Playing Smart: Navigating Entrepreneurial Marketing through an indirect audience

A qualitative study of companies' entrepreneurial marketing processes in the children's product industry.

By

Johanna Fransson

Wilma Karlsson

30 May, 2024

Abstract

This study explores entrepreneurial marketing (EM) and resource based view (RBV) in the context of indirect customer relationship creation in the children's products industry, specifically focusing on how firms navigate regulated markets. Through qualitative, in-depth interviews with business actors, the research has unearthed strategies companies employ to ethically and effectively engage an indirect audience, primarily through children's parents. The findings suggest a new dimension of EM: indirect *relationship marketing*, which underscores the importance of i) Triggering influence and interpretation, ii) Promoting interpretation, and iii) Triggering engagement on an ethical level, to reach an indirect audience. The study demonstrates that companies utilise offline and online strategies to foster meaningful and responsible interactions where parental trust is pivotal in reaching children. The research enriches the academic literature by broadening the understanding of EM in a regulated context. It provides practical insights for firms striving to engage customers ethically through indirect customer relationships. The study highlights the importance of developing deep and meaningful indirect customer relationships as a strategic asset, which differs from previous research that often emphasises direct customer interaction. By highlighting the role of ethical marketing in relationship building, this study departs from traditional interpretations of RBV and EM.

Acknowledgments

Table of content

1. Introduction

Previous research indicates that a core dimension of Entrepreneurial Marketing (EM) is fostering relationships with the target group (Morris et al. 2002; Morrish et al. 2010; Becerer et al. 2012; Sadiku-Dushi et al. 2019). However, what happens when the relationship is indirect, such as when products intended for children are marked through their parents? Especially in regulated markets like the children's product industry, this lack of research creates a knowledge gap around the strategies companies develop to navigate laws and ethical guidelines while effectively engaging with their intended audience.

This study delves into EM and its application to indirect customer relationships, focusing on companies within the children's product industry. Swedish laws limit marketing to children in this industry. Direct marketing to children under 16 is prohibited, as children are less critical and more open to, for example, excessive product promises. Companies are also not allowed to design advertising as games, toys, or similar, as children may have difficulty distinguishing between advertising and other information (Konsumentverket, 2023). However, historically overlooked as a consumer segment, children are now strongly influencing market dynamics. Their preferences influence family spending and brand loyalty extending into adulthood (McNeal, 2000; Nicholls & Cullen, 2004), making them an attractive target group for marketing.

Mehta and Mehta Naveen (2017) further underscore an ethical aspect that is critical regardless of whether advertising to children is done in a country where it is legal or where there are rules and laws. It is an ethical consideration to include children in advertising and to target children as an audience. This investigation contributes to the academic field by exploring how companies develop their EM strategies for children as customers, with a critical focus on the ethical implications.

Some researchers, including Morris et al. (2002), argue that traditional marketing is no longer sufficient and that new thinking is needed. In recent years, researchers have seen the emergence of EM, an approach that builds on the principles of relationship marketing. EM is about adopting an opportunity-driven mindset characterised by vision, creativity, flexibility, and originality. The authors argue that these characteristics are vital for exploring innovative marketing paths and are applied to all marketing activities, from market research to

developing marketing strategies. According to Shane (2003), entrepreneurship is about opportunity recognition and understanding the characteristics and existence of entrepreneurial opportunities. Covin and Slevin (1991), together with Alqahtani and Uslay (2020), explain that opportunity recognition is relevant for startups or small companies but also plays a vital role in more prominent and established companies. The authors further emphasise that this broad application of entrepreneurial strategies shows that companies, regardless of size, must continuously innovate and adapt their marketing strategies. In the context of the children's product industry, this insight is particularly relevant. This industry, which has a broad and varied category of products designed to meet the needs of children and their parents, is a prime example of the need for continuous innovation and adaptation. It encompasses everything from toys and clothing to strollers, car seats, children's furniture, feeding products, hygiene products, and educational materials (Konsumentverket, 2024). This study will specifically focus on companies that sell/produce toys since these are products that children most want.

Moreover, McNeal (2000) as well as Nicholls and Cullen (2004) stress that the growing market for children's products and the ethical considerations it entails require careful navigation. Historically overlooked as a consumer segment, children are now strongly influencing market dynamics, with their preferences influencing family spending and brand loyalty extending into adulthood.

Based on the theoretical framework of this study, it is noticeable that research on EM needs to be explored more in terms of indirect relationship-building with consumers. Persistent literature on EM mainly highlights the development of traditional marketing to EM and the benefits of EM (Morris et al. 2002; Becherer et al. 2012). Becherer et al. (2012) conducted a quantitative study, revealing that EM correlates positively with company performance across various metrics such as financial performance, growth, and customer satisfaction. However, this study raises suggestions for future research in a specific industry, suggesting a clear research gap in EM research. Hills et al. (2008) present a qualitative study of EM in Sweden and the US, highlighting differences between companies using EM and traditional marketing. EM companies tend to have a different strategic orientation, be more flexible on tactics, and focus more on value creation and sales. However, the authors encourage further research into EM and its use and impact on firms in different contexts. Furthermore, the studies mentioned (Morris et al. 2002; Becherer et al. 2012; Hills et al. 2008) lack research on how EM is used

when companies need to develop indirect customer relationships. Previous research focuses instead on direct relationships when using EM. This leads to the research question:

How do companies develop entrepreneurial marketing strategies to reach their indirect target audience?

This study uses a qualitative research method, in-depth interviews. It delves into a specific segment within EM, exploring how companies in the children's product industry develop marketing strategies. These strategies aim to indirectly build and maintain relationships with their primary customer group through a secondary but equally significant group; the children's parents. This is a complicated balance between reaching their market and adhering to ethical standards without directly targeting marketing efforts at children.

This study contributes in two different ways. First, this study unpacks three strategies companies have developed to reach their end customers, children: i) Triggering influence and interpretation, ii) Promoting reliability, and iii) Triggering engagement on an ethical level. Each theme is addressed to understand its purpose and impact on the ability to build and maintain close indirect relationships with end customers. Second, the study shows that companies indirectly reach their customers by establishing intermediary relationships with target groups, such as parents, to navigate a marketing-regulated market. Companies are developing creative and ethically responsible ways to influence children through their parents without directly marketing the products to the children. This is done by highlighting the educational and entertainment values of the product through customised content and activities that resonate with children's current interests.

By applying EM theories, which Becherer et al. (2012) emphasise, focusing on identifying and exploiting unique opportunities and resources in fast-moving and uncertain environments, this study can highlight companies' creative and innovative strategies to overcome barriers and reach their intended audience. Moreover, the resource-based view (RBV) is a theoretical framework that helps analyse how companies exploit their internal resources and abilities to develop their EM. RBV will be used to understand what Kellermanns (2016) et al. presents in how companies leverage their unique resources, such as their brand reputation and product quality, to develop and implement their EM strategies.

This research is significant since it both enriches academic theory and practical applications by showing how companies can navigate the ethical dimensions of the market. Beyond its

academic contribution, the study also has societal relevance. By extending the application of EM into a context where the direct consumer is not the target, this study contributes to a deeper understanding of the complexity of marketing strategies in regulated industries. By focusing on marketing strategies that engage parents, the children's main purchasing decision-makers, the research focuses on understanding the methods these companies use to influence purchasing decisions and comply with regulations.

Having introduced the study's background, presented the research question, and discussed its potential contribution, section two will dive deeper into the existing literature related to EM strategies and RBV to understand how these play a significant role in the company's marketing efforts. Chapter three discusses the study's research design, methodology, company selection criteria, data collection, and analysis methods. The fourth chapter presents the findings of the empirical data. Further, the fifth chapter presents the analysis and discussion, which aims to deepen the study and discuss the finding. The analysis links to the theoretical background and discusses how the empirical findings contribute to a deeper understanding of EM strategies. Finally, in the last section, the study summarises the main findings and discusses implications for theory and practice. A reflection on the research's contributions to the academic field is provided, highlighting directions for future research.

2. Literature review

This literature review delves into the crucial concepts and theories of EM dimensions. It also underscores the RBV as a pivotal theory, serving as a framework for this study's analysis. Although existing research on EM and RBV provides a comprehensive overview of these areas, this literature review has identified significant knowledge gaps, particularly applying these theories to indirect customer engagement in the children's products industry.

2.1 Entrepreneurial Marketing

In the past, marketing and entrepreneurship were considered two distinct fields of study. However, Grönroos (1999) has advocated that marketing has undergone a paradigm shift focusing more on relationship building. Hills et al. (2008) emphasise that the academic field of entrepreneurship has rapidly developed into a well-studied field, while marketing, as a scientific business discipline, has mainly focused on large, resourceful firms and ignored entrepreneurial organisations. The authors present that research on entrepreneurship has highlighted the shortcomings of traditional marketing principles and highlighted EM as a distinct concept, which Alqahtani and Uslay (2020) also emphasise.

Previous research on traditional marketing has resulted in a limited view of marketing, where resource and skill constraints in more entrepreneurial organisations have been overlooked. Despite extensive research on EM this review emphasises that existing literature mainly concentrates on direct customer interaction and the resources required to maintain these relationships. However, this traditional research does not provide complete insight into the complex dynamics of indirect customer relationships, which are particularly prominent in regulated markets where direct customer engagement is often limited. Thus a clear need to explore how companies can use EM to indirectly reach and engage their end-users through interactions with, for example, parents or guardians. Given these knowledge gaps, this study applies a partially deductive approach, combining existing theoretical frameworks with new empirical observations to confirm and expand the understanding of how EM strategies can be used innovatively to create value and engagement through indirect channels.

