# CHALLENGES WHEN DIFFUSING INNOVATIVE PRODUCTS THROUGH DIGITAL MARKETING

A qualitative research study exploring the major challenges when diffusing innovative products through digital marketing based on a case study of a diving equipment company

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Challenges when diffusing innovative products through digital marketing A qualitative research study exploring the major challenges when diffusing innovative products through digital marketing based on a case study of a diving equipment company SOPHIE LÄNGVIK & EMMA WALLANDER

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## ABSTRACT

The main objective with this study was to explore the major challenges when diffusing innovative products through digital marketing. The purpose of this research was to bring clarity in what challenges managers for innovative products face when using digital marketing practices, such as Social Media Marketing, Content Marketing, Influencer Marketing and SEO/SEM to diffuse their products. In the era of digitalization there has been an increasing use of digital marketing in various industries. Thus, digitalization provides new opportunities for companies to diffuse their innovations which hence leads to new challenges.

The empirical data of the study consists of interviews from a case company, Poseidon Diving Systems, and their potential customers. The results are structured around several categories from both the case company and the potential customers, accordingly. Finally, it was concluded that the major challenges when diffusing their innovative product through digital marketing was to stand out in the digital mass, communicate product value and to be credible and visible. The study contributes to the research areas of diffusion of innovation and digital marketing, through establishing a potential connection between the two subjects, and sheds light on an observed, yet uninvestigated topic in literature.

**Keywords**: Product Innovation, Diffusion of Innovation, Communication, Digital marketing, Social media marketing, Content marketing, Influencer marketing, Search engine optimization, Search engine marketing.

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## **1 INTRODUCTION**

This chapter will present the phenomenon for this study and the found research gap which has developed the study. The case company for this study will also be presented in this chapter in order for the reader to understand the context that the study was conducted in.

#### **1.1 BACKGROUND**

Along with the rapid growth of technology in modern society, companies are becoming more aware of the importance of investing in research and development (R&D) as a way of increasing overall organizational performance in terms of sales (Ganotakis & Love, 2011; Salimi & Rezaei, 2018). Hence, firms that implement technological product innovation are predicted to become more efficient in regards to both competitive advantage and increased sales (Foroudi et al., 2017; Hsiao & Hsu, 2018; Kuncoro & Suriani, 2018; Myler, 2015). Among other researchers, product innovation is explained as the creation of when new products are introduced or developed to the market to solve a problem which includes existing or emerging technologies (Cheng, Chang & Li, 2013; Wang & Chen, 2018). For instance, Wang & Chen (2018) mean that "product innovation not only enables organizations to introduce new products to the market but also challenges organizations to renew their technological capabilities" (p. 784). Hsiao & Hsu (2018) argue that firms must also see the importance of integrating product innovation with marketing since it has an impact on the quality of the product and how successful the product would be in meeting market demand. Firms that succeed to embrace product innovation and marketing orientation in synergy have thus shown to positively impact a firm's competitive advantage (Fain, Kline & Duhovnik, 2011; Hsiao & Hsu, 2018). Too much focus on product innovation with too little attention to marketing could lead to the product innovation not being fully understood by individuals, which could negatively affect sales (Rogers, 2003).

Hülsmann & Pfeffermann (2011) furthermore mean that innovation success is not guaranteed since there are various factors influencing the marketing of innovation. Rogers' (2010) discusses how new technological ideas, practices or objects are adopted and communicated in society in his model of diffusion of innovation. He defined diffusion of innovation as *"the process in which an innovation is communicated through certain channels over time among the members of a social system"* (p. 5). The model brings attention to how innovations can be spread and communicated to a certain group of people, which sheds light on the technological aspect of products, but also to the marketing of products. The diffusion of innovation model claims four key elements to be affecting the success of innovation – the innovation itself, the communication channels, the time and the social system. (Rogers, 2010) Although, when diffusing a product innovation, Rogers (2010) means that it should be communicated in a way that makes the innovation understood by all individuals in order to fulfill the desire the innovation is intended to. He means that uncertainty in communication could subsequently lead to uncertainty in demand, due to it not being understood by individuals, which consequently could lead to the

innovation not being successfully diffused. Christensen (2016) discusses the innovator's dilemma where the most successful firms that commercialize an innovation have been those emphasizing the marketing challenges as the primary one and not the technological challenges. Firms should use marketing activities as a way to get customers to demand innovative improvements that their technology supports (Christensen, 2016).

Larsen (2011) discussed that when diffusing an innovation, communication is vital. He explains that communication plays a central role in how awareness about an innovation is created, which in turn could affect overall organizational performance. Additionally, Hülsmann & Pfeffermann (2011) claim that as a consequence of developing markets and developments in media channels, communication has become a strategic advantage for a company's success. The communication channels where innovation diffuses are also of great importance for the overall diffusion process and can hence be the key for a successful commercialization of innovation (Hülsmann & Pfeffermann, 2011).

Hagberg & Fuentes (2018) mean that there is an intensive rise of digitalization. They further mean that even more companies are moving their business online as a way of interlinking several types of channels, which thus increases the opportunity for companies to communicate to customers more efficiently. Additionally, Verhoef, Kannan & Inman (2015) also strengthen this by claiming that digitalization has seemingly contributed with new ways for businesses to communicate online and new digital marketing practices have come to pass among businesses. Digital marketing is currently claimed to be the most popular type of marketing practice and is predicted to grow even more in the future (Zahay, 2021). Digital marketing contains several online marketing strategies and tools that can be used to influence customers in becoming closer to the purchasing process (Karjaluoto, Mustonen & Ulkuniemi, 2015; Ki et al., 2020; Kietzmann et al., 2011; Poradova, 2020; Scott, 2010). Digital marketing differs from traditional ways of communicating such as through traditional media, newspapers or magazines (Blazheska, Ristovska & Gramatnikovski, 2020), and mass media such as television or radio (Kumar, Choi & Greene, 2017). Digital marketing is instead more focused upon the technological use in social networks in order to market products to a greater extent compared to what traditional marketing is capable of (Blazheska et al., 2020). The use of digital marketing as a way of communicating is therefore considered favourable for companies due to its efficiency in reach simultaneously as it is a vital contributor to obtaining competitive advantage (Zahay, 2021). The development of digitalization has undoubtedly changed the way people consume and behave with digital means, and have consequently become challenging for marketing managers (Sahut, Dana & Laroche, 2020).

#### **1.2 PROBLEM DISCUSSION**

Even with the huge success digital marketing is predicted to provide, some industries are still struggling on how to have digital elements as a core aspect in their business processes (Schaefer & Hetman, 2019). Even though digitalization has become a part of people's everyday life, there are still actors that are lacking in digital skills and knowledge (Schaefer & Hetman, 2019; Zahay, 2021). Kietzmann et al (2011) also fulfill this problem that even though more executives have come across the capability digital marketing possesses, there are still several executives that do not understand how to involve in such marketing practices, and thereby do not understand the value such engagement in marketing practices provide. Building a relationship between product innovation and marketing orientation is thus a challenging task due to the continuously changing environment in terms of increasing customer expectations and rapid increase of new innovations (Hülsmann & Pfeffermann, 2011; Silva et al., 2020). Thereby, new demands and conditions in the innovation economy have hence put pressure on firms to use new tools and concepts to communicate in order for innovations to be diffused in a way that can increase sales (Hülsmann & Pfeffermann, 2011).

Seemingly, it is the way communication is delivered that will distinguish whether diffusion of innovation could turn out a success or not (Hülsmann & Pfeffermann, 2011). For instance, Rong, Chen & Shen (2015) mean that innovations must be understood by customers in terms of ease-of-use and usefulness in order to avoid demand uncertainty. Important for innovative success is also the benefit to the customers and the communication of these benefits to the target audience (Hülsmann & Pfeffermann, 2011). More specifically, when firms are communicating to customers, the communication must portray some kind of meaning in order for the customers to consider it valuable (Eggert et al., 2018). Therefore, companies aiming to diffuse product innovations through communication must firstly have in mind that there needs to be a competitive innovation advantage, where Hülsmann & Pfeffermann (2011) argue that the customer acceptance is the core factor for this competitive advantage. Hence, if the innovation is not communicated in a way that is understood by individuals, firms could become market failures (Hülsmann & Pfeffermann, 2011). The researchers of this paper thus argue the importance for firms to utilize their digital marketing practices in a way that makes the product innovation understood by customers, and how they would benefit from that product. Therefore, communication that does not succeed in making customers understand the innovation nor how it creates value, would most likely lead to a slow diffusion of innovation for firms and in worst cases, market failure.

Product innovations offer new solutions to customers' issues through meeting new or existing ends, however by utilizing new means (Hülsmann & Pfeffermann, 2011). According to this fundamentality, Hülsmann & Pfeffermann (2011) discuss technological innovation as when there are new means to an old end. Meaning, when there is an already existing purpose of the products, but it brings an element of newness to the innovation (Hülsmann & Pfeffermann, 2011). In line with technological innovation, Sorescu, Chandy & Prabhu (2003) mean that innovative products are highly advanced products when it comes to technology and technical functionality and often provide firms with higher levels of economic growth. Liu et al (2014) also claim innovative technological products to provide higher return of assets and performance. However, Liu et al (2014) explain that innovative technological products are often costly and risky, which connects to what Zhang & Hou (2017) mean that the risk is central during customers' purchase decision when it comes to innovative products. Yet, regarding the degree of innovation, there is currently little literature within digital marketing when it comes to innovative products over all. Especially absent in literature on digital marketing seems to be technological innovation.

The researchers of this study have researched extant literature and have seen that how innovative products can be diffused through digital marketing seems to be unexplored in literature, meanwhile it is an ongoing trend in practice. Several researchers have theoretically studied the importance of communication when diffusing innovation (Larsen, 2011; Hülsmann & Pfeffermann; 2011; Rogers, 2010) and digital marketing (Blazheska et al., 2020; Ki et al., 2020; Poradova, 2020; Zahay, 2021), but however separately. More specifically, the researchers have identified a gap in literature of how innovative products can be diffused through digital marketing. Also, even though Zahay (2021) presses the importance of the power of digital marketing simultaneously as it is currently being the most popular marketing practice in the modern business market, previous research seems to mainly discuss digital marketing around commercial products and not innovative products. Due to the increased technology in modern society (Silva et al., 2020), and that several firms are currently offering innovative products on the market (Hülsmann & Pfeffermann, 2011), the researchers of this study argue for the importance for managers to obtain knowledge of the challenges to digitally market innovative products in order to get the best possible diffusion. Silva et al (2020) discussed that it has been challenging among firms when trying to diffuse product innovation through communication, as the use of digitized tools has become a part of firms main business objectives. One can assume that digital marketing practices should be utilized differently depending on characteristics of products, which thus puts importance on why such knowledge is of importance. Thus, this study seeks to provide managerial implications for managers possessing innovative products in order for them to become knowledgeable about the challenges when diffusing such innovative products through digital marketing that could be of value for them in the future.

Knowledge on what major challenges companies face when diffusing innovative products through digital marketing is also lacking in literature meanwhile it is ongoing in practice. The researchers of this study therefore believed it was important to investigate major challenges as they could be key to understanding how to reach future increase of sales. Supported by previous research, the important role of communication in increasing overall performance (Larsen, 2011; Hülsmann & Pfeffermann, 2011; Rogers, 2010; Rosenbloom, 2007), strengthens the arguments for why it was of interest in investigating such a research phenomenon. This research therefore aspired to extend previous research by applying new theoretical value in literature since this is a constant developing phenomenon in practice.

#### **1.3 PURPOSE**

The purpose of this study is to explore the major challenges when diffusing innovative products through digital marketing.

#### **1.4 RESEARCH QUESTION**

• What are the major challenges when using digital marketing to diffuse innovative products?

#### **1.5 CASE COMPANY**

Interpreted by the researchers of this study, one industry that lags behind in diffusion of product innovations, is the diving equipment industry. In practice, the diving equipment industry is a well established industry offering advanced technological products with many years of experience (Chakravarty, 2020). Therefore, in order to be able to explore the research objective, including the diving equipment industry as a case study to investigate the research objective could create a better understanding when aiming at fulfilling the research gap found in literature. More specifically, using the diving equipment industry as a context could give this research an understanding of a greater extent of the challenges when diffusing innovative products through digital marketing. Additionally, in literature, the industry is seemingly vague and unexplored. Currently, no research has been found upon how diving equipment companies diffuse product innovations nor in regards to digital marketing practices. Thus, beyond aspiring to fulfil the research objective, the researchers of this study also seek to give value to literature on the diving equipment industry itself. This research hence also aspires to bring value to managers within the diving equipment industry by identifying the challenges they are facing when diffusing innovative products through digital marketing.

To put the research context in a more specific case, a company that offers innovative products meanwhile currently aiming at positioning themselves more online and are trying to market their products through digital marketing is Poseidon Diving Systems (PDS). They are a Swedish owned diving equipment company founded in 1958 and is currently operating worldwide (Poseidon Diving Systems, 2021a). They have four different target groups in today's market which represents a large spectrum of divers; military, navy & professional divers, technical & advanced divers, advanced sport & general divers and recreational & vacation divers (Poseidon Diving Systems, 2021a). PDS manufactures products that are meant to provide divers with the safest experience possible through their unique innovative products (Poseidon Diving Systems, 2021a). Safety is a core value within the culture of PDS and they have a number of patented safety technologies in their systems (Poseidon Diving Systems, 2021b). A large part of their product innovations consists of electronics, which is aimed to develop the next generation of diving equipment (Poseidon Diving Systems, 2021a). Their primary focus the last few years have therefore been on trying to automate the diving experience in order to facilitate so that the diver may be able to focus on the mission and experience, and not monitoring and controlling the equipment. (ibid)

Among their products, PDS have developed innovative regulators that do not need to be controlled by the divers, instead their regulators are tuned and made ready in the factory (Poseidon Diving Systems, 2021c). Furthermore, PDS also manufactures an innovative rebreather system that is fully automatic and electronically controlled and has features that do not require a lot of training from divers in order to use the technology (Poseidon Diving Systems, 2021b). PDS have the only fully automatic rebreather targeted towards the recreational end of the market (ibid). In contrast to a traditional scuba system where the diver exhales the gas straight out into the water, the rebreather system lets the diver reuse the air by circulating it around the diver (Poseidon Diving Systems, 2021b). These two products are considered 'technological innovations' as argued by Hülsmann & Pfeffermann (2011) in the regards that they provide new means, such as fully automatic products, but to the already existing diving equipment market. In line with that Sorescu et al (2003) claim that innovative products obtaining a higher level of technology and technical functionality also correspond to PDS 's regulators and rebreathers in that they are technically advanced. Hence, PDS becomes of interest for this study as they possess such innovative technology products. When further discussing innovative products in relation to PDS, the researchers of this study will followingly be referring to PDS's regulators and rebreathers.

PDS exists on several online platforms and is currently taking use of these when utilizing their digital marketing practices. Besides their own website (Poseidon Diving Systems, 2021), they also operate on social networking sites such as Facebook with approximately 100.000 followers (Facebook, 2021a). PDS also has an Instagram account with approximately 10.000 followers (Instagram, 2021), approximately 700 subscribers on their YouTube channel (YouTube, 2021) and approximately 700 followers on LinkedIn (LinkedIn, 2021). Customers can purchase the products directly from PDS through their webshop, although the majority of the sales of PDS goes through dealers and distributors. The structure in this industry is that distributors have the main responsibility within a larger area to further sell the manufacturers products to the dealers who are the ones that primarily deal with the direct sales to end users. PDS is currently holding a rather traditional marketing approach and has started to investigate more into digital marketing practices, which also makes them an interesting company to investigate concerning challenges with using digital marketing to diffuse innovative products. Apart from filling the research objective, the researchers of this study aim at additionally being able to give managerial contributions to PDS.

#### **1.6 LIMITATIONS**

Throughout this paper, several keywords and concepts have been used repeatedly that psychologically can have different meanings, interpretations or understandings among different people. Therefore, clarifications have been made of these keywords and concepts in order to help the reader understand how they are defined and used for this study. Firstly, 'diffusion of innovation' as a concept can have several definitions, aims or objectives both in literature as well as in practice. For this study, the researchers have defined 'diffusion of innovation' as a way for firms to spread their innovative products to customers where 'innovative products' were

defined as relatively new established products on the market obtaining a higher degree of technology, often with a higher level of price and superior functionality compared to competitors. When the researchers of this study discuss 'innovative products' throughout the paper, it refers to 'technological innovations' as explained by Hulsmann & Pfeffermann (2011).

The choice of Rogers' (2010) model was based upon its large appreciation in literature in line with it being connected to the research phenomena in question. This paper was also done from a marketing perspective, hence this study was solely investigating the communication element of Rogers' (2010) model of diffusion. The researchers made the assumption that the other elements in Rogers' (2010) model – the innovation itself, time and social system – are in place and hence, they were not the focus of this study.

#### **1.7 DISPOSITION OF STUDY**

The outline of this study will begin by presenting the theories of relevance for the research phenomenon through a literature review. To provide the reader a study with the highest possible quality of arguments, the methods chosen are to be explained. The reader will thenforth be given the results derived from the empirical gatherings which in turn will be analysed in the following section and lastly, the main findings, conclusions and future recommendations will be presented.

## 2 LITERATURE REVIEW

The literature review used in this study, which is presented below, is the foundation to better understand and analyze the research phenomenon under investigation. This chapter will present the reader with information needed for them to gather an understanding of this study. The literature review will begin with extant research upon communication. Thenceforth, the reader will be given literature on diffusion of innovation which will then lead to the role of value proposition. Then, literature on digital marketing and its different practices will be presented to the reader. The concepts within digital marketing will be the use of social media marketing, the use of content marketing, the use of influencer marketing and the use of SEM/SEO.

#### **2.1 COMMUNICATION**

In literature, the focus within marketing communication has traditionally been on a company sending out a message and what decisions that company has to make to effectively deliver that message (Araujo, 2019; Finne & Grönroos, 2017; Mangold & Faulds, 2009). For instance, Finne & Grönroos (2017) mean that previous definitions of marketing communication have thus mainly focused on the company perspective. They further argue that there has been less focus on the customer value and what role communication has in the process of generating value to customers. From a customer perspective, marketing communication is a process where a customer perceives an offering, product, service, company or person. The communication can be purposive or hidden within a context, visible or in the customers own perception. It may stem from experiences, processes or activities that have triggered a value for the customer and may stem from several senders. Although, the sender does not have to be a part of the process at all, and the perception may stem from the past, present or future. (Finne & Grönroos, 2017)

Communication is explained as the exchange of information between senders and receivers where messages are conveyed (Araujo, 2019). Araujo (2019) means that when a sender (a company) sends a message to a receiver (a customer) in a way that can be understood by the receiver, it could strengthen the attitude customers create towards the brand and product. This, which thus claims the importance for firms to ensure that the message is communicated in a way that it is understood by customers, in order to win over customers. Thereby, the relationship built between the sender and the receiver of the message is important for brands when communicating to the customers for brand-related outcomes. (Araujo, 2019) Furthermore, Araujo (2019) claims that beyond the importance of the relationship between the sender and receiver, the context in which it takes place is also affecting the outcome, such at how the message is conveyed and at what channels. Finne & Grönroos (2017) also mention that there may be interferences in the sender-receiver process such as noise, miscommunication or distortion, however the communication process is still driven by the company. All messages in communication terms, serve customers' needs in some way, such as need for knowledge and understanding relating to a product that delivers value that in turn satisfies customer needs.

Furthermore, marketing communication should be of value for the customers and facilitate their value creation. A message that is considered to be of no use for the customer will be of no value as well. Although, a message that delivers value to the customer will be a message that the customer can act upon, such as making a purchase decision. (Finne & Grönroos, 2017)

#### **2.2 DIFFUSION OF INNOVATION**

In literature, several researchers have used the theory of diffusion of innovation as a practice where innovations are spread to a social system (Almutairi & Yen, 2017; Dingfelder & Mandell, 2011; Doyle, Garrett & Currie, 2014; Pashaeypoor et al., 2016). The theory of innovation diffusion was originally introduced by Rogers in 1962 and has since been updated in different editions (Rogers, 1962: Rogers, 1965; Rogers, 1995; Rogers, 1983; Rogers, 2003; Rogers, 2010). Rogers (2010) has defined diffusion of innovation as "the process by which an innovation is communicated through certain channels over time among the members of a social system" (p. 5). He further means that the theory helps understand how, why and at what rate technologies and new ideas are spread and implemented over time.

