

Marketing Plan for Almost@home Lounge

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<p>The title of your thesis Marketing Plan for Almost@home</p>	<p>Number of pages and appendices 40 + 45</p>
<p>Supervisors Vesa Heikkinen, Kristian Sievers</p> <p>Almost@home lounge is a unique concept at Helsinki Vantaa airport. In the lounge passengers can spend time before and between their flights. The lounge is designed to resemble a Finnish home. In the living room you can pick a book from the bookshelf and sit on the sofa. The kitchen offers quality, locally produced food varying from soups, salads and freshly baked bread and not to forget the healthy waters, beers and wines.</p> <p>The concept of Almost@home is created by SSP Finland. The firm operates on four airports in Finland, including Helsinki-Vantaa airport. They provide restaurant, café, kiosk and lounge services. The company is part of the global SSP Group that operates in over 30 countries.</p> <p>This thesis is commissioned by SSP Finland Oy. This is a project oriented thesis, where the marketing plan is the project outcome. The subject is given by Jussi Laakso from SSP Finland and the author has carried out the project independently during the academic year 2012-2013.</p> <p>The marketing plan is created for the brand Almost@home for the years 2014-2015. The objectives for the marketing plan are given by the commissioning party and they are; first to find out new market segments for the lounge and second to find out how to communicate with the customers according to the brand.</p> <p>The theoretical part will give the structure and basis for the marketing plan. For the contents of the plan information is gathered by doing interviews, observation and document analysis. First the market of Almost@home is analyzed, then the marketing strategy is formed and then the marketing programs are created to implement the strategy. The marketing plan itself is attached to this report.</p>	
<p>Key words marketing plan, experience marketing, airport lounge, Almost@home, SSP Finland</p>	

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1 Introduction

The topic of this thesis is a marketing plan for Almost@home lounge for the years 2014-2015. The thesis is ordered by Jussi Laakso, who is a manager of operations and marketing in SSP Finland, and therefore the thesis is commissioned by SSP Finland. In this part the theoretical framework for the marketing plan and the thesis process will be presented. The marketing plan itself is attached to this thesis report.

Select Service Partner Finland Oy (SSP Finland) operates at Helsinki-Vantaa airport. It provides restaurant, café, kiosk and lounge services. The company has over 20 service points at the gate and public areas at the airport and conference services at the Helsinki Airport Congress. SSP Finland has 450 employees. (SSP Finland Oy 2012)

The company is part of the global SSP Group that operates in over 30 countries. SSP – The Food Travel Experts is food and beverage service provider and operates globally in various travel locations such as airports, railway stations, shopping and congress centers. The SSP brand portfolio includes brands, such as Starbucks, Caffè Ritazza, Burger King, Pizza Hut, Upper Crust, M&S Simply Food and Robert's Coffee. SSP has over 30,000 employees and it serves millions of customers daily. (SSP Finland Oy 2012)

The concept of Almost@home lounge is owned by SSP Finland. It is situated at Helsinki-Vantaa airport in the terminal 2 in the non-schengen area. The concept is a home-like lounge for air passengers, who want to relax or have a space to work before their flight. The lounge is open for everyone in exchange of an entrance fee. In addition, members of Priority Pass and Airport Angels as well as the customers of SSP partner airlines have access to the lounge free of charge. Guests with Priority Pass are second biggest customer group after Finnair's passengers (Laakso, J. 27.9.12).

The total amount of Helsinki-Vantaa passengers in the year 2011 was 14,9 million and approximately 11,9 million passengers passed the Terminal 2 in 2011. In one day there are 270 flights departing from the airport and there are together 130 flight destinations available from the Helsinki-Vantaa airport. (Finavia Oyj 2012) There are 14 000 m²

commercial places and majority of them are in the airside. Together there are 20 restaurants or cafés, 40 shops and 5 lounges, of which the customers can choose from. It means that the services are competing against each other. However, many of these passengers are not aware that anyone can go to a lounge in exchange of a fee. Therefore, they need to be told about the lounge already before their trip.

Previously, Almost@home has been marketed mainly by contacting airlines and making partnerships with them. This makes the lounge dependent of the operations of their partner airlines, because they provide the majority of customers for the lounge. However, the aviation industry is cyclical in nature and a success of a particular airline is not usually long lasting. In addition, they can easily change their routes and airports where to operate. Therefore, an additional ways to get guests to the lounge are needed as well.

Marketing plan for Almost@home is needed because it provides a road map for the marketing activities. The plan shows how the new customers will be reached and defines the ways how to keep them satisfied and how to stay ahead of the competition. In addition, the marketing plan helps to find out the customer's needs and wants and determine the ways how to fulfill those needs and wants.

The thesis consists of two parts; the thesis report and the marketing plan itself. This is a project oriented thesis, where the marketing plan is the outcome of the project. It is attached to the thesis report. The author uses action based learning and action studying in the project. The research methods used are: interviews, observation and document analysis. The purpose of the plan is to determine the most suitable customer segments for the Almost@home lounge and to plan the marketing activities for the years 2014-2015 for which a research of the marketing environment and the marketing opportunities has to be made.

The thesis starts by describing the goals for the thesis and for the marketing plan. The author has set her own goals for the thesis and the commissioning party has given the aims for the marketing plan. The methods for the marketing plan are described briefly

after that. The introduction section includes also the main concepts of marketing which gives background information about marketing to the reader.

The second section gives an overview to the literature concerning marketing and marketing planning and it describes the theoretical foundation for the project. First the structure of marketing plan will be discussed and the structure selected for the project will be presented. Then the most important parts will be discussed separately in order to provide further information of the literature to the various parts at hand.

The third part concerns the planning and implementation of the project. It discusses the background of the project, describes the plan how the project will be implemented including the check points. It explains as well briefly the results of the marketing plan and the selected marketing tools.

In the discussions part the author will analyze how the thesis process went. It will be a reflective text about the whole process and it includes the conclusions of the whole project. There will be as well the business recommendations for the commissioning party and suggestions what could be done in the future, for example further research.

Last but definitely not least the marketing plan for Almost@home is attached to the thesis document as appendix. It has a separate table of contents and it includes description of the project and background information, marketing research, marketing strategies selected, detailed descriptions of the marketing actions and evaluation of the risks.

1.1 The Goals

The key goal for the project is to make a usable marketing plan for the Almost@home lounge for the years 2014-2015. The plan includes a background research of the marketing environment of the lounge and, marketing strategy and the marketing programs. The problem at the moment is that the lounge is dependent of the operations of their partner airlines. If some of these airlines will change their operations dramatically, Almost@home can lose a big portion of their customers. Therefore, an additional ways to get guests to the lounge are needed that the lounge would not be solely dependent

of the customers that partner airlines provide. The aims that the commissioning party has given for the project are following:

1. To find out new market segments outside the traditional ones, meaning mainly the partner airlines
2. To find out how to communicate with the traditional customers according to the brand

The marketing plan will provide alternative solutions for the marketing of the lounge. It will explore the market opportunities and define the new customer segments where to focus and sets the marketing strategy and provides an action plan, which shows how the marketing objectives are attained, how the communication with the partners will be fostered, how the travelers become more aware of the lounge and how to make them loyal customers.

The personal goals for the author are to gain insights about marketing by doing the plan itself and to take advantage of the skills that the author has gained during her studies and use these in real work life and real situations and challenges. The author wants to work in the area of marketing after graduation; and therefore she wants to get experience of preparing a marketing plan as she sees that it would be beneficial for her, when applying for jobs in marketing.

The author's objective is to combine the knowledge of the experience industry gained during the years in HAAGA-HELIA and the knowledge about aviation, which she studied five months of her studies abroad. The results should be that how the experiences can be utilized in the marketing of air travel services.

In addition the author aims to get new contacts in the industry and create something valuable for SSP Finland in a form of a plan that they can utilize as much as possible in the marketing in the coming years 2014-2015 and that they get new ideas and new perspectives to their business.

1.2 Methods for the Project

The marketing plan is done by using action based learning and studying, which means that while planning and doing the plan itself, the author learns the procedures of marketing of hospitality services at airport. As a result the author will understand the importance of marketing plan, how the plan is done and how hospitality services at airport could be marketed.

The methods that will be used for researching the marketing environment are first doing interviews with the contact persons from SSP Finland, doing observation in the lounge itself, making document analysis of the document which is provided by SSP Finland as well as Finavia's documents about the air travel passengers.

The above mentioned methods are used because the author does not have much previous experience of marketing or doing marketing plans. Therefore, she is learning about marketing while doing the project. Because the author does not work for SSP Finland, she has to acquire the information about the company through interviews and other information provided.

1.3 Marketing Concepts

The key concepts for the thesis are marketing in general, marketing process, marketing plan and the theories how to build the action plan. In order that the reader fully understands the purpose of the marketing plan, it is helpful to define what is marketing and what the role of marketing planning is.

To start discussing what is marketing, the author wants to present ideas from a few marketing gurus. Kotler (1972) defines marketing as "...Process by which individuals and groups obtain what they need and want by creating and exchanging products and value for others. Exchange processes involve work. Sellers must search for buyers, identify their needs, design good products, and promote them... and set prices for them. Activities such as product development, research, communication, distribution, pricing, and service are core marketing activities." Kotler summarizes well the main functions of marketing. Moreover, Druker (1983) highlights knowing the customer

needs. He states that "The aim of marketing is to make marketing superfluous. The aim is to know and to understand the customer so well that the product or service fits him/her and sells itself".

The newer definitions haven't forgotten the customer needs but add the customer satisfaction. The main idea of marketing according to Mc Donald & Payne (2006, 3) is "to match the organization's capabilities with the needs of customers in order to achieve the objectives of both parties". They continue that after the matching is done, the company has to build up strengths for the services to create customer satisfaction. However, the matching is an ongoing process because the environment and external factors may have an impact on to the company or its customers.

Marketing is a process for defining markets and the needs of customer segments within the markets, determining the value propositions to meet these needs and communicating them to all necessary people in the organization and delivering the value propositions to the chosen segments as well as monitoring the value delivered. (Mc Donald & Payne 2006, 6)

American marketing Association – AMA (2007) is on the same track than the previous definitions but concerns with the value created as well. Marketing can be seen as the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.