Morris et al. (2002) emphasise that during recent years, several alternative marketing methods have emerged that build on relationship marketing, and these have subsequently been brought together under a single genre, EM. EM is fundamentally an opportunity-driven

and opportunity-seeking way of thinking and acting. Stokes (2000) emphasises the importance of informal networks and personal relationships in EM, highlighting how these elements contribute to the effectiveness of EM strategies. Becherer et al. (2012) describe EM as a term used to describe how companies act to find and exploit opportunities even when market conditions are uncertain and resources are limited. Further, EM is based on creative approaches to risk management, resource utilisation, innovation, and value creation. Morrish et al. (2010) argue that marketing in entrepreneurship focuses on the importance of the interaction between the entrepreneur and the consumer as a critical element in driving the business, using innovative and opportunity-oriented methods and actions to reach out.

Morris et al. (2002) stresses that these marketing approaches differ in their return to the marketing genre's roots, the creative pursuit, and the art of finding new marketing methods. He argues that imagination, vision, cleverness, and originality are associated with entrepreneurial behaviour, which is central to conceptualising this part of marketing. These characteristics are applicable in all marketing activities, from market research and segmentation to the design of the marketing mix. Guerola-Navarro et al. (2022) also emphasise that entrepreneurial marketing combines marketing with an entrepreneurial mindset. It differs from traditional marketing theory in that entrepreneurs tend to be innovation-oriented, driven by new ideas and have an instinctive sense of the market rather than by careful evaluation of business needs.

2.1.2 Dimensions of Entrepreneurial Marketing

Morris et al. (2002), along with researchers such as Sadiku-Dushi et al. (2019) and Becherer et al. (2012), define EM as an organisational approach with seven underlying dimensions. This means they have identified seven characteristics determining how EM is utilised and understood within an organisation.

Proactiveness is about being prepared and acting in advance to influence the company's environment, presents Morris et al. (2022). It means that the company tries to predict difficult situations and then takes action to deal with them. At the entrepreneurial level, the authors argue that proactiveness is about marketing actions that enable the company to adapt to change and reduce uncertainty.

Becherer et al. (2012) explain that the *opportunity-focused* dimension is about identifying and observing opportunities in the market. Morris et al. (2002) and Sadiku-Dushi et al. (2019) state that companies need to evaluate how well an opportunity fits their capabilities and resources. Being able to choose the right opportunity is crucial to success. Entrepreneurs in such businesses will likely see opportunities where others see problems.

Further, Becherer et al. (2012) explain the *risk-taking dimension*. This dimension is about being ready to take chances and risks in business. The authors emphasise that entrepreneurs see opportunities in taking on challenging projects and are prepared to take risks to follow these opportunities. They do not see risks as an obligation but as a natural part of their work. Further they argue that entrepreneurs often are optimistic and can evaluate risks and make considered decisions to deal with them.

The *innovation-oriented* dimension described by Sadiku-Dushi et al. (2019) focuses on marketing innovation to create new markets, products, or processes. Morris et al. (2002) and Becherer et al. (2012) emphasise that entrepreneurs and small businesses may be especially likely to be innovative because they may need more resources to compete by traditional standards. It is about being open to new ideas and embracing innovation to meet customer needs in new and creative ways.

Customer intensity is about how much the company focuses on its customers Morris et al. (2002) presents. It means being highly committed to understanding and meeting customer needs and desires through innovative approaches to creating and maintaining strong customer relationships. Guerola-Navarro et al. (2022) also emphasise that in today's business world, especially entrepreneurship, the customer is crucial for all business decisions. It is, therefore, necessary to carefully examine strategies and tools that affect customer relations management to adapt EM efforts effectively.

The second last dimension, *resource leveraging,* Becherer et al. (2012) presents as being creative and strategic in using existing resources to maximise efficiency and enable the company to do more with less. They argue that it involves identifying and exploiting resources in ways that may not be obvious to others and can involve the sharing of resources, outsourcing, and other innovative methods to increase the company's capacity.

The final dimension, *value creation, is* a pivotal element in EM. Becherer et al. (2012) underscore value creation as the cornerstone of entrepreneurial activity and market orientation. Unlike traditional marketing, which focuses on transactions and customer relationships, EM is driven by creating value through novel, creative, and innovative approaches. The authors stress that entrepreneurs excel when discovering fresh and imaginative ways to generate value.

On the other hand, these studies do not delve into how companies can utilise these dimensions to foster indirect relationships (Morris et al. 2002; Becherer et al. 2012; Sadiku-Dushi et al. 2019). The authors stress the importance of being innovative and creating value through creative processes. However, there is still a gap in how companies develop these innovative strategies using different dimensions to foster indirect customer relationships. Alqahtani and Uslay (2020) also uses the dimensions to understand how companies can improve their performance in the market, but does not go into how the dimensions are used with different types of target groups. This gap underscores the need for further research in this area.

Morrish et al. (2010) explain the importance of the relationship between the entrepreneur and the customer within EM. In EM companies, both the entrepreneur or entrepreneurial team and the customer are seen as core actors in the business, and they are equally important in shaping the company's culture, strategy, and behaviour. Further, he explains that the relationship between the entrepreneur and customers is one of the core elements that make up the perspective of EM, demonstrating a direct link between EM and customer relationship building. Prior studies of EM (Morris et al. 2002; Morrish et al. 2010; Becherer et al. 2012; Sadiku-Dushi et al. 2019) will help in understanding how companies, with creative processes, build relationships and create value for consumers to stay competitive. However, Morrish et al. (2010) are another example of researchers focusing on the direct relationships created through EM. This also leaves a gap in the literature on indirect relationships with consumers that this study attempts to fill.

2.2 Resources-Based View

The RBV theory will be valuable in this study as it emphasises the importance of internal resources and capabilities as determinants of firms' competitive advantage (Kellermanns et al. 2016; Ferreira et al. 2011;Gouthier & Schmid, 2003) . RBV is particularly relevant in indirect customer relationships, such as those involving parents as intermediaries. To manage these relationships effectively, companies need specific resources and capabilities. In the context of EM, where a central dimension is about fostering relationships with the target audience, the RBV provides a deeper understanding of how firms can leverage their unique resources to build and maintain these relationships, even when they are indirect. RBV can help identify which internal resources, such as specific knowledge, innovative capabilities and relational assets, are most critical to successfully navigate this complex marketing. This can help fill the knowledge gap about the strategies companies use to achieve effective customer relationships within the context of regulatory and ethical norms.

RBV is defined by Kellermanns et al. (2016) as one of the most influential perspectives in organisational science, with its basis in strategic management. RBV focuses on the company's resources as the basic building blocks to develop strategies that increase its effectiveness. The authors explain that a resource, according to RBV, includes all assets, abilities, organisational processes, business attributes, information, knowledge and other resources that the company controls. The main idea is that all companies can achieve competitiveness and improve their results using these valuable strategic resources. However, Kellermanns et al. (2016) argue that the traditional view of RVB, which implies that strategic use of resources can create a competitive advantage, should be nuanced. Furthermore, the authors examine similarities and differences between how researchers and practising entrepreneurs conceptualise resources within the RBV and how these conceptualisations affect organisational benefits in entrepreneurship. Therefore, this study aims to develop a theoretical framework that emphasises using resources to build relationships rather than just different ways of thinking about resources.

Ferreira et al. (2011) also describe RBV as an influential theory in management and strategy, focusing on the company's internal resources as a basis to create competitiveness. The authors explain that the most crucial feature of the RBV is its focus on the company's internal resources rather than external factors such as market conditions or competition. Furthermore, the authors explain that the RBV means that for a company to be successful and stand out

from the competition, it must have access to unique internal resources. These unique resources can range from particular knowledge, unique employee skills, patented technology, a strong brand, or unique business processes. What the study does not examine, is how different types of resources affect different types of customer relationships. The authors do not argue how to use these different resources to build indirect relationships with customers. There is a gap in how these internal resources are used not only to create direct customer relationships, but also indirect.

According to Gouthier and Schmid (2003), customers and customer relationships are not only direct assets but also transnational resources that require investments and adaptations over time to maintain their value and are difficult to imitate. This understanding is crucial to show how firms can strategically manage relationships and ensure long-term competitiveness. To address this, the authors emphasise the need to invest in and maintain customer relationships continuously. This means understanding customers' needs and expectations and adapting services and interactions to meet them.

Furthermore, Gouthier and Schmid (2003) state that companies should focus on developing internal capabilities that enable effective customer integration into their processes. This may include using technology solutions to improve customer engagement and feedback and creating platforms that facilitate better interaction and collaboration with customers. Finally, the authors emphasise that businesses must constantly adapt to market changes and learn from past experiences to remain competitive. This means regularly evaluating and improving their internal strategies to ensure they can effectively meet the needs of all customers. Although the authors do not specify the customer, they generally talk about the consumer. Therefore, the research leaves a gap in how this applies when the relationship with the customer is indirect.

In RBV, customer relationships are critical to a company's capabilities and shape competitive advantages in a rapidly changing business environment, emphasises Pukas (2018). The author also describes that the ability to develop and maintain deep relationships with customers is recognised as an essential component in ensuring the long-term success and adaptability of the company.

Furthermore, Pukas (2018) emphasises that understanding and investing in customer relationships is becoming increasingly crucial for companies striving to remain relevant and competitive as markets change. This realisation underlines the need for companies to actively create and maintain valuable customer relationships as a dynamic capability that can navigate and shape market changes.