Criticism towards the relevance of the diffusion of innovation model by Rogers (1962) could however arise due to that the model was firstly introduced over 60 years ago. Even though there have been several updated editions of the model where he takes societal developments into account (Rogers, 1965; Rogers, 1995; Rogers, 2003; Rogers, 2010), one should acknowledge that there are some developments missing. For instance, there have been several changes in the area of communication due to the increase of digitalization, as argued by Sahut et al (2020). As communication is argued to be vital for innovation diffusion (Larsen, 2011), one could state that there is no innovation diffusion without communication. Rather, extant research regarding communication channels for diffusion has mainly put attention on quantity instead of quality of the channels (Aula, Melkas & Harmaakorpi, 2012).

#### 2.2.1 COMMUNICATION WITHIN DIFFUSION OF INNOVATION

The communication element plays a key role when diffusing product innovations (Rogers, 2010). Diffusion of innovations originates from actual situations where individuals and firms communicate with one another (Rogers, 2003). Rogers (2003) means that communication is explained as the process where individuals make and exchange knowledge with one another in order to be able to come to a consensus. The most basic form of diffusion involves the innovation, an individual or unit that has information or experience of using the innovation, another individual who has not yet information or experience of using the innovation and a communication channel which connects these with one another. (Rogers, 2003) Rogers (2010) although means that the event of exchanging information is thus only a part of the total process. Consequently, he means that an individual may have been aware of an innovation for a longer period of time, but have not yet developed an attitude towards it. As Rogers (2003) claims, the communication channels represent how an individual comes across and conveys a message. Rogers (2003) further discussed two sets of channels, mass media channels and

interpersonal channels. Mass media channels involve mass media, such as radio, television and newspaper. These channels have the possibility to rapidly and efficiently inform potential adopters of the existence of an innovation. Interpersonal channels on the other hand involve face-to-face sharing of information between two or more individuals. Interpersonal communication, compared to other means of communication, is a social process which engages customers and hence becomes powerful when creating and changing attitudes of individuals (Rogers, 2003). Although, it is important to state that consumers are choosing to engage in other forms of communication than the traditional sources such as mass media and they want to have more control over the media they choose to consume (Mangold & Faulds, 2009). Hence, they decide when and what information they seek (ibid).

Hülsmann & Pfeffermann (2011) discusses that with today's rise of digitalization, mass media and interpersonal communication channels are not the only form of communication channels that could be useful for innovation diffusion. Rather, if organizations make their products and services available to consumers through a variety of different communication channels it may provide them with increased levels of potential sales (Rosenbloom, 2007). Mangold & Faulds (2009) explain that people turn to the Web to search for information and hence if an organization is not available online, they will lose out on potential sales – no matter how successful their offline marketing strategies are. Rogers (2010) thereby mentions in his latest edition that interactive online communication has become more important for the diffusion of some innovation's the latest years, and not only mass media channels or interpersonal channels. He does however not discuss potential challenges that can come to pass for organizations. Rogers (2010) claims that online communications are important for some innovations, however he does not clarify for the reader what types of innovations he means.

The communication perspective is therefore key when understanding the actual process of diffusion, where the content of communication and how it is communicated is equally as important as the actual channel (Hülsmann & Pfeffermann, 2011). Furthermore, Zahay (2021) also presses the importance for the communication to portray value and some kind of meaning to the customers. Simply explained, Eggert et al (2018) mean that creating value to customers is fundamental within the field of marketing. Hence, for a business' innovation to be diffused successfully, the communication must be engendered in a way that will make customers understand how they will benefit from a particular product (Hülsmann & Pfeffermann, 2011). Rogers (2010) however claims that a common problem for organizations is how to speed up the rate of diffusion of innovation and even if it has obvious advantages, it is still considered challenging, which again indicates the importance of communication in diffusion of innovation.

#### 2.2.2 CATEGORIZATION OF INNOVATION ADOPTERS

In order for a product innovation to diffuse, Moore (2014) explains that the innovation must reach the mainstream market by transitioning from the early market. In the early market, customers are considered visionary by nature and more favourable due to them being more accepting towards technology and the willingness to try new ways of using products. Whereas in the mainstream market, customers are instead considered so-called pragmatic by nature. Pragmatic customers are by themselves not particularly receptive towards new technology adopted on products. (Moore, 2014) Goffin & Mitchell (2017) further mean that overcoming the barrier of uncertainty of demand within diffusion of innovation is especially challenged by the pragmatic customers. They mean that it could be challenging for companies who are facing pragmatic customers, since finding ways to influence pragmatic customers to move towards becoming market visioners is difficult. Moore (2014) essentially means that winning over pragmatists as a market segment is hard but key for success. Moore (2014) further emphasizes the importance of adapting communication practices towards what customers the innovation is targeting in order to be successful. Additionally, Rogers (2010) categorized the market into five different adopter categories in his model of diffusion of innovation - Innovators, Early Adopters, Early Majority, Late Majority and Laggards. Accordingly, Moore's (2014) distinction of visionaries and pragmatists as the mainstream market begins with the Early Majority in Rogers' (2010) model of diffusion of innovation. See Figure 1 below.

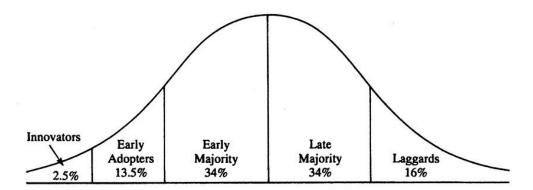


Figure 1. Categorization of Innovation Adopters (Rogers, 2010).

Innovators are often the first customers to try out a new product on the market (Rogers, 2010). They are characterized as risk takers and find it exciting with new possibilities and ideas that can change the way of doing things. New innovations usually have a higher price tag on early release and hence Innovators are often wealthy in the sense that they can afford this early risk. Innovators often have some connection to research, where new products are generated from, and they often socialize with fellow innovators. Furthermore, Innovators are comfortable with the risks that they take on by purchasing products in early stages. They fully understand that some products may not deliver the benefits that were expected and they might risk failing to appeal to the mass market. (Rogers, 2010)

The second group of product purchasers for innovations are *Early Adopters* (Rogers, 2010). The Early Adopters tend to be the most influential group in any market space and will often have some sort of 'leadership' when it comes to potential adopters. Early Adopters are often active social media users and create reviews around the products they like or dislike. They are characterized as having high social status, financial stability, high level of education and a reasonable approach to risk. They do however not take on as much risk as Innovators and tend to make more thorough and reasoned decisions to their involvement in a particular innovation. They will seek for more information in their decision making process than Innovators would. (Rogers, 2010)

When an innovation begins to reach the mainstream market, the next group of adopters are the *Early Majority* (Rogers, 2010). This group is much more risk averse and wants to be sure that their resources are spent wisely. They are characterized as having more limited resources, however are still above average when it comes to social status. They will often seek the opinions of 'leaders' and then use their opinions in creating their own opinions. (Rogers, 2010)

The *Late Majority* is a much more skeptical group compared to the earlier groups of adopters (Rogers, 2010). They have a tendency to only invest in tried and tested solutions and are highly risk averse. This group has less resources, lower social status and rely less on 'leaders' and their opinions. (Rogers, 2010)

The last adopter group is *Laggards* who value traditional methods of doing things and are highly risk averse as well as change averse (Rogers, 2010). Laggards are often characterized as having a lower socio-economic status and rely on their own, or their social environment, judgements and opinions. Many of the Laggards are considered to be Baby Boomers and Generation X and have less knowledge of technology than younger generations. Thereby, Laggards may still have a mid-level socio-economic status. (Rogers, 2010)

#### **2.3 VALUE PROPOSITION**

Value is an important phenomenon within the field of marketing and is a way for firms to argue for why their products and services can create value for customers (Payne et al., 2020). Based upon extant literature, a value proposition can be explained as a statement from firms where they identify a clear message to their customers of why they should do business with the company and why the business' products or services creates value (Eggert et al., 2018; Lanning & Michaels, 1988; Payne, Frow & Eggert, 2017; Payne et al., 2020; Rintamäki, Kuusela & Mitronen, 2007). More specifically, Payne et al (2020) defined value propositions as *"a strategic tool facilitating communication of an organization's ability to share resources and offer a superior value package to targeted customers*" (p. 245), whereas Osterwalder et al (2014) also explain value proposition is a firm's promise to deliver both value and benefits to their customers through products or services in terms of quality, price, performance and convenience.

Based upon extant research, Payne et al. (2020) found that the value proposition is rather a three-step approach where businesses firstly should choose the value that they want to portray with the offer, then provide the value through i.e a product, and then finally communicate the value to the customers, which could be done through different types of marketing practices. He called this the value delivery system. See Figure 2 below.

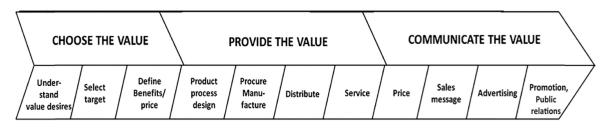


Figure 2. The value delivery system (Payne et al., 2020).

Payne et al (2017) thus means that the value proposition consists of two perspectives, value-in-exchange and value-in-use. In the value-in-exchange stage, value is created when a business assumes a product to be embedded with value. However, when businesses take an interest in customers' experiences in the purchasing and use of the product, it refers to the value-in-use stage. In the latter, businesses and customers share equal understanding of the value and benefits. The value-in-use favourable is also argued to be more favourable (Payne et al., 2017)

What Baumann, Le Meunier-Fitzhugh & Wilson (2017) have come to pass, is that communicating value to customers and how it is delivered is yet undoubtedly challenging for businesses. Rather, they mean that "organization cannot unilaterally deliver goods or services embedded with value, but that it can only provide customers with resources that have value potential (i.e. value propositions)" (p. 107). Therefore, they claim that businesses cannot for sure argue that their products and services will provide actual value until they are experienced by individuals. Another challenge Baumann et al (2017) stated, is the fact that businesses perceive value propositions as merely created for advertisements purposes and hence ignoring the fact that it should be mutually developed between businesses and customers. Murray & Ireland (2017) builds upon that by claiming that value propositions were traditionally explained to be something that is delivered but should instead be seen as something that is co-created with the consumers. This, in order for the value to be mutually beneficial for both the business and customers facets are operated conjointly.

However, Khan & Bohnsack (2020) state that "there is a need to understand how the technical inputs of a technology should be combined with a value proposition as a bundle of attributes to be attractive to a customer" (p.3). Meaning, they claim that firms should not underestimate that value propositions can increase how attractive a technology could turn out, through different types of performance attributes. It is when the customers benefit from these performance

attributes that customer value is created. The benefits can be in terms of i.e safety, feel or comfort. (Khan & Bohnsack, 2020) Khan & Bohnsack (2020) however mean that there is a current lack in the relationship between value proposition, technology and the customers.

#### **2.4 DIGITAL MARKETING**

Digital marketing as a phenomena is largely discussed in modern research as proven to be a powerful marketing tool for producers to use when reaching certain organisational goals (Denic, Radevic & Siljkovic, 2018; Karjaluoto et al., 2015; Zahay, 2021). Digital marketing is explained to be advertisements communicated through digital channels with the aim to create and build brand awareness meanwhile enhancing and acquiring new customers that in turn could generate sales (Denic et al., 2018; Järvinen et al., 2012; Zahay, 2021). Discussed in literature is however that reaching customers successfully through digital marketing is not always easy but rather questionable (Karjaluoto et al., 2015). Sahut et al (2020) corresponds to this by claiming that the increase of digital devices and the internet has undoubtedly changed customer expectations, preferences and behaviours intensively. In which Sahut et al (2020) argue that for organizations to stand out in the digital mass becomes important when winning over customers. Also, in line with increased consumer expectations, demands are shifting from traditional to more experiential behaviours, which could also be challenging for firms to grasp (Bäckström & Johansson, 2017; Denic et al, 2018).

However, as digital marketing has been given more attention among firms, competition has increased (Karjaluoto et al., 2015; Zahay, 2021). Explained by Zahay (2021), digital marketing is about marketers realizing that they must obtain information from customers and engage with them in a meaningful way. More specifically, Zahay (2021) means that digital marketing is about learning, creating and delivering value, which marketers should take into account when making decisions on best-ways of communicating to their customers. Based upon literature, it is argued that digital marketing consists of different ways of how businesses can engage in order to achieve increased overall performance. Even though there are several different types of digital marketing practices, the researchers of this study solely focused upon four different practices – social media marketing, content marketing, influencer marketing and search engine advertising. According to the researchers of this study, these four digital marketing practices are seen to be the most dominant in literature and practice, hence these will be studied.

#### 2.4.1 THE USE OF SOCIAL MEDIA MARKETING

One effective way of utilizing digital marketing is through the great power of social media (Kietzmann et al., 2011). Social media marketing is explained as any type of digital tool that enables individuals to create and share content on social media platforms for the public to see (Silva et al 2020). Silva et al (2020) claims that businesses are more commonly using social media as a way of marketing themselves as a brand on social networking sites through having their own brand accounts on for instance Facebook, Instagram, LinkedIn and Youtube. These platforms are also discussed to be the most powerful social media platforms since they are all

influential in possessing an extreme amount of users that interact with brands (Cimmino & Forbes Agency Council, 2020; Çizmeci, 2015; Dwivedi et al., 2018; Ismail, Nguyen & Melewar, 2018; Olenski, 2018). Further, Lin & Kim (2016) explain that as people more commonly use online social networks as an everyday practice, it has contributed to firms engaging with content and advertisements in highly advantageous ways, in such environments. Rather, Keitzmann et al (2011) claim that social media marketing is rapidly growing among firms who want to engage in digital marketing.

Within social media marketing, De Veirman & Hudders (2020) mean that social media marketing also includes organisations to invest in sponsored advertisements on social networking sites, such as paid ads that will be visible and pop up when individuals scroll through their social media news feeds without interrupting their social media experiences. Kietzmann et al (2011) however means that social media marketing can positively affect the firm's overall performance in terms of reputation, sales and survival. Thereby, within the research field of digital marketing, it has not overcrossed anyone that firms engaging in social media is not only a powerful marketing practice, but rather a vital strategy for organisational survival and growth in the modern business market (Chu & Seock, 2020; Hanna, Rohm & Crittenden, 2011; Hennig-Thurau, Hofacker & Bloching, 2013; Killian & Mcmanus, 2015; Kupfer et al., 2018; Tiago & Veríssimo, 2014). Correspondingly, Godey et al (2016) also found that social media marketing efforts can influence brand preferences that could help generate sales. However, challenges for businesses engaging in social media marketing could arise due to the fact that it is considered difficult for businesses to stand out in the digital mass (Sahut et al., 2020). As digitalization has increased, more companies are engaging online which therefore makes it even more difficult for companies to be seen (ibid).

Already in 2010, Hennig-Thurau et al (2010) claimed that the emergence of social media has undoubtedly changed how people are communicating and interacting with brands. Hanna et al (2011) also report that social media "expands marketing's ability to move consumers from awareness to engagement, consideration, loyalty, and advocacy" (p. 268). It is also argued by Tiago & Veríssimo (2014) that companies must use social media as an information channel where they can bond with customers and in turn, increase sales. Strengthened by Killian and Mcmanus (2015), successful marketers are the ones who are able to utilize social media in a way that the channel is not only adding content for people to see but also content that makes the channel adding value to customers. Lin & Kim (2016) however mean that the likelihood for people to purchase products that are advertised on social media platforms such as Facebook are relatively low. Although, this still contradicts research claiming the power and influence social media has on people in regards to brand awareness, which in turn could have a positive impact on overall organizational performance, such as generating sales. Also, Lin & Kim (2016) still claim that social media marketing is currently in its early stage of the development process which accounts for the need for more research on social media marketing and what challenges that can occur due to the large increase of businesses moving online.

#### 2.4.2 THE USE OF CONTENT MARKETING

When discussing the way digital marketing should be utilized, content marketing becomes a relevant phenomenon. Research within digital marketing suggests content marketing to be a well used method of marketing strategies aiming to create, develop and distribute relevant content in order to attract and maintain customers that in turn can provide enterprises with increased overall performance in terms of sales (Pažėraitė & Repovienė, 2018; Poradova, 2020; Pulizzi, 2013). For instance, Poradova (2020) argues content marketing to be a marketing practice that has gained more popularity over the last years due to the rise of the Internet and technological advancements. Additionally, Mansour & Barandas (2017) mean that content marketing is an online marketing practice that "earns customers' attention through interesting and interactive content, which enhances a company's online findability" (p. 299). Content marketing can be generated and communicated through several forms such as photos, posts, videos or articles and among several characteristics, it should bring a sense of value creation, uniqueness, informativeness or emotions (Pažėraitė & Repovienė, 2018). Mansour & Barandas (2017) state that "Developments in marketing have enabled new ways of doing business, new logic of the firm and new ways to create value" (p. 297). They mean that the emergence of the Internet has undoubtedly brought attention to new types of marketing practices, such as content marketing.

Further in literature however, some challenges with content marketing have been brought attention among researchers that organisations should take into account. Firstly, Porodova (2020) claims content marketing to be relatively time consuming and somewhat complex where expertise is often required. For instance, content marketing is generally seen as a long-term strategy where results can be achieved from months to even years (Poradova, 2020). Rather, Porodova (2020) states that "When creating a content marketing strategy, we must not forget the main fact and the fact that strategy creation is not a short-term business and content marketing needs to be taken care of continuously" (p. 7). Also argued by Poradova (2020), "Another key challenge in the case of consumer interests, increasing the range of tags necessary to accurately capture the content collection" (p. 2). Killian & Mcmanus (2015) further mean that it is therefore more important than ever for marketers to not only create content, but to create content that provides the channel with value to customers, rather than how and in what way content is utilized in order to attract customers.

Another challenge with content marketing is the risk for content overload. For instance, Cutler (2004) and Dogruel (2019) touch upon that there is a fine line between what is enough content for consumers to come across. Too much advertisement can sometimes have an opposite effect and instead annoy customers rather than attract. (ibid) Also discussed by Pažėraitė & Repovienė (2018), enterprises should yet treat content marketing differently towards communication channels depending on the situation, which can be somewhat difficult for enterprises to distinguish – more precisely, what type of content to use and to whom. Therefore, as explained by Pažėraitė & Repovienė (2018), businesses that take the usage of content marketing as a

digital marketing practice in a way that delivers value to the consumers are expected to obtain revenues in turn.

Even though content marketing is thus claimed to be somewhat challenging, it is still considered relevant and how the content is communicated is yet interpreted to be more important than ever. More specifically, content marketing as a concept is explained to assume that for those enterprises that deliver valuable information to individuals, the enterprise can thus expect to obtain a positive customer response (Pažėraitė & Repovienė, 2018). Arguably, Pažėraitė & Repovienė (2018) claim content marketing to be an advantageous marketing tool giving positive response to several communication activities and could contribute to an overall business success.

#### 2.4.3 THE USE OF INFLUENCER MARKETING

When discussing digital marketing practices on social media, influencer marketing is a phenomena constantly brought up in literature. 'Influencers' as a single concept has been established for decades where opinion leaders have the ability to influence a larger group of people (Bernays, 1952). Even Rogers (2010) discusses opinion leaders as members of the social system where they, as the center of interpersonal networks, have the ability to influence other people. 'Influencer marketing' however is a relatively recently developed subject that has given much attention among academic researchers, yet dominating the marketing field of studies as one of the most powerful marketing practices (Childers, Lemon & Hoy, 2019; Ki et al., 2020; Sammis, Lincoln & Pomponi, 2016). In literature, Stubb, Nyström & Colliander (2019) explain influencer marketing as when social media influencers (SMIs) do paid collaborations with brands by creating content on their different social media platforms, such as Youtube or Instagram, with product recommendations and in turn receiving compensation from the brand. Social media influencers have a high influence on others as they possess a large number of followers which leads to more people coming across the brand simultaneously as moving them further into the purchasing process (Childers et al., 2019).