Shoemaker, Lewis & Yesawich (2007, 5, 16) see marketing in greater context. They state that the main function of marketing is to create and maintain a competitive advantage. The strategies and tactics are used then to obtain it. They define the competitive advantage as "the ability of a firm to develop and maintain distinctive competencies that enable it to capture a larger share of a market and earn higher-than-average profits". The concept of marketing includes "all the professional disciplines required to determine the nature of customer demand, then develop, promote, and deliver the products and services that will satisfy the demand. In addition, they highlight that the focus should be always in the customer and in their needs not in the product.

Shoemaker et al. (2007, 21-25) elaborate that the customers may not always know what products they need but they know if they have some problem. The marketer's job is then to offer a solution to the problem. The customer has then to make a decision of how much they are willing to sacrifice money in exchange to the value that the product will give to them. If they cannot test the product before buying, they have to make a risk, because they do not know if they will be satisfied to the product. Depending of the price, the customer has as well some expectations of the product; at least that it will solve their problem. "If the solution meets the expectation and the value justifies the sacrifice, the risk becomes more justifiable and a higher level of satisfaction becomes more likely" Therefore if the customer is satisfied, he/she is more likely to buy the product again.

1.4 The marketing Process

After defining the purposes and aims of marketing, it is viable to move on to the marketing process. Kermally (2003, 78) while discussing about Philip Kotler's book "Marketing Management: Analysis, Implementation, and Control" states that the marketing planning process consists of analyzing the market opportunities of selected target markets; consumer research regarding the buying behavior; analyzing the nature of the business market and industry as well as defining the key competitors and their strategies, strengths and weaknesses. The next phase is to create the strategies based on the analysis and make the marketing plan.

Similarly, Simkin (2000, 157) defines the marketing process as following. The foundation is the corporate goals and objectives. The process starts by analyzing and understanding the markets. Then the strategies are selected and after that the marketing programs planned. The last thing is to implement the plan and control the progress. In the table below is illustrated the process applied to the thesis project at hand.

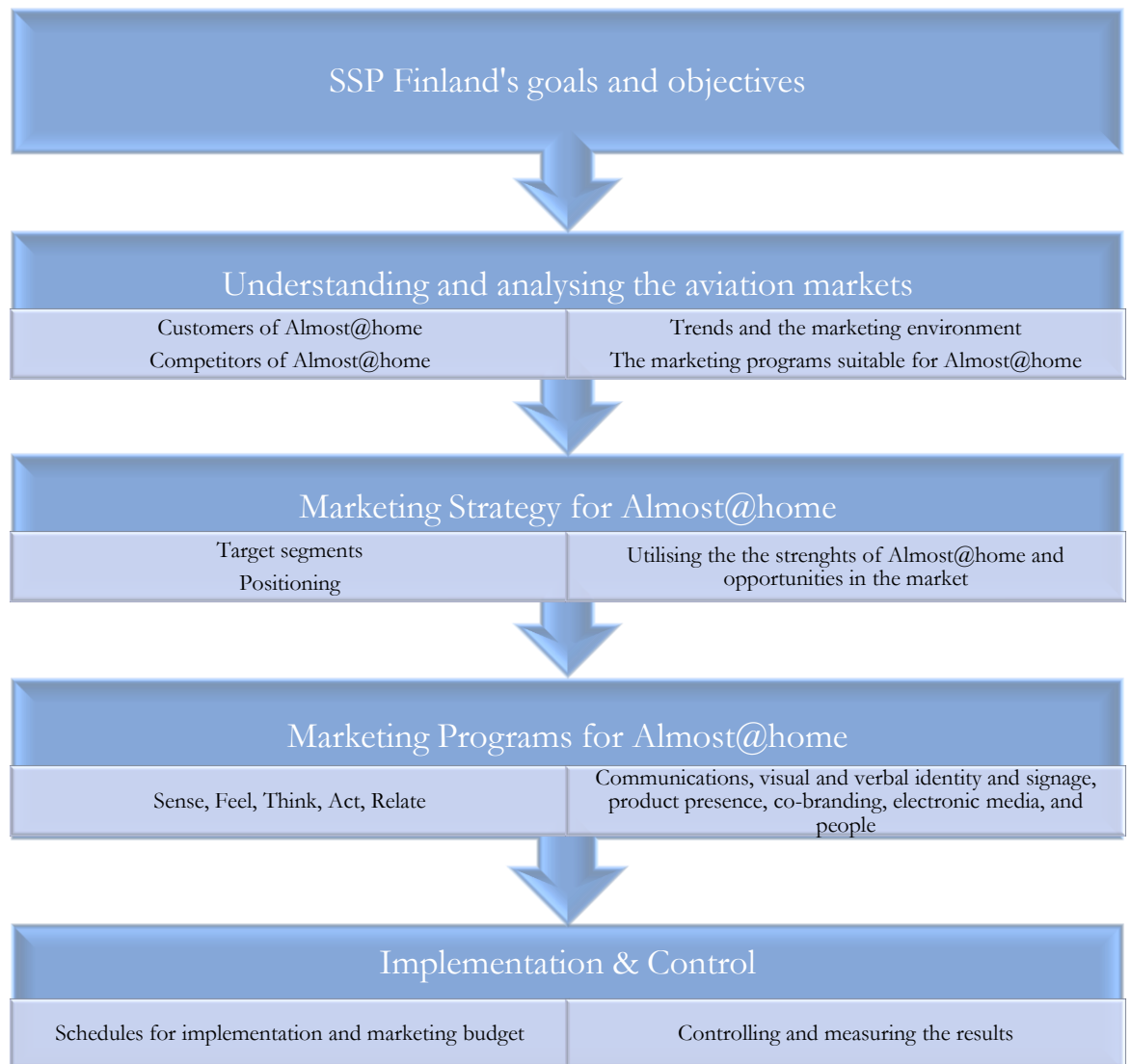


Figure 1. Marketing process

The thesis process starts by finding out the goals and objectives of SSP Finland by doing the interviews. The next phase is to make a small scale research about the aviation markets and marketing environment. Then the strategy for Almost@home can be derived. The strategy is then a base for the tactical marketing programs. The last phase is to plan how the plan is implemented and controlled. However, the author has decided to exclude the last part because it would not be usable for SSP Finland taking account that the marketing plan will be more like a suggestion for them and there are no guarantees that they will use it as such. In addition, these parts would require more extensive co-operation with SSP Finland and the author is more like an outside consultant, who is not even able to have access to the required information needed in the time which is allocated for the scope of the thesis.

2 Theoretical Framework for the Marketing Plan

This section concerns the literature of marketing plans, strategies and programs. These will be the theoretical foundation for the marketing plan for Almost@home lounge. First, the contents and structure of a typical marketing plan will be presented. Then, the marketing tools, which will be used in the marketing plan, will be explained. And lastly, the author explores concepts of marketing mix, relationship marketing and experience marketing.

2.1 Contents and Structure

Shoemaker et al. (2007, 564-568) describes marketing plan as a “management tool that turns the strategic planning process into specific action steps for the forthcoming year”. For a marketing plan to be successful it should be workable, meaning simple, realistic and flexible and has goals that can be measured and are attainable. The most important things that in a marketing plan should be are analysis of external environment and trends, competitor analysis, demand analysis concerning customer needs, internal analysis and then analysis of the market summarizes the others. (Shoemaker et al. 2007, 564-566)

The aim of the marketing plan is to convert the service concept into a successful offering which fulfills the needs of the target customers and corresponds the organization’s expectations. The plan should be precise and it should show the new products to be launched and how the existing ones are maintained. It should include also the timings of sales and promotion and how the pricing and distribution will be done. In addition, there should be part which shows how the plan will be controlled and how the outcomes are measured. (Harvard Business School Publishing Corporation 2006, 20)

Marketing plan is a written document from 5 to 50 pages and it can be created for individual brands; in this case Almost@home brand. It summarizes the market environment and describes how the objectives will be reached in an operational level. The contents are executive summary and table of contents, situation analysis concerning the

background data and market analysis, marketing strategy, financial projections and implementation controls. (Kotler, Keller, Brady, Goodman & Hansen 2009, 109-110)

According to the Harvard Business School Publishing Corporation (2006, 20) typically the plan consists of:

- An executive summary
- Table of contents
- A summary of the current situation (e.g. SWOT)
- A focused assessment of the market opportunity (segments, analysis of customers, challenges of the product)
- Financial and marketing goals (revenue and profit, unit sales or market share)
- A summary of the company's marketing strategy (how positioned, distributed and priced and achieve goals)
- A month-to-month marketing budget
- Forecast month-to-month unit sales and revenues
- A plan for monitoring and evaluating action plans in progress and at the end of the plan period

The plan that the author creates will include most of the things above, except the marketing and financial goals, because the author did not get the required information for this. She will as well exclude budget and the monitoring and evaluating plans, because this might not be so useful if the plan will not be used as such. The author will rather focus on evaluating the current situation including business environment and SWOT, assessing the market opportunities and defining the detailed operational plans of marketing, since these will most probably be most useful for SSP Finland. In addition, she will assess the risks of implementation and make a contingency plan.

According to McDonald (1984): A research of leading companies carried out by Cranfield demonstrated that a marketing plan should include the following:

- “A summary of all the principal external factors which affected the company's marketing performance during the previous year, together with a statement of the com-

pany's strengths and weaknesses vis-à-vis the competition. This is what we call a SWOT (i.e. strengths, weaknesses, opportunities and threats) analysis.

- Some assumptions about the key determinants of marketing success and failure.
- Overall marketing objectives and strategies.
- Programmes containing details of timing, responsibilities and costs, with sales forecasts and budgets.”

For the first point a SWOT-analysis will be made. It is based on the analysis of market opportunities to which information will be collected from macro-environment analysis, the interviews with SSP Finland, observation of the lounge guests, document provided by SSP Finland and competitor analysis. For the second point assumptions will be made concerning how the marketing should be done in order to be successful in it. The contingency plan will define how to avoid failures. The third point will arise from the SWOT-analysis and core competencies of the lounge and will be presented as a summary of analysis of the market part. From the objectives and strategies the author will produce the detailed plans for the marketing actions, which is the fourth point. Below can be seen a draft of the contents of the marketing plan that the author will create. It is based on the literature presented above and adapted to the project.