Previous research by Gouthier and Schmid (2003) uses the RBV of strategic management to analyse the roles of customers and customer relationships. They also emphasise that customers and their relationships can be seen as essential resources for the company and help create a competitive advantage. Although previous research (Pukas, 2018; Gouthier & Schmid, 2003) offers valuable insights into how companies can develop competitive advantage through their unique resources, including customer relationships, the author tends to focus more on direct customer relationships. Research on RBV does not address how companies can use their internal resources to manage and optimise indirect customer relationships, such as those involving intermediaries or third-party distributors, in this case through parents.

By leveraging these resources, companies can develop strategies that facilitate indirect customer relationships and ensure they are effective and ethically responsible. For instance, companies may need to develop new capabilities to engage parents through digital platforms and social media, which requires technological and relational resources. In this study, it is important to understand how this can relate to relationships with parents and the indirect relationships with children.

2.3 Resource-based view as a strategy to develop entrepreneurial marketing strategies

Marketing and RBV focus on using resources to create and sustain value for the company's stakeholders, particularly its customers. This alignment between marketing principles and RBV assumptions emphasises using resources effectively to create sustainable value (Srivastava et al. 2001). RBV focuses on identifying and exploiting a company's internal resources and abilities to create long-term competitive advantage. Companies analyse their unique assets to meet customer needs and outperform competitors (Ferreira et al. 2011).

Conversely, EM is about flexible, proactive, and innovative marketing strategies to create and sustain a competitive advantage. It focuses on identifying and exploiting opportunities in the market by adapting to change and creating value for customers in new and creative ways (Morris et al. 2002).

The relationship between RBV and EM occurs when companies use RBV principles to develop and utilise their resources and capabilities to drive EM strategies. It is about ensuring that the company has the right resources and capabilities to implement EM initiatives and that these initiatives align with its overall strategy and objectives. In this way, RBV and EM can work together to help companies create and sustain competitive advantage by developing and exploiting their internal resources in an entrepreneurial way in the marketplace.

In conclusion, this literature review has explored the main concepts and theories related to the dimensions of EM and emphasised the importance of the RBV as a fundamental framework for this study's analysis. Despite the extensive research on EM and RBV, there are still significant gaps, especially in indirect customer engagement. The existing literature focuses mainly on direct customer interactions and often overlooks the complexity of marketing to an indirect audience. This review highlights the necessity of examining how companies can effectively leverage EM strategies and RBV principles to navigate these indirect relationships.

3. Methodology

3.1 Ontology and Epistemology

Constructionist ontology serves as the foundation for this study. This indicates that it focuses on how people's perceptions of reality are continuously reshaped, created, and interpreted (Bell et al. 2021). Exploring this perspective is essential for delving into how companies work with EM to engage their target audience through parents, the indirect audience. This approach is critical for understanding how participants' subjective perceptions and interpretations shape their strategies and actions in the children's product industry.

To capture this, adopting an interpretative perspective, as Bell et al. (2021) advocate, in-depth interviews were conducted to delve into marketing managers' perspectives and perceptions of how they reach and influence their customers. These strategies and actions resulted from the participants' constructions of reality within the specific context of the children's product industry. Understanding these perceptions is essential for discerning how companies modify and evolve their EM strategies to engage end consumers through an indirect relationship.

This study uses a partly deductive method using theoretical frameworks as a starting point to analyse empirical observations. This means that the study builds on existing theory to structure and interpret empirical data (Bell et al. 2021). Through this approach, the study examined how existing theoretical assumptions about EM and RBV are applied and verified within the context of the children's product industry. In summary, by linking ontological and epistemological assumptions to the concrete research process, the aim is to offer a rich and nuanced understanding of how firms in the children's product industry construct their reality around EM and the process of building customer relationships.

3.2 Research design

This study aims to enrich the existing literature on EM, focusing on the Swedish children's products industry. It requires a thorough comprehension of the complex marketing dynamics of how businesses interact with end customers indirectly through, for example, parents. According to Bell et al. (2021), a qualitative research design can be utilised to delve into the subjective experiences and strategic insights that form the foundation of this research.

This qualitative study investigates how companies in Sweden's children's product industry develop marketing strategies to reach their consumers indirectly. Using a qualitative approach, this study gains better insights into the underlying motives, perceptions, and decision-making processes supporting companies EM strategies. In-depth interviews allow for direct dialogue with industry actors, facilitating a comprehensive understanding of how EM strategies are operationalised and aligned with broader business objectives. This method enables us to explore how firms innovate, manage risk, and create value within their EM practices. As Bell et al. (2021) emphasised, this methodological choice is pivotal as it allows to meaningfully contribute to the existing literature by revealing the complexity and dynamics of EM in the children's product industry.

3.3 Research Quality

Three key criteria, reliability, replicability, and validity, presented by Bell et al. (2021), will serve as the foundation for this study to maintain the quality and reliability of the results. Reliability refers to the constancy of the outcomes across time. Replicability is the possibility that other researchers with comparable results can repeat this study. Validity concerns how well the conclusions relate to the study issue and the methods used.

This study is intended to have broader applicability in various industries and contexts where businesses use indirect marketing to reach their final customers. However, the findings' direct applicability can be limited by the particularities of the children's product industry. To address this, the study will describe the data gathered and its importance to this research setting.

Furthermore, the research process, including methodology, data collection, and analytical approaches, is thoroughly documented to ensure replicability. The procedure for selecting interview participants and the rationale for firm selection will be thoroughly explained. This openness allows other researchers to conduct similar research in different settings or sectors. The study will also consider the possible restrictions and unique characteristics of the children's product sector that affect the findings' applicability. Addressing these factors will make the findings more credible and applicable inside and outside the study.

3.4 Selection

In this study, selecting participating companies was crucial to understanding the application of EM in the children's products industry in Sweden. Potential participants were contacted through networks, such as LinkedIn or email, outlining the study's goal and how their involvement could provide insightful information. This initial contact served as a preliminary filter, allowing us to gauge the companies' engagement with EM strategies and their potential contribution to this research. Identifying 30 companies aligned with the research objectives on two main criteria: i) Alignment with the target market, companies that primarily sell products or services to children, where children are the primary target audience were prioritised. This criterion ensured that the findings directly relate to the dynamics of indirect consumer engagement. ii) Diversity in size, this study includes a mix of start-ups and established companies to capture a wide range of EM practices.

This diversity aimed to highlight different strategic approaches and experiences of EM at different stages of company development and scaling. The choice to interview both new, more minor, and large established companies did not significantly affect the results. The differences that could be recognised were that the large and established companies could give slightly more in-depth answers, with more examples. At the same time, the newer companies gave fewer examples but equally valuable ones. Of these 30 companies, eight companies were interviewed based on a pilot study, but also because several of those contacted said no or did not respond at all.

A pilot study was conducted based on Bell et al. (2021) suggestions to refine the selection criteria further. A pilot study technique was employed to refine the selection criteria and ensure the companies were relevant to the research aim. This pilot study conducted seven screening questions based on the dimensions of EM (Appendix B), to ensure that firms were not only theoretically aligned with EM but were also actively applying EM strategies in their operations. Companies were included if they demonstrated active engagement in EM strategies and targeted parents of children as a key demographic. They must also have demonstrated an openness to participate in the research process. Companies were excluded if they did not directly target the children's market or if their marketing strategies did not involve parents or guardians. Companies unwilling to participate or did not respond to initial contact were also excluded. The pilot study results were used as a secondary filter to reduce

the number of companies in the list by limiting it to those indicating an implicit engagement with EM concepts. To transparently show the diversity and relevance of selected companies, their profiles are summarised in the following table:

Company Name	Founded Year	Industry Segment
Company A	2022	Toys online
Company B	1944	Toys online and in-store
Company C	2021	Toys online
Company D	2017	Toys in-store
Company E	2010	Toys online and in-store
Company F	2010	Toys online and in-store
Company G	1987	Toys online and in-store
Company H	1884	Toys online and in-store

3.5 Data Collection

Semi-structured interviews were selected following Bell et al. (2021), who stressed the need to choose a data collection approach compatible with the research goal and questions. This decision was made in response to a need for a dynamic and flexible interaction of thoughts with the study participants, allowing for an in-depth analysis of their perspectives, tactics, and experiences with applying EM in their operational setting. Each interview was conducted via the video conferencing tool Google Meeting to accommodate the geographical spread of participants, with each session lasting approximately 60 minutes, some slightly longer. Relevance and focus of the interviews were ensured with an interview guide developed based on Bell et al. (2021) recommendations, ensuring that the questions were appropriately guided and open-ended to correspond with the research goal (Appendix A).

3.6 Data Analysis

The interview transcripts were thoroughly analysed using thematic analysis. Following Bell et al. (2021) processes, this methodology allows for identifying repeated patterns, essential themes, and underlying categories relevant to EM in the children's products industry. To improve the efficiency and accuracy of data collection, a specific transcription tool, Turboscribe, was used, which automated the conversion of recorded interviews into text. This tool helped quickly and accurately convert oral material into written form, facilitating more efficient data analysis. The interviews were also listened through to ensure that the transcription was accurate.

Three main strategy layers were identified from the data collected. Each theme was selected based on its importance to the research objectives and its ability to capture the complexity of EM strategies in the children's products industry. The relevance of these themes was verified through a continuous iterative process between the data and existing literature in EM to ensure that the themes were not only data-driven but also theoretically grounded.

