# Niba Suh Herbert THE SOCIO-ECONOMIC IMPACT OF AIR TRANSPORT ON SMALL REGIONS IN FINLAND

Case study: The Kokkola-Pietarsaari Airport region

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#### **ABSTRACT**

CENTRIA UNIVERSITY OF	Date	Author
APPLIED SCIENCES	September 2012	Niba Suh Herbert
Unit of Technology and Business,		
Kokkola-Pietarsaari		

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# THE SOCIO-ECONOMIC IMPACT OF AIR TRANSPORT ON SMALL REGIONS IN FINLAND

Case study: The Kokkola-Pietarsaari Airport Region

Instructor	Pages
Kari Myllymäki	56+7

# Supervisor

Katarina Broman

The existence of air transportation in the global economy has boosted and brought a lot of positive changes to many countries economically and socially, in the 21<sup>st</sup> century.

In Finland air transportation has existed for more than a decade in almost all the larger cities and small regions. This existence has brought many social and economic benefits to the vast population of Finland. The existence of air transportation in small regions in Finland has enabled travelers to go from one destination to another for a short time.

This research work was done to gain a better understanding of the impact the existence of air transportation has had on the population living in small regions in Finland.

Looking in it at a narrower view; a case study shall be put in place with focus on the Kokkola-Pietarsaari airport region. The aim of the research work was also to understand how air transport and globalization have increased the economic and social integration of a particular area, with improved and increased trade and investment in the Kokkola and Pietarsaari region as a result.

In this thesis, the researcher used the qualitative research method to finalized this research work. The researcher applied this research method because it gives an in-depth understanding of human behavior and the reasons governing this types of behaviors. Since the researcher wanted to understand certain aspect of human behaviors in related to air transport in Kokkola-Pietarsaari region, interviews were conducted to different individuals who are either users of the Kokkola-Pietarsaari airport or are employers in the marketing and development organization in the region. These interviews gave the researcher a better understanding of this human behaviours.

This interviews were all presented and analyzed. From the analysis, the researcher found out that the air transportation in this region has rapidly developed as many multinational companies exist in this region. The researcher also realized that more needs to be done by development organizations to further market and develop this region so as to attract more foreign investors, tourists or businessmen to the region.

# **Key words**

Air transport, airport, Finland, globalization, interview, region, research, Kokkola-Pietarsaari

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#### 1 INTRODUCTION

Air transportation is a very important factor when talking about tourism today. Because of the rapid growth of tourism industries, air transportation has increased globally as many people want to travel for various purpose, be it for leisure, business, religious or other purposes. Air transport is a sector in tourism that is developing fast as the number of travelers increase everyday. Air transportation has not just increased the number of travelers in the world but it has also expanded and developed countries and nations as a result of its existence. In Finland air transportation has had a positive impact on its population. Finland's air transportation network has grown tremendously as people have wanted to travel more because of its existence. Because of air transportation in Finland and the globalization of the world's economy, people want to travel to different places for various reasons. The increase in people's eagerness to travel and other social and economic factors put in place have expanded airports and air transport networks in Finland.

This expansion has enabled travellers to travel from small regions to other destinations inside and outside of Finland. All small towns and regions that have an airport make it possible for many travelers to travel to these destinations because of the facilities and convenience of this air transport in these small towns. In the past years, when airlines were not yet invented, it was difficult to travel. People had to use other means of transportation to get to their final destinations. Thanks to the invention of airplanes the mobility has become easier as people do not have to rely on driving far distances to get to their destination. The availability of air transport in any region irrespective if it is a small or large region, always makes the region accessible as people can easily travel to those regions.

The main aim of this research work is to examine and better understand the social and economic impact the existence of air transport has had on small regions in Finlands. The research work is narrowed down putting focus on the case study which is air transport in the Kokkola-Pietarsaari region. The research will examine both the negative and positive impact air transport has had on this region.

The research work is also aiming at carrying out a research; the result of this research will be analyzed so as to understand the impact air transport has had on travellers in the two regions economically, socially and environmentally. This research work is done to give a better understanding of the impact the existence of air transportation has had on the inhabitants living in small regions in Finland. Looking in it at narrower view; a case study shall be put in place with focus on the Kokkola-Pietarsaari airport region. The research work is also done to understand how air transport and globalization have increased the economic and social integration of Kokkola-Pietarsaari region with improved and increased trade and investment in Kokkola-Pietarsaari region as a result.

This research will focus on the impact of air transport on small towns in Finland using the Kokkola-Pietarsaari region in Finland as a case study which has an air transportation network to other bigger cities. Looking at small regions like the Kokkola-Pietarsaari region where the air transportation is known to many, the researcher might encounter problems getting sufficient information needed, thereby making it difficult to get all relevant information from the interviewees as they might not want to disclose all information. The researcher will focus on the information he is able to get from interviews, books and webpages.

This research work consists of four parts: the introducution, the theoretical framework, the empirical study and the conclusion. The introduction describes the aim, objective and limitation of the study. The theoretical framework demonstrates and gives a better understanding of the various features of transport as a whole, and the role it plays in tourism industries. The empirical part of this thesis shall look at the case study and the topic itself which is the socio-economic impact of air transport in the Kokkola-Pietarsaari region. This also includes the research method used and the interviews with an expert in the development organization, frequent flyers of Kokkola-Pietarsaari airport, and finally the conclusion and recommendation which consist of the researcher's own final point of view, findings and recommendations.

# 2 AIR TRANSPORT, GLOBALIZATION AND SUSTAINABILITY

Globalization can be defined in various ways depending on the context. Globalization in its literal sense could be defined as the process in which people of the world are united or unify into a single society to function or cooperate together as one. When talking about the "process" in the above definition, we mean the combination of economic, technological, political and socio-cultural forces. The idea of globalization, however, in this context is referring to the socio-economic globalization involving integration of national economies into the international economy through trades, foreign investment of a nation, capital flow, migration and the development of technology.

Also, globalization could also be referring to the increasing geographical scale of economic, social and political interaction. These could involve international trade and related traffic of import and export, and expanding mobility of capital and investment transaction and the growth of tourism and global conferences. Even though much research has been carried out, it is still unclear how one could say globalization, and sustainability are interrelated in the context of transport industries. (Janelle.1997)

# 2.1 The effect of globalization on the airline market in small regions in Finland

Among the various mean of today transportation, air transportation is one of the most significant means of transportation in the global economy as people are now able to travel long distances in a short period of time. Looking at these two terms, air transport and globalization, one could notice that they go together as it is clear and obvious that the existence of air transport is to satisfy the global economy, as well as the global economy relies on air transport to travel to any part of the world. Globalization increases the economic or social integration of a particular area which may result in improved and increased trade and investment in a particular area. Therefore if we look at globalization, we realize it has benefited small region in the Ostrobothnian area in Finland. Air transportation has not just developed the Kokkola-Pietarsaari region, but has also globalized the regions.

#### 2.2 The benefit of air transport and globalization in small regions

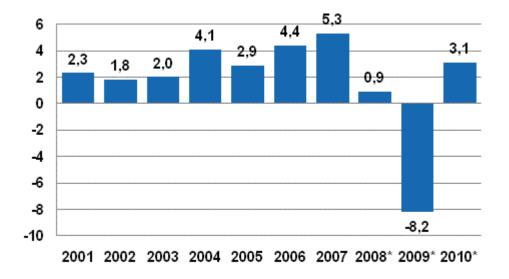
Defining globalization as the movement of capital, ideas and goods due to the increased economic integration in a particular region, air transportation has benefited the inhabitants and small towns in Finland in many aspects. Air transportation services in small towns in Finland have facilitated the movement of travelers from one destination to another, thereby increasing globalization into the regions as travellers can travel to these areas for leisure or business reasons thereby bringing new ideas, opportunities to the region and thus increasing the economic integration in the area. It is usually very difficult for globalization to take place in an area to which many people are unable to travel there by air.

More so, the existence of air transportation in almost all small regions in Finland also help globalizing the regions in that it has increased free trade between the nations. The region can now trade with other nations. The flow of trade will be easier both on an international and a national level. This could better be explained in that when goods are brought into Finland, they need to be transported to this small regions. The existence of air transport in these small regions facilitates free trade and makes it circulate into all the regions so as to sustain the livelihood of the people.

Also globalization of production is linked to the globalization of trade as one cannot function without the other. Globalization could only be available with the possibility and availability of air transportation. In the 18th century, globalization was very slow because there were difficulties in transportation meaning that many air transport facilities were not available. But thanks to technology aircrafts and air transportation have been invented making it possible for globalization to flow faster.

More so, as earlier said above, air transport and globalization have increased international trade, and international trade requires distribution infrastructure that can support trade between several partners. The three components of international transportation that facilitate trade are: Transportation infrastructure; which involves physical infrastructure such as airport's terminal, vehicles and good road network; transportation services, which involve the international circulation of passengers and freight. It also includes activities such as distribution, logistic, finance, marketing and insurances.

Transactional environment; because of legal, financial, political and cultural setting in which international transport system operate, it includes aspects such as exchange rate, regulation, quotas and tariff and also consumer preferences. (Rodrigue 2009). According to Statistics Finland's preliminary data, the volume of Finland's GDP grew by 3.1 per cent in 2010. The output last year was at about the same level as in 2006. Last year, the GDP stood at EUR 180 billion. The net national income describing the income earned by the national economy went up by 2.3 per cent in real terms. (Statistic Finland 2011)



GRAPH 1. Annual change in the volume of gross domestic product, per cent (adapted from Statistic Finland 2011)

Graph one above shows Finland's GDP in 2010. This indicates that Finland's GDP has grown drastically from 2009 to 2010. In 2009 the GDP rise up to 3.1 percent because of the existence of air transportation to all small regions, trade could flow better as compared to if Finland's air transportation was only available in bigger cities. The graph shows the different changes of Finland's GDP over the past 10 years. (Statistic Finland 2011)

# 2.3 Air transport sustainability

Sustainable developement usually seeks to balance social, economic and environmental objectives in order to secure the well being of present and future generations. These objectives are usually said to be interdependent and and also very significant. Finding the optimum balance means that difficult choices sometimes have to be made and concessions in some cases may be required. Aviation is seen as a good example. Aviation is a consumer of non-renewable resources, a contributor to climate change and local noise problem but but also it makes a very important, valuable and unique contribution to the sustainable development of our global society. To take a look at air transport and aviation in a sustainable context, it could be stated that public demand for air travel is growing more everyday. Efforts in the air transportation industry to improve the environmental performance of its economic activities, however, must and will continue. To understand the real meaning of sustainable growth as "growth without environmental impact" as advocated in some circles, ignores the importance of socio-economic values in the sustainability equation, thereby corrupting the very essence of the concept. (IATA 2012.)