Figure 2. Contents of the marketing plan

2.2 Marketing Tools

Next, the marketing tools that will be used in various parts of marketing plan are presented in detail. These tools are PEST-analysis, Product life cycle model, SWOT-analysis and market segmentation.

2.2.1 PEST-analysis

PEST-analysis is a tool that the author will use to assess the macro-environment of the Almost@home lounge. The PEST factors are political (and legal) forces, economic forces, social forces and technological forces. It can help to recognize the current and

future forces that affect to the marketing activities and to assess the market potential and market attractiveness. (Smith & Paul 2008, 63-65)

Political factors include the regulations that affect the business and the buying power. Economic factors states for the state of the economy and factors that affect to the demand and distribution costs. Social factors include things such as demographics, age distribution, lifestyle trends and wealth distribution. Technological factors stands for the technological improvements and developments, changes in how technology is used as well as for new ways to communicate. (Smith & Paul 2008, 63-65)

2.2.2 Product Life Cycle Model

According to the product life cycle model (introduced by Levitt 1965) every product has market specific lice-cycle with five stages from the introduction to the abandonment. The time-span of the life cycle and each stage is individual for every product. The stages are introduction, growth, maturity, saturation and decline. (Sherlekar, Nirmala Prasad & Salvadore Victor 2010, 97-98)

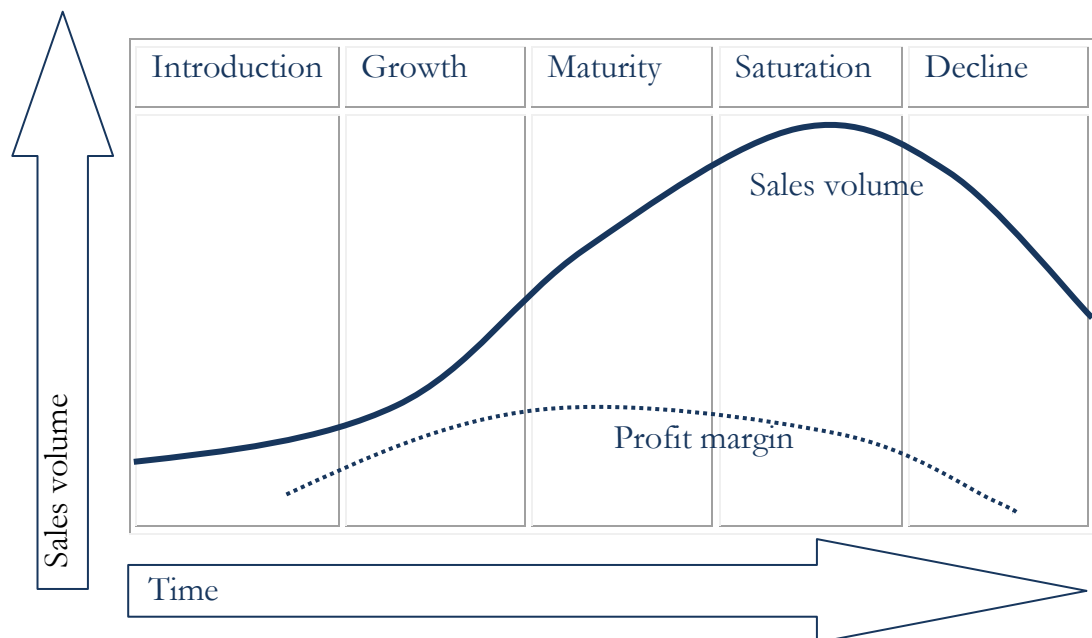


Figure 3. Product Life Cycle (Adapted from Sherlekar, et al. 2010, 98)

As can be seen from the figure above, the volume of the sales and the profit margin changes when the time passes and the product moves from one stage to another. In the first phase, when the product is introduced to the market, growth of the sales is modest, and profit margin is low because of the high production and distribution costs. In the growth stage the product is established among the customers and sales volume rises as well as profit margin. The important elements for marketing are efficient distribution and promotion and also retentive customers and positive word of mouth. In maturity stage the new competitors create pressure to prices, which will affect to the profit margin although the sales still go up. For marketers, it is important to modify or improve the product and find out ways to stimulate demand and create added promotion to beat the rivals. During the saturation stage there are not anymore new potential customers and consumption is stable but the profit margin falls. In the last decline phase, the sales as well as profit margin drop, and therefore the product may not be able to stand in the market. (Sherlekar, et al. 2010, 98-102)

“The product life cycle portrays distinct stages in the sales history of a product. Corresponding to these stages are distinct opportunities and problems with respect to marketing strategy and profit potential. By identifying the stage that a product is in, or may be headed toward, companies can formulate better marketing plans.” (Kotler 1994, 354-380) The author will use the model in the internal analysis part and the analysis will be utilized in the marketing strategy.

2.2.3 SWOT-analysis

SWOT-analysis is meant to use to examine a company and its market environment. The letters come from strengths and weaknesses; which are internal factors and opportunities and threats; which mean external factors. The information gathered for the SWOT comes from the PEST-analysis, competitive environment and organizational factors affecting the strategy and plan. (Piercy & Giles 1989)

The SWOT-analysis is a tool, which helps to define the internal resources and compare those to the external conditions of the business environment. All these factors have an effect on the success of the business. The SWOT-analysis can help businesses to take

full advantage of the opportunities, to recognize to core competencies and to be aware of the current situation of the business, which in turn helps in making future plans.

(Piercy & Giles 1989)

The author will use SWOT-analysis in order to summarize the current marketing environment of Almost@home lounge, because it is a clear model, where the reader can easily see the most important aspects of the concept and external factors affecting to the business.

2.2.4 Market Segmentation

Market segmentation means that a market, where a firm is operating, is subdivided into sub-markets, which are also called segments. “The heterogeneous market is divided into homogeneous divisions or groups.” The segmentation can be based on geographic, demographic, and socio-psychological factors, which include life-style, attitudes, social class, brand loyalty, personality and health factors. The individual segment should be “large enough for it to be profitable; distinct enough to differentiate; homogeneous enough to prepare a marketing plan and measurable to determine the effectiveness of marketing” (Kermally 2003)

According to Kotler (1994) segmentation should be done in periods because the segments change over time. The five characteristics that the segments should fulfill are; measurable, substantial, accessible, differentiable and actionable. The segments should also be evaluated by their size and growth, attractiveness and firm’s objectives and resources available.

There are two ways of doing segmentation; macro and micro segments. Macro segments are based on demographics and micro is based on behavior of the customers. If the segmentation has been done well, the results should be “a reduction in competitive rivalry, pricing stability, protection against substitution and an opportunity to build differentiation” (Freathy & O'Connell 2000, 102-103)

Freathy & O'Connell (2000, 105-108) states that airports have primary and secondary customers; where airlines are the primary customers and passengers secondary customers. However, the problem is that the passengers do not usually recognize which services are provided by the airport and which by the airlines. Therefore, the airports should direct its marketing activities to all who use the airport. By using macro segments, people who use the airport can be divided into passengers and non-passengers. Passengers can be sub-divided into categories such as domestic, international and transit, and by the type of their flight; short haul, long haul, scheduled and charter as well as to business and leisure travelers and by destination; intra EU and non-intra EU. Within these categories international and charter customers spend most time in the airport. Long haul passengers spent more money in the airport than short haul passengers.

When the author is analyzing the market opportunities, she will first define the existing market segments at the airport and then select the segments where to focus. Segmentation is done in order to target the marketing plan for the defined markets and differentiate the actions to be taken for every customer segment. In addition, she will utilize the abovementioned macro segments and to further analyze the passengers by their behavioral and attitudinal factors and make suitable segments for Almost@home.

2.3 Marketing Mix Approach

To start presenting the different kinds of marketing orientations, it is clear to start with the most commonly used concept of marketing mix.

The concept of marketing mix was first introduced by Neil Borden in the 50's (Borden 1964, 2-7). However, this was not meant to be used as a marketing definition. He called the P's as mixer of ingredients and they were different means of competition. At first the number of the "ingredients" was 12 elements. Later these were simplified and named 4 Ps by McCarthy (1960) but he did not include the blending of the ingredients at all, which was the intention of Borden. (Grönroos, 1994, 4-7)

The usage 4 Ps as a marketing theory is questionable, because the roots, which came from microeconomic theory and theory of monopolistic competition of the 1930's have been forgotten. When using the marketing mix, you are only focusing on mass marketing and the customers become just numbers. Actually, the model was initially meant for consumer packaged goods marketing. In that case, transaction marketing is suitable, because the interaction between the company and its customers is just one way communication. (Grönroos 1994, 4-7)

Although, the 4 Ps are widely used in the marketing, the author decided not to use them as a base for the marketing plan, because there are more recent theories available, which would suit better for the nature of Almost@home lounge, which is more like an experience than physical product and where the satisfaction and retention of customers is an important part of marketing. In addition the author will not focus on segmented marketing rather than mass marketing.

Simkin (2000, 154) argues that service marketers have later added more P's to the original marketing mix, because of the unique nature of services, which are intangibility, relationship between the firm and customer, the fact that service is consumed same time that it is created and customer is influencing it and the complex nature of services compared to goods. These additional P's are people, physical evidence and process.

2.4 Relationship Marketing

According to Shoemaker et al. (2007, 20) marketing has twofold purpose. First step is to create a customer which is usually quite easy thing to do with promotions and discounts. But the challenge is that how to change the new customers into repeat customers. This requires not only customer satisfaction but also to build a relationship with the customers. Relationships can be financial (e.g. frequent flier programs), social (e.g. spending time with top customers) or structural (e.g. extensive customer register about customer's preferences).

