reason behind the decision was the fact, that the only big competitor with a solid online presence is based in the United States and leaves the UK market mostly untouched since it doesn't offer direct shipping to Europe and it only makes the product available through a very limited number of distributors.

Managing director understood well-enough the benefits of proper search engine optimization, but due to lack of any person in the company that would have any knowledge of the SEO I was set on this task solely on my own and therefore had to rely on the help of publicly available online resources such as MOZ SEO guide [6] and an SEO guide [14] published by Radiant Systems.

The SEO has been worked on yet again through the Wordpress. For this matter, it was necessary to obtain suitable plugin and based on the overwhelming number of good reviews the obvious choice was the Yoast SEO plugin which is one of the most

popular plugins available for Wordpress. The plugin offered well-structured settings for every single page along with a gamified progress bar. This plugin continuously evaluates the level of optimization and also give improvement suggestions. Even though being very helpful, the plugin doesn't help to evaluate the relevance of the selected keywords and therefore other tools need to be used.

4.4.1 Keyword analysis and selection procedure

Firstly, it was necessary to identify the keywords that would be most fitting for the product. This however proved to be a rather peculiar task, because swim bench is generally a new concept thus not frequently searched for. This led to a conclusion that the SEO campaign must differ from the future PPC campaign in a way that for the former, the short-tail keywords will be the most beneficial whereas the latter should use long-tail keywords focused more on the gym equipment segment. Using the short-tail keywords should therefore acquire a substantially higher number of visits.

The initial plan was to observe Google Analytics metrics in order to find out what are the keywords that are currently being used to access the Swimbeam's website, but this information appeared to be rather useless since the overwhelming majority of the search keywords were classified as "not provided". This is caused by the Google regulation that was put into effect in October 2011 in order to protect the privacy of the users. This means that whoever is logged into a Google account,

which includes Gmail, and makes any search, this search is conducted via SSL⁹ and the referral data related to this search remain hidden. [3] The selection procedure of the keywords was then based on a simple analysis of the competition, namely the Vasa swim trainer since it has been on the market for two decades, because it was assumed that these keywords already bring in some traffic.

The lack in the search volume for a whole variety of related terms implied that the SEO must be built around more general terms which meant focusing also on the broader categories. For this matter a keyword cluster that would contain the purpose the product category along with the purpose of the product were thought to be most appropriate. The quality of the identified keywords was then based on the relevancy and the number of the results. The keywords that appeared to be the most relevant were the following:

Swim training bench, swim training machine, dryland swim machine

The core keyword was identified as *training*. This keyword refers both to the purpose of the product and it is also relevant to the website itself since it offers whole performance section where different training videos are located. Moreover Swimbeam is being referred to as a "training machine for swimming" in an article [13] published by 220 Triathlon which is the UK's biggest selling magazine dedicated to triathlon. Thanks to these findings, the main keyword cluster that the optimization was built around was "swim training machine".

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⁹ SSL – Secure Socket Layer is a security technology that provides encrypted link between a web server and a browser. [25]

Additional support was provided by Google Trends tool which allows a comparison of numerous keywords with a visual representation of their popularity which can be also broken down to particular regions of the world. This however requires a certain volume of search for the selected keywords and that was unfortunately problematic for terms such as "swim training machine" since no data could be retrieved. Due to this issue, only closely related general terms could be used to estimate the popularity of the above-mentioned keyword. The overview of Google Trends results is presented on figure 13.

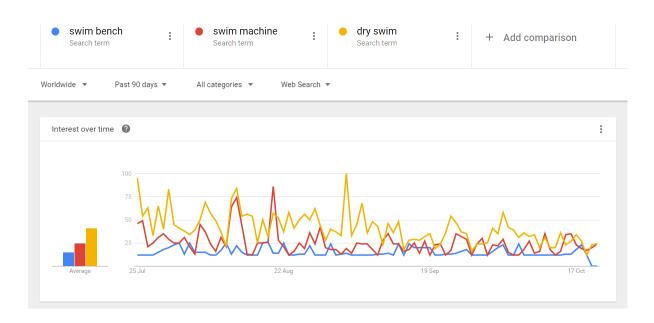


Figure 13 - Google Trends Screenshot

The terms in figure 13 show that selecting "swim training machine" is the most suitable keyword for the search engine optimization since it contains keyword that are getting at least some notable traffic. Moreover, this keyword cluster aligns with the purpose of Swimbeam Airtrainer as well as the content on the website.