Additionally, Childers et al (2019) mean that customers are increasingly engaging in social media and using the large networks available online as a way of searching for information about brands' products or services and yet its credibility. Stubb et al (2019) discuss the relationship between the firm and influencer as that "[...] an SMI is contingent on their ability to satisfy and grow their follower base. Companies, on the other hand, seek to receive increased sales and positive brand attitude from collaborating with SMIs. At the heart of influencer marketing is, therefore, an ability to balance the needs of the SMI, the brand sponsor, and the followers" (p. 110). The rise of influencer marketing has therefore contributed with brands going beyond traditional marketing and instead using well-known influencers as a major marketing strategy superior over other types of marketing practices. (Sammis et al., 2016)

Childers et al (2019) explain that individuals have a tendency to trust and listen to SMIs more than if a brand would market on their own, which again highly corresponds to the importance for brands to involve with influencers. This also goes in line with what Araujo (2019) advocates in which opinion leaders, or influencers, have the ability to deliver a message to the customers that is firstly derived from a firm. As customers have a tendency to listen and trust opinion leaders before making a purchase, firms should not underestimate the powerful strategy to allow opinion leaders to pass along a desired message for the customers, in order for them to create an attitude towards the brand in question (Araujo, 2019). Khan (2020), however, discussed that influencers have to maintain trust, quality and credibility since if the customer does not perceive them as trustworthy, qualitative and credible it will not be beneficial for the company, influencer or customers.

Conway (2019) discussed that a difficulty with influencer marketing is that it does not, in its current form, offer any reliable measurements of success. He means that it is hard for firms to know if influencer marketing is used for the right purpose and it may be hard to fit it in with the overall strategy. Conway (2019) also discussed that choosing an influencer requires a lot of focus on that there is a clear synergy between your brand and business. Since an influencer becomes a representative of one's brand, they are a part of the mission and perception of the company, it could possibly be a perfect match or a misplaced marketing investment. Conway (2019) also stated that another issue with influencer marketing is time-sensitivity. He meant that in order for influencer marketing to be successful the company has to consider the current social environment where one places the product and influencer. Furthermore, Conway (2019) stated that many success stories of influencer marketing entails low product investment and high marketing expenditure.

#### 2.4.4 THE USE OF SEM/SEO

The rise of digitalization has not only moved businesses to engage more in digital marketing practices to be closer to customers, rather digitalization has also created new ways for businesses to become more visible on the Internet through the use of search engine marketing, such as search engine marketing (SEM) and search engine optimization (SEO) (Berman & Katona, 2013; Yang & Ghose, 2010). Scott (2010) and Berman & Katona (2013) explains SEM as a digital marketing strategy where businesses can pay for having their link to a website at the top at search engines such as Google and Yahoo! in order for individuals to come across a fims' website directly when doing a search. Search engines include somewhat unlimited amounts of websites, which subsequently presses the need for firm's to engage in SEM in order for the firm's website to be visible directly to the individual and for the website to stand out in the digital mass of websites. (Scott, 2010) Yang & Ghose (2010) therefore corresponds by claiming SEM to be an efficient digital marketing practice with sponsored search advertisements that provides firms with increased visibility that could further benefit firm's with more traffic to their website. SEM is also a form of marketing that does not rely on the interruption technique (Scott, 2010). Meaning, the purpose with SEM, compared to other types of marketing, is information that a consumer happens upon in their effort to search for a particular keyword or

phrase, simply put something that the consumer actually wants to see. Therefore, SEM is when firms are paying for their advertisements to appear in the search engine when a user types a specific phrase. Based on factors such as how much the organization is willing to pay for each person who clicks on their ads and the ads click-through rate. (Scott, 2010)

SEO on the other hand, is a marketing strategy where firms optimize their sites in a way that allows their links to websites to be ranked higher in search engines (Blazheska et al., 2020). SEO differentiates from SEM in where SEO operates on the organic search engines whereas SEM operates on the paid search engines (Blazheska et al., 2020). Argued by Berman & Katona (2013), SEO is rather a strategy where companies can promote their sites to be ranked higher on the search engine based on keywords used by individuals, which in turn could also be highly beneficial for companies. Thereby, SEO is when firms are optimizing their sites in a way that it can become more expressive when individuals are doing their search (Blazheska et al., 2020). SEO systems entail two main concepts - off-page optimization and on-page optimization (Bhandari & Bansal, 2018). Off-page optimization involves creating connections on external websites and hence increasing one's domain-level and page-level authentication. On-page optimization instead creates the advancements of website pages through using keywords and phrases in titles, snippets or URLs. (Bhandari & Bansal, 2018) Important for marketers is therefore to make sure that the keywords and phrases on their channels are commonly used by individuals when doing their search on the search engines (Scott, 2010). Sharma et al (2018) means that the keywords used by individuals can thus be crawled by search engine result pages (SERPs) that are the search engines response to an individual's search. These SERPS thereby respond to organic, but also paid advertisements, on the search engine (Sharma et al., 2018). Furthermore, Pan (2015) further assumes that "[...] users will most likely view and click on the results at the top of the SERP. Thus, providing most relevant results at the top helps users save cognitive effort, provides a smoother search experience, and increases search engine brand loyalty" (p. 80). Also, there have been reviews that have stated that consumers click on the sites that are presented on the first page of results and that consumers do not view sites that are further than the third page on the search engine results (Bhandari & Bansal, 2018).

## 3 METHODOLOGY

This study undertook an explorative research approach. Furthermore, the design of the research was a single case study with a qualitative nature. The data collection contains two sections both entailing the collection of primary data. The first section was collected through semi-structured interviews from the case company and the second section was collected through semi-structured interviews with potential customers. The literature review was done through the collection of secondary data where the process of gathering the articles will be described in this chapter.

#### **3.1 RESEARCH APPROACH**

The objective with this study was to explore the challenges when diffusing innovative products through digital marketing. In order to achieve the objective, the researchers of this study undertook an exploratory purpose where this study aimed to put existing theory in an unexplored context. As advocated by Saunders, Lewis & Thornhill (2016), the choice for research approach depends on the nature of the study and substantially its relation to theory. This research aimed to explore a new phenomenon based upon extant knowledge in a specific theoretical field. Additionally, in order to reach the research goal, this study was to understand people's opinions regarding the phenomenon, which led this study to be of a qualitative research nature. Having a study of qualitative nature was considered suitable as Bell, Bryman & Harley (2018) implicitly claim qualitative research approaches to be supportive when research seeking deeper understanding of underlying reasons, patterns and motives based upon people's behaviour in terms of words and meanings. Argued by Bell et al (2018), a qualitative research approach is relatively unstructured and flexible that further requires deeper analysis such as from coding of text from a rather small number of respondents. Therefore, collecting qualitative data of behaviours in terms of values, beliefs or experiences of the group of people the researcher investigates was thus of interest. This, since it provided in-depth information that in turn could support the researchers to better understand the phenomenon previously unexplored.

#### **3.2 RESEARCH DESIGN**

This study was built upon a case study to get a better understanding of the research phenomenon in question. According to Bell et al (2018), a case study emphasizes research with a detailed analysis of one single case that in turn could be supportive towards reaching the phenomena under investigation. A case study is also argued by Yin (2009) to be advantageous when striving to extend and generate new knowledge and thus do theory building, which was the case in this study. Case study design differs from other research in that it is bound to a specific situation or system and it often lays in an intense examination of the particular setting of the situation or system (Bell et al., 2018). The researchers in this study thus considered a case study suitable due to it providing more insight in how the phenomena is currently

experienced in reality. For this study, the case took place in a specific industry and the specific case was interesting for the researchers since it helped identify the challenges companies face when diffusing innovative products through digital marketing. Rather, the researchers of this study interpreted that by including an actual business case it could thus support and strengthen final arguments and provide more valuable arguments that could be applicable in literature as well as in actual business practice. This, for both current purposes as well as for future activities. However, criticism towards single case studies is to be found. For instance, Yin (2009) means that conducting case studies are not argued to be suitable when aiming to generalize scientific findings. This, since case studies are itself an analytical investigation approach rather than statistical investigation approach (Yin, 2009). Also, Yin (2009) means that single case studies do not necessarily give equal as robust knowledge as if including multiple case studies within the same research field. This, since multiple case studies could give researchers the ability to analyse and do comparisons between cases that could bring out more knowledge with more valid results (Yin, 2009). However, this study aimed at identifying challenges when diffusing innovative products through digital marketing and hence a single case study was deemed suitable. This study's specific single case company chosen was Poseidon Diving Systems (PDS). Reason behind choosing PDS as a case study was mainly due to them offering innovative products and that they are currently utilizing digital marketing practices. Furthermore, PDS is currently lagging behind in diffusion of product innovations hence identifying the challenges they face when using digital marketing for diffusing their innovative products became interesting for the researchers of this study. Thereby, finding the major challenges when diffusing innovative products through digital marketing with PDS as a single case study fit with the research aim for this study.

#### **3.3 DATA COLLECTION INSTRUMENT**

This study used primary data sources to achieve the research objective of this study by obtaining knowledge of the challenges when diffusing innovative products through digital marketing. This study was interested in investigating two different perspectives, the business perspective and the potential customer perspective. The business perspective was gathered from the senders of the communication, which are employees at PDS. The potential customer perspective was gathered from the receivers of the communication, in which are potential customers of PDS. Therefore, the primary data was collected in the form of interviews with both employees of PDS and potential customers of PDS. This way, the researchers could obtain a better understanding of the sender's perspective of innovative products and its communication versus the receivers perspective. Further, interviews were conducted as the primary data collection method for this research as it holds a study with an exploratory purpose of qualitative nature, seeking knowledge in people's opinions. Also when conducting a research of a qualitative nature, interviews are seen as the most common method (Simmons-Mackie & Lynch, 2013). Primary data is thus referred to data gathered for the specific research in question (Bell et al., 2018; Saunders et al., 2016). Supported by Bell et al (2018), executing interviews allow researchers to obtain more in-depth information from respondents by asking follow-up questions that in turn could be of interest for further investigation when doing data analysis

such as coding. Also strengthened and argued by Bell et al (2018) is that interviews are seen as advantageous when researchers aim to explore new subjects with little knowledge, which thus made it suitable for this study to conduct interviews as the objective was to research an unexplored phenomenon. However, argued by Bell et al (2018), there are several other primary data collection methods available. Yet, as strengthened by Brinkmann & Kvale (2014), interviews are seen as the most powerful way of gaining in-depth information of people's understanding and experiences when conducting a phenomenological research. Also, as this study aspired to understand how individuals interpretations of innovative products and its communication through digital marketing – a suitable approach to reach such understanding is according to Bell et al (2018) both possible and advantageous through conducting interviews, and thus interviews were executed.

#### 3.3.1 SEMI-STRUCTURED INTERVIEWS

The choice of having semi-structured interviews was decided due to the overall objective with this study. As this study undertook a qualitative research approach rather flexible with the aim to investigate an unexplored phenomena, this correlates with what Saunders et al (2016) mean with having semi-structured interviews. Saunders et al (2016) explain semi-structured interviews as an interview approach by asking fewer questions that could create better opportunities for the respondents to share more in-depth detailed opinions and beliefs towards a specific research topic. However, Bell et al (2018) corresponds by claiming that when conducting semi-structured interviews it is still of importance to have some structure of questions asked in order to not go beyond the main focus of the interview. By this, Saunders et al (2016) further mean that it could hence provide researchers with more valuable information compared to interviews of a more structured and strict approach. Thereby, semi-structured interviews were conducted in order for the respondents to have the possibility to freely answer a smaller set of questions with no influence from others. In this study, the researchers were simultaneously asking questions while trying to be as objective as possible. To have in mind with semi-structured interviews is that such an approach can be relatively time consuming (Bell et al., 2018; Saunders et al., 2016). For instance, Bell et al (2018) mean that such a data collection method requires both planning, execution and detailed analysis of interviews in order to be able to understand underlying reasons regarding the phenomena in question. Saunders et al (2016) also explain that the information gathered from the respondents should be further analysed and put into patterns or themes, which also could be time consuming. Although, both Bell et al (2018) and Saunders et al (2016) mean that semi-structured interviews can still benefit researchers when striving to fulfil unexplored research gaps. Thereby, even though this approach is seen as relatively time consuming, having semi-structured interviews as a data collection method was still considered suitable, since the interviews provided the researchers of this study with valuable information gathered from the respondents. The researchers of this study had a preliminary timeplan beforehand with room for flexibility if unexpected changes were to happen.

See Table 1 below for the operationalization outline of the semi-structured interviews derived from theoretical concepts used in this study. The operational definitions are the foundation that helped the researchers of this study to investigate the phenomenon and subsequently helped to answer the research question of this study. Based on the operationalization, two seperate interview guides were made as two different interview groups were used for data collection. See Appendix 1 and Appendix 2 for the full interview guides.

THEORETICAL CONCEPT	SUBCONCEPT	DEFINITION OF CONCEPT	MEASUREMENTS OF SUBCONCEPTS	OPERATIONAL DEFINITION
Communication		"Communication is explained as exchange of information between senders and receivers, where messages are conveyed" (Araujo, 2019)	Information exchange Message	To understand how information exchange and what messages that are conveyed and understood through communication
Diffusion of innovation		"The process by which an innovation is communicated through certain channels over time among the members of a social system" (Rogers, 2010 p. 5).	Innovation communication Adoption of innovation	To understand how innovations are currently diffused and how adopting customers are towards innovations
Value Proposition		"Value proposition is a firm's promise to deliver both value and benefits to their customers through products or services in terms of quality, price, performance and convenience (Osterwalder et al. 2014)"	Value Unique selling point	To understand sent value versus obtained value.
Digital marketing	Social Media Marketing	"Social media marketing is explained as any type of digital tool that enables individuals to create and share content on social media platforms for the public to see (Silva et al., 2020)"	Platforms Interaction	To understand how interactions on different digital platforms are conveyed and understood through social media marketing.
	Content Marketing	"Mansour & Barandas (2017) mean that content marketing is an online marketing practice that 'earns customers attention through interesting and interactive content, which enhances a company's online findability'" (p. 299)."	Value creation Uniqueness Informativeness Emotions	To understand how value, uniqueness, informativeness and emotions is conveyed and understood through content marketing
	Influencer Marketing	"In literature, Stubb et al (2019) explain influencer marketing as when social media influencers (SMIs) do paid collaborations with brands by creating content on their different social media platforms such as Youtube or Instagram with product recommendations and in turn receiving compensation from the brand."	Collaborations Recommendations Trust Awareness	To understand how influencers are conveyed and understood through influencer marketing
	SEM/SEO	"Scott (2010) explains SEM as a digital marketing strategy where businesses can pay for having their link to a website at the top of the search engine." & "SEO on the other hand, is a strategy where advertisers can promote their sites and be ranked higher on the search engine based on keywords used by individuals, which in turn could also be highly beneficial for companies (Berman & Katona, 2013)."	Visibility Information seeking Time Effort	To understand how visibility, information, time and effort is conveyed and understood through SEM and SEO.

Table 1. Operationalization of data collection instrument

#### **3.3.2 EXECUTION OF INTERVIEWS**

The interviews with employees of PDS were mainly executed through face-to-face interviews at their headquarters near Gothenburg, Sweden. This gave the researchers and the employees interviewed the opportunity to discuss more in-depth in an environment where both parties felt comfortable. As argued by Sauders et al (2016), face-to-face interviews are considered valuable as it is of greater possibility for the respondents to feel trust for the interviewer which can provide more interesting discussions. Bell et al (2018) also corresponds by claiming that the environment interviews are held in could have an affect on the level of trust respondents feel towards the interviewers in which makes the choice of place to be taken into consideration. As for this study, the researchers were spending most of their research process at the headquarters of PDS, which also made it more convenient to conduct the interviews at their office. Although, due to some of the employees of PDS working remotely, some of the interviews with PDS had to be digitally executed through Zoom. Furthermore, most of the interviews with the potential customers were executed digitally as it was of more convenience in terms of location, but also a safety measure due to Covid-19.

All interviews began with the researchers advocating the ethical considerations in terms of integrity, and an explanation in how their data would be used. As this study aimed at understanding people's opinions and understandings, it was vital for the researchers of this study to not harm the respondents in any way. Also, as this study included interviews with employees at PDS, the researchers especially ensured that their integrity and information provided were approved by them to be used in study. This, in order to not make any harm for themselves as employees representing a company nor for the business itself. The researchers of this study also ensured that all respondents in the interviews approved the interview to be recorded and explained that the recordings were solely used by the researchers for transcription. The transcription of interviews were confidential and hence they will not be attached in the study.

The respondents in all interviews were introduced to the subject and an overall brief explanation of how the interview would be conducted was delivered. Thenceforth the researchers of this study began with somewhat general questions towards diving in order for the researchers to obtain a better understanding of how their current perceptions and experiences are in diving that could be of value as the interview went on. When obtaining a brief understanding of both employees and customers' perception and experiences in diving, the researchers of this study went further through the help of the interview guide. Although, as this study undertook a semi-structured research nature, the researchers were to ask follow-up questions in order to obtain more knowledge to fully understand their original meanings. The researchers of this study also presented eight posts of PDS Instagram to the potential customers, that were decided by the researchers beforehand. The aim was to obtain a better understanding of their feelings, thoughts and attitude towards how content is communicated. More specifically, their interpretations of messages sent by PDS. In this way, the researchers of this paper could obtain a better understanding of what PDS is communicating, how they perceive their own communication, and through these posts, how this communication is interpreted among the potential customers. The researchers showed four posts of pictures with the rebreather, and four pictures with the regulator. The pictures were presented in a decided order made by the researchers which was categorized in different levels. The levels were in terms of level of view of product, level of diver or no diver, level of experience of diving and level of presentation of the products in text. Having in mind, these interpretations were made by the researchers at gave a better understanding of people's feelings, opinions and behaviour towards digital marketing which was the purpose with this qualitative research.

As the interviews were being recorded, both researchers of this study could pay their full attention in listening carefully to the respondents' chosen words and meanings. The questions asked from which the researchers were decided beforehand. The length of the interviews varied but they were between 30-150 minutes. The reason behind the difference in length mostly depended on the employees knowledge in sales and marketing, as well as the potential customers general knowledge in innovative diving products. The interviews were held between the 13th of April 2021 and the 26th of April 2021 where each interview was transcripted directly after the interviews were held in order to not forget any specific interpretations, meanings or observations of their body language. After executing the interviews, the researchers gave the respondents appreciation for participating and gave room for possible questions.

#### 3.3.3 SAMPLING

Due to this study having its focus within the diving equipment industry, some criterias had to be met in the sample selection. Meaning, in order to better understand the research phenomena, respondents were to have some amount of knowledge within diving, due to the context of this study, in order for them to be considered appropriate candidates. The respondents also had to have experience in using social media platforms as this study investigated digital marketing. Thereby, this study undertook a non-probability method with a purposive sampling where the respondents were selected due their knowledge in diving, diving equipment and the industry as well as experience in social media platforms. In such a sampling method, Bell et al (2018) means that researchers have the ability to decide already beforehand who to include in the study and what the criterias are. Seemingly, the sample for this study was not randomly selected but rather selected based on the respondents knowledge and relationship within the diving equipment industry. Although, when sampling employees to interview were given

to the researchers by the CFO of PDS. Also, when sampling the potential customers, some degree of snowballing was utilized. This, since the researchers got support from other divers in their own network in order to reach other respondents that dive, which corresponds to what Bell et al (2018) means with snowball sampling. To have in mind doing purposive sampling however is that the results can turn out somewhat biased due to the sample not being representative of the whole population (Bell et al., 2018; Saunders et al., 2016). Although, having a purposive sampling was still an appropriate method due to that certain amount of knowledge of the respondents were needed in order to reach the objective of this study.