#### 3 SPECIAL FEATURES OF TRANSPORTS

"Transport has emerged as one of the more ubiquitous and complex global economic sectors. It forms the backbone of international commerce by acting as a mechanism for the movement of freight and people". (Duval 2007, 1). Transportation is a very essential tool when looking at tourism as a whole. This is because it acts like a component of a tourist product. "Transportation is essential element of a tourist product in three ways thus; the mean to reach the destination, a necessary means of movement at the destination and in a minority of instances it is the actual tourism attraction or activity". (Cooper, Fletcher, Fyall& Wanhill 2008, 405). Below we shall look at the various forms of transport network that exist and how they have benefited the global economy and society.

# 3.1 The existence of air transport

The existence of air transport in the global economy till date is still regarded as one of the biggest technological changes of all time. Gone is the time when people used to travel long distances to arrive a particular destination. There are many kinds of air transport today which can take people to any destination in the world. Air transport has even gone as far as to develop a rocket which takes astronauts to other planets. Even though when mentioning air transport, the first thing that will come to mind is the airplane. Airplanes are the most common mean of air transportation today, but there are many other modes of air transport, such as helicopters, balloons and rockets etc. Below, we shall look at the various types and the history and origin of the different kinds of air transport that exist today;

# 3.1.1 The airplane

The history of airplanes and flight started in 1903 when scientist Orville and Wilbur Wright did the first successful experiment which a machine carrying a man rising up in the air without causing any damage and landing back on the ground. This led to the beginning of aircraft invention. But before the Wright brothers, other inventors had made numerous attempts to invent air craft that could fly in the air. These inventions were objects like

kites, hot flying air ballons, airships and other machines (about.com 2012). So air transport can be defined as the movement of passengers or cargoes from one region to another.

Air transportation has been one of the primary means for carrying passengers in the past decades. There is a high value of efficiency when carrying passengers over long distances, high value payloads are moved to one destination to another. There are many types of air transport existing today both for commercial and private purposes. Some of these types of transportation have been developed over the course of decades to meet the needs of the modern human. When talking about air transportation systems, people start thinking of airplanes. Evidently airplanes are just one form of air transport that exists today. There are many other types of air transportation, apart of airplanes. More of these types of air transportation will be highlighted below.

#### 3.1.2 The significance of aviation in the Finnish economy

Aviation has a very important role to play in the Finnish economy. Aviation alone accounts for 3.2 percent of Finland GDP, supporting over 100.000 jobs. Finnish based aviation companies paid almost 900 million euros in taxes and social security payments in 2010. According to a recent study commissioned by IATA, the International Air Transport Association, the aviation industry plays a very important role in Finland's trade and economy. According to this study, undertaken by the Oxford Economy, aviation alone accounts for 3.2 percentage of Finland's GDP and this industry in Finland has supported more than 100.000 people directly and indirectly. A productive and efficient aviation industry plays a very important role in driving development of today's global economy through critical connection for passengers and freight. Finland has average levels of connectivity by air in relations to its economy size. This means that Finland can therefore increase its economic growth and Foreign Direct Investment by improving its air connectivity with positive measures toward aviation, says Jeff Poole, Director of Government and Industry Affairs.(IATA 2012).

Looking at the geographical location of Finland, air transport is considered to be very significant to Finnish trading companies such as export companies. It helps companies to connect and offers air cargo transportation. There is no doubt that aviation is a key enabler

of tourism to Finland. Approximately, about 36 percent of foreign visitors arrive to Finland by air. This study estimate that about 7000 jobs in the travel and tourism sector and also about 11000 additional jobs were supported through the spending of foreign visitors who travelled to Finland by air in 2010. According to Oxford Economics study, it was estimated that the aviation industry in Finland make approximately 2.5 billion euros of revenues to the government in the form of direct taxes and also indirectly through the airline industries's supply chain, and also through the spending of employees working in the aviation sector and its supply chain. Just taxes alone and social security payment by Finland-based airline companies amounted to 864 million euros in 2010. In 2011, the total number of air passengers arriving or departing from the Finnish airports was about 19.1 million. The number of flight also increased by 11 percent in air freight by 8 percent. Finnish airlines alone transported approximately 63 percent of the passengers and freight. (DGAP 2012.)

#### 3.2 Helicopters

With the success of the fixed-wing aircraft, engineers and technicians looked for another method to make the general principles of airplanes, sustained and fast flight, more efficient. The goal of these engineers was to develop a flying vehicle that could take off from a sitting position and carry people to another location. This invention was known as the helicopter. Helicopters are propelled using horizontal rotors consisting of two or more blades. These blades rotate around the top of the machine, and achieve lift, pulling the body of the helicopter along. Designs for the helicopter had been conceived as far back as the 1480s, with Leonard da Vinci. However, in the early 1900s that individual created working models. The post-war era saw the birth of the helicopter industry. However, most models of helicopter could only carry four to six people, limiting its commercial use. The primary applications for helicopters are in the military, law enforcement, medical, news or fire control sectors but still people use them too as means of transportation for commercial purpose as well (helis.com 1997).

#### 3.3 Sea transport and its role in smalls regions in Finland

Ship transport is watercraft carrying people (passengers) or goods (cargo). Sea transport has been the largest carrier of freight throughout recorded history. Although the importance of sea travel for passengers has decreased due to aviation, it is still very effective for short trips and pleasure cruises. Transport by water is also cheaper than airship transport can be over any distance by boat, ship, sailboat or barge, over oceans and lakes, through canals or along rivers. Shipping may be for commerce, recreation or the military. Virtually any material that can be moved, can be moved by water, however water transport becomes impractical when material delivery is highly time-critical. There are many types of categories of ships in use today such as, ferries, container ships, tankers, reefer ships, roll-on roll-off ships, coastal trading vessels, table layers and tugboats.

In Finland sea transport is very important for commerce and cruises. Due to many lakes in Finland, Finland can be proud of its sea transportation located in many small regions in Finland. Marine transportation has a key role in Finnish international trade as well. In 2007, about 102.6 million tones of cargo were transported through Finnish sea ports including transit goods. Merely export from Finland accounted for 44.7 and imports 57.9 million tones. In 2007, Finland imported about 75.5 percentage of seaborne cargo which originated in or was destined for other European Union countries. Most of the cargo imported in Finland was crude oil and minerals, general goods, raw woods and coal. (Shortsea Promotion Centre 2007). Sea transport is an important means of transport in Finland. Finland is highly respected for being the inventors of one of the biggest cruise ship of the world 'Oasis of the sea' (The Huffigton post 2012). This signifies that sea transport is also very important in Finland as well as ship building. In small regions in Finland where they are many lakes and sea, most inhabitants own private ships and boats which enable them to transport people to different regions.

#### 3.4 Road transport in small regions in Finland

Road transport is transport on the road of passengers or goods. Road transport is the most common used transportation. It is the cheapest means of transportation. It is a means of transportation people used on a daily basis. When talking of road transport we refer to any

kind of motor engine that circulates on the road, such as Lorries, cars, buses, and motor bikes. Road transport is one of the oldest forms of transportation in the history of transport, even though there are many and faster types of transportation today, road transport is still highly important for the significant role it has played in the world. Road transport is very significant as compared to air transport because road transportation is a means of transport that is unavoidable. This could be justified in that almost everything that have wheels or tyres could be classified as a mean of transport means. In some countries people even use animals such as cows and camels as a means of transportation (Flixya 2010).

Road transportation in Finland is very important especially during the winter since everyone wants to use his/her private vehicle because of the cold climate. It is even more common that in Finland, many people have their private cars especially in small regions. In Kokkola-Pietarsaari region, with just one air transportation network shared by this two small towns, the road transport is very much connected to the airport which is very efficient to facilitate the flow of transportation of passengers (Finavia 2011). There are also bus connections linking both regions to facilitate the flow of movement of passengers.

#### 3.5 Rail transport in Finland

Rail transport is the means of conveyance of passengers and goods by way of wheeled vehicles running on railway or rail track. The railroad track consists of two parrarel rail track, usually of steel often mounted upon cross beams. It is different to road transport, where vehicles merely run on a prepared surface, rail vehicles are directionally guided by the tracks they run on. However, other variations are also possible, such as slab track where the rails are fastened to a concrete foundation resting on a prepared subsurface. Rail transport is an energy efficient means of mechanized land transport. The rail track provide very smooth and hard surfaces on which the wheels can roll with a minimum of friction (Apparel Search 2011).

Finland has 5,919 kilometres of railway that is in use, of which about 3,067 kilometres are electrified lines. In Finland, about 135 million euro is spent a year just for track maintenance and the maximum axle weight is 22.5 tonnes. The speedlimit for passenger trains is 220 km/h and 120km/h for freight trains. (Liikennevirasto 2011). Railway

transport in Finland has played a very significant role as about a quarter of goods is transported in Finland are being conveyed by rail. In 2008, about 4 million goods were being transported by the means of rail transport. Internal transportation alone accounters for 25.5 million tonnes and international transport for 16.5 million. The total number of passenger trips made by rail in 2008 was 7 million. (Ministry of transport and communication 2012).