However a major constraint preventing the achievement of higher ranking in the Google search results proved to be the insufficient number of outside sources referring to Swimbeam's website as the level of popularity is by perceived by search engine also as a level of relevancy. [6] The main competitor, Vasa, is being referred to by its network of distributors and also by numerous websites and blogs related to swimming and triathlon and therefore it appears numerous times on the first page of Google search results. This finding brought valuable information regarding the weak spots in Swimbeam's marketing strategy and will be reflected upon in the final section of the thesis.

4.4.2 Meta page title and snippets

Following major step in the SEO was the creation of proper meta page titles and snippets. This part is considered the second most important part of the SEO by the expert Evan Bailyn. [1] These two components refer to the website title and the description of the website that is shown in the Google search results. In other words, it is the first thing the user sees when he/she stumbles upon the website and therefore its optimization cannot be underestimated, because if not done properly, it can put off many potential visitors since it can decrease the trustworthiness of the website.

Home - Swimbeam Airtrainer Swim/Surf/Fitness Training Machine www.swimbeam.com/ ▼

Swimbeam Airtrainer is a dryland swim training bench for breakthrough technique and performance gains. Elite training from home.

Figure 14 - Swimbeam meta page title and snippet

Figure 14 shows the Swimbeam's meta page title and its snippet for the main landing site which is the home page. It offers a very clean description that is within the allowed word limit. The title also implies for which target groups is Swimbeam Airtrainer suitable. As was observed, not many of the Swimbeam's competitors have the website optimized in such way and therefore remain rather chaotic. Even though this might seem only as a cosmetic feature, the search engine algorithms deem it very important.

The major issue during the course of SEO works was that the content very often ended up over-optimized to a certain extent which means that text content contained way too many keywords which unfortunately the search engines penalize, because it is assumed that the content possesses lower degree of relevancy as it was created with the sole purpose of high ranking.

This was particularly problematic for the imagery on the website which made it a really long a cumbersome process, since right image optimization requires well-defined titles, filenames and alternative tags which are all scanned by the search engine algorithms. The alternative tags as explained by Google itself help the search engine to recognize what the picture actually contains and on this basis it determines whether it fits the user's query. Additionally it gives information to about the image to those who cannot see the images on the website for example due to slow internet connection.

4.4.3 Market research

Last project I was assigned to during the second phase was the market analysis regarding the university swim clubs and sports centres and different triathlon clubs in the UK. The main reason for conducting this research was to create a contact database that would be used for an email marketing campaign on a later stage. Having done this research contributed by adding 416 to master contact database. This research was also very in terms of mapping current situation about the equipment of the university sports centres and swim club. Namely the University of Swansea was identified as possible future customer since its Performance Swimming Club has already established its dryland training schedule.

4.5 Phase 3

Main responsibilities: Monitoring the performance of the SEO and assisting with the email marketing campaigns.

Software tools used: Wordpress, Google Analytics, Mailchimp

Objective: Monitor the SEO and identify possible performance issues. Prepare templates for the email marketing campaign and monitor its performance.

Personal learning outcomes: Learn the basics of email marketing campaign management.

4.5.1 Email marketing campaign

Finally the third phase of the internship concerned mainly the performance monitoring of the performance of the previous projects along with an email marketing campaign using the contact database created during the second phase.

On this project I was closely cooperating with the managing director since it mainly is his area of expertise. The email marketing campaign was done with the help of Mailchimp. This tool is freely available online and it offers the users various options to specifically tailor their email marketing campaigns. The very intuitive user interface makes it simple to create content rich in visuals even for the people not familiar with this tool. The campaign Swimbeam Training wanted to launch was focused on the launch of the new website which was completed along with the SEO in the first two phases of the internship. As a basis for the email marketing campaign served the master contact database which contained contacts not only from the market research conducted in the previous phase, but also those that were gathered during various sports events and trade shows. It also logically included the current subscribers and people that got in touch with the company previously, but haven't shown any activity since then.

To encourage the recipients to visit the Swimbeam website, an incentive scheme in form of prizes was created for the new Swimbeam Airtrainer purchases. The cost of these prizes totalled at £1000. This was thought to be an investment that will pay off in the future since this prize scheme does not really motivate potential customers to buy the product, because the price of a Swimbeam Airtrainer is higher than all the prices combined. However, having set-up this scheme was thought to increase the website visits. This assumption was proven by checking the Google Analytics website statistics for the day of the launch and the day after, which can be seen on the following figure.