Furthermore, the amount of respondents included in the interviews for this study was primarily based upon Bell et al (2018) suggestions when having a study of a qualitative research nature. Rather, Bell et al (2018) mean that the sample size of a qualitative study should be relatively small with a minimum of six interviews and a maximum of 12 interviews. To strengthen the decision of sample size selection, Boddy (2016) also claims qualitative research approaches should include a smaller sample size and that saturation is most likely to become evident when conducted between six to 12 interviews. However, the decision of the exact number of respondents depends on when enough information is gathered and when saturation is reached where no new information was being found (Bell et al., 2018). As for this study, saturation was reached when six interviews were conducted from PDS and when six interviews were conducted one extra interview from each group after saturation, in order to be fully ensured that no new information was to be found.

#### 3.3.3.1 SPECIFICATION OF SAMPLE FRAME OF PDS

The first group to interview were employees from PDS to obtain an understanding of the senders perspective. The interviews with employees at PDS gave the researchers of this study a better insight of what they are currently communicating, how they are communicating and how they interpret the value proposition of PDS products. This gave a more robust understanding of the business perception PDS has on their innovative products in which the researcher of this study believed was of importance when identifying the major challenges when diffusing innovative products through digital marketing.

The researchers of this study got support from the CFO of PDS to get in contact with respondents from PDS who have some level of insight and interest in the company. Having in mind, obtaining respondents mainly from the CFO and utilizing a convenience sampling could have some bias. To avoid such bias as much as possible, the researchers of this study ensured that the given respondents from the CFO still were relevant for this study, by making sure they met the sampling criteria. The criteria for this sampling was that the representatives had to be an employee, former employee or consultant at PDS in order to obtain as valid results as possible. As PDS is a small company, they do not have a seperate marketing department and hence the whole organization becomes knowledgeable in their marketing efforts. Furthermore, since a lot of the sales and marketing goes through dealers and distributors they are also

valuable sources for information from PDS. Therefore, it was relevant to interview several employees, from both sales, R&D, consultants in the organization and a dealer of Poseidon products in order to get a better insight in their understanding of PDS innovative products and their marketing practices. Table 2 below describes a presentation of the interviewees who participated in the research study. The respondents' names are excluded in order to protect their anonymity.

RESPONDENT	POSITION OF PDS	DATE	LENGTH OF INTERVIEWS	FORM	QUALIFIED RESEARCH CRITERIA
X1	Consultant	2021-04-13	60 min	Face-to-face	Yes
X2	R&D Engineer	2021-04-14	50 min	Face-to-face	Yes
Х3	Consultant	2021-04-14	40 min	Face-to-face	Yes
X4	Dealer for PDS	2021-04-19	30 min	Zoom	Yes
X5	Sales Manager and Instructor Trainer	2021-04-20	120 min	Face-to-face	Yes
X6	Board Member and Former Head of Sales	20201-04-21	60 min	Zoom	Yes
X7	Sales Manager	2021-04-26	150 min	Zoom	Yes

Table 2. Summarized table of representatives of interviews of PDS

#### 3.3.3.2 SPECIFICATION OF SAMPLE FRAME OF POTENTIAL CUSTOMERS

The second group to interview were potential customers of PDS in order to obtain an understanding of the receivers perspective. To obtain an understanding of customers' perspective was interesting when investigating the research phenomenon of this study in how they perceived the communication derived from PDS, their perception of PDS innovative products and how they understood the value proposition of PDS. The choice for gathering data from potential customers was due to them not yet having built a relationship with PDS innovative products and hence, the researchers of this study could more robustly identify challenges for diffusing innovation through digital marketing without being biased from already existing customers. This thus gave the researchers of this study an understanding of PDS from the potential customers perspective which helped identify the major challenges when diffusing innovative products through digital marketing.

The researchers of this study got some support from the CFO to get in contact with potential customers of PDS due to their large network in the diving industry. The researchers used snowballing through asking their own network within diving to further reach other potential customers through this network. The criteria for a potential customer was that the representative had to have obtained a diving certification, had an interest in diving and have experience in using social media platforms. Table 3 below describes the respondents who participated in the research study for this part. The respondents' names are excluded in order to protect their anonymity.

RESPONDENT	TYPE OF DIVER	DATE	LENGTH OF INTERVIEWS	FORM	QUALIFIED RESEARCH CRITERIA
Y1	Manager Dive Center	2021-04-14	80 min	Face-to-face	Yes
Y2	Military Diver	2021-04-14	50 min	Zoom	Yes
Y3	Dive Master	2021-04-15	80 min	Zoom	Yes
Y4	Dive Master	2021-04-15	90 min	Zoom	Yes
Y5	Assistant Instructor –Hypoxic Trimix	2021-04-15	40 min	Zoom	Yes
Y6	Dive Instructor – Hypoxic Trimix	2021-04-15	70 min	Zoom	Yes
Y7	Cave Diver	2021-04-16	90 min	Zoom	Yes

Table 3. Summarized table of representatives of interviews of customers

#### 3.3.4 SECONDARY DATA COLLECTION

In order for the researchers to understand the phenomenon of this study better, a systematic literature review was done. A systematic review helps to summarize existing literature on a topic (Bell et al., 2018), which was then supportive for the researchers of this study to further be able to explore the research phenomenon in question. Secondary data was hence collected in order for the researchers to develop the literature review for this study. A systematic literature review further helps to better understand previous studies and topics that have been previously investigated by other researchers, and is an easy way to review already existing information on the topic (Bell et al., 2018). The articles included in this study were mainly discussing communication, diffusion of innovation, value proposition and digital marketing in order to help answer the research question. However these phenomena were studied separately due to the gap in literature of them conjoined. Extant research regarding digital marketing and diffusion are extensive in literature studied from several perspectives. Through the review of digital marketing, it could be seen that the most dominant practices were social media marketing, content marketing, influencer marketing and SEO/SEM. These were the practices investigated throughout this study. However only information that was of importance for this study was included. Thereby this study did not necessarily cover all perspectives towards the two phenomenons but merely the information relevant for this study. To have in mind however, this study undertook an exploratory purpose which led the researchers to have an open mind when conducting the literature review. Thereby, in the beginning of the research there were not any particular inclusion criteria since the researcher did not want to exclude topics and articles which could be of importance when getting deeper into the topic of investigation. The only initial exclusion criteria was to not further research articles where the context could not be connected to this research study. For example, there are a lot of research articles within medicine when it comes to diffusion of innovation and these were excluded since

the context is not comparable to this study. Although, as the research process developed, some sortation was needed which made the researchers of this study scale the literature in a way where information provided was included due to its relevance and its ability to further allow the researchers to explore the research phenomenon of this study.

#### **3.4 DATA ANALYSIS METHOD**

The main objective with this study was to identify major challenges when diffusing innovative products through digital marketing. One way of achieving such an objective was by analysing new research and comparing such data with extant theories. Therefore, this study used a thematic analysis as a data analysis method of the primary data collection, which allowed the researchers to find new patterns and underlying reasons derived from the interviews. These in turn gave valuable knowledge that generated new theoretical contributions. A thematic analysis according to Bell et al (2018) is one of the most used methods when analysing data within research of qualitative nature. It is further argued by Bell et al (2018) to be characterised as an easy and flexible approach analysing texts in terms of finding repetitions, similarities and differences in respondents answers from the data collection. As this study aimed to find underlying reasons and behaviour about innovative products and digital marketing, thematic analysis was considered appropriate since it enabled the researchers of this study to identify such patterns by organizing the data into labelled categories and themes. Additionally, Bell et al (2018) explain that identifying patterns or reasons through carefully reading and doing open coding of the transcriptions until saturation is reached could reward researchers with new knowledge. This also supports why thematic analysis is suitable for this study as it possesses an exploratory purpose. Hence, Bell et al (2018) mean that utilizing coding after execution of semi-structured interviews is advantageous when finding underlying patterns or behaviours regarding a specific phenomenon.

However, when conducting thematic analysis through open coding, one must be critical towards biased results due to problems that could occur while transcribing. For instance, due to thematic analysis relies on researchers' interpretations (Bell et al., 2018), the researchers of this study are aware that there could be a risk for subjectiviness. However, the researchers tried to be as objective as possible by analysing the findings separately and carefully reflecting their own interpretations. Bell et al (2018) mean that problems could arise when translations in languages are made but also when different sociocultural aspects come to pass, such as words having subjective meanings or different interpretations due to different backgrounds. Bell et al (2018) also takes into account in their saying that even the researcher itself could interpret the transcripted text in a subjective way, which in turn could result in the overall result being biased. Also, as semi-structured interviews of qualitative nature most often include a vast amount of material, Bell et al (2018) substantially mean that such data could be relatively difficult to structure and analyse which the researchers of this study took into account. Although, as this study includes two researchers, the data analysis process seeked to be as objective and structured as possible in order to achieve more robust and reliable results.

The execution of the data analysis process took its start after all interviews were conducted and transcripted. All interviews except for one were held in Swedish where the other one was in English. The Swedish interviews were translated into English and hence the transcriptions had to take language interpretations into consideration in order to avoid bias. As this study undertook a qualitative research approach, each interview was recorded in order for the researchers to be completely present and carefully listen to the respondents in terms of both choice of words but also observing their body language. As the researchers thus could pay more attention to the answers from the respondents, more in-depth questions and answers could come to pass.

After each interview was transcripted, the researchers began by analysing each interview separately and carefully. Thus, each text was broken down into first degree codes where phrases or sentences were highlighted. Patterns, similarities and differences were coupled into second degree codes. These codes were also considered as categories for the business perspective and potential customer perspective, accordingly. These categories allowed the researchers to gain a better overview of the main points and common topics that were mentioned throughout the data. The categories thus explained the main patterns for all respondents within the different perspectives. The categories in relation to the coupled codes were named in a way that the researchers considered the categories best described the codes conjointly. The researcher then coupled categories that later constructed themes. The themes coupled categories from both perspectives. The themes were also then discussed as major challenges and were named in a more analytical and theoretical manner. More specifically the defined themes were formulated in a way that helps understand the data. For the researchers to stay objective throughout the whole thematic analysis process, a constant comparison between the original text was made in order to not be blind while actively doing the analysis.

#### **3.5 ISSUES OF QUALITY**

As in any study, there were some issues of quality that the researchers of this study had to take into account. For instance, as this study solely used a single case company for identifying challenges when diffusing innovative products through digital marketing, there is a question of generalizability since the results could be different in other contexts. However, many qualitative studies are not of a generalizable nature, especially single case studies due to them being set in a specific context. Based on the fact that the aim with this study was to gather primary data to obtain a better understanding of the challenges when diffusing innovative products through digital marketing, various interpretations and research could be essential in order to make these challenges generalizable.

In order for this study to implicate judgements, several quality criterias had to be assessed, as recommended by Moon et al (2016). Flick et al (2004) also mean that quality criterias are useful to avoid randomness and uncertainty. For this study to be able to ensure it obtained its highest possible quality, it took use of guidelines derived from Eriksson & Kovalainen (2008). The guideline of Eriksson & Kovalainen (2008) includes a summary of assessing four key quality

criterias that the researchers of this study considered relevant when doing evaluations for this qualitative research - *dependability*, *credibility*, *confirmability* and *transferability*.

Eriksson & Kovalainen (2008) refer to dependability as the first criteria which explains the consistency and reliability of the research findings and how the research procedures are documented. Thereby, to increase dependability, the researchers of this study ensured that an external individual took part of the study process by following, reading and critically analysing the documented data. The second criteria discussed by Eriksson & Kovalainen (2008) is credibility, which argues for the degree to which the research is representing the actual meanings of the participants included in the research, and the confidence in the actual truth of the findings of research. More specifically, if the data collected is representing true information of the original data from participants and how it is documented. As this study explored the major challenges when diffusing innovative products through digital marketing, the researchers of this study went back and forth constantly to ensure the arguments were consistent and that the measures went in line with the research phenomena in question. The researcher was also aware that answers and words of participants can have different meanings to different people, although the researchers of this study tried to represent correct interpretations of participants' original views.

Furthermore, the third criteria mentioned by Eriksson & Kovalainen (2008) is confirmability which is the degree of which the results can be confirmed by others. Therefore, to increase confirmability, the researchers of this study thoroughly explained how data was collected and analyzed through the methodology chapter in order to strengthen trustworthiness. For instance, describing the coding process in turn strengthened the confidence in the arguments in the conclusion. The last criteria mentioned by Eriksson & Kovalainen (2008) is transferability, in which they explain the degree to which the research phenomena is applicable to other contexts or settings in future research. The researchers of this study only focus primarily on the Swedish market and on a single case study in which one could assume that results could be different in other markets due to cultures, backgrounds or behaviours, as argued by Bell et al (2018). The challenges concluded could still be relevant to other contexts although the result may not be generalized for all settings which one must have in mind. In order to generalize, research in other settings and quantitative research in this setting has to be conducted.

Critical in the study process, is that research could be interpreted differently by different individuals, which one should have in mind. Therefore, this study is scrutinized by the researchers subjectivity and that some results could have some level of bias. For instance, Saunders et al (2016) mean that some common biased results can occur in terms of social desirability or the fact that people could derive from different backgrounds which could have an effect on the results. Also strengthened by Thompson, Locander & Pollio (1989), people have different perspectives in terms of experiences, interpretations or understandings towards the world and specific settings. Therefore, an issue in methodology is the subjectivity, therefore it was important for the researchers of this study to have in mind that different people can have

different perspectives and that this study was hence only including the researchers of this study's perspective. Even though the researchers of this study seeked to be as objective as possible, one must still have in mind that answers can be subjective as the researchers themselves have their own experiences, interpretations or understandings. Therefore, the researchers of this study tried to increase quality by being as objective as possible as well as having in mind that the respondents interviewed also could have some bias in their answers. To give this study a higher level of objectivity, both researchers were included during transcription of the interviews and separate codings were conducted in order to ensure there was a mutual understanding of their original view. Additionally, considering the secondary data, the researchers of this study also had in mind that it could also be subjected to previous interpretations. The primary data was also scrutinized to interpretations in which the researchers took into consideration when analysing the results.

Therefore, this study used the guidelines mentioned above in order to obtain a study with quality as high as possible. Also mentioned by Moon et al (2016), if researchers avoid paying attention towards assessing quality criterias, it could negatively affect the trustworthiness of the study as well as limit the efficiency of application. Except for the quality criterias, the researchers of this study also took ethical- and societal issues into consideration, as mentioned by Bell et al (2018). For instance, the researchers of this study ensured to respect the integrity of the respondents included in this study and not harm them in any way. Also, when conducting a study, it is crucial to be aware of what effect the study can have on society and thereby the researchers of this study ensured that this research would not in any way create societal problems or negative changes in behaviours.

## 4 RESULTS

In the following section, the results from the interviews will be presented. The results are divided in the business perspective and the potential customer perspective, accordingly. The second degree codings are presented below in terms of categories in which all support thematic interpretation of the data. Each category is meant to be treated separately, however some degree of overlapping can be shown between the categories.

#### 4.1 RESULTS FROM PDS

The results from the interviews of the seven PDS respondents will be presented below according to the constructed categories made by the researchers. The categories are 'Different Target Groups', 'Unique Selling Point', 'Conservatism', 'Traditional Communication' and 'Digital Communication'.

#### DIFFERENT TARGET CUSTOMERS

Based on the interview findings, it could be seen that there was some disagreement regarding what the characteristics of a typical PDS diver is and who is the targeted customer. First reaction among all respondents was that identifying a typical PDS diver was difficult. All respondents explained that the innovative products of PDS are meant to be for almost 'everyone'. Some respondents explained that the current customers of PDS are mainly found in the recreational segment, where they are characterized as 'enthusiasts' or 'adventurers'. Similarly, the majority of the respondents identified a typical PDS diver to be more 'technical', 'advanced' or 'having an interest for technology'. For instance, X6 stated that PDS divers are divers who want to dive as a 'hobby' but they should also be 'knowledgeable in diving'. He meant that PDS divers are not specifically those that go diving in a group, rather divers who may go diving on their own since they are more 'skilled'. X1 further explained that being a hobby diver is not like being a golfer:

"It is not just to take a golf bag and be out for a couple of hours, but when you go diving you are usually away for 2-3 days. So there has to be an availability of time and that is part of the problem."

X6 also discussed that the PDS diver is not particularly a beginner but it is the divers that are aiming to take the next step in diving and equipment. X5 also mentioned that:

"It's kind of like comparing diving with a person who climbs mountains. You can climb in Gothenburg, but when you are climbing Mount Everest...That's a pretty big technical difference".

X3 explained that he finds it hard to define who is the typical PDS diver, especially a rebreather diver, since they have made their rebreather available for the mainstream market and it is

constructed such that anyone should be able to use it. X6 explained that when the rebreather was introduced to the market it was decided that it should be targeted towards the 'hobby diver', who represent the mainstream market. He said this was due to that, PDS saw it as if they could convince 10% of the 'hobby divers' to buy their rebreathers, this would be much more than 10% of the 'tech divers'. However, X3 states that a rebreather diver is usually someone who is technical and wants a higher level of difficulty. X3 stated:

"We are aiming at the mainstream market, which makes it very hard with product development, since on one hand we have a very technical and complicated product which is in the high-end segment but at the same time we are trying to reach the mainstream market."

X4 also found it hard to describe a PDS diver, but that most often the common denominator is money. Most of the respondents claimed that their customers have a lot of money and do not have a problem spending it, hence not many students and unemployed customers. X7 also explained a typical PDS diver to be 'in the older generation' that recognizes the brand and its products since 1958. Yet, he does not see many PDS divers as 'young' even though he further said that he believes that PDS wants to reach more younger and modern divers, potentially 'holiday divers'.

#### UNIQUE SELLING POINT

All respondents were confident in their answers that their innovative products are 'completely superior' and 'extremely high quality' compared to other diving equipment companies' products on the market. They all agreed that due to the firm's 'unique and technical skill' their products are 'the most safe and innovative products you can find'. X1 explained that their PDS rebreathers have a unique sensor called Solid-State that they currently have patented that makes their rebreather 'superior'. He explained that in other rebreathers there is a sensor that has to be manually calibrated after every dive and is consumed after every dive, but the Solid State sensor is not consumed after every dive and lasts much longer. Another key product value that was equal between all respondents was that their innovative products provide 'safety'. The respondents claimed diving has been perceived as a dangerous sport for several years, especially when diving with the rebreather. Yet, the respondents claimed that due to their technical skill, they want to make diving as safe as possible. For instance, the majority explained the PDS rebreather as 'reliant ', 'safe', 'simple', 'intuitive', 'easy to use' but also 'expensive'. X5 explained:

"If you concentrate on looking at fishes, we will keep you alive. We have a high resilience and safety on our products, and it works. But, it will cost a little more, which I believe customers understand."

X6 stated that PDS rebreathers are often valuable for 'advanced divers' compared to others. He explained that when the PDS rebreather was first introduced to the market, the rebreather was targeted towards recreational divers for light diving. He experienced this as a mistake since

these divers do not buy such advanced products. He described PDS rebreather as a 'complete product' that will help people get from 'simple diving' to more 'advanced diving'. X3 expressed how the rebreather does a lot of tests before the dive in order to make sure that it actually works, which is not something that all rebreathers have. X2 also identified some challenges with how the product value is currently interpreted among divers. X2 explained that:

"The idea is just security behind it. Our rebreather is built in order for divers to become safe underwater. And if something is wrong and it is not fixed on the product, then there is a chance that you will die. So these tests are so incredibly important. But what I have heard is that when a diver is about to dive with a PDS rebreather, it could start beeping if there is something wrong, whereas others rebreathers do not beep, since they do not have these tests. Then I have heard that the PDS diver almost regrets buying PDS since it almost prevents you from diving.... It's a bit like an advantage that becomes a disadvantage...and that is challenging for us."

When it comes to the regulators, all respondents explained that their regulators are different due to the technique. For instance, X2 explained that their regulators have a 'complete different technique' compared to other regulators on the market. X5 explained that the PDS diver provides value to the customers since their regulators are 'equal as when you are breathing up on land'. He explained that other regulators are 'exhausting' for customers since they have to breathe opposite than on land. X5 rather stated that:

"With other regulators, the diver needs to think how they are breathing, but with a PDS regulator, you do not even think of breathing, it just works and you can think of the experience under water rather than how you breathe."