GRAPH 2. Transport connection in all regions in Finland (adapted from Shortsea Promotion Center Finland 2007)

From graph 2 above, it is visible that intermodal transport plays a very important role in Finland.Practically,we realised that all international cargo is transported through intermodal transportation i.e through air, rail and road. Finland has about 50 ports in which the ten largest handle about 75 % of the total volume. The railways are connected to almost

all the cities linking to villages through buses and coaches, and a good road network system where vehicles could have access to all the cities, towns and villages in the entire territory. (Shortsea Promotion Centre Finland 2007.)

#### 4 THE ROLE OF AIR TRANSPORT IN THE TOURISM INDUSTRY

With the rapid growth of air traffic, the role of air transport in the whole economy has increased considerably. The role the air transportation plays in transportation of people, cargo and and the creation of job opportunities in the world economy, is undisputable. The existence of air transportation has created airports which have become the key nods in the production and commercial system of local economic development. With numberous sorts of job taking existing in these airports, a new urban form is emerging. Air transportation in general has contributed to countries' economical growth as well as it has created opportunities for employment, business, commerce trade and tourism industries.

# 4.1 The ways in which Air transport gains market in the tourism industry

From the role of air transportation seen above, it is clear that since tourism is all about movement and traveling from one country to another or from one region to another, tourism will not survive without the existence of air transport, as air transport is the fastest way a tourist can use to get to his or her final destination. It is also clear that air transport will not survive without tourism, as tourism is the backbone of any air transportation industry. The tourism industry has been one of the fastest developing industries in the last centuries. The contributing factor to the rise of tourism is the existence of air transport. Today the numerous existences of various types of airlines has increased the number of tourists and the tourism industries in the global economy. They are numbers of factors that has boosted the air transportation industries to grow. These factors are the existence of low cost-flight, flight bonuses, improvements in security, promotion holiday tickets and reliability in particular airlines. These factors will be more explained in the following paragraphs.

Low-cost flights are one of the greatest factors that have encouraged people to travel to various destinations. The low-cost flight started in the seventies by the American domestic carrier Southwest whose main objective was to offer cheap flights to their customers. This cheap flight era later expanded to europe based on the Southwest model, they introduced airlines such as Easyjet and Ryanair in 1990's. (cheapflights.co.uk 2012)

This cheap flight concept that was introduced in Europe has also increased the number of travellers in Europe. In Finland, low-cost flights namely operate in smaller airports like in Tampere and Lappeenranta etc. The existence of these low-cost flights in these regions has made the regions develop as well and thus, this has an impact on the economic development of the country. Ryainair which also operates in Tampere is another cheap airliner company. Many tourists today prefer to travel with cheap flights so as to save extra money and not spend much before arriving at their destination. These low-cost flights prefer to use small airports as their source of landing because it might be cheaper for them and also by landing in these small region airports, they make the region economically more recognised.

Flight bonuses is another common method most airline industries implement to attract customers. This method is, however, implemented to make travellers travel more using their airlines. Some airline companies introduce bonus cards and give to their customers. With these cards, you get points each time you travel using their airlines. Depending on the amount of point you get, determines the bonuses you will receive. Some frequent travellers usually get bonuses which make them travel by paying just half the price of the usual fare or sometimes even free of charge. This method is just a method airline's use so as to maintaine their customers to use their airlines. Discount certificates are also another thing airlines might give to their customers so as to promote their servives to the public. There can be numerous reasons why these airline industries might want to give discount certificates to their customers. This might be in cases whereby a traveller has a flight delayed. This is a very typical case the researcher experienced when traveling from Dusseldorf to Helsinki. With a stop over in Amsterdam international airport and the flight was delayed by 4 hours. The researcher was given a discount in form of a 50 euro voucher as an apology from KLM airline industry. Such compensation usually has a pyscological effect on travellers as they might be pleased with the compensation, while in some cases some travellers are not pleased with the compensation and want higher compensation. Worser than that, some airline industries do not even compensate in few cases. However, with the introduction of these flight bonuses and discount certificates, travelling is more guaranteed and also more tourists have been eager to travel more hoping to get traveling bonuses if the get travelling points. .

A technological change in the modern 21st century has greatly eased the burden of human beings as compared to the past decades. The technological advancement that exists today in airport and airlines has greatly increased the number of travellers. In the past years there have been many occurances of airport theft and tourism attacks on tourists or travellers in airports. These crime factors have had a large negative effect and impact on travelling in the past years. But with the modern technological innovations that exist in airports, it makes it very difficult for criminality to take place. Thank to invention of the new system of scanner checks in airports which scan for metal thus making it difficult for passengers to carry a gun, ammunation or any harmful metal into the airlines. More so, most airports have many security cameras hidden on all areas in the airport thus reducing pickpocketing and baggage theft which was very common in the past decades. With the improvement of all technological changes, the security level in airports is now very strict. In Finnish airlines such as Finnair, you are always asked by the security control first to prove that you are really travelling, by showing your passport or any travel document before they ask for your flight ticket, you must also take out your laptop from your hand luggage and if in case there is any liquid in your hand luggage, it is either seized or taken away. (Finnair.com 2012). This reason why they seize liquid might be unknown to some travellers, but one of the reasons is because liquid might be regarded as an explosive agent when combined with other chemicals. This security check has greatly made it more convenient for travellers to travel without fear and with maximum security, to their final destination.

Promotional holiday tickets are also one of the key factors that have increased the number of travelers not just in Finland but in the world. Even though most Finns like travelling during their holidays from work, statistically it has been realised that people like to travel much when airlines have promotion tickets during the summer holiday period. During this free holiday period, which is often summer time period in Finland, it is easy to find a lot of affordable free and cheap travelling tickets with very fair prices. Finnair is a Finnish airline which usually offers very good prices for holiday makers who travel to destinations like Egypt, Tunisia or Morrocco. These destinations are very popular because of the affordable promotional tickets available for the destination. (Finnair 2012). Sometimes these tickets seem to be expensive during some specifi seasons, especially during the peak season when the demand is higher than the supplier, then the tickets can be very expensive. Even though tickets may be very expensive at some specific seasons, they are always alternatives airline

that one can offer cheap tickets to a particular destination. There are websites that affordable tickets can always be found for affordable prices such as momondo.com (momondo.2012)

With the existence of airlines today, there are many airlines existing in the global world. In Finland, there are about 55 different airline companies operating in Finland, Vantaa airport (Helsinki-Vantaa 2012). Even thought promotional tickets and low cost-flights were mentioned which might be a contrubuting factor that might prompt some particular people to travel to certain destinations, we also know that some people travel to certain destination not just because of the price, but also because of their safety and convenience. There are particular tourists which might want to travel with a particular airline not because of the low-cost prices or cheap tickets but because of the reliability, safety and services they associate with that airline. A good example is a common Finnish airline. There are many people in Finland who usually like travelling with Finnair even though they know there are other airlines which might have cheaper price offered than Finnair, but because looking at the history of Finnair, they believe it is a reliable and safe airline to travel with. Most Finnish family, who goes on holiday, will always prefer to take a reliable and safe airline to their destination to avoid any disappointment on their journey. Currently, there are many airlines, some might seem reliable and some might not seem reliable, but all in all, it is very hard to determine what really is reliable or unreliable because services can never be 100 procent perfect.

# 4.2 The relationship between air transport and tourism

Looking at air transport and tourism together, it is clear that they have something in common as a tourist needs air transport to move to another destination, in the same way as air transport is the means of transportation for a tourist as they need to move to other destinations. In order to know the relationship between air transports, we must know the present situation of air transport and tourism in the Kokkola-Pietarsaari region. The airport itself is located in Kruunupyy and serves both as the airport for the two towns Pietarsaari and Kokkola. Next we shall look at how air transport in both regions has benefited the regions.

Tourism in Kokkola-Pietarsaari region has been experiencing a lot of changes as the world is getting more global. Thus this globalization changes people ideas and make the people want to travel more to see new things and new places. In a small region like the Kokkola-Pietarsaari region, which is not just a small but also peaceful, atmospheric, festive and attractive, many tourists will like to come there and witness different events, culture and the happenings that take place in the region. So when looking at how the relationship between tourism and air transport exists, we shall look at why a tourist might choose the air transport mode to arrive at his her destination.

Air transport is a very essential element when talking about tourism because it provides the vital link to a tourist destination. More so, the air transport industry in this region, acts a measure beneficiary to the tourism industry because of the high passenger demand from the industries. It is more likely that tourists do not like long travel to a destination and will always like to take the fastest transportation available to a particular destination.

Air transport is the fastest way to for a tourist to travel from one destination to another. Therefore, air transportation facilitates the movement of tourists from one destination to another which might be quite strenuous to a smaller region. Looking at a small region like the Kokkola-Pietarsaari region, air transport has seen more development since without the availability of this air transport, tourists will need to use private or public cars or even the train network system which takes a longer time and might also be inconvenient for someone who does not like long distance travel.

Air transportation and tourism have also expanded in this region because of technological changes that have come about in the the past decades. In ancient time people liked to travel but it was expensive and also maybe there was not much transportation facility. But after the industrial revolution that took place in the United State and United Kingdom, it brought about technological changes and thus expanded the transportation industry. It is because of the improvement of transportation in this regions that tourism has expanded. Looking at technological changes, the road network system, accommodation services and even airport is also a necessity for tourism when traveling to a destination. To conclude, it could be said that technological changes has widened the relationship between air transportation and tourism and made them more related.

More so, the airport that was built in Kokkola-Pietarsaari region was formerly named Kruunupy airport but the name was later changed Kokkola-Pietarsaari airport in 2010. With the existence of this airport in this region, since the beginning of 2005, it is noticed that the amount of domestic travelers has increased, meaning more people and tourists travel to this region. Which is clear from the table below.