Grönroos (1990b, 138) defines relationship marketing like this: "Marketing is to establish, maintain, and enhance relationships with customers and other partners, at a profit,

so that the objectives of the parties involved are met. This is achieved by a mutual exchange and fulfilment of promises” The definition is closely related to the promise concept by Calonius (1988). According to it first new customers should be attracted then the relationship has to be build and lastly the evolving relationship has to be maintained and enhanced. In addition trust is an important element of relationship marketing. “The resources of the seller – personnel, technology and systems – have to be used in such a manner that the customer’s trust in the resources involved and, thus, in the firm itself is maintained and strengthened” (Grönroos 1990a, 5).

Customer relationship management (CRM) is commonly used in the tourism industry for example in a form of loyalty programs and CRM databases. The purpose of CRM is to have the focus in the customer, and create information which is particularly targeted to certain segments. The goals are to get loyal and satisfied customers, who are valuable to the company.

CRM aims to direct firms and organizations to perform better and provide customers something more than past product delivery. Better performance is measured as profitability, which is comprised of greater profit margins, more frequent purchases, lower marketing expenses, lower labor costs, and more dependency on technology and the Internet for marketing exposure. Customers getting something more can be greater customer delight from a personalized product or a benefit offer such as cost savings or a higher level of service. (Vogt 2010, 356-357)

Also Shoemaker et al. (2007, 90-91) states that both parties; the firm and the customer has certain expectations that has to be fulfilled in order that the relationship works. The firm’s expectations often include that the customer will spread good things about the firm and tell if something is wrong with the service and customer expects to get quality, personalized and error free service. They highlight as well the importance of trust that both parties keep their promises and commitment to maintain the relationship.

In the marketing plan for Almost@home the relationship marketing will show as an emphasis for the customer retention idea and positive word of mouth. Also structural relationships, customer databases and personalization will be utilized.

2.5 Experience Marketing

This chapter presents the nature of experience marketing and describes the experiential marketing model, which will be used in the marketing programs part.

Experience marketing is innovative and creative way of doing marketing and it is a discipline in the area of marketing that will grow significantly in the following years (Same & Larimo 2012). The literature of experiences is still limited in nature but the interest is growing all the time.

Shoemaker et al. (2007, 629) defines experience-based marketing as “a form of marketing that involves spending time with customers, constantly monitoring competitors, and developing a feedback system that turns this information into new product/service intelligence”. However, Gilmore, Pine & Mermiri (2009) state that the product that you’re offering is an experience only when the customers are paying for the time that they spend with the experience provider.

By managing customer experience a firm can “engage customers, deliver excellent brand experience and achieve high customer equity” (Saad & Abhari 2010, 551). In addition, the firm gets sustainable competitive advantage (Schembri, 2006). Schmitt & Rogers (2008, 113) argues that the meaning of marketing is to create valuable experiences to customers, which will create loyal customers who are willing to pay more of your services. Kerwin (2004, 94) on the other hand argues “the beauty of a well designed experience is that while it doesn’t reach nearly as many people as a TV spot, it can attract the very customers who are most likely to buy”.

Same & Larimo (2012, 484) concludes that experience means an interaction between a company and a customer in broad terms. The foundations of experience marketing are: “1) offering or stimulus, 2) interaction between the customer and company, 3) experience and value co-creation, 4) value”.

2.5.1 Managing of Experiences

The concept of experience economy is developed by Pine & Gilmore (1998, 1999). They view that in experiences the guests are engaged in memorable and personal way to a staged series of events. Experience economy is the next phase from service economy and services and experiences are as different from each other as goods and services. Pine & Gilmore define experiences through realms of experience, which can be seen in the graph below.

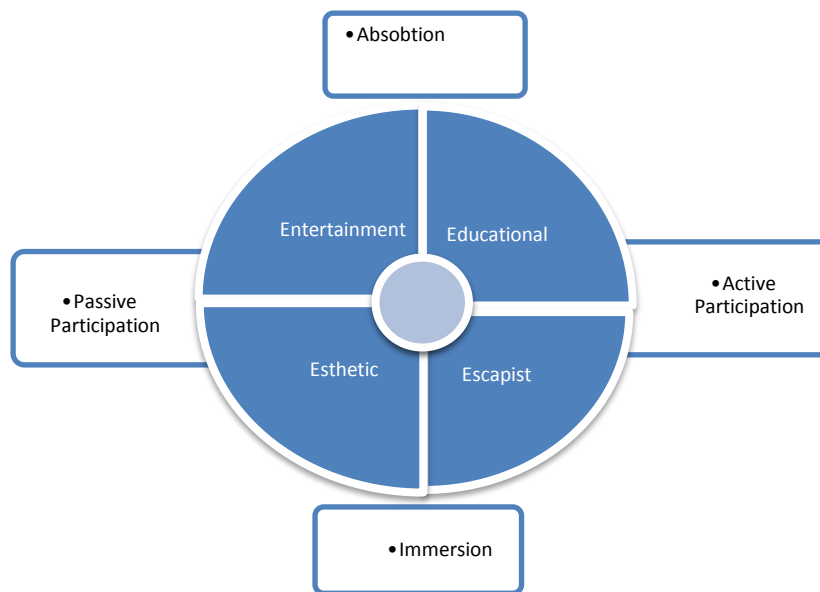


Figure 4. Realms of Experience (Pine & Gilmore 1999, 30)

The horizontal set shows the level of guest participation. The vertical properties define the kind of connection that unites the customer with the event. Hence, whether the experience goes into the guest - absorption or the guest goes into the experience – immersion. The entertainment makes the experience fun and enjoyable. In the educational realm, customers learn as part of their experience. The esthetic realm immerses people in events or environments in a passive way. The escapist realm immerses customers in a totally different reality. But the richest experience encompasses aspects of all four realms. (Pine & Gilmore 1999, 30) For example a dinner in a Lapland themed restaurant can be an experience if the staff entertains the customers and makes the evening enjoyable for them, if the guests learn something about the food that is typically eaten in Lapland, if the restaurant's decorations, music and smells fit to the theme

and if the customers feel that they are in actually in a authentic reality which differs from their everyday life.

However, before Pine & Gilmore, Holbrook & Hirschman (1982) wrote about experiential aspects in the context of buying behavior models. They suggested that the existing models should be improved by the esthetic sides of products, multisensory aspects, fantasies related to the product and feelings during consumption to name a few. These are summarized as 3 F's referring to fantasies, feelings and fun. In Holbrook's latter article (2000) he shows that experiential point of view of the customer has been broadened to 4 E's, which are experience, entertainment, exhibitionism and evangelizing.

There are three phases in the customer experience; joining, intensive and detachment phase. Joining occurs when the customer has the first contact with the company e.g. reservation. Perceptions about the joining phase affects to the customer's expectations about the service itself. Intensive refers to the process when the service is consumed. Detachment occurs when closure to the consumption is made by strengthening the customers' memories of the service. The overall pleasure that the customer gets from the experience provided consists of these three phases and therefore the marketing actions should be made in each of them. (Le Bel 2005)

Le Bel (2005) emphasizes that in the joining phase the customers should feel a sense of welcome. Staff should also recognize the customers' emotions and act in a way that can, for example, calm down the customer, if he or she is angry. In the intensive phase, during the experience, the customer should get attention when needed and a sense of caring. In the last phase, detachment phase, the staff should ask if the customers liked the service or not and search for cues of dissatisfaction. This is the phase when the customer gets the last impression about the experience; therefore there is a chance to make these impressions as positive and lasting as possible.

Saad & Abhari (2010) found out that customer experience management can be used to obtain higher level of customer retention and it can improve the marketing performance meaning the customer acquisition, retention and add-on selling. His study confirms that the customer experience has three stages, before consumption, during the experience and after it. The first stage including all the interaction with the brand has a

huge impact on whether the customer decides to buy the experience or not. The second stage includes everything that has an impact on customer's perceptions about the experience. The third stage affects to the customer retention.

Six design principles for staging and marketing experiences by Pine & Gilmore are the following. First every experience should have a cohesive theme and the marketing is done by and through the theme. Second is to harmonize impressions with positive cues, which means elements that are consistent and supportive to the theme. Third eliminating negative cues means that there should not be any elements that are diminishing, contradicting or distracting the theme. The fourth principle is mix in memorabilia, which refers to the fact that people want to buy some items that will be a memory of the experience. Fifth principle is called engaging all five senses which in turn makes the experience more memorable. The last one is soliciting feedback, which is done by innovative ways and makes the marketing more effective. (Williams 2006, 489-490)

2.5.2 Experiential Marketing

Experiential marketing is part of experience marketing. Experience marketing can be seen as a strategy and experiential marketing can be a tactical way of doing marketing campaigns. (Same & Larimo 2012)

According to Smilansky (2009, 5) "experiential marketing is the process of identifying and satisfying customer needs and aspirations profitably, engaging them through two-way communications that bring brand personalities to life and add value to the target audience". Schmitt (2010) proposes that the main aspects of experience marketing are: 1) experiential value, 2) different types of experiences, 3) the distinction between ordinary and extraordinary experiences, and 4) experience touchpoints.

Williams (2006, 485) defines the experiential marketing in a following way:

Experiential marketing is about taking the essence of a product and amplifying it into a set of tangible, physical, interactive experiences which reinforce the offer.--- Experiential marketing describes marketing initiatives that give consumers in-depth, tangible experiences in order to provide them with sufficient information to make a purchase decision.

This means that it is not enough just to offer experiences but these has to be marketed actively and consciously in an experiential way (Williams, 2006).

In the tourism and hospitality industry the marketing should differ from other industries because the buying decisions are based on projected and perceived images. Williams (2006, 483) states that contemporary consumers “use consumption to make statements about themselves” and to form their identities and even to create a sense of belonging through consumption. Some people build relationships around consumption, for instance when friends go out to a certain place to have a dinner and socialize. Consumption has also a role in finding fulfillment, developing creativity and expressing one self. Experiential marketing views customers as emotional beings, who want to achieve pleasurable experiences. Williams sees the experimental marketing a growing trend. (Williams 2006)

The main differences between traditional marketing and experiential marketing are the following: “Firstly, the focus is on customer experiences and lifestyles, which provide sensory, emotional, cognitive and relational values to the consumer. Secondly, there is a focus on creating synergies between meaning, perception, consumption and brand loyalty. Thirdly, it is argued that customers are not rational decision-makers, but rather driven by rationality and emotion.”(Williams 2006, 493) Similarly, Schmitt (1999, 53) argues that “experiential marketers view consumers as rational and emotional human beings who are concerned with achieving pleasurable experiences“.