X1 also explained:

"It is actually the only regulator that has passed the U.S Navy's freeze tests, so it is a big difference from competitors".

All respondents agreed that their regulators are great for cold water diving, but more expensive than other regulators. X5 explained that many people want to go diving in the Philippines to see the fishes and corals, and then 'they only want a regulator that works'. PDS regulators are approved for 200 meter depth, but when diving in warmer water conditions, people are not generally diving on these depths.

When discussing how PDS are currently communicating the value, it was common among all respondents that they had no clear strategy and that the majority of them did not recognize how they communicate the product value. More specifically, the respondents were unaware of how they market the product value of their innovative product through social media. X3 explained that he is well aware of what the product value is, but not how it is communicated. Also, X4 meant that there has been a 'lack', 'absence' or 'shortage' of marketing from diving equipment companies for several years. X4 meant that:

"Well...most of our sales come from our dealers and distributors. We as manufacturers have not for many many years been great in marketing, especially not through digital marketing. You know, since the diving industry in itself is so conservative where we have understood that customers do not always trust us, they are more likely to trust dealers and distributors, which has also made them more powerful in marketing."

#### CONSERVATISM

Overall, most respondents agreed that they perceived customers to be interested in trying new innovative products. Yet, the majority of the respondents described divers as 'conservative' when it comes to purchasing new innovations. X3 meant that 'divers often stick to the products that they are used to and have always been using'. More specifically, X4 also stated that:

"Customers often gather one opinion of a product somewhat early in their diving career. They often make a mind of what is good to them based upon what they have used previously and if that product works, that seems to be enough for them."

Some of the respondents explained it as a 'market perception', especially when they discuss the rebreathers. When the rebreathers were first introduced in 2009/2010 these were seen as an 'advanced product' which was not possible to produce for the mass market. X5 explained:

"If one compares the perception of the rebreathers in 2009/2010 with 2021 one can see that there was a change somewhere around 2016/2017. Consequently, 2018/2019 regular people started to show interest in it on dive fairs where they asked "what is that", and pointed to the rebreather. They'd say 'I have heard of it and seen people use it but it looks so advanced'. Then we explained to them how the products work and people seemed more mature to the idea."

X6 discussed that it is hard to reach the new divers, since they basically take what equipment they get. They usually rent and do not purchase their own equipment, however those that do purchase, they are not frequent buyers. They decide what product they want to buy and then they stick to this product for a long time. X6 stated:

"So it is important that when the interest in diving escalates, and one becomes more interested, that is when we have to position ourselves in the divers world as a manufacturer of high quality equipment. Because when the customer has purchased a product, they will not be buying a new one every year. So there is a short opportunity to sell the product, especially when it is more advanced."

Furthermore, X1 stressed the importance of catching customers early when they begin to dive:

"It is like the first car you buy, if that is a Volvo then a lot of people will drive a Volvo for the rest of their life."

X2 furthermore discussed that there is a high level of conservatism in the whole industry. X2 said:

"For example PADI, the biggest diving education organisation, does not let one just get a rebreather certificate, but one has to first get an open system. Meaning, one has to get a regular open system certificate before being able to get a rebreather certificate."

#### TRADITIONAL COMMUNICATION

According to the respondents, traditional communication still plays a large role in the industry. They meant that there is a lot of 'word-of-mouth', 'divers meeting divers' and especially physically on 'diving locations'. X4 explained:

"This is only my interpretation but most communication is local, on dive locations and some on dive centers".

The respondents also mentioned that they were usually participating in dive fairs, in which the communication was delivered to customers. X5 explained that a large part of their sales occurred at these fairs, however these have been reduced during Covid-19.

The respondents gave arguments that PDS is still traditional with their communication strategies, such as they produce a physical product catalogue every year which contains news and updates in the diving industry. In general, X3 thinks that their communication is often very price focused. X3 further stated that the communication has not developed that much in the last years. X6 agreed and stated that there is still a lot of focus on technical aspects, but the marketing aspect is diminished. Common among all respondents was that it is difficult to communicate the specific benefits of their innovative products due to a high degree of technology. X3 mentioned that a lot of technical specifications makes their products unique but hard for the customer to understand in their communication. X2 also explained that there is a need for PDS to be more focused on the benefit of the technical specifications in their communication.

#### DIGITAL COMMUNICATION

The respondents had various responses when discussing digital marketing and how it is currently operated in the organisation. Their current communication on digital platforms, such as their social media marketing, was considered 'unfocused' and it was thought that the respondents themselves argue that their customers are not really understanding what PDS are trying to communicate about their products. X3 stated:

"Either the customer does not think it is important or they do not understand our new features. Here it is further interesting, who are we communicating to, who is the customer? We have our distributors and sometimes it sounds like it is these that are our customers, which in a way they are since they are the ones who pay. At the same time, it is the end customer who will use the product and gather an opinion about the products. I think here it becomes a filter."

The majority of the respondents was convinced that marketing innovative products through online communication on social networking sites is important, yet none was aware of how such communication was structured. Some mentioned that they are using different types of influencers, or what they called them, 'ambassadors', to promote their products. X1 also mentioned that:

"Well the role of influencers in the diving equipment industry is kind of different compared to other industries. In the diving industry, the influencers are someone who has been in the industry for a longer period of time, such as Jacques-Yves Costeau, who is a well-known individual in the diving industry."

Among the respondents, it is discussed that there seems to be a 'lack of clear communication' where the respondents themselves claimed that it is the individual employees responsibility to make sure they are actually communicating. Other respondents stressed that they are communicating 'too many things at the same time' and that their communication is 'too technical' for customers to understand. The respondents explained that they should instead stress on how their technical innovations are valuable for divers. Yet, they find it difficult to know how. Most respondents stressed that they are very technical in their communication. For instance, X5 stated:

"We are a little too technical and a little too obvious. We assume people understand if we explain an advantage such as 'it brings a smooth diving'. It is not enough to just say this."

X4 also explained that there has been an absence of communication from manufacturers in the diving industry for several years. He meant that there has been a reliance from manufacturers that dive centers and distributors should be communicating their products on locations, rather than the manufacturers themselves. Furthermore, this was confirmed by X7 who stated that it is the distributors and dealers that invest in marketing, however the distributors and dealers budget is too small to invest in marketing. X3 also meant that the last 10-15 years there has not been much communication from manufacturers to customers. He explained that what has been communicated has been unfocused. X7 also stated:

"If you put a couple of diving magazines, different countries and different magazines, and have pens in 4 different colours. When looking through this magazine, make a cross with a red pen when you see something about Aqualung, yellow pen for Scubapro, green pen Mares and another pen Poseidon. In the end of this magazine he calculates how many crosses he makes on Poseidon and he will see nothing. In every country years before, I am not talking about last month, I am talking about the last 15 years, you don't find anything about Poseidon."

X3 further stressed that PDS does not currently stand out in the industry, which is also constant among several manufacturers in the diving industry. X2 stated that the diving industry is getting ready to become more digital, however diving happens in the water and hence, there will always be a physical aspect in the marketing that is important. X5 also explained the need to go digital from another point of view:

"We have to focus on communication online. But today we are not good at it or we barely do it. But it is becoming more and more important, especially to reach younger generations who do not know who Poseidon is."

Regarding influencers' role in the industry today, X7 discussed that he does not believe that social media influencers have the same power in this industry, as they could have in other industries. He explained that he knew of some older instructors for rebreathers that had a very strong established trust, when they said something people follow. However, X7 discussed that these are few and instead 'regular divers' are the one with the great stories. X7 said:

"Looking at the diving industry there are a lot of special people who have lived very interesting lives. Younger divers visit bars with their instructors and they then share their stories about sharks, people and their experiences from diving all their lives."

#### 4.2 RESULTS FROM POTENTIAL CUSTOMERS

The results from the seven respondents within the potential customers perspective will be presented below according to the constructed categories made by the researchers. The categories are 'Product Knowledge', 'Innovation acceptance', 'Networking', 'Social Media Influence', 'Experiential Content', 'Opinion leaders' and 'Information Search'.

#### PRODUCT KNOWLEDGE

All respondents were aware of PDS beforehand based on 'reputation' or 'previous experiences' and could characterise the brand as 'high quality', 'good reputation', 'high end products' and 'expensive'. The majority of the respondents also recognized PDS due to it being 'a Swedish brand', 'a local diving equipment company located near Gothenburg by the coast' or 'a well known brand within the industry'. The knowledge about PDS and their innovative products were seemingly low and vague among the respondents. Whilst the majority of the respondents did not have any previous experiences in diving with PDS, the ones with previous experiences could not make a particular distinction in PDS innovative products compared to others on the market. The respondents without experience with PDS innovative products, were only aware that the products are 'unnecessary expensive'. Only few of the respondents were aware that PDS are using 'another technique' on their innovative products compared to others on the market, although what that technique does was unclear. Y2 also explained that:

"Originally, I recognized Poseidon because I am from the same location as their headquarters near Gothenburg. And during my diving course here at home, we used their swimming pool dive. But it wasn't until I started working with diving as a profession that I realized that Poseidon was the insanely high quality thing. Since then, I have probably mostly seen them in dive shops on displays or whatever it is. Then I have seen some who dive with their products. But it is simply very rare to see them." Regarding previous use of PDS innovative products, only a few of the respondents have previous experience in rebreathers, but only two of them have been diving the rebreather by PDS. All respondents have previous experience of regulators, but none of the respondents have been diving with the PDS regulator. None of the respondents could explain any significant differences when comparing PDS rebreathers with others, even though the majority of the respondents have years of experience in diving. Among arguments brought up during the interviews, Y4 claimed that the PDS rebreather is of 'superior guality' and if he had the possibility to choose from any rebreathers, he would choose PDS ten times out of ten. He claims PDS to be 'top of the line'. Yet, he has never dived with any rebreather beforehand and has no particular explanation in how PDS rebreather distinguishes itself from others more than to base his argument around the reputation PDS possesses as a brand. He perceived rebreathers to be mainly for divers who have previously been diving more advanced and are divers who want to take on the next level in advanced technical diving. Y7, who has previous experiences in diving with the PDS rebreather perceived it as 'good' and 'trustworthy'. He further explained that besides the look, several amounts of tests must be done before diving. Yet, once in the water, he did not feel any difference. He also explained that one must have much knowledge in rebreathers in order for one to be safe when diving. Y7 said:

"Well, if you do not know what you are doing with a rebreather, you will most likely end up in the water and never come up again. I know so so so many people who think they are good divers, but when they take their macho status in action, they have actually no idea what they are doing, and that can be really really dangerous. People die in water, not due to the products, but due to personal mistakes. People must do their education for rebreathers."

Y6, who also has previous experience in diving with a PDS rebreather, mentioned that the use of a PDS rebreather compared to other rebreathers was difficult to explain. He felt that PDS rebreathers did include more components compared to other rebreathers, although what distinguished them from each other was not clear. Y6 mentioned that:

"What I have experienced was that the one I owned was much easier compared to Poseidon. But at the same time, it will be easy because then I owned it and was used to it. And then when I tried something completely different, of course it became a little different. But underwater, I felt no particular difference. But I do have many friends who have machines from Poseidon and they advocate them very well."

Y2, who has previous experience of rebreathers but not the PDS rebreather also mentioned that his friends are diving with a PDS rebreather, but he is not aware of what distinguishes them. The majority of the respondents do have acquaintances that dive with PDS rebreathers or have seen other divers dive with a PDS rebreather. Most of them have heard from others that they are satisfied with their rebreathers from PDS. All of the respondents were united that in order to dive with a rebreather, one must be a highly technical diver or working professionally. More specifically, they all claimed that no normal diver dives a rebreather, it is too advanced. Y1 particularly explained that:

"When you talk to regular divers, it is extremely rare for anyone to know anything about Poseidon. I have never seen a Poseidon regulator, Poseidon are only known for their rebreathers and computers, which there is no use for in regular diving. Why would anyone spend what it now costs for such a regulator, when you can buy another for 2000 SEK as well, which works just as well for what you are going to do. And for the rebreathers, due to safety difficulties, you need to make additional certificates just to be able to use it. It's a major addition to just being surrounded by it."

#### Y6 also mentioned that:

"What I have heard about Poseidon and their products is that they would like to get rebreathers to go a little more to the normal diver, like those who are down to 30-40 meters. And this is quite unusual for the others who sell rebreathers on the market. They are normally so heavly hard core, like 'you should have this down to 100 meters, it should be very tough and dark'. Poseidon approaches it a little more as if everyone should be able to use them."

Most of the respondents have come across the regulator by PDS even though they have never used it. For instance, some of them have seen the regulators in dive centers whereas others have come across the regulators due to friends or family. There was no knowledge found among the respondents on how the PDS regulators are different from other regulators besides PDS regulators are mainly seen as 'too expensive' and 'only for technical divers'. Thus, based upon the interviews when discussing the regulators, no respondents could clarify any knowledge regarding the PDS regulator.

#### INNOVATION ACCEPTANCE

The majority of the respondents were united in that innovation on products is 'good', 'always good to improve' and 'necessarily'. All of the respondents explained that they are open to new innovations, but neither of them did have the need or enthusiasm to try out 'new things', they rather 'just enjoy life under water'. Based upon the answers from the interviews, all respondents agreed that they mainly dive due to the 'experience', 'lifestyle', 'calmness' and 'to see the living life under water'. None of the respondents explained that they dive due to the products, rather it is the experience that is of value for them. For instance, Y4 explained that he dives to become closer to the beautiful marine life, the brilliant corals or the fascinating fishes or wrecks. He meant that he loves everything with the sea and nothing can compare to it. Y5 also meant that when diving, she feels like she steps into another world that is extraordinary compared to the regular. Y1 also explained that he enjoys being under the water, but it is more than just diving. He explained diving as a 'lifestyle'.

The most important aspect within innovation according to all respondents was solely that the innovation on products would provide the diver with safety. All respondents agreed that safety plays the most central role for them when diving. For instance, Y2 explained that safety is

absolutely vital when diving. Y1 also explained that for him to have fun under water, the safety must be in place. Y1 further mentioned that:

"To buy something that is innovative is not necessarily important for me, rather it should be something that I know for sure is safe, ten times out of ten. Although when something is innovative, I believe it is a bit more riskful, at least in the beginning."

Y4 also said that innovation itself is good but he does not have a particular interest in testing innovative products that he never tested before. He rather sees innovation as something that must be done in a way that continuously makes diving safe for divers. He explained that he has previous experiences of acquaintances who passed away when diving, which has especially put safety to be a vital aspect regarding innovative products. Y4 further explained that the diving industry itself is a riskful sport where he advocates that trust is vital for innovative diving products. As Y6 also claimed:

"You are still risking your life, sort of. Even if you do an easy dive ten meters down, if something that should not happen happens, it can end very badly."

Y3 also explained that he is diving to obtain the relaxing moment, but safety must be the number one priority. He also meant that due to his previous experiences in guiding other divers, safety is something that is very important in order to be able to obtain the experience one wants when diving. Y5 also explained that everything within diving is not free from problems, but it feels like you are in another world and then must be sure that everything will be smooth and safe.

#### NETWORKING

Based on the interviews, all respondents explained that they are currently preferring networking at the diving locations or with friends and family rather than on social media. For instance, Y6 explained that:

"I really want information from other divers, you have a kind of trust in other divers. Because that person has actually tried the product out in the water. So most communication goes via the word-of-mouth method at the dive locations."

#### Y7 also explained that:

"I mean, I get the feeling that people who are diving, do merely communicate at the dive locations. I want to talk to my friends. But maybe that is because I am a bit older, maybe the younger people are hanging out on social media more than I do, but for me it is clear that the communication happens at dive locations for sure. Y3 explained that divers are in general not interacting online to search for information, they are outside at diving locations or at dive centers. Y1 explained that:

#### "Diving is a lifestyle. I enjoy being in nature, not being online."

The majority of the respondents were united in that they have come across diving equipment companies online, but with seemingly little effort and recognition. Only a few of the respondents are networking with diving equipment companies online on social media platforms such as on Instagram but they have little understanding of what they are communicating. For instance, Y5 explained that:

"I do not think that I interact that much with diving equipment companies online actually. I have seen them online, some different diving companies, but I'm not sure what they are communicating, and how they market their products.... I like to talk to my friends and diving instructors that I know, about what equipment they have and stuff like that. And then it's mostly at the dive center where you see dive equipment companies. Like ScubaPro and Aqualung. On social media, I mostly see people like Annelie Pompe, who is a well known person within diving. I also follow Reel Diving, but they are not actually a diving company...rather a company that sells diving products....hmm...this was difficult to say. I do not see so many diving companies that much on social media. It is mostly outside the digital world if I could explain it like that."

Y3 also explained that the most communication he comes to pass from diving equipment companies is through his friends at diving locations. He meant that he rarely sees any type of marketing from diving equipment companies, especially not online, even though he is somewhat active on social media. When discussing networking on social media, Y6 also explain that:

"Well, if you bought something on a website, you will receive a lot of emails from that brand. Otherwise, I think it is very vague communication from diving equipment companies, online. Sometimes they come up with something on Facebook, but very rarely. I can see some ads though...I think. For example, if you go to a diving forum such as dykarna.nu, then maybe companies are posting ads there. I think that because the diving industry itself is so niched and social media is so broad...it may be difficult to be seen on social media."

Y6 also adds that he interprets the diving industry as 'old school'. He thinks that people are not interacting with diving equipment companies online since they are 'not active themselves' and that they are 'not that engaged'. Y6 further explained that:

"I know that many of the older divers are very ... old school. They want to count a lot on their own hands. They want to count all the gases on hand. It's great, but all the tools are available to calculate much better and faster than a diver can himself. Which removes our own ... I mean...we may have miscalculated. And I know that many are like this just 'no, we should only count on hand and we should not trust any computers'. And there it can be a bit the same thing, that you should only talk to each other at dive sites and not online. But I think many of the middle generation and the new generation will listen to it more and more."

#### SOCIAL MEDIA INFLUENCE

Seemingly few of the respondents were confident in their answers when explaining how different diving equipment companies distinguish on social media platforms. The majority rather explained that since they are not particularly active on social media, they have not come across any difference between diving equipment companies online. Therefore, the respondents could not identify clearly how diving equipment companies are using social media marketing nor how the respondents would feel about such type of marketing. Y2 also explained that he has difficulty in finding differences. He meant that it is very rare that he even comes across any diving equipment companies on social media platforms were relatively equal in their answers. For instance, Y4 explained that:

"It is quite difficult to say. But what I think of is that there are some companies that are more aimed at technical divers, while other companies are more general, such as for new divers. Some companies market pictures in crystal clear water with corals and colorful fish. While another diving company is marketing that they are diving under the ice up in the north, like in Finland or something. Or a cave in Russia. So there are two completely different types of divers that could make diving equipment companies distinguish on social media platforms."

Y5 explained that differences could be Regarding the degree of innovation, there is little literature within digital marketing when it comes to innovative products over all. Especially absent in literature on digital marketing is technological innovation, market innovation and radical innovations. seen depending on what type of diving equipment company it is. She explained that differences could be between coral fishing companies versus highly technical divers. Yet, she did not feel that even though there might be some differences, she does not get particularly influenced. Y1 also explained that he rarely uses social media for networking, for any occasion. He explained further that he is rarely active on social media platforms in any regard. He said that his perception is that brands, in general, are only using social media to promote products. Subsequently, he said that when he comes across marketed content, he directly becomes negative due to his knowledge that such marketing is probably paid. He is not sure if his attitude towards the brand changes, but he is confident in his answer that he will not be influenced and inspired to move further into the purchasing process if he sees a diving equipment company is obvious in its marketing approaches and that it is paid. He thus explained that he sees the importance for brands to be online, because its power to influence a large group of people. Yet, his interpretation of divers is that divers 'are not interacting online, they are out in nature'. Most of the respondents also explained that they do have a somewhat negative attitude towards social media networking and that they have little knowledge in how PDS are currently communicating their innovative products to their customers online. For instance, Y3 explained that he has never seen any post from PDS and has no knowledge of how

they market their innovative products online. Contradicting, Y7 mentioned that when he is on social media, which is not often, he gets the feeling that he comes across the same products from the same brand constantly. He was firstly uncertain about whether it had an influence on him, but as the discussion went on, he changed his answer. Y7 said:

"[...] but now when I'm thinking about it...since I have seen, for instance, a regulator from mares, I know that when I was about to go to the store to purchase a new one, I went directly to mares. Probably since I recognized it, and been influenced by the many posts subconsciously. Since I have seen these regulators everywhere, they come to my mind."