TABLE 1. Passenger Statistics for Kokkola-Pietarsaari Airport (adapted from Jakobstad Pietarsaari 2012)

Year	Domestic passengers	International passengers	Total passengers	Change
2005	84,548	13,967	98,515	-0.8% ▼
2006	85,798	12,378	98,176	-0.3% ▼
2007	84,615	11,402	96,017	−2.2% ▼
2008	88,008	10,315	98,323	+2.2% ▲
2009	81,634	10,563	92,197	<b>-6.2%</b> ▼
2010	76,979	3,202	80,181	<b>−13.0%</b> ▼
2011	87,384	7,300	94,684	+18.1% 🔺

From table one above, it is visible that the number of domestic travelers has increased by almost 3000 travelers from 2005 till 2011. There might be many factors that has made people venture to this region. As earlier mentioned above, the world is getting more global and people want to see new things. Because of the attractiveness and the nature of the region, tourists might, be eager to visit this area to witness different things, such as the nature, festivals like Jacob's Days which is one of the largest festivals that bring a lot of tourists to this region and also the lakes is a center of attractiveness.

Looking at the table above, it is clear that the number of international travelers has instead dropped by almost 6600 passenger, which is a very significant drop. This could be

explained when looking at the negative impact of air transport in the Kokkola-Pietarsaariregion. But if looking at the 7300 passengers that visit this region annually, it is noticeable that 50% of the travelers are venturing to this region because of the existence of air transportation which makes it easier for them to travel here. In the empirical part of this research work we shall find out what prompts the tourists to venture to this region by air.

# 4.3 The demand for and growth of air transport in small regions in Finland

Around half of the world's population currently travels either by plane even though there are many other means. For example, in the UK it was recorded that the amount of passengers that travel by flight increased by 130%; that is from 104 million passengers to 238 million passengers. This shows a large increase and growth of the air transportation network. The reason for the growth could be because of the increase of demand which is caused by two main factors. Firstly, an increase in an individual's average income of about 54% which means that more individuals could afford to pay for flight because they were able to buy flight tickets to any destination. Secondly, the was also a high demand because of the reduction of fares on flights. The fares were getting cheaper and cheaper as years went by. The fares had fallen with about 50% between 1997 and 2006, thereby making the demand for tourists to travel increase. (The committee on climate change 2012).

From the above mentioned factors it is clear that the air transportation sector has been growing as people have wanted to travel more. These demands have grown across all kinds of air transport systems since 1990 with the largest growth area being in leisure tourism, because the number of people that fly abroad has increased. In small regions in Finland, air transportation has grown to an extent because of people's demands. Nowadays many tourists like to travel to rural areas such as the countryside, small village to see and experience nature, which is the case in Finland. Most tourists that come to Finland for leisure purposes come to experience the nature the country has, unlike urban cities like Helsinki that a tourist might intend to travel to maybe because he/she wants to see the infrastructure, shopping malls, buildings etc. Kokkola-Pietarsaari region has all these above-mentioned features such as nature, events and festivals. With all this, there is a need for air transport in rural areas. Kokkola-Pietarsaari region is a fast growing region and with

more migrants venturing into the region it creates a demand and need for air transport in the region.

The world is getting more global every day due to the technological changes, the ideas of people changes. All this has helped to increase the demand for people wanting to travel. An issue in the past has been the lack of finance and time which has made people not traveling much.But with the technological changes that exist today, everything starts to become possible and even easier. There are many factors influencing the demand for air transport in small region. These factors are going to be outlined on the following paragraphs.

High wages is one of the factors that have influenced the demand for air transport in rural areas. Before, people could not afford to travel by aircraft to other places but today because of high wages, people can afford it. When looking at the population in Finland, it is noticable that the elderly people might travel more than the youths. This is because most of them are pensioners, receiving retirement benefit or maybe have health problems. Such travelers will often like to travel to small regions which are very conducive and atmospheric for their health condition, or to countrysides where they can enjoy the nature and relax. Some youths in Finland might even want to travel to a rural region maybe to attend a festival event, or party or mainly to visit friends because they can afford to pay for a ticket.

Free holidays are contributing factors that influence the demand for air transport in small region. In the case in Finland, many Finns are engaged in working life. This engagement makes the Finn very busy and devoted. As a governmental law on work in Finland, most workers take free holidays in the summer and winter period. During these holidays, many of these workers embark on journeys to different cities both domestic and international. In the summer, for example, many Finns travel to Pietarsaari to experience the Jacob's Day which is one of the biggest festivals that bring Finns from other cities to Pietarsaari or like in the case in Kokkola with the summer rock festival which also invites a lot of Finnish tourists to the region. These tourists are able to visit these areas in the summer period because of the availability of free holidays.

Unlike before, when it was hard to afford a flight ticket since it was very expensive, but today with the availability of many airliners, tickets have become much cheaper so people are now able to afford an airplane ticket. The affordability of these cheap flights has enabled travelers to travel to different destinations for holidays. In the Kokkola-Pietarsaari region, because of the availability of air transport facility, many travelers are able to travel to this region to take part in the events that the region arranges during the summer and winter season.

Another factor that might influence the demand for people wanting to venture into small regions is the availability of air transportation there in these areas. Many travelers might feel discouraged to travel to a rural region if there is no air transportation network. Because in cases where there is no air transport connection, travelers usually have to use their cars or even other means of transportation, such as public transportation which might be inconvenient for them because it is usually very strenuous and makes one very fatiguous. But with the availability of air transportation in the Kokkola-Pietarsaari region, travelers and tourists are able to travel to this destination.

There are often things that encourage a tourist to travel to a particular destination. As without these things tourists might not be willing to go to that destination. First of all, before travelling to a destination, one must consider what kind of facilities or accommodation are available, such as hotels, inns, bed and breakfasts, and motels or camping sites. These are motivating factor for tourists as without the availability of accommodation then no trip can take place. However in some cases some tourists might also stay with friends or relatives at the destination and then of course then they will not need any special accommodation. In Kokkola-Pietarsaari region there are about 12 hotels, with Hotel Epoque being the biggest in Pietarsaari and Sokos Hotel the biggest in Kokkola. With the availability of this accommodation, many tourists are motivated to come to the region.

In the Kokkola-Pietarsaari regions there are a lot of events and entertainment especially during the summer, and a lot of travelers, and tourists come to this region because of the different kinds of events that take place in the summer. Events such as jacob's Day which bring lots of tourists from Sweden and from different parts of the world and the Rock Festival that takes place in Kokkola also attracts a lot of tourists to this region. Travelers or

tourist come here on a seasonal basis and in the summer more tourists venture into this region. The lakes and summer cottages are another attraction that makes a lot of tourist come here. The availability of the attractive site is also a push factor for tourists to demand air transportation in the region. The demand might also be high because of family ties. Alot of the tourists come to this region from Sweden. Some have families and relatives here, so each year they come to this region to visit their relatives and families.

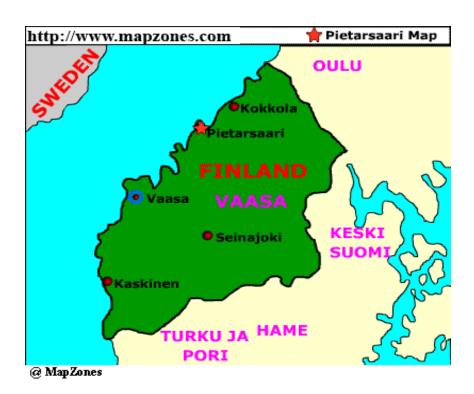
All in all, the are many more factors that might influence the tourist inflow to this region. Some tourists always tour for adventure, so it might be difficult to know a specific purpose for their destination. But it is most likely that tourists' traveling is usually connected to business, leisure, or to visiting relatives and friends.

#### 5 DESCRIPTION OF THE KOKKOLA- PIETARSAARI AIRPORT REGION

Pietarsaari and Kokkola are the two nearest towns to the Kokkola-Pietarsaari airport. Even though the airport is located in Kruunupyy about 19 km south of Kokkola city center and about 30 km north east of Pietarsaari, it still serves the two towns which are the two main towns in the regions. The airport was named Kokkola-Pietarsaari airport because these two towns are the closest to the airport.

#### 5.1 The Pietarsaari region

Pietarsaari is a small town and municipality located in western Finland in the Ostrobothnia region; the town has a population of about 19,644 (31 January) inhabitants, and covers a land area of 88.31 square kilometer. The town was founded in 1652 by Ebba Brahe, the widow of military commander Jacob de la Gardie. Since the foundation of this town, it has been an important commercial center because of its location on the Gulf of Bothnia. The renowned poet, Johan Ludvig Runeberg who wrote in Swedish but is from Finland, was born in this city in 1805. Some notable buildings in this town include a 13th century church and the malm house which contains the municipality library and a historical museums and the Pietarsaari church which is built out of wood. This historical museums and notable buildings act as centers of attractions for tourists. Pietarsaari has a seaport and a timber export center which also encourage foreign investment. Pietarsaari has many industries. These industries include industries like lumber, cellulose milling and the manufacture of lace, chicory and mechinary. One of Finland's oldest tobacco factories was founded there in 1762, and the town still maintains tobacco processing facilities. (Encyclopaedia Britannica 2012). With all these facilities and availabilties in the Pietarsaari region, there was a need to build an airport in the region close to Pietarsaari. Pietarsaari is a neighbouring city to Kokkola which is about 45 km away from Pietarsaari. The map below shows where Kokkola is located.