The four main features of experiential marketing are firstly to focus on the customer experience, secondly to see the consumption situation in a holistic way from pre-purchase to post purchase and not forgetting underlying values and attitudes, thirdly to view customers as individuals, who base their buying decision by rational as well as emotional means, and lastly to use diverse methods and tools in marketing e.g. to take advantage of the new technology. (Schmitt 1999, 57-59)

2.5.3 The Experiential Marketing Framework

The most important concepts that Schmitt (1999, 60-62) and Schmitt & Rogers (2008, 116) has developed are strategic experiential modules (SEMs) and experience providers (ExPros). SEMs are strategic base for staging and marketing experiences. “Experiential Marketing include sensory experiences (SENSE), affective experiences (FEEL), creative cognitive experiences (THINK), physical experiences, behaviours and lifestyles (ACT), and social-identity experiences that result from relating to a reference group or culture (RELATE) (Schmitt 1999)”

These are the different forms of experiences that customers can have. However, many experiences include aspects of several SEMs because these are interrelated. The more SEMs used, the more holistic the experience will be. The SEMs have their own goals as well. SENSE marketing motivates customer by affecting to their sight, sound, touch, taste and smell. FEEL targets to create stimuli that generate emotions and feelings such as happiness and pride in customers. THINK marketing aims to challenge customers to reflect creatively to the “cognitive, problem solving experiences”. The objective of ACT marketing is to create changes in customers’ behavior and lifestyles by providing alternatives for them. RELATE marketing aims to evoke a desire in customers that by consuming the brand they will relate to a certain group or way of life that they are admiring. (Schmitt & Rogers 2008, 116-119)

Yuan & Wu (2008) sees the customers’ perception of the experience as the measurement for the effectiveness of experiential marketing. In other words, by experiential marketing the perceptions of the customers can be influenced. The perceptions create positive customer satisfaction, which consists of emotional and functional value. They found out that feel perception, think perception and service quality create emotional value. Think perception and service quality create functional value. Their research empirically supports the theory that experiential marketing stimulates customer satisfaction by means of emotional and functional value that customers get from the experiences provided.

Furthermore, ExPros are used to execute the SEM's in other words these are the tactical marketing tools that experience marketers may use. "ExPros include communications, visual and verbal identity and signage, product presence, co-branding, spatial environments, electronic media, and people (Schmitt 1999, 63)." In the table below the author have collected the examples of the tools provided by Schmitt & Rogers (2008, 120-129)

Communi- cations	Visual and verbal iden- tity and signage	Product presence	Co- branding	Spatial environ- ments	Electronic media	People
advertising	brand names	product design	event mar- keting and sponsorship	company buildings, offices and factory spaces	experiences on websites	salespeople
brochures and newslet- ters	logos	packaging and product display	alliances and partnerships	retail and public places (product display)	internet as way of communica- tion	company representa- tives
annual re- ports and public rela- tions	signage	brand char- acters	product placement	trade booths and corpo- rate events		customer service providers

Figure 5. ExPros

2.5.4 Summary

To summarize the concept of experience marketing and experiential management, the author has created a table which has the aspects that are most dealt in the literature presented in this chapter. The figure below shows what things should be taken account before, during and after the experience and what elements should be integrated to the whole customer process. On the left hand side the customer process is divided into three parts; pre-purchase, the experience and post-purchase and right hand side are the elements that should be visible throughout the stages.

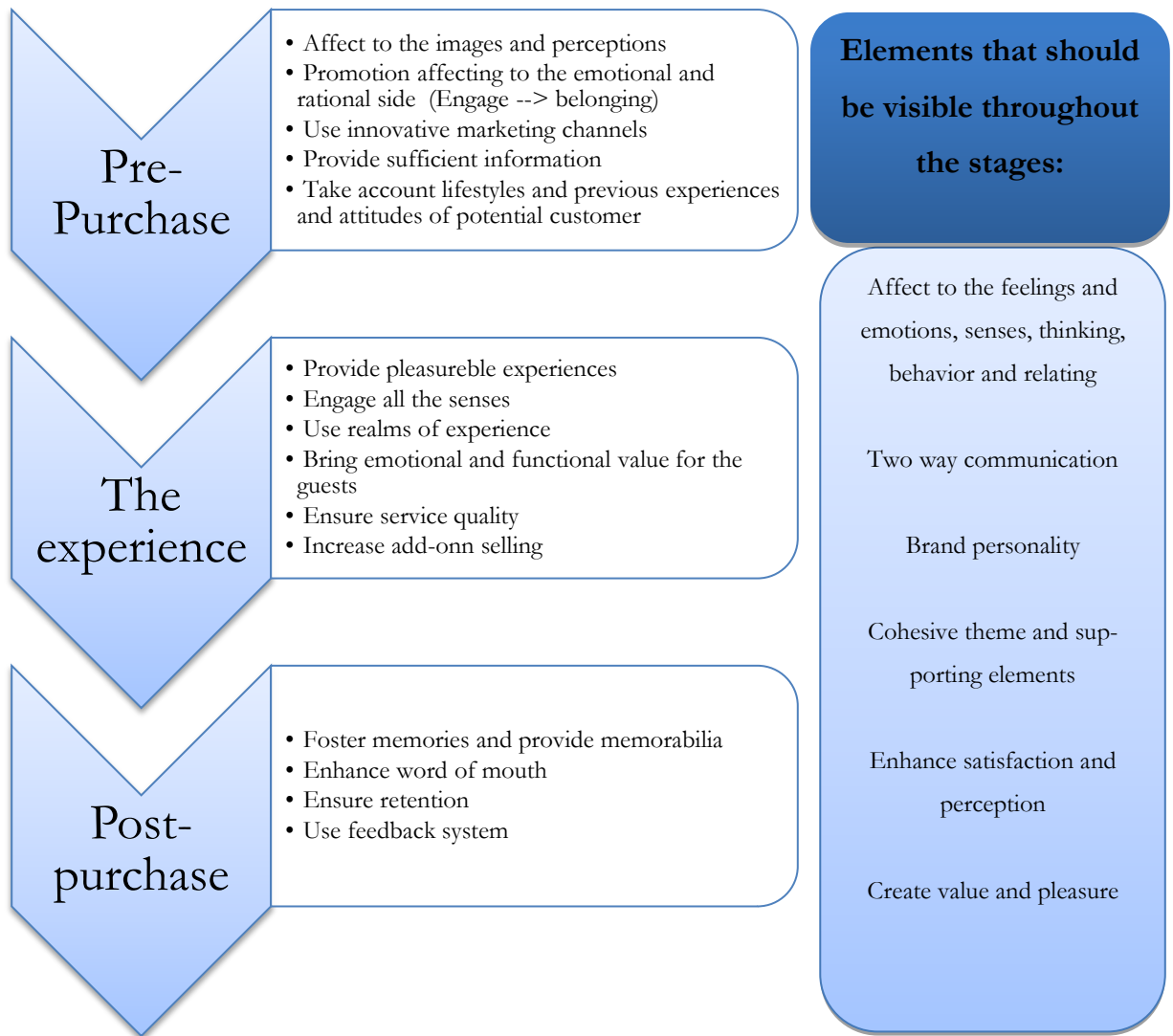


Figure 6. Summary of Experience Marketing

3 The Planning and Implementation of the Project

This section presents first the background of the project and the planning process of the marketing plan. Then it shows the results of the marketing plan summarized.

3.1 Background of the Project

The process for selecting the subject for the thesis started when the author saw an advert in HAAGA-HELIA MyNet by SSP Finland that they are searching for students to make thesis for them. The author contacted the HR Director from SSP Finland already in the beginning of June 2012. When the author came back to Finland she was able to meet the HR coordinator in August 2012 and to discuss the author's interests to make a project related to marketing and the lounges. This led to the offering from Jussi Laakso (Director, Operations and Marketing) for the author to make a marketing plan for Almost@home lounge. The interviews with Jussi Laakso and Anna Rautapalo (Operations Manager Lounges) were conducted in September 2012.

The interviews with the contact persons in the SSP Finland were organized in order to get a clear picture of the SSP Finland and the lounge. The interviews give information concerning the clients, competitors, strengths and weaknesses of the Almost@home as well as the goals, targets and contents of the project and the ways how the lounge have been marketed before.

According to Laakso, J. (27.9.12), from whom the idea for the thesis came, the marketing plan does not have to be in line or linked to the strategic marketing plan of SSP Finland that the author's view would not be restricted. He thinks that the focus should be on the acquisition of new clients but other than traditional customers, because they do not want to be solely dependent of the airlines, because the industry is so uncertain and cyclical. Previously they have marketed the lounge mainly by contacting airlines and making deals with them. He also mentioned that it could be usable to think how they could maintain their relationship with their existing clients.

SSP Finland's expectations for the plan are that the lounge gets more publicity (Rautapalo, A. 19.9.12) and that the author will discover new customer segments and designate the ways how to maintain the relations with the existing customers (Laakso, J. 27.9.12). However, the author did not get any goals regarding the desired market share growth or revenue increase. In addition, the plan is not based on the company's marketing strategy because the author could not use it in the plan. Therefore, the aim of the marketing plan is first to find out new market segments outside the traditional ones and second to find out how to communicate with the traditional customers according to the brand.

Outcome will be a clear plan which summarizes the current situation of the lounge, assesses the new market opportunities and shows the actions that are to be taken in the marketing of the Almost@home on the years 2014-2015

3.2 Project Plan

The marketing plan starts with a description of the company, the lounge and its missions and visions based on the brochure that SSP Finland has provided. Then, because of the time limitations of the project, the author makes a small scale research about the marketing environment and the opportunities. This includes analyzing of the macro environment by doing PEST-analysis, operating environment by examining the statistics of the airport, and internal environment by doing observation in the lounge. In addition, the biggest competitors should be analyzed. Based on the research, the customer segments should be analyzed and select the segments where to focus. The SWOT-analysis summarizes the marketing research part.