Y4 instead explained that he has come across several diving equipment companies online since he is active on social media on a daily basis. He explained that he interacts with diving equipment companies since he obtains information if companies are presenting any new products to the market or just to see 'cool pictures'. Y4 thus further claimed that the most of the communication he obtains from diving equipment companies however derives from dive magazines, dive centers or through conversations with friends at dive locations.

Y6 further explained that if diving equipment companies would provide more interesting content online, such as on Instagram, he meant that he believes that more people would become aware of what types of diving equipment companies that exist and start networking more online. Y6 perceives that currently, young people perhaps do not have any idea what PDS are, and what type of quality their products have, for example, if they are not out at diving locations or having friends who are active divers. All respondents explain that they all consider it to be of importance for diving equipment companies, such as PDS, to be visible online. As Y1 also said:

"You need to be online. You need to be visible and available for your customers on social media platforms such as Facebook, Instagram or Youtube or whatever. You just have to. Even if I'm not personally having a particular positive attitude towards social media, in general, I really do see the importance of it. Diving equipment companies are stupid if they are not networking or communicating online. But I think that...they need to become more relevant and fun. Now they are...kind of boring and...old. I mean, they mainly communicate through magazines, right? And who looks at magazines today?"

#### EXPERIENTIAL CONTENT

Common among all the respondents was that content of innovative products made by diving equipment companies should be 'high quality', 'short and consistent', 'experiential', 'well-composed images' and 'attractive'. All the respondents were conjoint in that they want content in terms of pictures and text, to show experience over products. The majority of all respondents perceived content from PDS somewhat 'unclear' and 'no clear understanding of what they do'. None of the respondents could make any sense of whether the communication from PDS was specifically 'good' or 'bad', mostly due to their lack of seeing communication from diving equipment companies in general. For instance, Y5 wants content to be 'fun', 'high quality' and 'new thinking'. Yet, she did perceive content from PDS to be 'okay', 'not particularly high

quality' and 'no feeling'. Y7 explained that he wants content that 'provides people with something that catches your attention'. He did not perceive PDS as catching his attention. Y2 also explained that it is important for him that the content of innovative products is 'clear' and 'not too long'. He perceived content from PDS as 'irrelevant', 'not understandable' and 'too technical'.

When presenting posts of the rebreathers and regulators accordingly, the responses were relatively equal among all respondents. When presenting a post with a picture of the product solely, no diver, no level of experience and high level of product information in text, the feeling among all respondents was 'boring'. When presenting a post with a picture with the product, a diver, low level of experience and low level of product information, the response was 'better than the first picture', and 'it is good that the product is seen with a diver', but also 'they could have taken this picture much better' and 'low quality'. For instance, Y6 explained that he found these pictures to be taken 'with a telephone and by his mother'. By that, he said that the picture was 'unprofessional'. When showing posts with pictures of the product, a diver, a higher level of experience and minor information about the product in text, the response was interpreted to be more appreciated. For instance, Y7 explained that:

"When I see a diver, that is probably a really good and technical diver, and when he is under the water and under the ice, where I can see that he dives with this Poseidon rebreather, is what I like. If you can see that this cool diver dives with a rebreather in these conditions with cold water and so, I know that if this product can handle that, it can handle everything in diving. It kind of proves the quality I think."

Y4 was similar. He wants content from diving equipment companies that present the product, but in a way that the product 'reflects upon what it can do'. More precise, he explained that

"I want content that reflects what the products are to be used for. And that what is said about the products, is what the products are intended for and what they actually do when diving. The product should reflect a dive that you want to do."

When further presenting a post with no clear view of the product but with a diver, high level of experience and no product information in text, the responses were again somewhat equal among all respondents. For instance, Y5 said that:

"Oh, when I see this picture, I remember diving in the ocean. I want to go diving now."

Responses from the majority of the respondents was that it was not clear that it was showing innovative products from PDS, and sometimes they could not see if the diver even had diving equipment products. Although, they all agreed upon that they knew it was from PDS but mainly since the post was posted by PDS. At the end of presenting all posts, whilst the majority of the respondents desired content that portrays the experience rather than the product, some explained that they still value content where product is presented both in picture and in text.

For instance, Y6 further explained that rather than seeing the actual products, he preferred 'experiential' content where he can see 'the life of diving' He further mentioned that if there were to be content with products, he would value it if the product is being described. Y6 more specifically stated that:

"If I'm going to buy a Poseidon then I want to know why. How can the product help me to do something? Does it hold up better? How are the features? How is the function? But the way I want to get communication from companies online is probably quite difficult. Imagine a diving company that wants to market a supertechical product through Instagram, I do not know how they could explain to me why I should buy it through one single post with a short text. Although, that is what type of content I would like to see on diving companies' social media platforms I think."

Regarding content on the website, respondents were equal in that they want more technical product information on the website rather than on social media platforms. Yet, the majority mentioned that it is however important that when firstly entering the website, they want the 'reflection of what the products do' rather than 'a text directly with a large amount of unknown technical aspects'. They rather value when the technical product information can be 'somewhat hidden, but still available for those who want exact information'.

#### **OPINION LEADERS**

The respondents could not clarify what a typical 'influencer' is in the diving industry. They all relate to people within diving as an 'ambassador' or a 'well-known dive instructor'. For instance, several of the respondents mentioned Annelie Pompe as somewhat an influencer in the diving equipment industry. Y3 was not particularly sure how diving equipment companies use 'influencers' but he could identify some reactions that he has come across such as when he sees diving equipment companies posting somewhat gender stereotypical pictures. He explained that when certain companies are using ambassadors who dive in an incorrect profile and position but look like the 'stereotypical female' using high-tech diving equipment, he interpreted that she would not normally dive with such equipment. His response was therefore that the diving equipment company is only using 'good looking people' when promoting their products in order to get 'better' pictures. Y7 explained that he was skeptical towards influencers:

"Well I think that there are several ambassadors within diving, but only a few are really good and trustworthy. I mean, since diving itself is kind of a dangerous sport, you could easily die if you are not doing everything right. It sounds mean, but that is just the way it is. But what I mean then, is that I do really value these very very very knowledgeable divers that I know for sure knows what they are talking about. And if I see them diving with....yeah lets say a Poseidon rebreather, up in the north, like Norway, and if they can dive with thay rebreather there, I know that this product is good. Mainly, since one sees that the product works in the worst diving conditions, but also since I have trust for that person who does this....collaborations or what you say." The rest of the respondents were equal in their answers that the choice of influencers that diving equipment companies are collaborating with is important. They mentioned that they must feel 'trust' for the person who is collaborating with the brand and that 'the ambassador must know what he is doing since diving is a dangerous sport'. They meant that the influencer itself must be a 'highly technological and highly knowledgeable diver that one feels trust for'. Y5 mentioned that:

"When I look at PDS content on their Instagram account, I see that they are using so so so many different ambassadors. It is almost like Poseidon only posts pictures that has been taken from others, and not by Poseidon themselves....But what i mean is that...when they use so many different ambassadors, and that one can clearly see that 'oh this diver blabla whatever his or her name is, she would not dive with this type of product if there was no payment behind it"

Regarding diving instructors' role as influencers, Y1 claimed that most of the dive instructors dive due to their lifestyle. However, he stated that the lifestyle actually has the least to do with diving since it is usually a lot of 'drinking and partying, and then diving and partying'. Which he stated is associated with 'bad behaviour'. Y1 said:

"If I would have seen someone who was an influencer and an instructor I would have assumed that they were diving and partying, and not doing it in a safe way. I would assume it is more focused on partying than on how good of a diver one is. It is the lifestyle that matters and not how it works."

When asking whether they are influenced by influencers, they were equal in their answering by claiming for instance, 'yes, probably subconsciously', 'yes since I get some inspiration', 'I think so, because I see the products everywhere and when I'm buying, I probably buy the one I have seen on influencers'.

#### INFORMATION SEARCH

When asking the respondents about how they are searching for information regarding innovative diving products, the majority stated: 'from people I know', 'when talking to people at dive locations', 'by looking at youtube', 'by reading lots of reviews' or 'looking at community based network sites'. The majority also mentioned that they tend to trust people's opinions more than diving equipment companies which is why they network with people. Y5 mentioned that she does rarely search for information online about innovative diving products, but when she does, it is mainly for confirming information that she previously obtained from people she knows, or from diving reviews. Y2 also explained that when he is about to purchase new diving equipment, he first and foremost talks to his colleagues or friends at diving locations, and then reviews. Y2 explained that:

"Okay so if my friend tells me to buy this awesome Poseidon rebreather, I would most likely start having a discussion with him about his thoughts and so on. Then I would google the product, like 'poseidon rebreather'. But then I would not go to the manufacturer's website, but to reviews. To read what other people think. Then if I'm sure that the product has good recommendations, then I would go to the manufacturers website to read upon what I have previously learnt."

Y3, Y4 and Y7 also explained that they search for information about innovative diving products through reviews. Y1 also meant that he considered diving equipment companies online as platforms for 'confirming what he previously knew'. Also seen from the interviews, all of the respondents explained that they do not purchase new diving products particularly often, and therefore they do not search for information that often. Commonly, the respondents come across a typical brand already at the diving school stage and most of the time, they will most likely stick to the brand they dived with at the diving school. They were also united in that once they have purchased a specific diving product, they will most often stay with the product as long as they perceive the product is working and that it fulfills the desire they want them to. Y6 explained that:

"Well, since I rarely purchase diving equipment products, since the ones I have are working for me, and since they have been working, I would buy the same if it breaks. But if I were to search for a new product, I believe that I would search for information about this product in several places, but not the manufacturer itself. I don't know why, I guess I just know that they would claim that 'we have the worlds best products', in which any brand does. So I go to the brand....for some kind of confirmation i guess".

All respondents were also equal in that they do not put much effort into search engines. They click at the top sites that are presented, if they feel 'trustworthy'. All respondents were united in that they do not always trust the information diving companies provide at their own website since they know that they would explain all the good information and not the downsides of their innovative products. The respondents said that they do instead search information from others beyond the manufacturer. Y2 explained that:

"Yeah, like the website, or firm or whatever, it must sound good and trustworthy. I mean, I do not always trust the diving companies, I trust others' opinions more. The companies would only give me good information about the products. And what it says in the description when you have searched for something, I guess that is also important. If it says something like 'wow we got the coolest products, visit our brand at blabla', then it's like 'no'. But a clear, short and serious desrtionshon about the brand and what they do, I would most likely click on it".

The respondents explained that they use keywords such as 'poseidon rebreather', 'rebreather reviews' or 'poseidon regulator'. The majority of the respondents mentioned that they search on a specific product that they already know about and that they search for the specific product to obtain more knowledge about it. They explained that they only search on search engines when they are in need of a new product.

# **5 ANALYSIS**

This chapter will discuss the main findings from the results, both from the business perspective and the potential customer perspective conjointly. The researchers will discuss the results in terms of constructed themes made by the researchers based on a coupling of the categories. The discussed themes which also are considered challenges are 'The Digital Mass on Social Media', 'Communicate Product Value through Content', 'Credibility of Influencers' and 'Visibility on Search Engines'. These themes will be analyzed in relation to extant literature. The discussion is structured based upon the four digital marketing practises, Social Media Marketing, Content Marketing, Influencer Marketing and SEO/SEM. More specifically, this chapter will hence discuss the major challenges diving equipment companies face when diffusing innovative products through digital marketing. See Table 4 below for how the categories were grouped into themes.

THE DIGITAL MASS ON SOCIAL MEDIA	CREDIBILITY OF INFLUENCERS
Different Target Customers	Traditional Communication
Digital Communication	Innovation Acceptance
Social Media Influence	Opinion Leaders
COMMUNICATE PRODUCT VALUE THROUGH CONTENT	VISIBILITY ON SEARCH ENGINES
Unique Selling Point	Conservatism
Product Knowledge	Networking
Experiential Content	Information Search

Table 4. Summary of the major challenges together with categories

#### 5.1 THE DIGITAL MASS ON SOCIAL MEDIA

Derived from the empirical findings, the researchers have coupled the categories 'Different Target Customers', 'Digital Communication' and 'Social Media Influence' where they together discuss 'The Digital Mass on Social Media' that was constructed as one major challenge.

Tiago & Verissimo (2014) discussed that companies have to acknowledge that social media is a channel where they have the possibility to bond with customers. However, in this study it was found through the results that the communication of innovative products from business to customers through social media marketing practices, is perceived as unclear both within the company and by potential customers. The respondents from the company perceived it as the communication was unfocused, especially the digital communication, which makes it challenging to establish a bond with the customers. As Araujo (2019) stated, it is important that the message sent by the company seemed confused regarding whom they are targeting and who the actual customer is. For example, X6 explained that their products were manufactured in a way that 'everyone' should be able to use them, which X6 explained was due to the fact that reaching 10% of the mainstream market was better than 10% of the professional market. One of the fundamental parts of communication, especially in diffusion of

innovation, means that there is a recipient (Araujo, 2019). However, if the recipient is undefined from a company, there will be little or no influence on them, thereby social media cannot help diffuse innovation. Furthermore, it was found that the case company is currently communicating many things, but there is no clear message in what they are communicating. The case company's innovative products are marketed for all types of divers, however they still identify their typical customers as 'enthusiasts' or 'adventurers' that have 'an interest in technology'. Common among the company interviewees was that they used contrasting words to describe their customers such as 'hobby divers' and 'advanced divers'. If there is no clear recipient of the message they are communicating it will be challenging to diffuse innovative diving equipment through social media marketing. Moore (2014) discussed the importance of focusing the communication towards the target customers, and since in this case there seemed to be different perceptions regarding who the target customers are. This could connect to why a lot of different things are communicated and why the message is perceived as unclear by potential customers. Furthermore, respondent X4 explained their customers as wealthy and that they 'have a lot of money', which represents Rogers' (2010) Innovators and Early Adopters who are the first customers to try out products on the market. However, when targeting everyone and the mainstream market they should be communicating towards the Early Majority which is an adopter category that are much more skeptical, risk averse and more conscious of what they spend their money on. This could be why potential customers do not understand the message that is communicated, because the company is not communicating in a way that this group of people would understand and be receptive towards.

Furthermore, X7 explained that currently their customers are 'in the older generation' and that they want to reach more 'younger and modern divers'. The researcher stresses that this is highly important since if they do not reach the younger divers their target customers will fade away with 'the older generation'. Interestingly, this study could not find any significant differences between potential customers' answers among ages, however this was not a focus of the study. The researcher argues that another reason why the message is not understood could be that there is no focused responsibility when it comes to communication, it is more up to an individual employee to make sure that they are communicating. This means that the sender, in this case the company, might not be sure what message they are trying to send to the receiver.

Previous research of marketing communication has focused on a company sending out a message and what decisions a company has to take in order to send that message (Araujo, 2019; Finne & Grönroos, 2017; Mangold & Faulds, 2009). However, agreement in literature, and which this research also adds on to, is that the customer perspective is often forgotten. The researchers therefore argue that diffusing innovative products through social media marketing particularly becomes problematic when the recipient is undefined. Respondent X6 expressed that their typical customers are not those that are beginners, instead it is those that are aiming to advance in their diving and hence require more advanced equipment. The customer will most likely have a connection or preference of dive equipment before they decide to advance in their diving, this stressed that the window of opportunity for reaching potential customers is when

divers decide to advance, which is a rather small window. Furthermore, potential customers could already be influenced by previous products they have owned and therefore it could be difficult to change their preferences. They further stated that specifically the rebreather is constructed such that everyone should be able to use it, however, rebreather divers are typically very technical divers. Which then becomes problematic for them when they are trying to communicate to the mainstream market. Finne & Grönroos (2017) furthermore stressed how the customer perspective of marketing communication is a process, hence in the scenario of the rebreather, the sender may not be a part of the process. This, since customers may have gathered their opinion and perspective of the product before the sender is a part of the process, and then there might be little influence of the company (Finne & Grönroos, 2017).

Furthermore, the potential customers gave the perception that they are generally not people who spend a lot of time on social media and hence do not get particularly influenced by marketing of innovative products on social media. They rather meant that they do not use social media for the purpose of searching and obtaining information from diving equipment companies, thus they will not become particularly influenced. In literature, social media marketing has potential for great influences (Kietzmann et al., 2011; Cimmino & Forbes Agency Council, 2020; Cizmeci, 2015; Dwivedi et al., 2018; Ismail, Nguyen & Melewar, 2018; Olenski, 2018), however the results in this study showed differently. For instance, Y2 explained that he rarely sees any dive equipment marketing on social media, but when he did, it was only when he was actively looking for it. This showed that even people that are engaged in diving and simultaneously active on social media did not come across much marketing from diving equipment companies. Hence diffusion of innovative diving equipment through social media is challenging when potential customers are rarely on social media and rarely encounter marketing from diving equipment companies. If diving equipment companies cannot reach their potential customers online, they will not be able to influence them and hence there will not be any diffusion of product innovations.

Araujo (2019) furthermore stressed that the channels in which the message is sent through is very important and will affect the outcome of the message. Since there seems to be a generally low presence by the potential customers, especially when it comes to searching for information regarding diving equipment, the researcher has to stress that social media marketing in itself is a challenging channel for diving equipment companies. Furthermore, when it comes to communication channels for diffusion of innovation as Aula, Melkas & Harmaakorpi (2012) stated, there has been a lot of research focused on the quantity of channels but not the quality of channels. The respondents stressed that social media is not where they go to find information and marketing of diving equipment, they believed that these products are too technical and the technology is too hard to understand on social media. Based on this, the researchers question the quality of social media as a channel for diffusion of the innovative products under investigation in this study. This connects to what Mangold & Faulds (2009) discussed regarding that customers want to have more control over what they choose to consume and hence they decide what and when they seek information. Respondent Y1 in this

study expressed that he felt some agitation towards social media marketing and felt unreceptive towards these types of marketing practices, which the researcher connects to wanting more control of what one consumes. De Veirman & Hudders (2020) discussed how paid ads on social media pop ups in one's news feed on social media and if these types of marketing practices makes the potential customer agitated it will not help diffuse their innovations. This furthermore connects to what Lin & Kim (2016) found in that it is a low likelihood that people will purchase what they see advertised on social media. Interestingly however, respondent Y7 said he has been subconsciously influenced by social media marketing in his purchase decisions when it comes to diving equipment. This is connected to what Godey et al (2016) stated that social media marketing may help generate sales. This was however a single respondent's opinion and the consensus among most respondents was that they rarely even used social media. Consequently, they were not influenced by social media marketing from diving equipment companies. Hence, the researchers see a challenge in that there is a generally low influence among the potential customers on social media when it comes to information from diving equipment companies.

Sahut et al (2020) discussed the difficulty with social media marketing as standing out in the digital mass. This corresponds with the researchers findings due to the fact that few of the respondents could differentiate between diving equipment companies' communication on social media. The potential customers that are active on social media said that they were not able to distinguish or differentiate manufacturers from one another on social media. Some of the potential customers stressed that this was due to the little amount of time that they spent on social media, however others could simply not identify how these companies used social media for marketing nor how they market innovative products. Additionally, apart from social media, many respondents found it difficult to differentiate manufacturers in the industry from one another which consequently could be the root problem to why diving equipment companies are not distinguishable on social media. Based on these findings it is hard to communicate and distinguish manufacturers' value of their innovative products through social media marketing when customers see manufacturers as similar and the manufacturer is absent in the process. Sahut et al (2020) discussed the struggles firms have to become visible on social media and it becomes especially hard for diving equipment companies who have different target customers. Furthermore, this reflection could be connected to X4's statement that there has been a general absence of communication from manufacturers in the industry. X4 further discussed that it has been a reliance in the industry that the dealers and distributors are responsible for marketing the products, which could be connected to why customers have difficulties in differentiating the manufacturers since they mostly receive communication from dealers and distributors. Furthermore, it is not only the problem of standing out in the digital mass as Sahut et al (2020) discussed, yet it is a challenge to stand out among the other actors in the diving equipment industry, such as competing manufacturers, distributors and dealers.