The first step of the analysis was a thorough reading of the interview transcripts to pinpoint essential phrases and statements that participants used, a process known as first-order concepts. This gave a better understanding of companies' marketing activities and daily strategies. Completing the process of pattern recognition led to the second-order phase, progressing to group these first-order concepts into broader categories: Brand awareness and word of mouth, Parent-child interaction and engagement, Offline and online reach, Creating trust with parents, Commitment to quality and safety, Content adaptation based on children's interest and Responsible digital engagement through content for children. Here, companies' strategies to research their intended audience were analysed. This resulted in the three aggregated themes (see Figure 1): i) Triggering influence and interpretation, ii) Promoting reliability, and iii) Triggering engagement on an ethical level. These themes go beyond the initial descriptive level of the data collected, representing indirect marketing strategies. In the final phase of the analysis, the second-order themes were placed within theoretical contexts, which resulted in the aggregated themes:
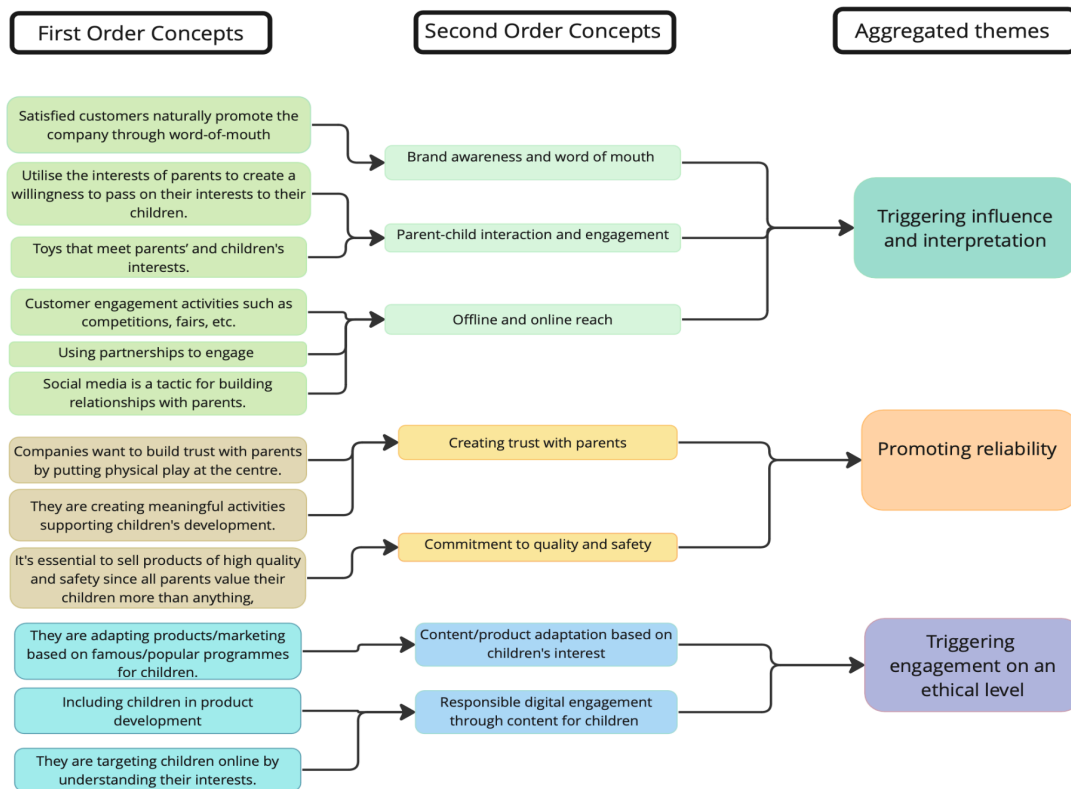
```
First Order Concepts          Second Order Concepts          Aggregated themes

Satisfied customers naturally promote the
company through word-of-mouth              Brand awareness and word of mouth

Utilise the interests of parents to create a
willingness to pass on their interests to their                                        Triggering influence
children.                                Parent-child interaction and engagement     and interpretation

Toys that meet parents' and children's
interests.

Customer engagement activities such as
competitions, fairs, etc.                      Offline and online reach

Using partnerships to engage

Social media is a tactic for building
relationships with parents.

Companies want to build trust with parents       Creating trust with parents
by putting physical play at the centre.                                              Promoting reliability

They are creating meaningful activities
supporting children's development.

It's essential to sell products of high quality      Commitment to quality and safety
and safety since all parents value their
children more than anything,

They are adapting products/marketing        Content/product adaptation based on
based on famous/popular programmes              children's interest
for children.                                                                        Triggering
                                                                                     engagement on an
Including children in product              Responsible digital engagement            ethical level
development                                through content for children

They are targeting children online by
understanding their interests.
```

Figure 1

3.7 Limitations

Bell et al. (2021) point out that there are limitations to the scope and findings of a study. The fact that this study is restricted to the market in Sweden may limit how broadly the findings may be applied to other marketing and parenting settings. In other contexts, policies may differ. Therefore, these mechanisms may not be applicable as laws and regulations can affect the marketing and sales of these products. Furthermore, concentrating only on businesses that manufacture or sell toys for children could leave out perspectives from other areas of the industry. Although the research's qualitative design and emphasis on in-depth interviews yield rich, comprehensive insights, they may also limit the research's broader applicability. Additionally, using such a method raises the possibility of subjective bias, which could compromise the objectivity and validity of the findings.

3.8 Ethical Considerations

Guidelines outlined by Bell et al. (2021) were followed to maintain the ethical integrity of the research, and participants' privacy and informed consent were ensured. Prior to each interview, participants were provided with a briefing that detailed the purpose of the study, their rights as participants, the use of the data collected and also the freedom of cancelling their agreement at any time and the choice of their participation. Consent was clearly provided by each participant to ensure their understanding and approval of their participation. This process not only followed ethical standards but also reinforced the integrity of the data collection process.

Interviews were digitally recorded with participants' permission to ensure accuracy in data collection. These recordings were then securely stored and accessible only to the research team in accordance with the General Data Protection Regulation (GDPR) and institutional ethical guidelines. Each interview was transcribed verbatim, and all identifiable information was removed to maintain participants' anonymity. These actions guaranteed that ethical guidelines would be strictly followed and that participants' privacy was protected at all times.

4. Findings

The research focuses on how companies in the children's product industry develop their EM strategies by using different approaches to reach an indirect audience. The development of i) Trigger influence and interpretation ii) Promoting reliability and iii) Triggering engagement on an ethical level, are essential themes. This study will investigate each theme in this section to fully understand its purpose and impact on their ability to build and maintain close indirect relationships with their end customers.

4.1 Triggering Influence and Interpretation

Triggering influence and interpretation refers to the dynamic in which parents directly but significantly influence their children's behaviour, values and will. Parents are like triggers in this relationship, influencing how children interpret and respond to different events, situations and stimuli. This influence is deeply rooted in children's trust and relationship with their parents. Children tend to be influenced by people they trust, and parents are often the primary source of such trust. Triggering influence and interpretation become crucial concepts when addressing the development of indirect relationship building. Three elements have been identified that represent this aggregated theme i) Brand awareness and word of mouth ii) Parent-child interaction and engagement iii) Offline and online reach. Each of these underlying elements is presented below.

4.1.1 Brand awareness and word of mouth

Creating brand awareness of a brand is fundamental to attract customers and creating a positive perception of products or services. When consumers are familiar with a brand and its offerings, they are more likely to choose it over competitors when making purchasing decisions. This becomes relevant in terms of triggering influence and interpretation, as parents' perceptions of a brand may influence their children's perceptions. Equally, word of mouth plays a significant role. When people for example recommend a brand to their friends or family a sense of trust and credibility is created, which is difficult to achieve through other marketing channels.

The interviews highlighted the importance of brand awareness in the competitive toy industry. The strategies that emerged from the interviews were activities that encourage word-of-mouth and trust-building to strengthen customer engagement and loyalty. According to the representatives interviewed, the most effective advertising comes from satisfied customers who share their positive experiences. The results show that the companies, for example, use partnerships to create brand awareness and leverage word of mouth through regular competitions and collaborative projects with other brands. An example is when company E collaborated with a partner from another industry in relationship marketing. The customers were offered a toy when they purchased a product from the other company, which was done to effectively introduce parents and children to the toy company and generate brand awareness in the best-case scenario. In the example given, when the parent buys a product, and the child receives a toy as part of the purchase, a direct link is created between the parent's actions and the child's experience. By associating the toy with the parent's choice and purchase decision, the child can perceive the toy and the related brand as positive and desirable. Social media competitions are also a strategy to engage with children indirectly:

> Recently, we had something that really engaged a lot. It was a competition where we
> raffled a trip to Legoland with the family. It was great fun to involve the children in
> some way. But it's mainly the parents who compete. But it's a lot of fun for the kids
> at the end, too.- Company F.

These competitions are popular and promote word-of-mouth marketing from parents to children. Parents create positive experiences with companies and show appreciation, which is then passed on to the children through their parents' influence, thus creating good relationships with the company.

4.1.2 Parent-child interaction and engagement

Parent-child interactions refer to the dynamic interactions, influences, and engagements that take place between parents or guardians and their children. Interactions include various forms of communication, guidance, and joint activities that shape children's behaviours, preferences, and perceptions. These are often influenced by parents' values, preferences, and guidance.