The next step is to determine the strategies for the selected market segments and to plan the detailed marketing actions for the coming years in a form of list of the steps to take. Before writing the author should consult someone about the marketing actions that she's planned in order to know if they are good or not. In addition the resource requirements and how the steps are implemented should be taken into account. At the end of the marketing plan the risks are evaluated.

When the plan is ready, the results can be presented to SSP Finland. The feedback that the author gets can be used to improve the plan or if the time is a limitation the feedback can be added to the discussions part and then can be argued what should have been done differently.

The timetable for the process can be seen below. The dates are the latest dates when the described actions should be done.

12.01.13 The theoretical part should be ready

31.01.13 Have the marketing research ready

28.02.13 The marketing part should be finalized

15.03.13 Risks, budget and business recommendations ready

01.04.13 The results should be presented to SSP

15.04.13 The thesis and the project outcome should be finalized + discussions part

30.04.13 The thesis presentation should be given

07.05.13 The final version should have been submitted

3.3 Results

The goals for the marketing plan were the following:

1. To find out new market segments outside the traditional ones, meaning mainly the partner airlines
2. To find out how to communicate with the traditional customers according to the brand

The author started to search solutions to these goals by doing background research about SSP Finland, Almost@home and its market. The analysis of macro-, and operating environment gave some insights about how the industry will develop in near future and which would be the opportunities for Almost@home concerning the new customer segments and marketing tactics. The most important outcomes include that the passenger amounts are rising every year as well as amount of transfer passengers, especially passenger amounts on flights to Asian destinations are on the rise. In addition, active

seniors are becoming an important segment for travel industry and travelers are utilizing social media even more in the coming years when they are searching information.

The competitor analysis explored the competitive situation at the Helsinki-Vantaa airport and showed what could be learnt from the competitors and what the biggest threats are for Almost@home. Aspire lounge by Servisair seems to be the strongest competitor for Almost@home though there are many other activities at the airport that the passengers can choose from. The idea that customers can pre book places in Aspire could be utilized as well in Almost@home.

Internal analysis demonstrated what strengths will be harnessed for the marketing and what things should be developed. First of all, the concept and atmosphere in the lounge is different than in lounges in general, and therefore the marketing will be built around the home theme and Finnish design. The biggest weakness of the lounge at the moment is that it is hard to notice when you're just passing by.

Customer analysis explained the nature of the customer base at Helsinki-Vantaa airport and the clients of Almost@home at the moment. To conclude, worthy customers for Almost@home would be the ones who are travelling to a non-Schengen country in a business or leisure purposes, has money and time to be used at the airport, and values quality food, safe space and reassurance.

Based on the market analysis a strategy has been formed. The selected customer segments are business travelers; families, couples and active seniors; airport enjoyers and international transfer passengers. The marketing strategy is based on differentiation; the unique concept among the lounges, which illustrates Finnish home. Customer experience will be enhanced throughout the customer journey by engaging all the senses, creating positive feelings, affecting to the customers thinking process, affecting to the ways how people want to travel and to provide a concept to which travelers want to relate.

The marketing strategy is implemented by using tactical marketing tools. The selected tools are communications, visual and verbal identity and signage, product presence, co-

branding, electronic media, and people. In the table below, can be seen the ways how the tools are selected to be used.

Communica-tions	Visual and verbal identity and signage	Product pres-ence	Co-branding	Electronic media	People
advertising at the airport and in Internet and by email will be enhanced	the brand name is Almost@home	consistent product design will be applied starting from the entrance of the lounge	new partner-ships with travel agencies will be created to reach families and seniors	experiences on websites will be created (Youtube, Hel-sinki-Vantaa, SSP Finland)	salespeople and company repre-sentatives use brand characters in communica-tions and rela-tionship building
brochure will be available outside the lounge and near the check-in kiosks	the logo of Al-most@home will be developed to match better the style and nature of the lounge	engagement of all the senses using music, smells, esthetic interior and by providing touch elements and quality food are used	co-branding with Iittala, Kaipaus is creat-ed to make memorabilia products	internet as way of communica-tion started using Facebook, travel blogs and Tripadvisor	customer service providers en-hance the cus-tomer experi-ence and strengthens the relationships with them
feedback form will be used to collect infor-mation of clients and the infor-mation will be used to create a client register	consistent use of the main message and logo in all communications is harnessed	brand charac-ters will be enhanced by relationships, experience quality, service, personalization and partners	A new kind of partnership with design hotel Klaus K will be developed		
maintaining the communications with partners will be enhanced by a contact database			other partners are airlines, Stockman, Pri-riority Pass and Airport Angels are fostered		

Figure 7. Tactical marketing tools

When looking now back at the goals for the marketing plan, the author sees that she has recommended new, defined, marketing segments for the lounge that they should not be depended of the partner airlines solely and she has defined ways that can be used in the communications with traditional customers and has suggested several ways how to improve the marketing.

4 Discussions

This section includes the authors own thoughts about the thesis process and the learning outcomes. In addition, it concludes the thesis and lastly summarizes the business recommendations.

4.1 The Process

The overall thesis process went well for the most parts. However, there were some difficulties as well. Most problematic was the planning stage of the thesis, because the schedules of SSP Finland were tight and it was hard to arrange meetings in order to get more background information for the project and to discuss about their interests and expectations for the marketing plan. As a result the author had to postpone the planning of the thesis and start over the seminar course in the next period.

When she was finally able to start the process, the project plan was quite easy thing to do. The thesis seminar helped a lot to think what would be the best way to start to build the marketing plan. However, the plan changed when the project progressed because while writing the parts things became clearer for the author, and she realized what are the most relevant things to include to the plan and what to leave out to prevent that the thesis would become too long.

The project required more extensive background research than the author would have thought. First the author had to get to know to the marketing literature and choose the appropriate theory base for the project. In hindsight, newer sources and more innovative tools could have been used. The author is not working for SSP Finland, thereby she had first to get to know to the company and then analyze its business environment in order to be able to suggest suitable marketing solutions.

The writing process went quite well and the different parts were completed almost according the planned timetable. Sometimes there were problems to find time for the writing because the author was working elsewhere during the project.

The author is a bit disappointed that she didn't get any feedback about the marketing plan from the commissioning party. If she has gotten feedback, she could have improved the plan still before the final version.

The authors personal goals set in the beginning for the thesis were that the author learns about marketing by doing the plan itself and could harness the skills that the author has gained during her studies and solves how to combine the knowledge of experiences marketing and air travel services. When looking back at the goals now, it is certain that the author has learned a lot about marketing during the process. The previous knowledge of aviation industry helped as well in the process of utilizing the experience marketing in the airport environment.

4.2 Learning Outcomes

The thesis project was first of all a learning process for the author. She learned the purpose and definitions of marketing and how essential marketing is for businesses. She has understood how wide subject marketing is. That it is not just the way how to promote services but that it can be seen as a way of doing business. Marketing has several components such as marketing research, marketing planning, communications, promotion and public relations to name a few.

In addition, she learned why and how marketing plans are done. In order to find out what would be the best opportunities for the firm, how to choose the most effective ways to market, how to allocate the resources for marketing activities and how to control the execution of the plan. And the better the research is done the better the firm knows what is happening in the industry and how their services are positioned in the market. As a result, they know better their customers and know how to market their product best for them in order to make profit.

The project has also given the author insights about the Helsinki-Vantaa airport as a business environment and about the airport lounge business in general. She is now more familiar with the service providers at the airport and knows better the structure

of the passengers there. In addition, she has got a great chance to get to know to SSP Finland and to learn about their missions and their ways of doing business.

4.3 Conclusion

The author is pleased with the project outcome, the marketing plan, taking account the resources that she had. Because of the lack of internal information of SSP Finland the marketing plan is not as accurate as marketing plan should be and it does not include specific implementation schedules or budgets because the author does not know if SSP Finland has the resources and willingness to execute the marketing programs that the author has planned. The marketing plan is not created in co-operation with SSP Finland because it was agreed already in the beginning that Jussi Laakso will not take part into the project but he's the author's contact person in SSP Finland. As a result the marketing plan is more like a suggestion for SSP Finland and then they can see what an outside consultant would recommend for them and then they can choose which parts they want to execute and which not.

To conclude the author hopes that the plan will give SSP Finland new ideas for the marketing and new perspectives to their business. Hopefully SSP Finland will benefit of the recommendations that the author has done and that they could use the marketing plan for the marketing of Almost@home in the years 2014-2015.

4.4 Business Recommendations

The main recommendations for SSP Finland regarding the marketing include first to utilize the suggested experience marketing strategy for Almost@home. It is not enough to contact airlines, but instead the lounge users should be engaged in a personal way during every stage they are in contact to the lounge. In addition, relationships should be built with them. Emotional and functional value should be provided to the customers that they feel satisfied to the lounge and as a result become loyal customers and spread positive word of mouth.

The author advises to take advantage of the concept of the lounge and create a clear distinctive image. Traditional lounges want to be exclusive just for certain groups of passengers. Almost@home can stand out by breaking that image and be open for everyone, but cannot be something in between. In order that the travelers would be aware of that, new marketing activities such as, direct contacts with passengers, promoting via social media and visibility at the airport are required. In addition, promoting through partners could be emphasized and new pricing strategies for the quiet times could be incorporated.

Concerning the further research, it would be advisable to make a research about the client base of Almost@home. It would be important to know how many of the customers are travelling in business purposes and how many are leisure passengers, who are travelling with family, how often they travel, what are their needs et cetera. This information would be beneficial for the marketing purposes as well as for the development of the services.

It could also be researched how people perceive the Almost@home brand and logo. It could include things as; are they aware of the brand, what images they have about the brand, what it reminds them about, what feelings and emotions it arouses and what it represents for them. This would help to know if the reactions towards the brand are as desired and what the value of the brand is and to see how the brand could be valued higher.

Another future area could be to research how different smells, sounds and colors affect to the lounge users and their satisfaction to the lounge. The research could be executed in the Almost@home lounge or in a simulated environment. The research would give valuable information of which are the best solutions for smells, music and colors to be used in the lounge.