GRAPH 3. Kokkola-Pietarsaari map (adapted from mapzone 2000-2009)

Looking at graph 3 above, we can clearly see the location of two towns Pietarsaari and Kokkola. Even though the airport is located in Kruunupyy about 19 km south of Kokkola city center and about 30 km north east of Pietarsaari, it still serves the two towns which are the two main towns in the region. More will be elaborated on these two towns below

TABLE 2. Facts about Pietarsaari (adapted from Jakobstad Pietarsaari 2012)

Total land area:	88,3 km <sup>2</sup>
Total water area:	34,6 km <sup>2</sup>
Total area:	122,9 km <sup>2</sup>
Area owned by the town	38,1 km <sup>2</sup>
Town-planned area:	22,4 km <sup>2</sup>
Population density	233 inhabitant/ km <sup>2</sup>

Table 2 above shows the total land area of the Pietarsaari region which is  $88.3~\rm{km}^2$ , the total water area  $34.6~\rm{m}^2$ . This gives a total area of  $122.9~\rm{km}^2$ . From the total area the town owned  $38.1~\rm{km}$  square of the area, and the town's planned area is  $22.4~\rm{km}^2$ . The population density is  $233~\rm{inhabitants}$  per  $\rm{km}^2$ 

TABLE 3. Population of Pietarsaari 1.January.2009 (adapted from Jakobstad Pietarsaari 2012)

Total	19667	
Women	9 940	
Men	9727	
Swedish speaking	11090	
Finnish speaking	7898	
Foreign citizens	679	

Table 3 above shows the total population of Pietarsaari from 1.January 2009. In 2009 the total population was 19667. Of the total population, 9940 were women while 9727 were men. This implies that there are more women in the region than men. Among this total population, 11090 are Swedish-speaking Finns, meaning their mother tongue is Swedish, and 7898 are Finnish-speaking Finns, meaning their mother tongue is Finnish. From the total population, there are also foreigners from other countries who speak different types of languages.

TABLE 4. Age structure of Pietarsaari 1.January.2009 (adapted from Jakobstad Pietarsaari 2012)

0-14	1507	7,7%
7-15	2164	11,0%
16-18	814	4,1%
19-24	1355	6,9%
25-64	9908	50,4%
65-74	2015	10,2%
65+	3919	19,9%
75+	1904	9,7%
85+	514	2,6%

Table 4 shows the age structure of the Pietarsaari region as of 1.January.2009. From ages between 0-14 years to 65 years and above. It also shows the total percentages of each age group. From the total age groups, we see that people between the ages of 25-64 are 9908 in population with a percentage of 50.4 percentages. The small part are the teenagers ranging from 16-18 years with a population of 814 making a percentage of 4.1 percentage.

TABLE 5. The largest employers in Pietarsaari (adapted from Jakobstad Pietarsaari 2012)

The largest employers	employees
Pietarsaaren Kaupunki	2700
Snellman	675
UPM-Kymmene	450
Nautor	349
Componenta Pietarsaari	305
Outokumpu Stainless Tubular Products	204
Rettig Lämpö	195

Table 5 shows the largest employers in the Pietarsaari region and the estimated total number of employees. The largest employers is the Pietarsaari city council with a total of 2700 employees, followed by Snellman group with 675 employees. The smallest employers of these region is Retting Lämpö with 195 employees. With the total number of employees, it means that Pietarsaari town is an industrialized region.

#### 5.2 Kokkola city

Graph three, showed the location of Kokkola town in Finland. It is very close to Pietarsaari. Kokkola has a population of about 46000 inhabitants. This city is located in Central Ostrobothnia in western Finland, on the coast of the Gulf of Bothnia. Kokkola is regarded as the region's administrative, financial, educational and cultural epicenter and the town was founded in 1620 by the Swedish king Gustav Adolf II. The municipality of Kaarlela was incorporated in 1977, and the municipalities of Kälviä, Lohtaja and Ullava in 2009. Kokkola is a very attractive town because it has a lot attractive places when talking of nature. Over the last decades, the industrial city of Kokkola has turned increasingly into

a city of commerce, service, education and research. The town's versatile structure of production is one of its fortes. Some sectors that can be noted is the chemical, metal and engineering, boat industries and above all the information and communication technology sector which is growing significantly. Kokkola is also very important for its agricultural production. In terms of the number of dairy cattles and milk profits, Kokkola is the largest milk producing town in Finland. The town is also a town of bilingualism. The bilingualism in Kokkola has provided a rich ingredient that has played its part in promoting the internationalization of the city and its business life. Renowned for its educational institute, industrial location, and diversified culture, the city has grown tremendously in the past decades. In the beginning of 2009, Kokkola's population was about 46.000. The number of inhabitants has been growing rapidly over the last years. From the total population, about 84 per cent speak Finnish as a mother tongue, while about 14 per cent speak Swedish and about 2 percent English and other languages. The population density is 31 inhabitants per km². This means that if this is measured by population, Kokkola is Finland's 22 biggest city (City of Kokkola 2012)



GRAPH 4. The City of Kokkola (adapted from City of Kokkola 2012)

Graph four above shows the beautiful city of Kokkola. The municipality in Kokkola has been enlarged through the following municipal consolidations. The municipality of Kaarlela was incorporated into Kokkola in 1977, while the municipality of Öja joined Kaarlela in 1969. The municipalities of Kälviä, Lohtaja and Ullava merged with Kokkola in 2009. (City of Kokkola 2012)

TABLE 6. Facts about Kokkola (adapted from City of Kokkola 2012)

Total area	2 731 km <sup>2</sup>
Population 1 January 2012	46,585
Income tax percentage in 2012	19,75
Largest employers	City of Kokkola, Central Ostrobothnia
	Central Hospital, Boliden Kokkola Oy,
	OMG, Chemical Oy
Mayor	Antti Isotalus

From table 6 above, it is clear that Kokkola is a big city with employment opportunities, with an average population of about 46,585, Kokkola offers variety of experiences for all ages. The total area is 2731 km<sup>2</sup>. The income tax percentage in 2012 was 19, 75 percent. This implies that Kokkola is an indrustralized city with a lot of opportunities and prospects to develop and expand more. Travellers travelling to this Kokkola region have experiences to share as there are a lot of interesting things to do in the Kokkola region. These regions offer many different activities, places to see, places to go and spend the holiday throughout the year. The achipaelago, intercultaral events that take place anually attract anyone to spend a good holiday in Kokkola that will never be forgetten. (City of Kokkola 2012.)

#### 6 THE IMPACT OF AIR TRANSPORT ON SMALL REGIONS

Over the past half century, international aviation has played a significant role in shaping the global economy, providing a basis for viable economic and social development across much of the world. It has been noticed that the rapid growth of air traffic will continue making more demands on the adaptability of the sector and shaping the focus on aviation-related environment issues. Air transport has drastically changed the life of the people as the introduction of the means of air transportation has developed many things, such as road network, increase in the number of buses that connect to the airport, and above all it is a large employer as well. The impact of air transportation could be seen in two different aspects: the positive and the negative aspect.

# 6.1 The negative impact of air transport

Although the invention of the airplanes and airlines was a big advantage to the society, it has also had some negative impacts on society. These negative impacts have not just had influenced on the world, but rural regions as well. There are a number of factors that have made some travelers not wanting to travel with an airplane despite its numerous advantages. These reasons might be the following.

The introduction of air transportation has lead to terrorism attacks. When airline agencies became operational, terrorists attacked airline with dangerous weapons, such as bombs and ammunition. This caused panic and fear in the world. This decreased the number of people traveling by air as they were afraid. These terrorism attacks have had a negative impact also on rurals region as some travellers are afraid to become victims of terrorism attacks as well. The greatest economic loss that a nation has experienced is the 2001 terrorist attack that took place in the United States. No industry has suffered greater economic damage from the terrorist attacks of September 11, 2001, than the U.S. airline industry. In addition to directly causing a temporary but complete shut-down of the commercial aviation system, the attacks caused many travelers to reduce or avoid air travel. Likewise, following September 11, many businesses put temporary freezes on all but the most essential travel for their employees. (About.com 2012). And although the initial "panic" driven fear of

flying immediately following September 11 appears to have largely dissipated, the stringent new security requirements that were implemented as a direct result of the terrorist attacks have made traveling by air more cumbersome and time-consuming than prior to September. Even though airports in small regions in Finland might not have experienced such attacks, travellers still habour the fear that it could happen and thus will not use an air transport network.

The introduction of new technology on aviation companies and airports has to an extend reduced the rate of employment. In some countries many people have lost their jobs or are unemployed because everything is being controlled by machines. For example, when traveling by air, in some airlines, you get no instruction or control service by people, as all the services, instruction and security checks are done by machines. This machines take the work of people that could be employed in the position. Nonetheless this is a minor factor of negative impact.

Plane crash accidents are another negative impact of air transportation. With the numerous plane crashes that have been happening around the world, this has made people be afraid to travel with aircraft or planes. Like the case in March 27, 1977 when the KLM Boeing 747 collided on the runway of Los Rhodes Airport on the Island of Tenerife, Spain, causing the dead of about 583 people. (Factolex 2012). Japan airline flight that crashed and caused the death of about 520 people. (Time Magazine 2005). Although they might be some negative impacts of air transportation, still the importance and advantages or positive impacts of air transportation still outweighs the negative impact. Air transport has done more good than harm. In the next sub-chapter, we shall look at the posive impact of air transport. That is, how it has socially, economically and environmentally benefited the world and the Kokkola- Pietarsaari region in Finland

Though aircraft and airport have brought development, they still may face critique as some people might think there is a lot of noise coming from the airports. Especially in a region like Kokkola–Pietsarsaari where a lot erderly people live in the neighbourhood and might have sleepless nights when planes take off and when they land. This disturbing noise might have some negative impacts on the inhabitants of the region. Some of these noises that come from the aircraft might even have a psychological effect on some people and cause illness as the result of these noises.

## 6.2 The economic impact of air transport on the Kokkola- Pietarsaari region

When talking of economic impact, we refer to how the Kokkola-Pietrarsaari airport has been affected by commerce, employment or incomes produced by a decision, event or policy. The air transport in this region might be small but it has a measure role to play when looking at its impact on the commerce in this region. Next, we shall see how air transport has affected commerce and employment or income on this air transport region.