This contributes to triggering influence and interpretation by showing how the companies host events and activities not only for the children but also for parents to value the power of parental influence. What is a trend that most companies choose to address is that the age of play among children has decreased. Younger children are less active on different media platforms and depend on their parents to introduce them to toys. This makes it essential for toy companies to engage with both parents and their children in various ways to reach them. Companies design products and activities that require or encourage joint engagement between parents and children, strengthening family ties and increasing parents' influence on their children and vice versa. The results show that this is a subtle but effective method of introducing the company's product to the children through the influence of their parents:

> ... And then it's about engaging them and getting them to stay on our shelves. ... fun activities like competitions or raffles or something else that makes people stop at our shelf. I would say that's where we meet the children first and foremost. - Company B

> We have many activities in the shop ... on all the holidays we always have activities for the young people who can't get away on a holiday or something ... Then we meet them a lot. - Company D

Company B describes how it primarily creates engagement between parents and children in the store environment by offering fun activities such as competitions and raffles. Company D emphasises the importance of creating engaging activities, especially during school- and public holidays, to attract families who cannot travel away. The companies organise and sponsor family-friendly events such as craft activities and competitions in physical stores or during special events. These activities are designed to create direct opportunities for parents to engage meaningfully in their children's play. The initiatives include brand-related activities promoting parent-child interaction, allowing parents and children to experience the brand on-site.

Another strategy to indirectly reach children through their parents by promoting parent-child engagement is to send direct commercials, such as catalogues to parents. These catalogues often contain fun games for children, which encourages parents to show the catalogue to their children:

> We have direct advertising that will go out in a few weeks ... And then we've also added a little bingo, where the children can tick, 'Have I done all this this summer?' ... A bit like that because then you can get it to stay up on the table a bit. Maybe you will see some products that you are interested in. - Company F

This is a concrete example of not being allowed to market directly and being creative enough to make the parents an indirect link, introducing the commercials to the children. The results also show that using the interests of parents is a crucial factor in reaching the children. It is, therefore, a matter of getting parents to influence their children to create a willingness to pass on an interest that is in line with the parent's interests:

> Sometimes parents say they like to browse in our shop ... And that they do it together with their children ... The father sits with his child and looks at vehicles ... We want to make a better site to make it even more fun for the child to shop for cars with the parents. So that they can reach out to the children. - Company A

> If you look at a brand, for example, that is a traditional Swedish brand, many people in Sweden have a relationship with it ... And it's important that we emphasise that it's 'the brand' and 'the brand'- clothes because it goes for a certain quality, history. 'I played with it myself'. The kind of consumers who value that. - Company B

In the results, it has been observed a pattern where licensed, traditional or niche toys often are strongly linked to parents' interests and values. For example, parents may be interested in cars and would like to pass on their interest to their children by introducing them to toy cars or other related products. In addition, there may also be a tradition that parents want to pass on to their children, such as loving and preserving a specific toy or activity from their childhood. By highlighting such products in their marketing, companies can reach children, as parents already have a solid connection to the products and would like their children to engage with them. In this way, companies leverage the indirect relationships with the children through the influence of their parents.

4.1.3 Offline and online reach

Offline reach encompasses physical events and activities that aim to create memorable experiences, while online reach utilises digital platforms to interact with audiences virtually. By fusing these two strategies, they complement each other and reinforce the impact of brand messaging and consumer engagement. In this context, offline and online reach play a crucial role in triggering influence and interpretation, with companies aiming to shape consumer perceptions and behaviours in profound ways. The following section explores how companies use this hybrid approach to successfully create indirect relationships with children through their parents' influence and interpretation.

Companies are working on this by designing interactive and engaging experiences that complement each other across platforms. As for offline activities, companies have organised events and activities that create memorable customer experiences on the physical front. This includes everything from in-store competitions to events engaging children and parents. These activities are intended not only to entertain but also to interact with consumers, both parents and children, directly, strengthening their influence on their children:

> We are where children are. So there are a lot of events, and so on, you show yourself differently. For example, we were at the Malmö Festival last year ... then the children sat down and played, or the adults together with their children. So it's also like that as parents, when they say that their children like something then you interact yourself as well. - Company H

> ... For example, we have also had a 'famous kid profile' visit us,... He was with us in some of the toy stores and met all the children ... And we had a competition in connection with that to help spread the word that he was coming ... Tagging a friend who you think would also like to experience 'the famous kid profiles' visit -Company G

In their efforts to reach children through their parents, companies in the toy industry often use creative marketing strategies that engage both groups. Referring to the quote from Company G, they organise these events with fun activities for families and want the parents to actively participate in competitions with the hook of spreading the word about the event. In doing so, they influence not only their children to want to attend the events but also other parents.

Moreover, in terms of online strategies, companies use social media platforms to promote interaction between parents and children. One example is creating engaging, family-friendly content on social media that encourages parents and children to interact with the brand and each other. This illustrates how digital media can be used to influence a second party who is not directly taking part in the content but through a parent:

> I think it will be both for other children and also for other parents. That you get tips, like 'Aah, but this product, that child has a lot of fun when you see that video'. So I think it can be fun for children to watch, but it can also be good advice for other parents. - Company F

Knowing what target group is using which social media and then adapting the content to different audiences using different platforms seems to be necessary. One example is the use of family influencers on Instagram, which mainly creates interest and trust among parents who find inspiration from these influencers:

> We work with influencers ..., for example, 'an influencer' ... She had children of the right age for a toy. We joined in, and she wrote a long story. Both blog posts and reels were posted on her Instagram about 'the toys' she had played with. There is a story like that. We use social media in the right place. We are very critical. - Company H

As parents trust and are influenced by the influencer's recommendations, this influence is transferred to their children, which can increase their interest in and desire for the products shown in the content. In this way, parents act as 'triggers', where their interaction with influencer content on social media directly influences their children's interpretation and preferences for toys and other products.

4.2 Promoting Reliability

In today's competitive marketplace, trust and reliability are critical to building long-term and meaningful relationships with customers. In the toy industry, this is particularly important, as companies must not only gain the trust of parents but also ensure that their products meet high safety and quality standards for children. This aggregate theme highlights the importance of building trust and loyalty by focusing on quality, safety and commitment to customer well-being. Two elements represent this aggregated theme i) Creating trust with parents ii) Commitment to quality and safety. Each of these underlying elements is presented below.

4.2.1 Creating trust with parents

Building trust with parents is fundamental to successfully promoting reliability. By conveying a deep concern and understanding of children's well-being, companies build bridges of trust that extend far beyond the immediate consumer interaction. This process involves actively demonstrating how the products promote children's physical and mental development. Prioritising the child's best interests in all marketing efforts, from product development to advertising campaigns, establishes a trusting relationship critical to building long-term customer relationships and contributes to promoting reliability.

The findings underline the importance of building trust with parents to reach children, which is an active part of their marketing efforts. Putting play at the centre is a recurring approach to convey the best interests of children rather than focusing on the products. It appears crucial for toy companies to show that they care about children, reflecting a deeper understanding and commitment to their well-being.

To further understand how toy companies build indirect relationships with children, several vital insights emerged during the interviews. For example, Company B emphasised the importance of physical activity and play in the real world rather than digital interaction: "We also want to promote active play and not meet the children primarily in front of the screen." This quote reflects the company's strategy to engage children in meaningful activities that support their development, which can create substantial brand value in parents' eyes. By focusing on the physical environment, the company emphasises its concern for the child's

holistic well-being. Company H expresses a similar approach, confirming their deep commitment to acting in the best interests of children:

> ... The children's focus is the most important. So this '*slogan about the best interests of the children*' is something we should really think about. It's not just such officially nice words, but it's the real thing.

This shows how the company uses children's best interests not only as a marketing phrase but as a central part of its business strategy. This commitment helps build the trust and loyalty crucial to maintaining long-term customer relationships.

Company G's commitment to creating happy childhood memories reflects a genuine application of their corporate values in product development, as they continuously ask: "What do children want?*"*. They demonstrate a genuine interest in the needs and wishes of children. This authenticity in prioritising children's interests over commercial goals helps build deep and lasting relationships with consumers, demonstrating that their marketing is more than words.

Finally, Company F emphasises the importance of having a solid relationship with their customers, which is fundamental in all their marketing efforts: "We must have a good relationship with our customers. After all, the most important thing in their lives is their children". By recognising the central role of children in their parent's lives, the company shows that it understands and respects the customer's priorities, strengthening the bonds between the brand and its consumers.

4.2.2 Commitment to quality and safety

Commitment to quality and safety is essential to promoting reliability and is paramount in the children's product market. By systematically prioritising high quality and strict safety standards in their toys, companies communicate their commitment to protecting the youngest users, strengthening parents' trust in the brand. This creates a basis for long-term customer relationships, where parents are the final decision-makers when purchasing children's products.

Company A emphasises that selling high-quality products is very important: "But we want to sell quality. We try to avoid much of what our competitors sell and go very much for quality products." By investing in quality, they signal to parents that their products are reliable and worth investing in, which is crucial for building long-term customer relationships.

The companies also demonstrate their commitment to customer well-being and safety, which can build loyalty and positive associations with their brand. It also shows how consumers' awareness influences their product choices, showing how companies strive to meet basic safety requirements and address consumers' wishes for ethically and sustainably produced products. Company B points out:

> So we have a lot of safety work and an extensive safety mindset. So we want to put good, safe toys on the market that are nice to play with for a long time ... You look at the parents of young children. For the very youngest children, the safety issue becomes even more critical.

Company B's focus on safety demonstrates a deep commitment to protecting the children who use their products. By conducting tests and maintaining high safety standards, they instil a sense of trust and confidence in parents, strengthening their brand trust and loyalty. Furthermore, the following quote from Company D reflects the growing consumer awareness and demand for ethical and sustainable production. Parents' and guardians' awareness of materials and production processes influences their purchasing decisions, forcing companies to raise their standards to meet these expectations:

> Some parents and grandparents are highly conscious. Alternatively, they say that the relatives they are going to are incredibly picky. There are people who are very careful that it's the right kind of material ... You do not want to buy things that you know are made from shit that is not good.