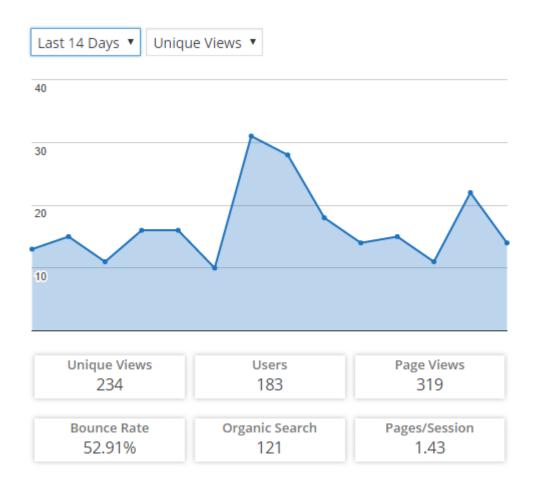


Figure 15 - Swimbeam website statistics from Google Analytics

Preparing the prize also helped to lay ground to a future collaboration. We have contacted an Italian company Xmetrics which specialises in making of performance-tracking accessory devices for swimmers. This was perceived as a mutually beneficial cooperation by Xmetrics and they agreed to provide a number of their tracking devices to Swimbeam at a discounted price in exchange for free advertisement.

TO CELEBRATE THE LAUNCH, WE'VE GOT OVER £1,000 OF GIVE-AWAYS ON OFFER

- · 2 x Huub Aperitif Triathlon Wetsuits
- 2 x XMetrics Fit Ultimate Swim Activity Tracker
- 3 x 3 month subscription to Swimsmooth Pro Individual Guru
- 6 x 6 months subscription to Tri220
- 10 x box of Clif Bar goodies
- 20 x copies of "Holly's Road to Kona"

This top gear will be given away to new Swimbeam customers (excluding rentals) - first come first served. Email info@swimbeam to confirm availability and sizes before checkout stage to claim your reward, which will be shipped with your Swimbeam Airtrainer.

Meantime, we hope you enjoy our new website. To chat to a member of the team about breaking through your performance limits this winter - drop a line to info@swimbeam.com or call Swimbeam HQ on 0131 203 3830.



BIG EFFICIENCY GAINS from correct technique (including positive catch and flexed wrist to high elbows and vertical forearms)



MUSCLE MEMORY of correct stroke biomechanics (including proper engagement of the lats)

Figure 16 - Screen of Swimbeam's email marketing campaign in Mailchimp

The rest of the prizes consist of swimming and triathlon related products and the communication regarding possible future cooperation with these brands is still pending.

This marketing email was in end sent to a total of 1406 recipients and resulted in immediate 4 sales of the Elite model and various enquiries regarding the rental service. However, the negative issue that was encountered was the amount of spam reports totalling at 1.3%, which perceived by Mailchimp as an abuse to a certain degree. This added up with the inactive addresses from the list resulted in an unfortunate loss of 277 email addresses making them unavailable for the future email marketing campaigns. High abuse rate can be possibly ascribed to a high

number of email addresses that haven't been contacted before since those therefore perceived the email as unwanted.

Nonetheless, the results of the campaign were a success and all the positive metrics were above industry standards for the sports category. The metrics for the category are the following [25]:

Open rate: 25.42% **Clicks** 3.26% **Abuse rate**: 0.02%

new website mail out
A/B Testing · master list

1,407

30.4%

3.8%

Subscribers

Opens

Clicks

Figure 17 - Mailchimp metric of the Swimbeam's email marketing campaign

Figure 16 shows in detail the metrics that were actually achieved with website launch email marketing campaign. It appeared as a rather minor achievement since only a fraction of the recipients click on the attached link, but in comparison to the industry average it was a success. The advantages of the email marketing dwell mainly in the high return-on-investment value as was already explained in the theoretical part of this paper, because these campaigns can be done basically with no cost attached and time is the only input.

4.5.2 Monitoring the SEO results

This activity required constant monitoring of a Google search results for the most important keyword clusters that were mentioned in the previous part of the paper.

This activity required weekly reports to the managing director. The reason for monitoring on a later is stage is that search engines usually require some time to

adjust to changes made and therefore the outcomes of measures taken are not immediate.

The results remained positive for most of the time with the exception of the Swimbeam images that did not rank among the first search results. This was partially fixed by improving the alternative tags texts. Swimbeam website was able to maintain its rank with only little changes in the website text content and slight improvement in the snippets that was aided by the managing director. This activity also included the monitoring of the competitors. The findings led to an assumption that the main factor that helps Swimbeam to achieve its high ranking is simply the reluctance of its competitors to put any serious effort into the SEO and their insufficient awareness of the competition. The positive result of the SEO can be seen on the figure 18 and similar results have been achieved also for the other valuable keyword clusters.