Even though it was mentioned before that to an extent, air transport has created unemployment. However, looking at general a statistics, we see that airlines and the air transport industry directly has generated more than 10.000 jobs around Finland and supply through their supply chain a further 6.000 jobs. Example of this supply-chain jobs include those in the distribution sector who deliver aviation fuel; and jobs in the cathering sector such as preparing the meals served on airlines. (Oxford Economics2011). These alone are a big economic boom because it has improved the employment opportunity of the nation. In the small region of Kokkola-Pietarsaari where there is just a small airport, it has contributed to the economic boom to the region because the airport has employed workers that are able to work and pay tax which is a source of revenue to the government. Many people are employed in the region airports as securty guides, custom officers, air hostesses, cleaners, ticket sellers etc. All these workers pay tax to the government which has a positive impact on the tax system. Airport parking fees are also introduce which travellers and visitors pay when parking their cars in the airport parks, these are other forms of revenues that the government receives as a result of the existence of the airport in the region. According to a news report release in 2011 by the Global Aviation and Environment summit in Geneva, the report stated that 2.2 trillion dollars in GDP is supported by aviation. The report, which was titled as "benefit beyond borders" was produced by the Air Transport Action Group (ATAG) and Oxford Economics. The report also outlined that the aviation industry plays a large role in the global economy than many will expect. (Air Transport Action Group 2012)

The existence of air transport and aviation industries has not only created employment or generated income to the global economy, but it has also been a source of income. Nowadays, we have workers and schools that train students to work as air traffic

controllers and air hostesses in airlines. These trainees and workers in aviation industries are devoted to their occupation and thereby strive to do it with efficiency and effectiveness, therefore they put all their effort in these jobs as it is their source of income. A typical example will be in the Kokkola-Pietarsaari airport region. There are full time workers such as custom officers, traffic controllers and Finavia and Finnair air hostesses whose source of income is their occupation which they are professionals in the field. This skilled trainee increases the number of expertise in the aviation companies in all the regions in Finland.

Because of the presence of an air transportation facility in the Kokkola-Pietarsaar region, airlines are able to transport goods both internally and externally into the regions. Such goods are mostly nondurable goods i.e. goods that cannot last for long such as bananas, salats and vegetables etc. Since air transportation is the fastest means of transportation, most of these goods can be transported through this means. Finland alone imported goods worth 4700 million EUR in January 2012. Most of Finnish imports are foods stuff, petroleum and petroleum products, transport equipment, iron and steel, machinery, fabrics and grain. Finland also exports services to other countries. This import and export forms the basis of international trade in the country. Graph five below, shows the level of Finland's importation of goods and its budget. (Trading Economics 2012)



SOURCE: WWW.TRADINGECONOMICS.COM | FINNISH STATISTICS OFFICE

GRAPH 5 Finland's import (adapted from Trading Economics 2012)

From the graph five above, we see that Finland has imported more in 2012 compared to the last past 3 years. This is also because of the existence and availability of air transportation enabling goods to be sent to Finland and redistributed to other regions. Kokkola-Pietarsaari region benefits from these goods and services.

## 6.3 The social impact of air transport on small regions

In business, social impact refers to how an organisation's actions affect the surrounding community. This organisation will refer to the Kokkola –Pietarsaari airport. We shall look at how the airport and the airport region have affected the lifestyle of the people.

Air transport has given the opportunity for people to have adventure in different countries. People are now able to travel to different countries to relax on tropical beaches, to visit friends and family. As the global economy grows more everyday, air transport is the factor that links people together. (Air Transport Action Group 2012)

Air transport has also had an impact on the medical field as it is the fastest means that has facilitated the delivery of emergency and humanitarian aid relief. It also sped up the delivery of medical suppliers such as organs for transplantation. In medical centers, the are instances whereby the can be a patient that need special emergency such as surgery, in cases like that, airplanes or helicopter must be used so as to provide the organs the patients might need. Sometime the patient has to be flown to another countries for emergency reason to meet a specialist maybe for operation, and the only available and fastest means to take the patient will be by air.

The existence of air transport has also increase the living standard in particular instances. Its existence has broadened people's leisure and cultural experiences through wide choices. It gives an affordable access to a destination. Some people always want to travel to those areas that are accessable. The existence of air transport in small regions, usually attract people to the region. When people visit the region, they bring new ideas, cultures to that region that might have a social contribution to people living in that region as they learn new things. In all, air transport has played a vital role to the social development not only in small regions in Finland, but in the global economy atlarge.

### 7 RESEARCH METHODOLOGY

This chapter begins with the definition of the research term and research methodology. The chapter will give a better understanding of the research method being used in this report. It will also look at the type of research method that was used in this final report. After reading this chaper, the reader will have gained a better understanding of the various components of research methods.

#### 7.1 Research method

The research method talks about the collection of the data for research that is being carried out. There are many ways to find information when doing a research. A research can be carried out by an interviewer interviewing individuals or representatives, the most common research method are literature searches, talking with people, personal interviews, telephone surveys, mail surveys, email surveys and internet surveys. We shall explain some of these methods in the following paragraphs.

Literature searches simply reviews all readily available materials. These materials can include internal company information, relevant trade publications, newspapers, magazines, annual reports, company literature, on-line data bases, and any other published materials. It is a very economical method of gathering information, although it often does not yield timely information. Literature searches on the internet or web are the fastest, while library literature searches could take between one and eight weeks. (Statpac 2012)

Talking with people is a good way to get information during the initial stages of a research project. It can be used to gather information that is not publicly available, or that is too new to be found in the literature. Examples might include meetings with prospects, customers, suppliers, and other types of business conversations at trade shows, seminars, and association meetings. Although often valuable, the information has questionable validity because it is highly subjective and might not be representative of the population. (Statpac 2012)

Personal interviews are a way to get in-depth and comprehensive information. These kinds of interviews involve one person interviewing another person for personal or detailed information. Personal interviews can be very expensive because of the one-to-one nature of the interview. In this method, an interviewer will ask questions from a written questionnaire and record the answers on a tape recorder. Sometimes, the questionnaire is simply a list of topics that the researcher wants to discuss with an industry expert. Personal interviews (because of their expense) are generally used only when subjects are not likely to respond to other survey methods. (Statpac 2012)

The paragraph above, present various ways a research can be carried out, but it is also important to understand the meaning of a research. It will be very unwise to mention the term research without understanding the context of the term. The definition of the term 'research' can be defined in many ways depending on the type of research. Many writers have given various definitions but there is a keyword when defining a research and that key word is 'discovery', that is, a research could be defined as making known something previously unknown to human beings which could cover a number of activities. Unknown in the term means to give a better understanding of something that was unclear and you try to make it clear. (Veal 2006, 2.)

Looking at this report work, the aim of the research was based on the socio-economic impact of air transport on small regions; therefore it was rather favorable to apply the qualitative method rather than the quantitative method because the method give an in-depth understanding of human behavior and the reason that govern such behaviours. Also this method better investigates the why and how of decision making and not just what, where and when. Looking at the topic, the qualitative was more suitable because interviews were conducted to know the unknown and unanswered questions by different individuals. Therefore the research method used to collect the unknown information for this my report was the qualitative research method. (Veal, 2006, 2)

## 7.1.1 The qualitative research method

The term 'qualitative' is used to describe research methods and techniques which use and give rise to, qualitative rather than quantitative information. Generally qualitative approach tends to collect great deals of "rich" information about relatively minor cases than the more limited information about each of a large number of cases typical of quantitative research. Therefore it could be possible to envisage qualitative research which deals with large number of cases. (Veal, 2006, 193).

Qualitative research methods can be used for pragmatic reasons, in situations where formal quantified research is seen as unnecessary or is impossible. But there are also other grounds for using such methods. In general, qualitative research is based on the beliefs that individuals personally involved in a particular (leisure or tourism) situation are in a better position to explain and better explain their experiences or feelings in their words, that they should be given the chance to speak without intermediary of the researcher and without being overly constrained by the framework imposed by the researcher. (Veal, 2006, 193)

For many years, qualitative approaches were seen as problematic within social sciences but in the recent decades the qualitative method has become widely accepted and is no more seen as an exception and in need of special justification. In leisure studies, qualitative studies are now at least as common in the literature as quantitative studies, and in tourism studies they are common place. (Veal 2006, 193,195.)

## 7.1.2 Semi structured interview

A semi structured interview is the interview that was used for the empirical research in this report. Semi-structured was used based on the topic. The semi structured interview is a qualitative method of inquiry that combines a pre-determined set of open questions, i.e question that could cause discussions, with the opportunity of the interviewer to explore particular themes or responses further. This kind of interview does not limit interviewes to set of pre-determined answer (unlike structured questionnaire). Semi structured interviews give better understanding how interventions work and how they could be improved. It also

allows the person being interviewed to respond by discussing and raising issues that you may not have considered. (Evaluationtoolbox 2012).

From the defination above, we will understand the concept better from the interview that was done on the topic. The research was conducted by using an audio recorder because of the accuracy of a recorder. Even thought it could also have been by noting it on a paper, a tape recorder is preferable because the things you might miss out on the interview, could be traced back easily.

#### 7.2 Results of the research

As earlier mentioned, the interview was conducted on individuals in the field of traveling. These individuals are frequent flyers in Kokkola-Pietarsaari airport. We know that those who use Kokkola-Pietarsaari airport have various reasons why they will choose to fly through this means of transportation system. The researcher wanted to know the opinions and views of these individuals. The interviewer did not just interview flight users of Kokkola-Pietarsaari airport, but also those who are directly engaged in the development of these two regions was involved in the research finding. These individuals are those responsible for the development of the Kokkola-Pietarsaari airport region. Kari Myllymäki who is a project manager in Concordia, a development organization in Pietarsaai town was also interviewed to give his opinion and view of the socio-economic impact of air transport on this region. This target group is very important in this research as it deals directly with the customers. All the results that were provided by the interviewees will be presented below. The results of this research finding will be analysed and the final conclusion will be drawn.

## 7.2.1 Presentation of the Kokkola-Pietarsaari airport User interview

Question 1 "As a Kokkola-Pietarsaari airport user, what do you think are the advantages of having an airport in these region?" This question was asked to better understand what the interviewees from their own opinion as frequent flyers through the Kokkola-Pietarsaari airport thought about the factors that made them fly through the Kokkola-Pietarsari airport,

and how they thought having the airport in this region has been advantageous to them as users.