Finally, companies build long-term customer relationships by offering high-quality and safe products. This increases customer value over time, leading to repeat purchases, positive recommendations and more vital brand trust. By integrating quality and safety into their EM strategies, companies demonstrate their commitment to their customers' needs and peace of mind, which is crucial for their long-term success and growth in the market.

4.3 Triggering Engagement on an ethical level

Triggering engagement on an ethical level means that companies strategically engage children through marketing actions aligned with ethical guidelines and applicable regulations. This is crucial in the toy industry, where direct advertising to children is strictly regulated. Companies can ethically influence children's preferences and stimulate demand through responsible strategies that do not directly promote the products. Activities that are particularly relevant and interesting for children are for example interactive games or toys.

Despite the strict regulations on direct trade with children, it is crucial for toy companies to engage and interact with their intended target audience. In addition to the key factors that foster an indirect relationship, such as the trust parents have in the company, which can lead to word-of-mouth marketing and brand awareness, there are activities that can be categorised as more direct but still comply with marketing regulations. These activities are rooted in children's interests and aim to raise awareness, spark an interest in children, and create a demand, all without direct product promotion. Two elements that represent this aggregated theme are i) Content adaptation based on children's interest, and ii) Responsible digital engagement through content for children.

4.3.1 Content adaptation based on children's interest

Customising content based on children's interests is a critical component of triggering engagement on an ethical level' strategy. By closely following and integrating the latest trends and popular culture, such as movies, TV shows, and music that engage children, toy companies can create products and marketing activities that directly appeal to children in a relevant and ethically responsible way. This approach helps increase brand attractiveness and boosts children's interest in the products in a way that respects the strict regulations against direct advertising to children.

Another strategy to stay relevant and increase the possibility of children asking parents for new popular toys is to have knowledge about trends and popular tv-programmes and music that appeal to children. The toy companies stay updated and produce/sell toys based on movies or characters for children, to make sure they are an attractive toy company.

For example Company B emphasises the importance of staying connected to what children are watching to gain insight into their interests. It is also essential to consider how children are exposed to music, TV programs and other things:

> If we continue to link to toys, that is one such thing, for example. Where we pick up and see what programmes the children are watching ... They are exposed to a lot of music, TV programmes and so on. How can we translate that into active play?

Being aware of popular movies and TV programs can be particularly beneficial, as Company H points out: "There was a film last year, and it was good to be aware of it and have a puzzle and a 'toy version' of the 'movie' when it came out." By offering toys based on such popular movies and programs, toy companies can create a direct link to children's interests and increase demand for their products. This strategy exemplifies the ability of companies to indirectly influence children's perceptions and preferences through marketing. By placing toys linked to children's favourite movies and TV programs on the market, companies create a subtle but powerful influence on children's wish lists and parents' purchasing decisions. In this way, companies can use the indirect relationship between children and their environment to drive sales and strengthen their brand engagement.

Another example is when companies use licensed toys and collaborations to make the products recognisable and attractive to children when they visit stores with their parents. This is an indirect way of engaging children through parental choice, creating a natural attraction to the products:

> ... Babblarna is quite large and then we have something that I said before, Gabby's Dollhouse, which became really big now, before Christmas. And even Lego is one of those things that always work, so we often try to cooperate with other suppliers. - Company F

This approach can also be seen as a form of co-creation with children. By being aware of what interests and engages children, companies can develop products that truly appeal to their target audience. By seeing children's preferences and involving them in the process of creating and developing toys, companies can ensure that their products are relevant and attractive to children. In this way, they create not only toys that children want but also a stronger connection between the brand and their young customers.

When we run play tests, we have feedback from the children, and then we get feedback, and then we see ... You can do such tests that you put our things together with other things so you see what the children are drawn to. -Company H

4.3.2 Responsible digital engagement through content for children

Responsible digital engagement through child-facing content defines how companies strategically navigate digital environments to ethically and legally engage children. This approach is critical in the toy industry, since it is strictly regulated. By creating entertaining and educational content that does not explicitly promote products, companies can influence children's preferences and interests in a way that respects legal restrictions and ethical standards. This is particularly important when using social media, where the line between engagement and direct advertising can be difficult to discern.

Most companies interviewed expressed a clear awareness of the ethical perspective of reaching children via social media. They emphasised that they do not intentionally aim to directly reach children, with a strong understanding that excessive marketing can damage the relationship with parents, which is paramount. However, companies acknowledged that they use strategies to 'unintentionally' reach children, indicating innovative activities to maintain a positive brand image while reaching their intended audience. By integrating creative and educational elements into their content, companies create positive experiences that naturally increase children's interest in the brand and products, contributing to long-term engagement and brand loyalty.

One pattern that emerged among the companies is the use of platforms such as TikTok, knowing that it is popular among children. Despite this, companies claim that this significant social media platform is not intended to target children, although they may see the content directly. On the other hand, the result also showed that some of the companies responded a bit differently, responding the opposite way, saying that they intend to reach kids on social media directly by using their interests to navigate their activities:

On YouTube, you cannot advertise to children as a target group. But you can advertise against their interest. You can advertise on computer games for kids' videos. That's how you reach the target audience, which you think is children. - Company E

Companies E and H have used platforms such as YouTube to create content aimed at children, albeit in an indirect way. They emphasise the importance of creating entertaining and engaging content, indirectly influencing children's perceptions and increasing companies' brand engagement. Although companies are not formally allowed to produce content classified as direct advertising to children, there are opportunities to design videos that naturally include their products playfully and entertainingly. These videos can attract children's attention and lead them to express a desire to receive a specific toy from their parents. In this way, companies create first contact with children through funny videos, which can translate into an almost direct impact on children with their products without formally breaching the rules on direct marketing to children. Similarly, Company G reports a growing interest and interaction from younger customer groups when publishing content on platforms such as TikTok, further underlining this indirect influence opportunity:

> Our YouTube channels are a bit more focused on children. There we create content that is a bit more fun. Stop-motion-driven communication that children can watch and laugh and have fun with - Company E.

> We can also use TikTok ... We have YouTube with pre-rolls, and then we have great YouTube films so children can watch them. And on YouTube Kids, you're not allowed to have any advertising, but we have our movies. There are films on X on YouTube. So that's indirect marketing. - Company H

> We want to target the parents the most. But we see a greater need. Or we see a greater interest, for example, when we post something on TikTok and so on. But there, we think it is crucial that you also share some of this experience. - Company G

In their quest to develop EM strategies, companies in the toy industry have taken innovative approaches to indirectly engage their younger consumers through their parents. These strategies are designed to create strong brand connections and foster loyalty without directly marketing to children, which is particularly relevant at a time when direct advertising to children is often seen as controversial.

5. Analysis and Discussion

What has been discovered among interviewed companies is the use of EM dimensions when developing indirect relationships with children. As Morrish et al. (2010) emphasise, the relationship between the entrepreneur and customers is one of the core elements that make up the perspective of EM. On the other hand, this study's results differ from previous research that mainly focuses on direct relationships when using EM (Morrish et al. 2010), which does not bring the same challenges as when the relationship is indirect.

This study explores the interaction between different strategic dimensions of EM that companies within the children's products industry use to establish and maintain indirect relationships with their end customers. By linking these strategies to the established dimensions of EM, such as those defined by Morrish et al. (2010), this study examines how i) Trigger influence and interpretation ii) Promoting reliability and iii) Triggering engagement on an ethical level, work together to create effective marketing dynamics. The study reveals companies' ability to work *proactively*, influence their environment and manage difficult situations (Morris et al. 2002; Becherer et al. 2012), including innovating to attract a younger audience by leveraging the role of parents as gatekeepers of children's consumption choices.

The diagram below *(figure 2)* illustrates the interconnected strategies that are used to develop and maintain these indirect relationships with the end consumer. The strategies do not work in isolation but influence and reinforce each other in a continuous cycle that helps to shape and strengthen indirect relationships. The strategies form a loop where each strategy influences the others. For example, increasing reliability can reinforce how effectively parents influence and interpret the brand for their children, which in turn can reinforce the ethical strategies to engage children. This dynamic interaction helps to create strong and sustainable indirect relationships, as shown by the downward arrow pointing to indirect relationships.
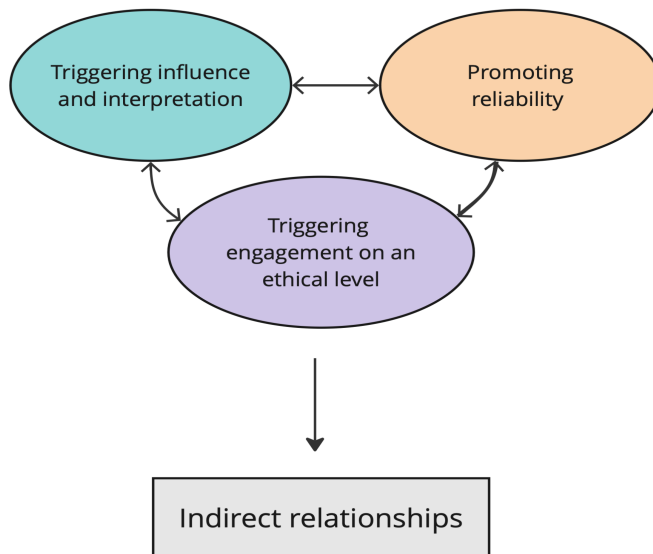
Figure 2

5.1 Mutual Reinforcement: parental influence and the promotion of reliability

A key strategy for developing these indirect relationships is influencing and interpreting through parents. This strategy includes building brand awareness and work of mouth, which is crucial to create a positive product perception. By parents sharing their positive experiences, often amplified through social media and word-of-mouth marketing, a powerful chain of influence is created that reaches children in an indirect way. This process is reinforced by brand activities that invite family-oriented participation, further anchoring both brand loyalty and product choice. This approach is deeply linked to the EM dimensions that focus on *opportunity and innovation,* but also *customer-intensity,* putting the customer's needs in the centre (Morris et al. 2002; Becherer et al. 2012; Sadiku-Dushi et al. 2019). Companies identify and capitalise on unique marketing opportunities to reach children through parental interpretation and influence. For example hosting family-events or giving gifts to children in parental purchases, positively generates word of mouth marketing, strengthening the brand and creating new customer experience.