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Attachments

Attachment 1. Marketing Plan - Almost@home lounge

SSP FINLAND OY

Marketing Plan

Almost@home Lounge

2014-2015

Tiina Vikman
HAAGA-HELIA
15.4.2013

1 Executive Summary

Select Service Partner Finland Oy (SSP Finland) operates on four airports in Finland. They provide restaurant, café, kiosk and lounge services. SSP Finland has developed the concept of Almost@home lounge, which is situated at Helsinki-Vantaa airport in the terminal 2 non-Schengen area. Almost@home is totally new kind of concept, which is a home like lounge at the airport, where the guests can spend time before and between their flights. The interior of Almost@home is designed to resemble a Finnish home. It is based on Finnish quality products and design and it works also as an innovative selling area, because everything that you can find in the lounge can be bought.

Almost@home has been marketed mainly by contacting airlines and making partnerships with them. This, however, makes the lounge dependent of the operations of the partner airlines. If these airlines change their routes or airport where to operate, Almost@home loses customers. Therefore, additional ways to get guests to the lounge are needed as well. The marketing plan for the years 2014-2015 provides alternative solutions for the marketing of the lounge. It explores the market opportunities and defines the new customer segments where to focus, sets the marketing strategy and provides an action plan. The goals for the marketing plan are first to find out new market segments for the lounge and to find out how to communicate with the existing customers according to the brand.

This document starts with background research about SSP Finland, Almost@home and its market. The most important outcome of the market analysis include that the air passenger amounts are rising globally and at Helsinki-Vantaa airport, especially to Asian destinations. In addition, active seniors are becoming an important segment for travel industry and travelers are utilizing social media even more in the coming years when searching information.

The competitor analysis explores the competitive situation at the Helsinki-Vantaa airport. Aspire lounge by Servisair seems to be the strongest competitor for Almost@home though there are many other activities at the airport that the passengers

can choose from. The idea that customers can pre book places in Aspire could be utilized as well in Almost@home.

Internal analysis demonstrates what strengths will be harnessed for the marketing and what should be developed. First of all, the concept and atmosphere in the lounge is different than in lounges in general, and therefore the marketing will be built around the home theme and Finnish design. The biggest weakness of the lounge at the moment is that it is hard to notice when you're just passing by.

Customer analysis explains the nature of the customer base at Helsinki-Vantaa airport and the clients of Almost@home at the moment. Worthy customers for Almost@home would be the ones who are travelling to a non-Schengen country in a business or leisure purposes, has money and time to be used at the airport, and values quality food, safe space and reassurance.

Based on the market analysis a strategy has been formed. The selected segments are business travelers; families, couples and active seniors; airport enjoyers and international transfer passengers. The marketing strategy is based on differentiation; to the unique concept among the lounges. Customer experience will be enhanced throughout the customer journey by engaging all the senses, creating positive feelings, affecting to the customers thinking process, affecting to the ways how people want to travel and to provide a concept to which travelers want to relate.

The marketing strategy is implemented by using tactical marketing tools, which are communications, visual and verbal identity and signage, product presence, co-branding, electronic media, and people. Communications include tools as advertising at the airport, utilization of feedback system, client register and contact database for partners. Visual and verbal identity and signage suggests ways to develop the brand and logo and to use them consistently. Product presence deals with the design of the lounge and explains how the all the senses can be engaged. Co-branding shows what kind of cooperation could be developed with new partners. Electronic media sheds light on the marketing occurring on the web pages and in social media. Lastly people section explains how company representatives and sales persons can promote the lounge.

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3 Background Information

This section presents the objectives set for the marketing plan and introduces SSP Finland and the lounge Almost@home

3.1 Objectives for the Marketing Plan

The goal is to make a usable marketing plan for the Almost@home lounge for the years 2014-2015. The plan includes a background research of the marketing environment of the lounge and, marketing strategy and the marketing programs. The problem at the moment is that the lounge is dependent of the operations of their partner airlines, because they provide the majority of customers for the lounge. Therefore, an additional ways to get guests to the lounge are needed as well. The aims that SSP Finland has given for the plan are following:

1. To find out new market segments outside the traditional ones, meaning mainly the partner airlines
2. To find out how to communicate with the traditional customers according to the brand

The marketing plan will provide alternative solutions for the marketing of the lounge. It will explore the market opportunities and define the new customer segments where to focus and sets the marketing strategy and provides an action plan, which shows how the marketing objectives are attained, how the communication with the partners will be fostered, how the travelers become more aware of the lounge and how to make them loyal customers. Outcome will be a clear plan which summarizes the current situation of the lounge, assesses the new market opportunities and shows the actions that are to be taken in the marketing of the Almost@home on the years 2014-2015

3.2 Company Description

Select Service Partner Finland Oy (SSP Finland) operates on four airports in Finland, including Helsinki-Vantaa airport. It provides restaurant, café, kiosk and lounge ser-

vices. The company has over 20 service points at the gate and public areas at the airport and conference services at the Helsinki Airport Congress. SSP Finland has 450 employees. (SSP Finland Oy 2012a)

The company is part of the global SSP Group that operates in over 30 countries. SSP – The Food Travel Experts is food and beverage service provider and operates globally in various travel locations such as airports, railway stations, shopping and congress centers. The SSP brand portfolio includes brands, such as Starbucks, Caffè Ritazza, Burger King, Pizza Hut, Upper Crust, M&S Simply Food and Robert's Coffee. SSP has over 30,000 employees and it serves millions of customers daily. (SSP Finland Oy 2012a)

SSP is the world's leading food and beverage expert in travel locations around the globe. They are operating in Asia, North America, Europe, the Middle East, India and North Africa. Every location is unique and it is required to have brand portfolios which match to the guests needs. SSP operates three different categories of brands. First their own brands like Café Ritazza and Upper Crust, secondly local solutions like Café Alvar A. and Almost@home and thirdly franchise brands like Starbucks and Burger King. SSP has the leading selection of local and international brands and concepts that they use to provide unique and memorable culinary experiences in every location worldwide. (SSP 2013)

SSP Group owns 97,9% and Finnair Oyj 2,1% of SSP Finland Oy. On the year 2011 the turnover was 39,7 milj.€. The average purchase is 9,1€ per person. (SSP Finland Oy 2012b)

SSP Finland's strategy is "to raise the average ticket, customer penetration and frequency of the visits through servification". Mission is Happy People= Blooming Business and the vision is "to be the number one operator of food & beverage brands in travel locations worldwide". The marketing vision of SSP Finland is that their products and service would be the number one reason to come early to the airport to enjoy. The strategy is to influence to the customers' needs before and after the trip as well at the

airport by having new and innovative means of communication. (SSP Finland Oy 2012b)

3.3 Almost@home

The concept of Almost@home lounge is developed by SSP Finland. It is situated in the terminal 2 in the non-Schengen area, after the Tax-free shops, next to the Transfer-service desk 3. The opening hours are everyday at 6.30 – 19.30. The lounge is open for everyone in exchange of an entrance fee of 48€ or 15 200 Finnair Plus points. Stockman card holders get -20% discount of the entrance fee. In addition, members of Priority Pass and Airport Angels as well as the customers of SSP partner airlines have access to the lounge free of charge. SSP Finland has different contracts with different airlines but generally the tier members and business and first class passengers have an access to the lounge.

Almost@home is totally new kind of concept, which is a home like place, where the guests can spend time before and between the flights. Everybody, who wants to take some distance from the hustle and bustle of the airport are welcome to the lounge to relax, calm down or refresh and enjoy amenities and the service. (SSP 2013)



Almost@home lounge provides pleasures for all senses in home-like surroundings. The lounge offers its services for airlines, companies as well as for private travelers. The concept is new kind of lounge which is cozy space for relaxing and working in home-like surroundings. The atmosphere, where the customers feel always welcome, is supported with high quality food and beverages as well as friendly and caring staff. The interior of the lounge is based on Finnish quality products and design and it works also as an innovative selling area, because everything that you can find in the lounge can be bought. (SSP Finland Oy 2012b)

The strategy is to create the next world's best lounge by utilizing the partner networks to create interesting settings for the lounge. The lounge is a market place and a home with changing appearance and interior. Renewing selection of products gives a positive value for money and the customers and partners will benefit of that. The memorable lounge experience is staged with active and friendly service and Finnish gastronomy. The staff is trained by coaching and motivating them to become excellent in service and providing the guests experiences. (SSP Finland Oy 2012b)

Top food offering is freshly baked bread, pulla or croissant and the smell of them. In the morning a breakfast is served, at lunch time salad and soup buffet, and later an evening snack buffet. The top drinks are health waters and juices as well as smoothies and self-made orange juice. Other drinks served are coffee, tea, beer, wine and additionally bought drinks. (SSP Finland Oy 2012b)

The brand promise is maintained by having always in mind passion for passengers, having home like atmosphere and the smell of pulla, providing warm and welcoming interior beginning from the entrance, the staff having smiley and friendly face all the time, providing warm and welcoming personalized service, to leave hurry outside the lounge and by having best partners who are specialized in home interior and appliances. (SSP Finland Oy 2012b)

4 Analysis of the Market

This part will focus on the analysis of the marketing environment, competitors and customers. The conclusion will be SWOT-analysis.

4.1 Marketing Environment

The marketing environment of Almost@home consists of macro- operating and internal environment. The macro environment concludes the general trends that affects to the industry. Operating environment deals with the Helsinki-Vantaa airport and internal environment the lounge itself.

4.1.1 Macro Environment: PEST- analysis

The author decided to use PEST tool to analyze the macro environment because it is clear tool and covers the main aspects of macro environment. It consists of political, economic, socio-cultural and technological forces.

Political

The aviation industry has been changing rapidly in recent years because of liberalization. It stimulates competition, which means that passengers have more choices and prices are lower. This in turn enhances the demand of air travelling. (Boeing, 2013) On global scale liberalization of routes has affected positively airlines, in a way that they can offer routes that meet the demand of customers (Finavia Oyj 2012c, 16).

International and national norms and regulations set the guidelines regarding the safety for all the companies who are working in the industry (Finavia Oyj. 2012c), which affect to Almost@home as well. For example the customers cannot access the area where the lounge is situated without a flight ticket to a non-Schengen country.