### Interviewee A said that:

Kokkola-Pietarsaari region is an industrialised region with companies expanding from local to international (UPM, Boliden, OMGi, boat; SWAN, Nautor Finnmarine etc), International University of applied sciences. These companies attract international business and require cooperation with both national and international world. Expert services are needed in and out of the area. Hence, the airport provides a fast and reliable means of transportation for expert and goods to and from the area. The University attracts international students and lecturers. Hence direct flight for an hour from Helsinki and flight to and from other measure cities in Finland via this airport enhances the socio-economical growth of the area.

### Interviewee B explained:

The benefits are obvious for companies that operate in the global market. A regular service to Helsinki Vantaa and to Stockholm Arlanda provides opportunities for very good connections to Europe, Asia or Africa. The airport is also important for Snellman Group and companies that has production plants and offices in Helsinki and Stockholm.

Question 2"As a user of the Kokkola-Pietarsaari airport, do you think the existence of the airport has benefited the region economically or socially? This question was asked to understand how the interviewees, who are Kokkola-Pietarsaari airport users, derived satisfaction economically or socially by using this airport network in this region.

### Interviewee A said that:

As a user of this airport, it has benefited me socially and economically being an engineer from Centria University of applied sciences with my family resident in Kokkola and I am working for a Finnish Company abroad with interval of 3 months abroad and 2 weeks at home, each time that I am coming back after 3 months months abroad, I look forward to meeting my family soonest. Hence, taking a direct one hour flight from Helsinki to Kokkola has a lot of moral boast and psychological satisfaction and relieve for my family and I. Likewise, while going abroad for work, I feel relax because there is a direct flight at 5.30 am to Helsinki (06:30 am) where I can reliably catch up international flights to my work destination. Therefore my arrival time abroad for work is secured and hence work and

economical benefit to me and reliability to my employer. Hence thumps up, keep the airport living and create more flexibility to its schedule and location

### Interviewee B responded that:

Effective air links are very important for the region's globally active companies. Approximately 70% of the travelers from Kokkola-Pietarsaari are business travelers. Fast connections to the outside world are an important competitive factor for the region's economy. To quickly and easily be able to reach the region by air is also important regarding the region's future viability and attractiveness.

## 7.2.2 Presentation of the expert Interview

Question 1. "From your experiences, which period of the year are the peak-seasons in these regions, and what might be the reason people (tourist) come to these region during these peak-season"? This question was asked to know the season of the year people or tourists frequent this region and what drives them to visit the region during that season as there must be something attracting them during those peak-seasons.

## Interviewee C responded:

I will say the peak season in this region will be the summer season when talking about domestic tourism and the reason why tourist might come to this region during the peak season is to enjoy the beautiful nature of the region such as the beautiful landscapes, the sea which are center of attractions. Some tourist also comes here to get some peace and enjoy the quite nature of the environment. The rent cottages somewhere in the areas around that are really quite. People might also come here to visit family's friends and relatives. Some of this people live and work in deferent cities and countries and during holidays they come home to spend time with their families.

Question 2. "As a staff worker in the region, how will you think the existence of this air transport in these regions has had impact on the people of these regions?"

Interviewee C replied:

I definitely think that nowadays, people are now more aware of what is happening in the world. The existence of these air transports in these regions has created a good network connection that can enable people to fly not only directly to Helsinki but to Stockholm and in the future to other countries. The existence has also helped workers in multinational companies in these regions to get good facilities to travel from here to other countries like Stockholm, rather than going to Helsinki before taking a flight. And also on the other hand, if you are working in this region and have contact with expertise or customers abroad, it will be easy for them to travel directly here to the region to visit your company. So from my opinion, I think the existence of the air transport in these regions is very important and has had impact on the people in these regions because it has given more facilities and possibilities to operate business in the region.

Question 3. "What age group are users of the airport and are the users often from Finland or other countries other than Finland? (EU, Africa, Asia)"

### Interviewee C said that:

From my own point of view since is difficult to know the exact age group, I will say that those who frequent this airport are business travelers in their middle ages since they travel in and out in to the region for business purposes and secondly will be leisure tourist who also frequent this region to spend time and visit their families. And also most of these tourists are often from Finland and other countries in European Union. Most of the tourists that come from other countries are often from Sweden.

Question 4. "From your point of view, how do you see the future of this airport in the next decade in terms of economical, environmental and social development?"

## Interviewee C responded that:

I think the airport is very important in the overall development of this region because transportation of people between different places in a fast way is very important in the future. So when it comes to social and economical development, the airport is very crucial and important in the future ahead. But when talking about environmental development, then it might be a little bit difficult to estimate what will happen in the next decade ahead. I think if air transportation in overall is examined from its environmental development, then I think it will not influence the use of the airport because environmental aspect are more of a negative factor in the development of the airport nowadays but in the future, the environmental development could be improved.

Question 5. "From your prospective, do you think they could be a treat to the development of this airport in these regions and do you think this treat might affect the users of the airport in the future?"

### Interviewee C said that:

Yes, I think they could be threat, when talking about the airport in these regions. If we don't actively do our job of marketing these airports to users they can be possibilities of threats. The tendency of these airports is that flight should go towards bigger airports. For example, if you want to come to Pietarsaari region, you take a flight to Vaasa or to Oulu and then you can go by bus or train to the smaller region, and I think the is much in common between the existence of a good working environment in the region and the airport. Had it been no airport and no flight connection from the region to the rest of the world, I think it will affect the possibility to get good and hardworking people here because it will be much more trouble to get here by seating so long hours in the train just to get here, so I think the airport is very important for the region and also to the companies in the region because without the business sector using the airport I am little bit afraid because the tourist sector is not as big as the business sector. Even though we the development companies in the region (Concordia) for several years still actively market the region, the is still work to be done all the time to continuously developed the airport, get more flight connection and better flight schedules. I also hope that from the marketing and effort of development company (Concordia), the might be an improvement of the airport and the airport region in the future ahead.

## 7.3 Presenting the analyses of the research interview

In accordance with the topic for this thesis, a research was carried out to find out about different ideas and opinions about the topic. After a series of interviews conducted with different individuals, different opinions from the interviewees were obtained, which will be analyzed next. The analyses will be done in a chronological manner as presented above from different interviewees.

## 7.3.1 Analysis of the Kokkola-Pietarsaari airport user interview

Question one was about the Kokkola-Pietarsaari airport users, what they thought are the advantages of having an airport in this region. This was based on their own personal opinion since they have been using the airport in the region quite often and they are in good position to explain the benefit they derived from using the airport services in the

region. According to the interview, interviewee A who seemed to be a business traveler mention two important issues, that is "industrialization, International business and education". Kokkola and Pietarsaari are both industrialized regions with international businesses. He mentioned industries like UPM, Boliden, OMGi, boat, SWAN, Nautor Finnmarine etc., in the region. With such companies, there is a need to employ experts in these region. Therefore the airport is the fastest means with which this expert could travel in and out of this area on international business. Another factor interviewee A mentioned was education. Education is the basic key to success and looking into this region, the interviewwe A mentioned of the Centria University of Applied Science that exists in the two regions of Kokkola and Pietarsaari. This university needs international students and lecturers. Therefore the more students and lecturers visit this region annually, there is a need to have this airport so that the students can take a direct flight from Helsinki to Pietarsaari or Kokkola within an hour's time and arrive at their final destination. Interviewee A thought that all these three factors that is industralisation, international business and education, influence the usage of the airport and also direct flight schedules to other cities in Finland, thus increasing the economic growth of the region. Interviewee B's response was very much similar to interviewee A's response as he was as well talking about companies. Interviewee B mentioned the benefit of the airport in the region to companies in the region that are on the global market. He set an example of Snellman Company which is the biggest meat factory company in this region and other production plants that have branches in other cities in Finland and in Stockholm. Therefore a good flight connection from Kokkola-Pietarsaari airport region to Vantaa airport and Stockholm will give an easy access to connect them to other countries in Europe, Asia or Africa, easily thus facilitate business.

Question two was based on the interviewee's personal opinion. The question was asked to know how the interviewees who are airport users see the benefit of the existence of the airport in the region in a economical or social prospective. Interviewee A was very enthusiastic on the question. He replied by saying that the airport in the region had benefited him both economically and socially. He continued by saying that he was a graduate from Centria University of Applied Sciences in engineering with his family living in Kokkola and him, working for a Finnish company abroad in intervals of three months at

work and two weeks at home. He mentioned that returning home after 3 months, he was very eager to see his family and taking a direct flight from Helsinki-Vantaa to Kokkola-Pietarsaari airport within less than an hour has given him a moral boost and psychological satisfaction and relief for his family and him. He also talked about how relieved he felt when going back to work because he knew that there is always a morning flight between 5.30-6.30 am in the morning to take from Kokkola-Pietarsaari, to Helsinki, and from Helsinki there are various international connecting flights to his work destination, Therefore, his arrival time abroad for work is secured and is an economical benefit to him and reliability to his employer. Interviewee A concluded the interview by quoting that "Hence thumps up, keep the airport living and create more flexibility to its schedule and location"

Interviewee B was more concerned with the economic aspect whereby he talked about active companies, approximate about 70% of the travelers in this region are business travelers, therefore fast connections from this region to other parts of the world is very important for the region's economy. He concluded by saying that by quickly and easily being able to reach the region by air is also important regarding the region's future viability and attractiveness.

## 7.3.2 Analysis of the expert interview

Question one was asked to know the season of the year people or tourists travel to this region and their factors that encourage the people to visit this regions during the peak-season as there must be something attracting people to venture to this region during those peak-seasons. Interviewee C mentioned the summer time because during the summer time, there are a lot of attractions to experience such as the beautiful landscape and lakes and the peaceful nature of the environment. He believed people might often also visit the region in the summer because these periods are often holidays and many people come to visit their family and spend time with them. He said a lot of people from these localities work and live in different cities and the best time for them to meet their family is during the summer season.