What further triggers influence and interpretation of a company is its ability to promote reliability. To strengthen reliability, companies demonstrate a continuous commitment to quality and safety, and put the children's best in centre which builds trust with parents and in turn reinforces their ability to positively influence children's brand perception. The two-way reinforcement between reliability and influence and interpretation becomes clear when one considers how reliability is central to building customer relationships, which triggers good word of mouth. Previous research talks in general terms about *opportunity-focus* and the ability of entrepreneurs to recognise opportunities in the market (Morris et al. 2002; Becherer et al. 2012; Sadiku-Dushi et al. 2019). This study delves into a specific context, which is highlighted through the opportunities companies have found to reach children indirectly. Companies have seen an opportunity in the market that generates reaching children indirectly by using parents' influence and interpretation of the company, which also as mentioned, is linked to promoting reliability. In addition, this requires a strategic use of resources such as staff skills, industry knowledge and brand image (Kellermanns et al. (2016), to successfully integrate reliability and trigger influence that is passed on to children. Just as reliability triggers influence, influence also triggers reliability. Thus, by parents influencing their children, reliability is also created in the children.

5.2 Mutual Reinforcement: triggering engagement on an ethical level and promotion of reliability

Furthermore, companies are navigating strict regulations on direct advertising to children through indirect, ethical engagement strategies. Adapting content to children's current interests, such as movies, TV shows and music, creates not only relevance but also an ethical way to engage young consumers. Advertising in the form of games, toys or similar is not allowed, as children may have difficulty distinguishing between advertising and other information (Konsumentverket, 2023). Companies are well aware of this and therefore do not target advertising directly at children. However, they have understood the positive effects of engaging with children's interests, popular TV programmes, etc. and are then applying this in their product range, using internal resources such as knowledge about children's interest and the market (Ferreira et al. 2011). Being available on YouTube, for example, and showing toys in a playful video, has proved to be a common way of reaching children, without it being

counted as advertising. This approach illustrates how the *innovation-oriented* dimension of EM can be leveraged to develop new markets and customer experiences through creativity and ethical marketing (Morris et al. 2002; Becherer et al. 2012; Sadiku-Dushi et al. 2019). By tailoring content to children's interests in a responsible and ethical way, companies demonstrate that they are aware of children's best interests and look after their interests. The companies knows that parents are often more inclined to trust brands that they perceive as responsible and that not only try to sell products but also contribute positively to children's development and entertainment. This can increase companies' reliability and trustworthiness in the eyes of parents. It is clear that the companies have taken into account the ethical considerations that Mehta and Mehta Naveen (2017) emphasises as important in marketing to children, and that the companies are working smartly not to overstep the mark.

5.3 Mutual Reinforcement: triggering engagement on an ethical level and triggering influence

Engaging on an ethical level and triggering parental influence go hand in hand. When companies show that they have the child's best interests at heart, they also know that parents will influence their children to play with these toys. Engaging with children's interests and using popular, for example, TV programmes makes it easier for parents to find the 'right' toys for their children. This also influences companies to keep up with the trends in children's media. By engaging on an ethical level and influencing parents hand in hand, companies are utilising the core elements of EM. Morris et al., 2002 emphasise EM and the importance of flexibility, creativity and opportunity-oriented thinking. In this case, companies demonstrate their ability to adapt to dynamic market conditions by constantly updating their product lines in line with prevailing media trends that attract children. This strategy is not only a way to adapt to customer needs but also an expression of the company's vision and innovation capacity, which are crucial aspects of EM. At the same time, companies' approach to focusing on children's interests and integrating them into their products and marketing strategies illustrates a central principle of RBV. According to RBV, a company's competitive advantage is effectively using its internal resources (Kellermanns et al. 2016; Ferreira et al. 2011). In this case, the company's unique knowledge of children's culture and preferences and ability to

create safe and engaging products serve as critical strategic assets. These resources are valuable and give companies a sustainable position in the market.

5.4 Mutual Reinforcement: a discussion between all aggregated themes

Engaging on an ethical level is something that builds reliability with parents, which in turn can lead to parents further influencing their children and introducing a certain company with a certain toy. This illustrates how all aggregated themes come together to contribute to indirectly reaching the final customer, which is children. Marketing themselves as reliable thus becomes a way for companies to get closer to parents. Companies want to meet customers' needs equally, as previous research emphasises is crucial (Ferreira et al., 2011; Morris et al. 2002). In this context, *customer- intensity* is used to meet parents' needs, with the intention that parents will want their children to play with the specific company's toys. This suggests that the use of EM dimensions does not only have to be about the customer you reach out to directly, but also indirectly. This is by creating trust and reliability with the direct customer.

This approach differs from previous research that often emphasises direct customer interaction without fully exploring indirect relationships, such as those between firms and children (Morris et al. 2002; Becherer et al. 2012; Sadiku-Dushi et al. 2019). The study illustrates how strategic use of resources by companies can be used to create engagement between two target groups, parents and children, engage children in an ethical way and promote reliability among parents. By doing so, companies can avoid direct advertising to children and instead rely on the positive impact of parents. Kellermanns et al. (2016) argue that the traditional view of RVB, which implies that strategic use of resources can create a competitive advantage, should be nuanced. This study differs from the traditional view of RBV, such as Ferreira et al. (2011) present, as the results show that the strategic use of resources resulting in the presented aggregated themes, instead contributes to the survival of a company in the children's product industry, as marketing restrictions characterise it. By using their resources strategically, companies do not necessarily create competitive advantage, as the majority of companies have a similar strategy, but it is a necessity to remain relevant in the market and reach the indirect audience that all companies want to reach.

This research has initially identified gaps in the study of EM, particularly in its application in regulated markets with indirect customer relationships. Previous studies have primarily

focused on transitioning from traditional marketing to EM and its general benefits for firm performance (Morris et al. 2002; Hills et al. 2008; Becherer et al. 2012). Moreover, these studies have primarily dealt with direct customer interaction and have not fully addressed the complexity of indirect customer engagements typical in regulated industries such as the children's product industry. This study contributes to the academic literature by exploring how EM can be adapted and applied in these unique contexts. By integrating theories that explain how new firms can reach their end customers indirectly, we show how firms in the children's products industry utilise indirect mechanisms to reach and engage end customers through their parents. This approach not only expands EM's theoretical applications but also provides practical insights for firms navigating strictly regulated markets.

By developing a model that shows the key dimensions of how companies can engage these indirect customer groups, this study contributes a new framework for understanding EM in a context where direct marketing activities are constrained by regulation. This model underscores the importance of balancing between innovation and ethical considerations, a practical guide for building lasting customer relationships without compromising regulatory requirements. It equips marketers and strategists with a strategic tool to navigate the complex landscape of regulated markets.

Furthermore, through this research, EM theory has been extended by integrating concepts that explain how firms can exploit specific mechanisms to reach their customers indirectly. The examples from the children's product industry demonstrate creative ways to engage target audiences by aligning content with children's current interests, such as movies, TV shows and music, creating not only relevance but also an ethical avenue to engage young consumers. This strategic use of indirect engagement opens new avenues for EM applications and demonstrates its adaptability in different regulated environments. By highlighting these indirect relationships from which companies can benefit, this research contributes to a broader understanding of how marketing strategies can be designed to effectively reach and influence both direct and indirect customer groups. This insight is particularly relevant for marketers and strategists in the children's products industry, where direct advertising to children is often subject to strict regulations. This work shows that through strategic and ethical thinking, companies can successfully navigate these challenges and thus strengthen brand loyalty, ensuring a responsible and sustainable marketing approach.

6. Conclusion

This study has demonstrated how companies in the children's product industry develop their EM and RBV strategies to establish and maintain indirect customer relationships, mainly through parent mediation. The main findings show that companies exploit EM to influence children via their parents, promote trustworthiness to enhance their brand's reputation among both demographic groups and engage children indirectly to comply with rules while promoting a desirable brand image. These strategies underline the crucial role that indirect influence plays in modern marketing in the children's product sector.

In practice, these findings can be used to refine marketing practices and address specific challenges. For example, companies can enhance their marketing tactics to better target a specific group that acts as an intermediary to reach a second audience. This does not only apply to regulated markets but also to those where you can market to everyone. The study shows, among other things, that building trust with one target group can help this target group to influence another, which can be a useful strategy for companies that do not want to appear salesy but more genuine and customer-orientated.

This leads to the proposal of a new dimension in EM; *indirect relationship marketing*. This new dimension aims to systematise and improve how companies engage and influence these indirect decision-makers. Critical components of this new marketing dimension include a deeper understanding of the values and attitudes that guide parents' purchasing decisions and how these influence children's preferences. Strategically designed communication efforts would directly target these parents with messages reflecting their needs and ethical considerations, including product safety and educational value. To further deepen this relationship, the research suggests using specific engagement tactics, such as family-focused events and educational programs that not only promote brand awareness but also strengthen family ties. In addition, a strong emphasis on ethical considerations would ensure that marketing remains responsible, especially concerning the well-being of children.