The major challenge with diffusing innovative products through social media marketing is therefore that the manufacturers have a generally low social media influence. The potential customers are not particularly present on social media, but when they are there they seem relatively unresponsive towards social media marketing due to not using social media as a means to search for information, some even felt irritated towards social media marketing. Furthemore, the challenge of standing out in the digital mass becomes great for diving equipment companies since they have a small chance to influence and more competitors to distinguish themselves from. This leads to the major challenge with social media marketing when diffusing innovative products to stand out in the digital mass when there are different target customers, increasing digital communication and low social media influence.

#### 5.2 COMMUNICATE PRODUCT VALUE THROUGH CONTENT

Derived from the empirical findings, the researchers have coupled the categories 'Unique Selling Point', 'Product Knowledge' and 'Experiential Content' where they together discuss 'Communicate Product Value through Content' that was constructed as one major challenge.

Based upon the results, it was found that a major challenge for diving equipment companies when diffusing innovative products is the communication of product value through content marketing. More specifically, the challenge in communicating innovative products value through content marketing in a way that is equally understood between company and customer. Among the respondents in the case company, it was discovered that the product value of their innovative products was similarly understood. They perceive their innovative products as 'superior' with 'extreme high quality and a 'unique technical skill' compared to other companies in the diving equipment industry. The results from the potential customers however, did not agree with these statements. Instead it showed that they do not understand how innovative products provide them with value. Hülsmann & Pfeffermann (2011) mean that in order for an innovation to be successfully diffused, it must be communicated in a way where customers will understand the innovation and how it will benefit them. Additionally, none of the respondents in the case company knew how the innovative products are communicated in their content marketing practices, nor how they communicate the products value.

Killian & Mcmanus (2015) mean that it is of importance that companies who emphasize content marketing should convey some kind of value to the customers. One of the reasons why the case company might not be able to convey value to potential customers could be due to the fact that they are not able to distinguish how they are communicating their products and its value today. Additionally, Payne et al (2020) mean each firm should have a value proposition that explains to the customer why their products create value and should be purchased. The core value of 'safety' was highly discussed within the case company as their value proposition. It was found that what makes their innovative products unique and superior on the market is their 'advanced technological skills'. For instance, X1 explained that it is the Solid State Sensor that makes their rebreathers 'superior' on the market whereas X2 also explained that their regulators have a 'completely different technique' which makes the product different on the market. The respondents from the case company also mentioned that they are different on the market due to their several patented systems and that they are especially providing divers with 'the safest diving products on the market'. Khan & Bohnsack (2020) strengthens this by stating that it is when customers benefit from the performance attributes, such as the technical inputs of a technology, that customer value is created. Payne et al (2020) mean that the value proposition is a three-step approach where firms firstly must choose the value and apply it on i.e a product, and the final step is to communicate the value to the customers. Yet, none of the potential customers could argue for how the case company's products are unique and superior, which entails that the third step, to communicate the value to customers, is lacking.

Mentioned by Pažėraitė & Repovienė (2018), content marketing must be utilized differently depending on who the firm is targeting. Although, as it was mentioned above in 5.1 The Digital Mass on Social Media, who the actual customer is, is somewhat undefined, which makes it unclear who the case company's content is targeting. This also goes in line with Finne & Grönroos (2017) who mean that messages that are considered to be of no use for customers will be of no value as well. Therefore, if the content communicated is not targeted to the right customer, it becomes irrelevant for the customers and hence they will not understand the innovation itself. Furthermore, combined with results from the case company where for instance X3 explained that he is aware of the value of their innovative products but not how it is communicated. Consequently, it was clear to the researchers that since the case company does not themselves know how the value is being communicated, nor would the potential customers understand the product value, why they should buy it or how they would benefit from using it. These products would be characterized as value-in-use, due to that one has to use them in order to fully grasp their value (Payne et al., 2017).

However, the case companies are more focused on communication that represents a value-in-exchange approach, such as that the value is created through simply purchasing the product (Payne et al., 2017). Hence, the case company has assumed that their product has embedded value within, hence they have to exchange it in order to experience it. As clearly can be seen in this case the customers and the company do not share an equal understanding of the product value, which Payne et al (2017) argues is important for value-in-use. Through having a value-in-exchange approach the customers may not share the company's understanding of what are the values and benefits from the products which becomes challenging when diffusing innovative products. It has furthermore been interpreted that the value of the innovative products is mainly communicated from the manufacturer, and not necessarily co-created with the customers. In order for the value to be mutually beneficial for both company and customers, the value should be co-created with customers as argued by Murray & Ireland (2017). Zahay (2021) corresponds this with the statement that marketers should realize that they must obtain information from the customers and engage them in a meaningful way in order to deliver value. However, in this study the communication of value is interpreted to mainly be delivered by the case company without taking interest in customers. Rogers (2003) explains that communication is the process where individuals make and exchange knowledge with one another in order to be able to come to a consensus. This also goes in line with Baumann et al (2017) who claim that businesses cannot argue that their products would provide value to individuals until they actually experience the products. Therefore, communicating to customers by ignoring the interest of customers and how they experience the products could be considered difficult when diffusing innovative products.

Pažėraitė & Repovienė (2018) mean that content marketing should communicate product value, uniqueness, informativeness or emotions. However, none of the potential customers could express the product value, uniqueness or experienced the content as informative or delivering emotions, they simply explained the content as 'unclear'. Therefore, it was interpreted that the potential customers do not currently understand how the innovative products are creating value for the customers nor why they should purchase the products. This, which Hülsmann & Pfeffermann (2011) argues, is of importance when communicating to customers. Consequently, the researchers also interpret it to be important for customers to understand value in order for the innovation to be diffused. The potential customers did not seem to have any noticeable emotions towards the marketed content due to it being claimed to be lacking emotions. Meaning, if they have not been exposed to marketed content of innovative products before, they could not make any judgments regarding how they feel about it, even if they are aware of the innovative products by the case company. This, which could be connected to what Rogers (2010) means with that an individual can be aware of an innovation for a longer time but have not yet developed an attitude towards it. Due to the fact that the majority of the respondents did not understand what was being communicated from the case company through content marketing nor how the product could bring value to them, means that the informative content was not delivered in a way that the potential customers understood.

Mansour & Barandas (2017) also mean that content marketing should earn customers attention by catching their interest. However, there seemed to be a lack of interesting content which caught their attention according to the potential customers. For instance, Y2 interpreted the content from the case company to be 'too technical' whereas others did not understand what was being communicated from diving equipment companies. Therefore, it was clear that there was a generally low product knowledge among potential customers. Rather, the interpretation from the potential customers was merely that they are 'expensive'. As argued by Osterwalder et al (2014), a firm's value proposition is a firm's promise to deliver both value and benefits to the customers in terms of i.e quality or performance, but also price. Yet, as customers still consider the innovative products as expensive, there seems to be a miscommunication between company and customers in how customers would benefit from the products and how the benefits would exceed the cost.

According to potential customers, the important part with diving equipment products is that they are safe so that they can enjoy safe diving. X1 explained that the case company is currently mostly communicating the technical aspects of their products, such as the Solid State Sensor on the rebreather. Therefore the researchers interpreted it as that the case company is currently focusing on informative content marketing, due to all the technical communication they deliver. However, for example the majority of the potential customers had no knowledge of the Solid State Sensor. They understood that it was some kind of technology, however why that technology was valuable was unclear for them. The researchers argue if customers do not understand the given information that a diving equipment company communicates through content marketing there is a risk that they will note be able to diffuse their innovative products. For customers to understand how the technical inputs of a technology is combined with a value proposition is important, as argued by Khan & Bohnsack (2020). Khan & Bohnsack (2020) more specifically means that it is when customers benefit from the technical attributes that customer value is created. However, due to the potential customers not understanding how the technical inputs benefit them, value cannot be created. Further, if value is missing the message will have no value to the customer, as argued by Finne & Grönroos (2017), then the researcher argues that they will not be able to diffuse their innovative products. Technological inputs are not necessarily visible directly to customers to see, it is rather embedded within the product. Challenge therefore arises to communicate the product value without describing the technological specifications.

Bäckström & Johansson (2017) and Denic et al (2018) mean that customers' expectations are rising where they demand marketing to be even more experiential. It was found among the potential customers that they do not necessarily dive for the products, but for the experience the products provide, which stresses the need for experiential marketing. Y4 explained that the communication of a product should reflect a dive that the individual wants to do. This also connects to what Pažėraitė & Repovienė (2018) stated that content should express an emotion and value creation to customers. Due to the fact that the potential customers want to see 'the experience', which brings forth emotions to the customers, and not the information of the marketed products from diving equipment companies' content, it undoubtedly becomes challenging to diffuse innovative products through content marketing if customers do not want to see the actual products. It could also be challenging to market the innovative products with only experiential content. The researchers thus argue there is a risk of having the innovative products completely lost within content marketing if they focus too much on experiential content.

However, if products are only marketed through emotions and experience with no direct connection to the actual products, customers might not be aware of them. Hence, what Hanna et al (2011) argues regarding that content marketing is aimed to move customers from awareness to consideration, will be difficult. If listening to the customers' needs and merely focusing on 'experiential content', the question arises whether there would be any diffusion of innovation since there might not be any product associations. Also the researcher believes the manufacturer could become even more lost in the digital mass, as discussed in 5.1 The Digital Mass on Social Media, since customers might not be able to recognize the diving equipment company as a brand when solely having content of the 'experience'. There is a risk that they

could become associated with actors in the market who sell the experience of diving, such as dive centers, or simple accounts who promote diving content. Simultaneously, if still choosing to have informative content about the innovative products, questions could also arise whether or not customers will consider the content to be interesting or whether they would understand the value, as Finne & Grönroos (2017) discussed. When having a product with embedded value from the technology, it is difficult to find the balance between informative and experiential content marketing in order to deliver value. As Y6 explained he enjoys seeing 'the life of diving' over the 'products' themselves, however he still values content where the product is described and that he understands why he would purchase it. Hence, it is challenging to communicate the product value through content since they have to find a balance that delivers information of the products as well as the emotions of experiencing the products.

In literature, Dogruel (2019) and Cutler (2004) discuss the risk for content overload. However based on results among both the business perspective and the potential customer perspective, it was understood that it is rather a content underload with little communication from diving equipment companies. For instance, X4 meant that there has been a lack, absence or shortage of marketing from any diving equipment companies in general. He meant that most of the marketing of diving equipment derives from dealers and distributors rather than the manufacturer itself. The content underload in the diving equipment industry could contribute to what Rogers (2010) discussed, that some individuals may be aware of innovative products for a longer time, but have not yet created an attitude towards it. This, which could be confirmed by the answers of some of the potential customers who could not differentiate manufacturers or products from one another, hence there is simply too little communication from manufacturers in order for customers to gather an actual opinion. The researchers of this study claim content marketing to be fundamental within digital marketing in order to spread a co-created message to customers in a way that both entails value and gives clear understanding among the receivers when diffusing innovative products, as argued by Hülsmann & Pfeffermann (2011), Araujo (2019) and Rogers (2010). How diving equipment companies should use content marketing is highly complex for these innovative products, which agrees with what Poradova (2020) said that content marketing requires a lot of expertise. How to utilize content marketing is something that should be taken into consideration among diving equipment companies, and perhaps take more prioritization as a long-time process, which also goes in line with Poradova (2020) statements.

#### **5.3 CREDIBILITY OF INFLUENCERS**

Derived from the empirical findings, the researchers have coupled the categories 'Traditional Communication', 'Innovation Acceptance' and 'Opinion Leaders' as they together discuss 'Credibility of Influencers' that was constructed as one major challenge.

The respondents from the case company discussed that traditional communication still plays a big role in the industry, where digital marketing is interpreted to be less used even though Jävinen et al (2012) and Zahay (2021) mean that digital marketing is beneficial for firms when

attracting and maintaining customers. It is considered traditional due to the fact that they are currently publishing physical catalogues and have not focused or done much within digital marketing yet. However, the biggest indicator that the communication is traditional is since 'word-of-mouth' is such a big source of communication and it takes place 'on diving locations'. This corresponds with the fact that a big channel for diffusion of innovation in the diving equipment industry is still interpersonal channels as Rogers (2010) mentioned. Rogers (2010) also meant that interpersonal channels do have a big power when it comes to creating and changing individuals' attitudes. Hence, there still seems to be a need for interpersonal communication, which could connect to that a big part of this industry and these products are physical and a part of the product cannot be represented digitally, since it has to be physically experienced. Before the outbreak of Covid-19, physical dive fairs were one of the biggest means of communication where diving equipment companies communicated their innovative products to customers. Respondents X3 and X6 explained that the way they are communicating their innovative products has not developed that much in recent years and the focus still lays on the technical aspects of the product rather than the marketing value of the products. None of the respondents stated that they dive for the products, they stated that they dive for the 'experience' or 'lifestyle' and the respondents seem to separate the experience from the products as discussed above in 5.2 Communicating Product Value through Content, which could be why a lot of communication still happens on location.

Connected to the discussion above in 5.1 The Digital Mass on Social Media about Early Majority and different target customers, pragmatic customers are also considered mainstream market (Moores 2014; Rogers, 2010). The researchers could see that generally, the need for innovation among the potential customers mainly concerns safety. The respondents discussed that they consider innovation as extremely important when it comes to increasing safety in diving equipment, however most of them did not feel the need to try new innovations. The potential customers in this case are generally perceived as pragmatic, as discussed by Moore (2014). Pragmatic customers are not particularly receptive when it comes to adopting new technology or innovations, which resembles how the potential customers in this study answered regarding innovation. As Goffin & Mitchell (2017) discussed, it is hard to influence pragmatic customers into becoming more like visionaries, which are instead customers who are much more receptive when it comes to testing new innovations. In connection to this, Moore (2014) stressed that it is important to focus the communication towards the specific target customers one wants to reach, which in this case are pragmatic customers, and hence finding ways of communication that pragmatic customers prefer. Therefore, there seems to be an acceptance of innovations' role among the potential customers but a big barrier when it comes to actually testing and adopting new innovations, which could be due to that the communication is actually not targeting their interests and character. One of the potential customers even associated innovation with a decrease in safety. Respondent Y1 believed that new and more innovative equipment are not as tested as older equipment which they therefore deemed less safe. If there is a perception that innovation is less safe in the industry it is extremely important for firms to focus their communication on communicating the safety aspects of their innovative products. As Moore (2014) said about focusing the communication towards the specific target customers, it is important to pin down what the pragmatic customers need to be communicated. If the communication is more targeted towards the pragmatic customers, more customers might be willing to try out new innovations.

Childers et al (2019) stated that the power influencers have can help customers move further into the purchasing process. However, due to the fact that interpersonal communications and networking still plays a big role in the diving equipment industry, the researcher stresses that it is more difficult for diving equipment companies to use influencer marketing. The choice of which influencer to collaborate with becomes crucial, due to the fact that most potential customers only seem to view innovation as a necessity and since it seems to be a barrier for diving equipment companies to move from traditional communication to more digital communication. The influencers within the diving equipment industry would have to live up to some demands in order to successfully market these types of innovative products based on the fact that safety is a core element in these products. The respondents Y3 and Y7 discussed that some diving equipment companies seem to forget the danger aspect of diving and instead merely focus on the wide reach the particular influencer possesses. The researchers believe that there is a scarce amount of social media influencers available due to these demands. In general, an influencer is typically an individual with a large amount of followers with the ability to make others listen to their message about a product or brand, and in some instances the knowledge the influencer has of the products is not the most important part (Childers et al., 2019). However, based on the findings in this study, knowledge in diving seemed to be the most important aspect of influencer within the diving equipment industry and not necessarily the amount of followers, otherwise potential customers lose trust in the influencer and company. As Khan (2020) means, trust is vital for customers in order to be credible. To be credible is highly challenging in this industry since there is a knowledge gap between manufacturer and customers when it comes to such innovative products as discussed in 5.2 Communicate Product Value through Content.

In the diving equipment industry, an influencer might not be the same as Stubb et al (2019) discussed regarding a social media influencer, since knowledge in diving is more important than reach. Bernays (1952) discussed that opinion leaders have the ability to influence a larger group of people and found in the results from the case company, opinion leaders have been around for decades in the diving equipment industry. Respondent X1 for example mentioned Jacques-Yves Coustaeu, who is a highly influential person in the industry, as an influencer that has been in this industry for many years. The most physically influential people might be the instructors or reputable industry people, however their digital influence might not be that widespread. Some of the potential customers further explained that the people they saw as influencers in the industry are 'well-known dive instructors' or 'ambassadors' who might not be operating on social media. However, the advantage with social media influencers is the wide outreach they have online (Childers et al., 2019; Stubb et al., 2019) and hence in order for it to help diffuse innovations it should be someone with a great social media presence. However, the opinion

leaders in this industry are not on social media and do not have the sort of outreach on social media that social media influencers have, they are instead physically on various diving locations. Furthermore, the researchers claim that there is no guarantee that these physical influencers have the same influence on social media as they do physically, hence they might not have the digital outreach necessary for it to help diffuse innovative products.

Conway (2019) discussed that the choice of influencer is highly important, since the synergy between company and influencer demands a lot of focus. The researchers argue that in the diving equipment industry it could be even more important when it comes to innovative products, which are considered more technically advanced. Due to the fact that influencers become brand ambassadors, it is crucial they are deemed trustworthy in the eyes of potential customers. This is supported by statements from the potential customers explaining that for them to 'trust' an influencer in this industry, the influencer needs to know what they are doing when they dive. They explained that dive equipment is life-supporting products and hence if they do not perceive the influencer as trustworthy. This will in turn have a negative effect when companies use influencer marketing to diffuse innovative products. As respondent Y3 stated, he has seen that companies who use female divers usually use the 'stereotypical female' in positions that are not normal for a high-tech diver. He would instead interpret this as someone who does not regularly dive with this equipment. Therefore he associates it as they are only using 'good looking' people in order to receive more likes. Conway (2019) mentioned that the choice of influencer is also highly dependent upon time-sensitivity. What Y3 expressed regarding the use of the 'stereotypical female', could be due to the fact that in today's social environment people are interpreted to be critical towards what message companies' are trying to send, i.e. in their choice of influencer. This finding is also supported by Khan (2020) who found that influencers have to maintain trust in order for it to be successful and 'good looking' is not something that is directly associated with trust according to the potential customers. Furthermore, Conway (2019) explained that influencers become a representative for the brand and that is why the choice of influencer requires a lot of attention, since the influencer could either be a perfect match or a misplaced marketing expenditure.

The case company's innovative products are argued to be for 'everyone', and not only particularly for advanced or technical divers. Therefore, having an advanced or technical diver represent these products, might be contradicting that message. X7 discussed that it might be better to use 'regular divers' as influencers, however these might not have the influence power that will help diffuse innovative diving equipment. Furthermore, they might not be able to meet up to the demand of conveying trust which Khan (2020) stressed. An influencer has to deliver arguments and content that is qualitative in order for it to be beneficial for both them and the company they represent (Childers et al., 2019). Thus, in order for the use of influencer marketing to be successful and diffuse innovative products in the diving equipment industry, the researcher argues that the choice of influencer must be connected to the specific product and that specific company. For instance, respondent Y1 stated that there are a lot of diving instructors aiming at becoming a social media influencer, but they are marketing the so-called

'dive life'. He explained it as a lifestyle where one mixes diving and partying, whereas in the case of the case company their value proposition is 'safety', which might be contradicting this lifestyle. The content the social media influencer communicates about the products is not the only thing that will be digital marketing for the product, but the influencer itself becomes an advocate for the brand (Conway, 2019). Therefore, in line with what Conway (2019) claims, the researcher argues that due to that the influencer becomes associated with the brands products, it is of great importance for diving equipment companies to carefully select an influencer who should market their innovative products.