Question two was concerned with the impact of air transport on the people of this regions. This was to understand the advantages the existence of the air transportation system in the region. Interviewee C was more concerned about easy and fast movement as the impact of the existence of the airport has resulted in faster mobility. He said it has made it easier for people to travel from this region to Helsinki and even Sweden. He also mentioned multinational companies that operate in other regions, who can now travel faster in a shorter time maybe for business trips. Interviewee C was more focused on the companies in this region and expertise and businesses, because the growth of companies in this region will result in the need of expertise, and thus there is a need for air transportation.

Question three was asked to know the age groups that frequently travel into this region and the countries they are often from. Interviewee C did not mention the exact age group but he presumed the kind of people that often travel to this region are business travelers and they should be in their middle ages and these travelers are often from Finland and Europe especially from Sweden. He also said another frequent traveler group into this region are leisure travelers that come to this region maybe on an annual basis to see their families, relatives or friends.

In question four, the interviewee was to talk about how he foresees the future of the region in terms of economic, environmental and social benefit in the next decade. Interviewee C was more concerned with the social and economic benefit rather than the environmental benefit. He mentioned that environmental might be more of a negative side but rather he focused on the economical and social benefit, saying that it is of economical and social benefit in the future ahead because the airport will help to transport people to other places in Finland and the world in the future.

Question five, was asked to understand if there could be any threats that could retard the development of the airport in this regions and if these threats might affect the airport users. Interviewee C gave a remark saying that threats could be avoided if the development organization in the region actively do their job in marketing the airport so that more people might use the air transportation in the region. He said more has to be done in the flight schedule so that maybe there could be flights to bigger airports in Finland and maybe to other countries as well. He was very much concerned with the business sector because the business trips in these regions outnumber the leisure trips, and if much marketing is not done, it might affect the users of the airport and thus, this might affect the business in this region. This might be because not all businessmen will like to sit long hours on the train or

drive long distances with private or public vehicles just to get to this region for business purposes.

## 7.4 Research findings

After a series of research interviews conducted with different individuals, finding from books and ebooks and on the internet, the researcher, came out with the researchs finding. The findings were mainly based on the socio-economic impacts of air transport on small regions with the case study of the Kokkola-Pietarsaari airports region. After the research and interview, the researcher was able to come up with the findings which will be outlined in the following paragraphs.

Based on the interview, it came clear that in the Kokkola-Pietarsaari region, many tourists often prepare to come to the region during the summer season. This is so because Pietarsaari and Kokkola are Swedish speaking regions and so many Swedish speaking Finns study or work in Sweden and other towns in Finland. During the summer holidays or other public vacation, they come to the region to visit and spent time with their families.

It was also found out that tourists or people that do not have friends or family also come to this region for leisure reasons. Even though as it was mentioned during the interview, the leisure tourism is not as big as the business tourism, but a lot of tourists venture to the region because of the attractions that the region has to offer. With the beautiful landscape and nature in the region, the lakes, the peaceful nature and the environment, the tourists in Finland and from around the world are attracted to experience this region.

More so, as mentioned in the paragraph above, the existence of the airport in this region, has contributed to the growth of the region. Even though leisure tourism has an impact in this region it is the business tourism that is also growing rapidly. From the research and interview, the researcher was able to realize that indeed this business tourism sector is greatly expanding as the region is getting more global, with companies like Snellman group, UPM, Bolidan, OMGi, Finnmarine etc. are expanding. With this expansion, there is a need for expertise so the existence of this airport in this region has an economic impact on the region.

Another finding is also based on education and the presence of higher education in the region of Pietarsaari and Kokkola. Today, the world is getting more global and people travel around the world for education. With the excellent educational system like the Centria University of Applied Sciences which admits international students from all parts of the world, the music school and language schools in the regions etc, the airtransport facilitates the movement of these students to this regions.

Lastly, from my findings, it was realized that even though the existence of this airport in this regions has benefited the people in the regions but still there are lots of threats that must be looked upon in the future. They are negative aspect of the existence of the air transport. For example, the environmental impact. This impact could be air pollution, airport noise which might affect people living around the airport region. Even though there is an environmental impact, the development organizations are actively marketing the region so that the demand and usage of the airport could grow more in the future ahead.

## 7.5 Reliability and validity

Reliability and validity of a research are very important aspects when doing a research. It is very important that when doing a research, the researcher should be able to make sure that the research is reliable and valid. This is not just important for the researcher alone but for those the research is intended to as well. Validity is the extent to which the information collected by the researcher truely reflects the phenomenom that is being studied. In the tourism sector, it might be difficult to estimate the validity of the research because it is more based on the behavoiur of people and their attitude, and the only way one could truely examine the validity will be based on the responses received from the questionaire-based interview conducted with the interviewees. (Veal, 2006, 41.)

"Reliability is the extent to which research findings would be the same if the research were to be repeated at a later date or with a defferent sample of subject". (Veal, 2006, 41) For example if a person weighs himself on a scale and weighs 70 kg and at the same time steps on a different scale and has a different weight, then either one of the scales is unreliable because if the scales are reliable, the person should weigh the same on both scales. That is how reliability reflects on the thesis. This thesis which is based on finding out the socioeconomic impact of air transport in Kokkola-Pietarsaari region, was done by interviewing

people that are constant users of the region airport and companies that are responsible for the development and marketing of the region. It is the researcher's opinion when looking at the interview, that it is reliable because being a consumer or customer to a product, you have your opinion about that product. Also the development organizations who are in charge of the development of the region, are experts to this jurisdiction and the their response to the interview are reliable.

### 8. RECOMMENDATION AND CONCLUSION

After the research which was conducted through interviews with reliable individuals, these interviews were presented and analysed. After the analyses of this research, it will be important to recommend or suggest ways that could equally help pave way for the socioeconomic development of the Kokkola-Pietarsaari region in the future.

### 8.1 Recommendation

The development organizations which are responsible for the development and marketing of the region should not just focus on marketing the region in the area of business but should also find ways that these regions could be marketed to leisure travelers. Kokkola-Pietarsaari region is a very attractive region with lakes, beautiful landscape,atmospheric nature and attractive countryside areas, the researcher thinks it will attract any tourist who loves nature to come to this region and with the existence of an air transportation link to this region, it is no longer a question of how the tourist will come to this region but what needs to be done is that this attractive areas has to be marketed more to tourists so that they could venture to this region.

More so, from this research, it was realized that most people that used this airport are business travelers who either come to this region to work or travel out of the region to work in other parts of Finland or other countries. Since it was realized that businessmen are the majority users of this airport, this means the region is an industrious region, therefore aviation companies in this region could subsidy air ticket prices to businessmen as a business strategy to increase the number of businessmen travelling to this region with their airlines.

More so, with the expansion of this region, such as the creation of new educational facilities and job availability, a lot of youths could come to this region to study and work. More than a hundred students come here annually to pursuit the educational career, but prefer to use the train transport system because they see it as cheaper compared to the air transport network. The best way to increase the number of youths and travelers coming to this region by air is to reduce or lower the flight fares. The development and marketing

organizations in this region should collaborate with travel agencies and aviation companies to look for possible means to put a fair fare price for students and youths.perhaps this could be done through special discounts.

Even though marketing is a key way to make a product known to the public, another question might be the ways in which this marketing is being done to make consumers see and know the product. Airline companies, development and marketing organizations in this region could as well improve the marketing strategy perhaps by using different sources of marketing, such as through media, magazines and webpages not just in Swedish and Finnish but also in English so that it could help those who intend coming to this region and cannot speak Swedish or Finnish. With this method put in place, it might as well increase the number of travelers into this region.

### **8.2 Conclusion**

In conclusion it could be said that the existence of air transport in a small region like the Pietarsaari-Kokkola region has increased the socio-econmonic development of Finland's economy. Tourism as a whole is among the fast growing industries in the world today, and all countries are in the competitive front to increase their tourism sector. Some nations even expand their tourism sector by creating air transportation means to smaller regions, thereby this increases the number of tourists to those regions. It is always easier for a tourist to travel to a destination by air because it is the most convenient and fastest transportation means to a destination.

More so, looking at the impact of the Kokkola-Pietarsaari airport, we can see clearly that the existence has facilitated business flow, the existence has not just satisfied individuals who come to this region for leisure but it has as well, paved the way for expertise to venture to this region for businesses. In other words, this implies that businessmen could set all types of businesses or companies in this region as the region has an air transportation means that could facilitate the movement of business travellers in and out of the regions in a faster and convenient way.

Furthermore, the town of Kokkola and Pietarsaari are fast growing. This regions have an increasing number of people coming here from all over the world to either work, study or to seek asylum. This increasing number implies that the regions is getting more global. The globalization of this region means there is a higher probability that people might want to travel to this region by air.

Finally, as earlier mentioned, tourism is a fast growing industry. While air transportation and tourism industries should work hand in hand, the development and marketing organization's in the Kokkola-Pietarsaari region most continue to market this region not just to travellers, but to companies and the population of this region so that they are more aware of the air transportation's existence and schedules. A good marketing strategy by marketing and development organizations will increase the number of leisure and business travelers coming to this region and this will increase the socio-economic benefit for the region.

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## **Interview Questions to experts**

**Theme 1**. From your experiences, which period of the year are the peak-seasons in these regions, and what might be the reason people (tourist) come to these region during these peak-season?

**Theme 2**. As a staff worker in the region, how will you think the existence of these air transport in these region has benefited the people of these regions?

**Theme 3**. What age group are users of the airport and are the users often from Finland or other countries other than Finland? (EU,Africa,Asia)

**Theme 4.** From your own opinion, how do you see the future of this airport in the next decade in term of economical, environmental and social development?

**Theme 5**. "From your prospective, do you think they could be a treat to the development of this airport in these regions and do you think this treat might affect the users of the airport in the future?"

# Interview question to Kokkola-Pietarsaari airport User

**Theme 1** "As a Kokkola-Pietarsaari airport user, what do you think are the advantages of having an airport in this region?"

**Theme 2**"As a user of the Kokkola-Pietarsaari airport,do you think the existence of the airport has benefited the region economically or socially?"