By incorporating these elements under *indirect relationship marketing*, organisations can address identified gaps in theory and practice but also navigate more effectively the complex market environments where indirect customer relationships dominate.This proposal extends the EM framework and provides a guide for companies seeking innovative ways to enhance their market presence and customer engagement.

6. 1 Recommendations for future research

Future research should consider the application of EM and RBV in other industries to determine whether the results are generalisable. Examining direct versus indirect marketing strategies in different contexts could provide a deeper understanding of the effectiveness of these strategies. It would be worth studying how indirect marketing works in different industries, including those that are not regulated in terms of marketing, to gain further perspective on the impact of reaching an indirect audience.

In addition, it would also be interesting to further investigate how consumers perceive this type of marketing, preferably using a quantitative method to collect many responses from consumers, in order to draw conclusions about how well indirect marketing works and is perceived from the customer's perspective. Furthermore, it would be valuable to study the long-term effects of these marketing strategies on brand loyalty and consumer behaviour. There is also an opportunity to explore further the ethical consequences and regulatory compliance of marketing strategies targeting vulnerable populations, such as children. This would be an increasingly important aspect of marketing in sectors subject to intense regulatory frameworks.

References

Alqahtani, N., & Uslay, C. (2020). Entrepreneurial marketing and firm performance: Synthesis and conceptual development. *Journal of Business Research,* 113, 62-71

Becherer, R. C., Helms, M. M., & Mcdonald, J. P. (2012). The Effect of Entrepreneurial Marketing on Outcome Goals in SMEs. *New England Journal of Entrepreneurship*, Vol 15, Iss 1, Pp 7-18.

Bell, E., Bryman, A., & Harley, B. (2021) Business Research Methods. Oxford: Oxford University Press.

Covin, J., & Slevin, D. (1991). A Conceptual Model of Entrepreneurship as Firm Behavior. *Entrepreneurship Theory and Practice*, 16, 26 - 7. https://doi.org/10.1177/104225879101600102.

Ferreira, J. J., Azevedo, S. G., & Ortiz, R. F. (2011). Contribution of resource-based view and entrepreneurial orientation on small firm growth. *Journal of Management*, 11(1), 95-116.

Gouthier, M., & Schmid, S. (2003). Customers and customer relationships in service firms: The perspective of the resource-based view. *Marketing Theory*, 3(1), 119-143.

Grönroos, C. (1999). Relationship marketing: A change in paradigm and a focus on determinants of success. *Journal of business research*, Vol. 46 No. 3 s. 327-335.

Guerola-Navarro, V., Gil-Gomez, H., Oltra-Badenes, R., & Soto-Acosta, P. (2022). Customer relationship management and its impact on entrepreneurial marketing: a literature review. *International Entrepreneurship and Management Journal,* 1-3. https://doi.org/10.1007/s11365-022-00800-x

Hills, G. E., Hultman, C. M., & Miles, M. P. (2008). The evolution and development of entrepreneurial marketing', *Journal of Small Business Management,* 46(1), 99-112.

Kellermanns, F., Walter, J., Crook, T. R., Kemmerer, B., & Narayanan, V. (2016). The resource‑based view in entrepreneurship: A content‑analytical comparison of researchers' and entrepreneurs' views. J*ournal of Small Business Management,* 54(1), 26-48.

Konsumentverket. (2023). Marknadsföring mot barn [online]. Avalible at: https://www.konsumentverket.se/for-foretag/marknadsforing/reklam-till-barn/ [2024-02-01].

Konsumentverket. (2024). Barnprodukter[online]. Avalible at:https://www.konsumentverket.se/for-foretag/produktsakerhet/produktsakerhetslagen/sakra-varor/lagar-och-regler-for-barnprodukter/ [2024-02-10].

McNeal, J.U., OPS., Kellogg, F.W. & Centros para el Control y la Prevención de Enfermedades (CDC), (2000). *Children as consumers of commercial and social products*. Washington, DC: Pan American Health Organization.

Mehta, D. & Mehta, Naveen, K. (2017) ADVERTISEMENTS SHOWING CHILDREN: AN ETHICAL PERSPECTIVE. *International Journal of Research in Commerce & Management*. Aug2017, Vol. 8 Issue 8, p44-46. 3p.

Morrish, S., Miles, M., & Deacon, J. (2010). Entrepreneurial marketing: Acknowledging the entrepreneur and customer-centric interrelationship. *Journal of Strategic Marketing*. 18. 303-316. 10.1080/09652541003768087.

Morris, M., Schindehutte, M. & La Forge, R. W. (2002). Entrepreneurial Marketing: A construct for integrating emerging entrepreneurship and marketing perspectives, *Journal of Marketing Theory and Practice*, Vol. 10, No. 4, s. 1–18.

Nicholls, A., & Cullen, P. (2004). The Child-Parent Purchase Relationship: Pester Power, Human Rights and Retail Ethics. *Journal of Retailing and Consumer Services*, 11, 75-86. https://doi.org/10.1016/S0969-6989(02)00080-2.

Pukas, A. (2018). Customer relationships as dynamic capabilities of an enterprise – theoretical aspects and practical implications. *Scientific Journal of the Military University of Land Forces*, 190(4), 162-170.

Sadiku-Dushi, N., Dana, L.-P, & Ramadani, V. (2019). Entrepreneurial marketing dimensions and SME's performance. *Journal of Business Research*, 100, 86-99.

Shane, S. A. (2003). *A general theory of entrepreneurship: The individual-opportunity nexus.* Edward Elgar Publishing.

Srivastava, R. K., Fahey, L., & Christensen, H. K. (2001). The resource-based view and marketing: The role of market-based assets in gaining competitive advantage. *Journal of management*, *27*(6), 777-802.

Stokes, D. (2000). Putting entrepreneurship into marketing: the processes of entrepreneurial marketing. *Journal of research in marketing and entrepreneurship*, *2*(1), 1-16.

Appendix A - Interview questions

Introduction

1. How many employees are you in the company?
2. When did the company start?
3. Can you briefly describe your target audience?
4. What are the rules and laws regarding the marketing of toys?
5. Is there anything you have to consider when it comes to reaching out to children?

Understanding market trends

6. What are the main trends you observe in the market for children's products in Sweden, and how do they influence your EM strategies? And why?
7. How do you gather insights into children's preferences and market trends without directly involving children, and what specific tools or methods do you use for this purpose?

Vision

8. How does your company's vision for children's products reflect a strategy that focuses on engaging parents or carers?
9. How do you adapt your communication and marketing to reflect this vision when interacting with parents or guardians?

Target groups and customer engagement

10. What strategies do you use to engage parents or guardians as co-creators in your product/product range development and EM?

11. How do you take into account the opinions and needs of parents or guardians when dividing the market? Do you use any specific methods or tools to collect data on their preferences and behaviours?
12. How do you adapt your marketing efforts to resonate with parents or guardians? Are there examples of how you have used insights from this group to create more targeted and personalised campaigns?

Entrepreneurial Marketing Strategy

13. How have your EM strategies been adapted to indirectly target the end consumers through engaging their parents or guardians?

14. What challenges have you encountered when adapting your EM strategies to reach children indirectly through their parents, and how have you dealt with these challenges?

15. Do you tailor your marketing campaigns for different customer segments? Why?

CO-creation

16. In what ways has customer feedback, particularly from parents, been integrated into your EM strategies for product development and marketing?

17. What methods or channels do you use to collect feedback from parents? How do you ensure that this feedback is representative and useful for your product development and marketing?

18. How do you use feedback from parents to tailor your EM messages or campaigns? Are there specific campaigns that have been designed or modified based on such feedback?

Key EM- dimension - indirect focus

19. Can you describe or give an example of a specific moment where one of your digital marketing initiatives not only engaged parents but also had an indirect positive effect on children? Can you tell us more about the key elements that made this initiative particularly successful?

20. What specific elements or features of this initiative do you think contributed most to engaging parents and impacting children indirectly? And how did you measure this impact?

21. How did you design the content or messages of your initiative to be particularly appealing to parents while indirectly influencing children's interests or behaviours?

22. Do you use partnerships or other resources to effectively market to parents or guardians and thereby indirectly reach children? If so, how?

Challenges and ethical considerations

23. What are the main challenges you face when marketing children's products indirectly through parents and how do you solve them?

24. How do you ensure that your marketing strategies maintain ethical standards, especially when marketing indirectly to children through their parents or guardians?

Resource-Based View (RBV)

25. What aspects of your company do you believe are most difficult for competitors to copy or imitate?

26. Which internal resources are most valuable in your marketing strategy? Internal resources include all your assets, e.g., unique skills of employees, knowledge, strong brand, unique business processes, etc.

27. Which specific resources or competencies do you consider to be the core of your company's success when it comes to your marketing?

28. In what ways do you think your organisation's internal resources and assets can contribute to creating a long-term sustainable competitive advantage?

Appendix B - Pilot questions

1. Innovation: Do you consider innovation and creativity to be a central part of your marketing? YES/NO

2. Customer Engagement: Do you regularly involve customers in marketing activities? YES/NO and HOW?

3. Flexibility: Has your company recently made any adjustments to its business model to meet market changes? YES/NO

4. Risk-taking: Has your company actively taken risks to explore new markets or introduce new solutions in the past year? YES/NO

5. Networking: Is networking with customers an important part of your business strategy? YES/NO

6. Adaptive Marketing: Do you tailor your marketing campaigns to different customer segments? YES/NO

7. Value Communication: Do you actively communicate your company's values and the benefits of your products or services to customers? YES/NO