The dilemma of who is better suited as a social media influencer for these types of innovative dive products stresses the difficulty of using influencer marketing for innovative diving equipment, since if they market it such that everyone can use it with 'regular divers' they might not be able to convey trust to the consumers, which Khan (2020) stressed as crucial. At the same time, if they market it with too technical and advanced divers, they might not be able to reach potential customers. The high demand of credibility and how rooted traditional communication is in the industry makes it challenging to use influencer marketing entails low product investments and high marketing expenditure, hence when it comes to innovative products it becomes questionable whether it could be successful. When it comes to influencer marketing for diffusing innovative products, diving equipment companies have to be very selective in their choice of influencer, whereas they might not even have the most appropriate influencers available for their innovative diving equipment.

#### **5.4 VISIBILITY ON SEARCH ENGINES**

Derived from the empirical findings, the researchers have coupled the categories 'Conservatism', 'Networking' and 'Information Search' as they together discuss 'Visibility on Search Engines' that was constructed as one major challenge.

Even though Yang & Ghose (2010) explained that companies can increase their visibility online and traffic to websites through SEM or SEO. However, the visibility on search engines did not seem to have any particular impact among the potential customers' decisions. More specifically, the visibility for diving equipment companies is still important, and they should be easily detected by customers. However, based on the results among the potential customers, it was clear to the researchers that the potential customers are by character not particularly involved in online networking nor particularly engaged in the digitized environment itself. Literature discusses that digital marketing in itself is aimed to create and build brand awareness and to reach customers (Denic et al., 2018; Järvinen et al., 2012; Zahay, 2021). However, as in the case for diving equipment companies, digital marketing practices in itself could be somewhat difficult. It was understood based on the results from the case company that people within the diving industry are deemed 'conservative'. The potential customers explained that they do not usually tend to search for information about dive products online, hence they are rarely searching for information from manufacturers' websites. The respondents from the case company explained that they perceive people within the diving industry to 'rather stick with the ones that they are used to' and that people do not purchase innovative products particularly often. For instance, X4 explained that customers often make a mind of what is good to them based upon what they have used previously, such as at the diving schools. This contradicts with what Rogers (2003) claims that diffusion of innovations originates from actual situations where firms and individuals communicate with one another. The researchers interpret that it is not always the manufacturer itself that helps diffuse innovative products within the diving equipment industry. Instead, it seems that diffusion of innovation perhaps happens when customers are networking with other customers. It could be interpreted that in the diving equipment industry, the sender of messages regarding innovative products is not always the firms, as argued by Finne & Grönroos (2017), rather it is often customers who send the messages. The reason behind this could be due to it being argued among the potential customers that they do not trust diving equipment companies, rather they rely on other people's opinions. For instance, Y2 explained that he does not trust information given directly from diving equipment companies online since he is aware that they will only give the good information about the products. Instead, Y2 searches for information from others' opinions.

Berman & Katona (2013) mean that SEO is a way to optimize websites in order to be ranked higher on the search engines which could be beneficial for companies. Although, it was found among the potential customers that they are not searching for information from the diving equipment companies itself particularly often. Rather, they search information from other sources such as reviews on external websites and thereafter they explain that they go to the manufacturer but merely to 'confirm' what they previously have learnt. These findings contradict what Järvinen et al (2012) and Zahay (2021) mean that digital marketing enables firms to create or build brand awareness, since potential customers have created a brand awareness before taking use of search engines. Additionally, Y6 means that he only searches for information if he is in need of a new product, which is rare. When he is in need of a new product, the manufacturer's website is the last page he will visit. This further goes in line with what Scott (2010) means that customers use keywords or phrases of something that they actually want to see. The other potential customers also explained that they rarely search for information online, rather they network and seek information such as from friends at dive locations, diving centers or with diving instructors. This contradicts what Mangold & Faulds (2009) means that people go to the Web to search for information. The potential customer stated that if they would search for product information online, it would be from reviews or community based networking sites, and not from the manufacturer. This makes it difficult for diving equipment companies to optimize their website with specific phrases or keywords that are not associated with the name of the product or manufacturer.

Sharma et al (2018) additionally mean that the keywords that are used by the individuals can be crawled by SERPS and are therefore the search engines the response to an individual's search. Also in line with Pan (2015) means that customers most often merely click at the top of the SERPS, consequently strengthens the importance of using SEO due to it being found among the potential customers that they do not put much effort into product search. This also corresponds with Bhandari & Bansal (2018) who mean that customers are more likely to click on the sites that are presented on the first page of results and not necessarily do not view sites that are further than the third page on the search engine.

Furthermore, Berman & Katona (2013) also explains SEM as a form of paid digital marketing strategy that increases visibility on search engines. However, since customers do not actively seek information on search engines, SEM could be seen as unnecessary for diving equipment companies. Scott (2010) explains SEM as a strategy where firms pay for their advertisements to appear at the top of the search engine with an individual typing a specific phrase. Although, Scott (2010) means that companies are paying per customer's click, however if customers do not initially search at keywords to enter a website but rather on review sites or community networking sites, makes the researchers of this study question the effect of utilizing SEM. It is argued that SEM is important since it increases visibility and it is important that once customers desire to enter manufacturers websites through search engines, one could still claim that it is important that they are at the top. Meaning, since people still go to manufacturer's websites for 'confirmation', it still makes SEM important for diving equipment companies to be easily found among individuals. Thus, SEM within the diving equipment industry is seen as important in order to be visible, however it is seen as unnecessary since people rely on external sites. The researchers of this paper therefore question whether diving equipment companies should optimize websites by adding keywords or phrases that are commonly used at review sites or community networking sites in order to increase possibility for them to end up at the actual website instead. Furthermore, Scott (2010) also means that SEM is a strategy that does not rely on any interruption technique, hence this makes it even more challenging to use SEM due to the fact that the manufacturer has to rely on that the customer themselves seeks their information. This additionally goes in line with Mangold & Faulds (2009) who claim that customers decide themselves when and what information to seek for.

Even though Scott (2010) means that SEM and SEO can increase companies visibility online, it was found that people tend to search information about innovative dive products through online reviews or community based networking sites. Based on results from the potential customers, it could be interpreted that enabling what Bhandari & Bansal (2018) mean with on-page optimization would perhaps not have a major effect on performance. Results instead suggest that diving equipment companies should engage with off-page optimization, also argued by Bhandari & Bansal (2018), since it was shown among the potential customers that they are still entering external websites before the diving equipment companies is claimed to be the several steps that customers have to take until they end up at the manufacturer's website. Meaning, there are several steps where the manufacturer cannot control what is being communicated. This furthermore increases the possibility of interferences such as noise, miscommunication or distortion in the information seeking process of customers, as discussed by Finne & Grönroos (2017).

Subsequently, it was found among the potential customers that they rather rely on other people's opinions such as on community networking sites and reviews. Thus, the manufacturer has little control of what people are discussing on these external websites. More specifically, this leads to a major challenge for diving equipment companies to know what type of information that is communicated about their innovative products. Consequently, the manufacturer cannot control whether or not their product value is being communicated correctly or if it is being miscommunicated by other people.

The major challenge when diffusing innovative products through search engines is the fact that other people or sites have more power to influence compared to the manufacturer itself and that people do not have the need or a demand to search for new information. Meaning, it undoubtedly becomes problematic for diving equipment companies when using SEM and SEO since customers still choose to obtain information from external sources. Therefore, it has been seen that engaging in both SEM and SEO is important, but it could undoubtedly correspond to Karjaluoto et al (2015) who mean that reaching customers successfully through digital marketing is not always easy but rather questionable.

# **6 CONCLUSION**

This chapter will present the main findings found in this study. The findings aim to answer the purpose of this study and then give the reader the theoretical contributions as well as the managerial implications.

This study aimed to explore the challenges when diffusing innovative products through digital marketing. Through an investigation between a case company and potential customers in the diving equipment industry, the researchers could identify four major challenges when diffusing innovative products through digital marketing. The four identified challenges are '*The Digital Mass on Social Media*', '*Communicating Product Value through Content*', '*Credibility of Influencers*' and '*Visibility on Search Engines*'.

More specifically, the first major challenge when diffusing innovative products through digital marketing is to stand out in the digital mass when there is a low social media influence, unfocused digital communication and when there seems to be different target customers. The second major challenge when diffusing innovative products through digital marketing is the communication of product value. Distinctly, the challenge in communicating how technology reflects experience. The third major challenge when diffusing innovative products through digital marketing is to find credible influencers. When opinion leaders are not social media influencers, communication is still traditional and focused on technical aspects, and customers' innovation acceptance is low when it comes to actually trying new products. The fourth and last major challenge when diffusing innovative products through digital marketing is to overcome the lack of visibility online. It was found that people are not searching for information from the manufacturer, but solely for confirmation. Henceforth, to diffuse innovative products through digital marketing becomes challenging due to its nature limits their abilities to stand out in the digital mass, communicate product value and to be credible and visible.

Based on the results, the researchers of this study interpret '*Communicating Product Value through Content*' and '*Credibility of Influencers*' to be the most dominant challenges as they present the most difficulties in communicating technology in a way that customers understand the innovation and perceive it trustworthy.

#### **6.1 THEORETICAL CONTRIBUTIONS**

The main theoretical contribution of this study was the deepening understanding of the challenges with digital marketing practices and the role of communicating innovative products, which was previously unexplored in literature. More specifically, this study looked at both the business perspective and the customer perspective which helped gather a deeper understanding of the challenges when diffusing innovative products through digital marketing. From the business perspective, it could be identified that there are several challenges that need to be considered if using digital marketing practices which is further discussed in 6.2 Managerial

Implications. The potential customer perspective contributed with theoretical knowledge of the nature of customers and their perception of online communication when it comes to innovative products.

Furthermore, this study has also identified several other theoretical contributions. Firstly, this study also contributed with theoretical value by identifying that the subject of digital marketing is much more complex when it comes to innovative products, especially when safety is a core element in highly technological products. One still has to acknowledge that marketing innovative products requires more effort among researchers in order to fully understand the complexity by diffusing innovative products through digital marketing. Secondly, this study also contributed with theoretical knowledge by obtaining an understanding that Rogers (2010) model of diffusion of innovation should acknowledge the potential role that digital marketing may have in diffusing innovations. When it comes to literature regarding digital marketing and its benefits for diffusing innovations, this study exemplifies that the model should acknowledge the complexity when it comes to innovative products rather than commercial products. Through identifying these major challenges that these innovative products face, this study gives more understanding of how the theories of communication, diffusion of innovation and digital marketing are connected. Furthermore, by connecting digital marketing to diffusion of innovation this study interlinked marketing research to innovation research for the future. By combining these, this study points to the Rogers (2010) model of diffusion of innovation needs to investigate and address other communication channels than it does in its current form. Thirdly, this study has also contributed to the literature on marketing communication from the customer perspective. As extant literature has mainly focused on the communication delivered from the company to the customers, this study has given more understanding of the importance of taking interest in customers' perspective in marketing communication.

Even though this research contributes a lot to the theoretical research around diffusion of innovation and digital marketing, the researchers of this study believe that more research is needed in order to fully fill the gap in literature between these theories. Suggestions of further research that can help fill this gap is presented below in 6.3 Further research. This study took a qualitative approach to the subject matter in order to contribute with new knowledge and fill the theoretical gap in literature from a business perspective. The qualitative nature of the study helped to gather an understanding of what were the major challenges for these innovative products, merely in contrast to other commercial products. This study hence contributed to broadening the spectrum of research on innovative products in digital marketing. Furthermore, this study also made theoretical contributions in research in the diving equipment industry. The researchers of this study could see through the extant literature review that research in the context of the diving equipment industry was vague and hence this research contributes to this research field as well.

#### **6.2 MANAGERIAL IMPLICATIONS**

This study has contributed with managerial implications for several managers. Firstly, value to managers possessing innovative products and who are utilizing digital marketing as a way to diffuse such innovative products. Secondly, value to managers within the diving equipment industry and lastly, value to managers at PDS.

This study aimed at identifying challenges when diffusing innovative products through digital marketing. This study has acknowledged that innovative products are highly complex compared to commercial products and require more effort when it comes to digital marketing. The researchers of this study hence believe that knowledge in this study could provide managerial implications for managers who aim to diffuse innovative products through digital marketing. The challenges identified in this study are by themselves managerial implications that managers should consider in their digital marketing practices in order to navigate the complex nature it possesses for such innovative products. The researchers of this study believe that 'Communicating Product Value through Content' and 'Credibility of Influencers' are the challenges that are the most challenging for managers of innovative products based on the technological difficulties it presents, such as explaining technical specifications and delivering trust. Furthemore, due to the fact that this study investigated both the business perspective and the customer perspective, the results can be insightful for managers in terms of how and what they communicate through digital marketing particularly regarding innovative products. They may gather a better understanding regarding considerations in what messages they are sending and how it is received.

This study has managerial implications for all diving equipment companies, in findings such as that most of the communication to end customers within the diving equipment industry derives through peer-to-peer or from dealers or distributors. Even though the researchers argue that manufacturers should focus on marketing even more directly to end customers, they still have to ensure that the communication from the manufacturer to the dealers and distributors is clear, in order for the product value to be correctly understood by end users. This, since the dealers and distributors still play a key role within the diving equipment industry. Even though this study focused on the diving equipment companies, it could also be useful for distributors and dealers, who are other actors in the diving equipment industry as well.

From the results of this study, the researchers could find several recommendations for PDS. The managerial implications for PDS is that they need to establish who they are targeting with their innovative products and subsequently ensure that their communication is focused towards this target group. Therefore, a market research of this target group within the diving equipment industry is also needed in order to obtain a more robust understanding of their needs and wants. If ignoring the target group, the researcher questions whether PDS will be able to manage the digital mass online. However, PDS also have to acknowledge that they, similarly to other diving equipment companies, are not particularly influential online since their customers are not particularly receptive towards the online environment in general when it comes to

searching and obtaining information from diving equipment companies. If they decide to continue to communicate to the mainstream market, they should focus on content that will show the experience that the customers will have with the products. Specifically, ensuring how the innovative products will provide value to the customer when using it, with a message that is understood among the potential customers. Further, when it comes to influencer marketing, the researchers stress that PDS should consider if this is the best way for them to communicate to customers. This, due to the fact that influencer marketing often includes influential people operating online in order to spread a message, but due to that the people in the diving equipment industry that are seen to be most influential, are not social media influencers. The choice of influencers are hence highly important since there is a risk that they might do more harm than good. Lastly, PDS still need to address that they might not be the primary source of communication and information. Hence, they should make sure that recommendations and reviews are good in every possible way.

#### **6.3 FUTURE RESEARCH**

This study has drawn upon both theoretical and managerial contributions however the researchers of this study believe that more research is both suggested as well as needed. As mentioned above, this study could be managerial inspiration for other industries. However, in order to know whether these challenges are the same when it comes to other innovative products, further research has to be made. In order to confirm and generalize results of diffusion of innovative products through digital marketing, more research needs to be conducted as well as quantitative studies that could generalize the whole population. For instance, the researchers of this study suggest future research to conduct similar studies with case studies from other industries with innovative products possessing a high degree of technology. This way, in order to reach a more holistic understanding of diffusion of innovation and digital marketing when it comes to innovative products. Additionally as seen in the results, customers rely heavily on community networking sites, future research could be of interest in investigating the two-way communication between manufacturers and customers at community based networking sites, such as the manufacturer engaging in direct discussion with customers. More research should also be conducted which could shed light on other significant factors that this study has not gathered, such as different demographics or geographic segments of potential customers. Additionally, other digital marketing practices that the researcher of this study did not investigate could also contribute to a more holistic understanding of the phenomena. Lastly, as this study has identified the challenges of diffusing innovative products through digital marketing, a future research is recommended to investigate how to solve the identified challenges.

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# APPENDICES

### **APPENDIX 1**

Interview Guide: Interview questions to employees at PDS

The interview begins with the researchers explaining our work, its purpose and the outline of the interview. Information of anonymity will be delivered and the question about recording will be asked in order to be able to transcribe the material.

Personal and company background

- What is your position at PDS?
- For how long have you been working at PDS?
- What are your involvements in regards to the sales process and/or marketing process?

#### Diffusion of innovation

- How would you describe the profile of a typical PDS diver?
- In what segments do you find most of PDSs customers?
- How do you think the PDS rebreathers are different from competitors on the diving equipment market?
- How do you think the PDS regulators are different from competitors on the diving equipment market?
- How do you interpret your customers' willingness to adopt innovations?

#### Communication

- How are you currently communicating your products to your customers?
- What are you communicating to your customers?
- How do you communicate online?
- How do you communicate Poseidon regulators/rebreathers unique selling points to the customers?
- How would you say that the ways of communicating have developed over the last years for PDS?
- Why do you think the PDS rebreathers are creating value for the customers?
  → How are you sending that message to the customers?
- Why do you think the PDS regulators are creating value for the customers?
  → How are you sending that message to the customers?

#### Digital marketing

- How do you interpret your customers' interaction on social networking platforms?
- Why do you think it is challenging for PDS to communicate to your customers in your digital marketing practices?
- What do you find challenging in communicating the rebreathers to your customer in your digital marketing practices?
- What do you find challenging in communicating the regulators to your customer in your digital marketing practices?

### APPENDIX 2

Interview guide: Interview questions to potential customers

All respondents were within the criterias for the study. Hence, they all had experience and interest in diving as well as used social media and the Internet. They were all informed about anonymity and asked if they were okay with being recorded before the start.

Diving general:

- What are your experiences in diving?
- Why do you dive?
- What do you feel is the most important when diving?
- Do you own any diving equipment products?  $\rightarrow$  What products do you own? If not, what products would you invest in?
- How important do you feel innovation (technical aspects) on diving products to be?
- What are your experiences with a rebreather/regulator system? What brand?
- What do you value with a rebreather/regulator, specifically?
- Are you aware of PDS? If yes  $\rightarrow$  how?
- How do you believe PDSs rebreathers/regulators differentiate on the market?
- Have you ever been diving with PDS products? If so how did you experience it?

Communication:

- What type of communication have you encountered from diving equipment companies?
- How would you say that the ways of communicating have developed over the years for diving equipment companies?
- What ways of communicating do you prefer the most from diving equipment companies?
- Does communication from diving equipment companies help you in your decision making process?

Communicating through digital marketing:

- What type of communication have you encountered from diving equipment companies online?
- What ways of communicating do you prefer the most from diving equipment companies online?
- What do you think about diving equipment companies marketing innovative products through digital marketing?

#### Social Media Marketing

- Are you interacting with any diving equipment companies online? Why/Why not?
- How do you feel about diving equipment companies using social networking sites as a way of communicating their products, such as Facebook, Instagram, Twitter, LinkedIn and Youtube?
- How do you think diving equipment companies distinguish themselves on their social media accounts?
- How do you feel about diving equipment companies having sponsored advertisements that pop up in your feed?

#### **Content Marketing**

- What is, according to you, good content from diving equipment companies?
- What type of content do you want to see on diving equipment websites?
- What type of content do you want to see on diving equipment social networking sites?

The researchers will show some pictures and ask about their perception, emotions and opinions regarding a set of posts taken from PDS own Instagram account. This way, the researchers could obtain their understanding of content. Thereafter, the researchers will also ask the representatives to claim which of two chosen posts they prefer of both the rebreathers and the regulators, and their motivation for their answers.

#### Influencer Marketing

- Are you aware of any influencers within the diving industry? If yes  $\rightarrow$  Have they had any influence on your perception on diving equipment?
- How much would you say that you trust influencers when market innovative diving equipment products?
- What do you think about when diving equipment companies collaborate with influencers?
- How much would you value influencers recommendations regarding innovative diving equipment products?

#### SEO/SEM

- How are you most likely to search for information on innovative diving equipment products?
- How much time and effort would you say that you spend on searching for information about diving equipment?
- When you are looking for information about diving equipment/rebreathers/regulators  $\rightarrow$  what would your typical search phrases be?
- What is your perception towards paid advertisements in search engines (SEM)?