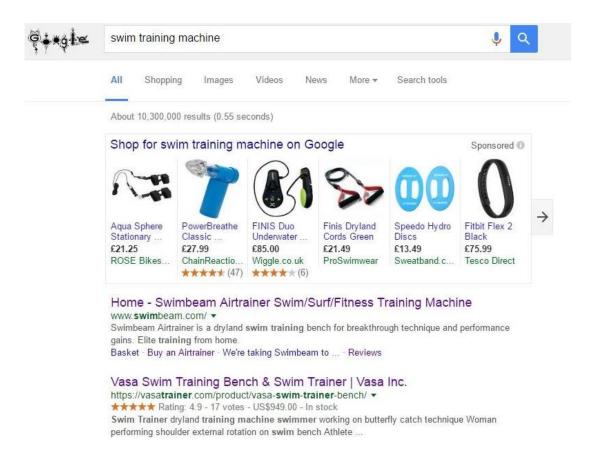


Figure 18 – Example of Swimbeam ranking first in the Google organic search results

4.6 Results and performance evaluation

This section of the reports aims to sum up the results of the various projects and activities that I took part in during the course of the internship. My mission in the company concerned the establishment of a very solid online presence that would result in a higher number of sales and increased brand awareness. This was planned to be achieved in three subsequent phases that also characterised the organisation of the internship. Even though I participated in a large number of activities, the following three in Table 4 were the most important as they created the back-bone of the whole internship period.

	Expected outcome	Achieved results	Commentary
Website development	Fully operational website in terms of visual representation, content and functionality with a short loading time.	The website is fully functional along with the proper visuals. However some of content still has not been created.	The website has been fully tested and it is also very well optimized for the mobile devices. The missing content concerns the video sections for fitness and surfers along with the attached text. This shall be fixed when the videos are fully edited.
Search Engine Optimization	Reach the first page and first results in the Google organic search results for the website and the imagery that would translate into increased traffic coming to the website.	The Swimbeam's website ranks first in the organic search results for a number of selected keyword clusters. Unfortunately the same has not been achieved for the images.	Swimbeam ranks well above its competitors and the website receives daily an average of 15 unique visitors. The problem with images was caused mainly by the lack of references from other sources than Swimbeam website, but this should change in the nearest future.
Email marketing	Increased number of sales and website visits.	The email marketing campaign resulted in 4 immediate sales and 1 rental request along with an increased traffic coming to the website which was almost twice the average amount of traffic.	The acquired number of sales is a great success especially email marketing campaign was done with basically no cost.

Table 5 - Internship outcomes

The above mentioned projects had their impact on the sales. Even though the Swimbeam Training is not selling dozens of their swim training machines every month it still copes very well as it manages to cover most of its expenses. It is necessary to realize that Swimbeam Airtrainer is a relatively high-priced product and therefore thinking that it would sell in high quantities is unreasonable especially given its non-existent distribution network and simple a fact that it does not belong to the fast-moving consumer product category.

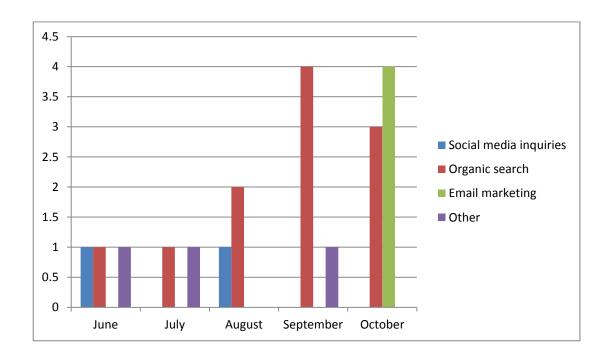


Figure 19 - Breakdown of Swimbeam Training sales for the period June - October, own creation

Figure 19 clearly demonstrates the high correlation between the increased sales and the SEO and email marketing campaign. The contribution of the social media activity also should not be neglected even though it is minor, but still, the sales acquired via this marketing channel can be hardly ascribed to the activities that took place, since no significant increase in the number followers has been achieved.

Therefore it is assumed, that social media have been so far only another communication channel that people used in order to get in touch with the company having been previously aware of its existence.

The "Other" category on figure 19 refers to the individual email inquiries and sales acquired during trade shows and other events. Visiting the events has a very questionable value for the company since the outcomes are rather questionable. The conversion rate to sale has not been nearly as high as was originally expected, but on the other hand, this is one of the most powerful ways to increase the brand awareness that leads to an increased number of sales in the long run. However, Swimbeam Training at this point focuses on business activities that will bring high return-on-investment value rather in a shorter period of time for which the online marketing channels are more than satisfactory.

4.7 Recommendations and future work

Having worked on various projects during the internship brought many suggestions for improvements and future work. This concerned both internet marketing, but also other aspects of the business. The most beneficial for the company would to establish a stable network of distributors, but that can be hardly achieved without acquiring a higher demand for the products. To resolve this issue, it is necessary to undertake few smaller steps first.

Firstly, as it was identified during the SEO works, Swimbeam could benefit from a higher number references from the outside sources in order to increase its visibility and reachability in search engine results. Swimbeam tried to achieve that by

contacting various bloggers, well-known in the world of sports, but the communication died out after a while, because back then, the products were not as developed as they are now. I honestly believe that the company reached the point where it can try to contact the bloggers again since it has managed to reach new customers over the time and the popularity of the brand has increased as well. This should be also aided by paid advertisement in sports magazines, especially 220 Triathlon, that was used once in the past and it was definitely worth the investment.

Other improvements regarding the internet marketing would concern changing the structure of the URL¹⁰, which is currently swimbeam.com, even though it refers to the name of the company it is not clear on the first sight what Swimbeam actually is. Therefore it is suggested to change the domain to something that would better reflect the nature of the product and the company; this is also supported by SEO expert Evan Baylin [1] who says that the URL should be rich in keywords. Example of the new URL for Swimbeam would be swimbeamtraining.com or swimbeamtrainer.com. Nonetheless, this is a very minor change and it can be taken care of at some in the future. Additionally, Swimbeam should without a doubt invest in a trial Google Adwords campaign. This can be done initially with a very little budget of around £100 that could be later on increased if the campaign performed well. Doing so could notably help to increase the sales in the home gym equipment and swimming equipment market segments. The only possible issue

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¹⁰ Uniform Resource Locator refers to a structure of the address to a resource on the internet, in a majority of cases a website.

that could be encountered is that the bids for the ads in the home gym equipment segment would be probably rather high and the campaign might run out of budget before it achieves any significant results. With a successful Google Adwords campaign, the company can achieve a so-called Google star rating which is shown along with the displayed ad. The rating ranges on the scale going from 1 to 5 stars, where 5 is the maximal score. This score is calculated by Google with the data provided by seller rating websites. Even though it may seem only as cosmetic feature, it rapidly increases the trustworthiness of the company. Nonetheless, achieving this is rating is very lengthy process, because it naturally takes a lot of time for user ratings to appear on the internet and not every customers leaves a feedback for the product.

Lastly, due to the nature of the sports industry and the fact that Swimbeam has basically no competitors in UK and Europe, there is vast number of potential partners for co-branding. These range from companies making food supplements to those manufacturing performance clothing and accessories. Companies such as Clif bar, making energy bars, or Dryrobe that specializes in water sports outerwear would be the ideal partners for Swimbeam Training due to their size and target customer profiles. The possible subject of the co-branding cooperation would very likely be some kind of sponsored sports event where all the involved companies could benefit from the increased brand awareness and acquisition of new potential customers due to the direct contact with them. The bottom line of this cooperation would be a stronger position on the market for everyone involved, since the companies share a very similar target customer groups.

Conclusion and reflection

desired outcomes.

The internship offered a unique experience in the environment of a start-up company that was very unlike working in a corporate sector. By this is meant the very informal approach towards the work and more importantly towards the other employees. The internship met very well my expectations in a way that it allowed me to see what a cumbersome process it is to run a new business especially in regards to planning and forecasting which only rarely reflects the later reality.

During the course of the internship, I gained valuable insights into a various aspects of the business since the projects and activities I was involved were very diverse in nature. I highly appreciate that I had the opportunity to get in touch with the Swimbeam customers in person as well as via the existing online channels. This

allowed me to see their passion for the product and it only assured that there is a

great future for Swimbeam Training. Moreover I was able to observe how the well-

established online presence affects the sales and how my actions translate into the

Additionally, I must underpin the autonomy I was given when I was working on the various projects, because it highly motivated me towards the work since I could sense that my effort truly matters to the company. The internship helped me to grow not only professionally in a way that I was able to turn the things I learned into practice, but also personally since I am now much more aware of my abilities and weaknesses.

My cooperation with Swimbeam will very likely continue beyond the official scope of the internship since this relationship proved to be mutually beneficial and there are many projects that require additional work.

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