Economic

The general state of economic situation has developed but the crisis of the Eurozone and global economic uncertainty affect to the demand of business travelers (Finavia Oyj. 2012c). Despite that economic growth is predicted to be 3,2% on average in the next two decades, which means 5% growth in passenger traffic per annum (Boeing, 2013).

The increasing costs for airlines such as fuel may increase the average ticket prices, which in turn may have an effect on to the amount of passengers travelling.

The economic state of airports is in a bad shape. Every other airport in Europe is making losses, although Helsinki-Vantaa is still operating in profit. The reason behind is that the big airlines can choose the airports to where they fly based on the service rates airports have, which puts pressures on airports to keep the fees low. Therefore, the airports need new sources of income, consequently the trend is to turn airports into shopping, business, wellness or entertainment centers. (Raeste, HS, 2012)

Many people might have some financial problems because at least in Finland the inflation and other factors has been increasing the prices of rents and interest rates as well as basic commodities as food, but the wages haven't grew in the same way which means that people have less money to spend to travelling.

Socio-cultural

The age pyramid in many developed countries has been changing in a way that the amount of young people have been falling in comparison with the amount of people older than 65. That means that in the following years there will be more seniors and the seniors are yet in good shape and they are more active than ever. They even have disposable income, which creates rapidly expanding market segment for the tourism industry. It is predicted that active seniors will be one of four main customer segments that has a huge effect on the airline industry within the next 15 years. (Falconer, 2008)

Internationally the long term travel demand is predicted to rise, because people are getting wealthier and flight ticket prices are falling. Mobility of people and freight is more and more important. The fastest growth of air travelling is in Asia, especially in China and India. (Finavia Oyj 2012c)

The growing amount of low cost airlines and their routes are affecting to the industry more and more because they have the price advantage on short haul flights, which means that full service network carriers are focusing more on long haul traffic. This means as well that the competition in the industry has become more intense and customers expect lower prices. On the other hand consumers have higher expectations and needs. Growing trends are personalization, social responsibility, smoothness and health. The amount of passengers in the Helsinki-Vantaa airport is expected to grow 2-3% every year, which means that in the year 2030 the amount of passengers will be 23 million. (Finavia Oyj 2012c)

Travelling has become a vital part of many peoples' lives and it is not anymore exclusive right to a certain group of people. In addition, globalization, freedom to travel, the growth of low cost airlines as well as growing interest towards the origin of the food and healthy diet are changing the tourism industry and the customers' expectations. (SSP 2013)

Technological

Internet and particularly social media has changed the way how people search information about travelling services. Robert Boyle (2009), the Director of Strategy & Business Units, British Airways, believes that consumer review websites such as Tripadvisor.com and Airlinequality.com have growing impact on how travelers share their experiences and reviews. From the reviews customers get knowledge of the service standards and this knowledge gained affects to their behavior regarding which airlines, airports and lounges they choose to use.

In addition, the new technological solutions have increased the cost-effectiveness in the industry (Finavia Oyj 2012c) and the mobile phone solutions have eased the check-in procedures.

4.1.2 Operating Environment

Almost@home lounge is situated in the Helsinki-Vantaa airport, which is maintained by Finavia. In addition, Finavia maintains 24 other airports in Finland as well as the air navigation system in Finland. Finnish State is the owner of Finavia. Last year 2011, the profits of Finavia Group were 364 million Euros. Finavia has 3000 employees in total. The customers of Finavia are suppliers to the air travel industry as well as air passengers who are using the airports. (Finavia 2012a)

The intention of Finavia is to develop Helsinki-Vantaa airport as a top-class North European transit airport. To achieve this they want to provide “outstanding new passenger services and customer experience”. They see the geographical location as their competitive advantage as it is ideal for traffic between Europe and Asia. Their service promise is For Smooth travelling. (Finavia 2012a)

The total amount of Helsinki-Vantaa passengers in the year 2011 was 14,9 million and the growth in passenger amounts was highest compared to the other North-European transfer airports. 30% of the passengers were transfer passengers. Approximately 11,9 million passengers passed the Terminal 2 in 2011. In one day there are 270 flights departing from the airport and there are together 130 flight destinations available from the Helsinki-Vantaa airport. In addition every day there are 6500 passengers to whom the becoming trip is their first or haven't been in the airport over a year (Finavia Oyj 2012c)

The growth in air travelling in Helsinki-Vantaa has occurred due to the growth in volume for existing airlines in the airport and their new routes as well as new airlines that have started their operations in Finland during the year 2011. For example Finnair started new straight flights to Singapore in May 2011. American Airlines started at Helsinki-Vantaa as a new operator and opened daily departures on summer seasons to

Chicago. Many of the passengers are transfer passengers. Also, Norwegian opened new routes inside Finland and to several destinations to Europe. Flybe started its operations as well in 2011 in Finland and it has mainly national routes. (Finavia Oyj. 2012c)

In the following graph can be seen how the passenger amounts has been developed in the years 2007-2011 and how they vary in high versus low seasons. It is obvious that the passenger amounts are growing and the biggest growth has been from the year 2010 to 2011. June seems to be the busiest month and in January and February the passenger amounts are lowest.

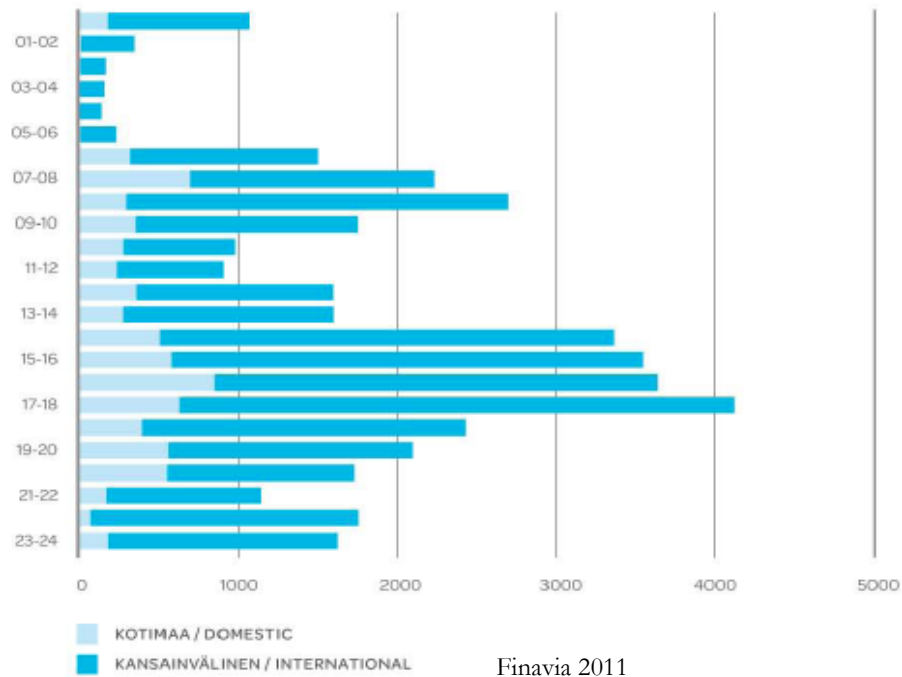


The graph below shows the amount of passengers per hour on average at different times on the day as well as the distribution between domestic and international passengers. The busiest hours are from 7 to 8 in the morning and in the evening between 14 and 18.

The busy rates for Almost@home correlate with the busiest hours at the airport. They vary according to different times of the day, because the departing flights affects to the issue. Peak hours are 6.30-9 and 15-17. In addition, at 23.30 departures the flights to

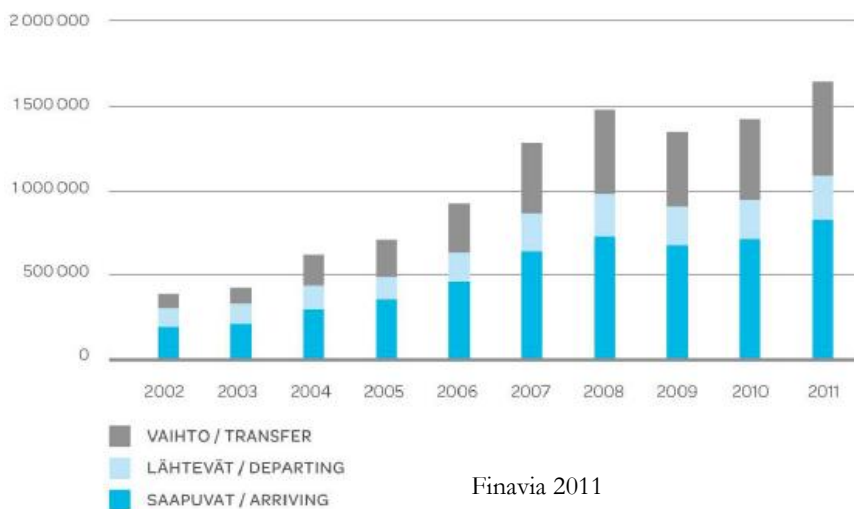
Thailand and some flights around 2 as well, which bring customers to Almost@home.
 (Rautapalo 19.9. 2012)

AVERAGE NUMBER OF PASSENGERS PER HOUR AT HELSINKI AIRPORT 2011



The traffic to Asia has been growing in the recent years. The graph below shows the amount of transfer, departing and arriving customers. The distribution between them has been quite steady.

PASSENGER TRAFFIC DEVELOPMENT TO ASIA AT HELSINKI AIRPORT 2002-2011



4.1.3 Main Partners

The biggest customer group for Almost@home is The Finnair Plus Platinum, Gold and Silver members as well as Business Class passengers which makes Finnair the most important partner for Almost@home, though Finnair's lounges are also competitors for Almost@home. Finnair is part of the oneworld alliance and therefore oneworld frequent flyers with tier status Emerald or Sapphire or First or Business Class passengers flying on any oneworld member airline have an access on to the Almost@home lounge as well.

Finnair is focusing on the transit flights between Europe and Asia and they are relying on the growing Asian market. Finnish state owns 55,8 percentages of Finnair Oyj and the rest is owned by public organizations, financial institutions, companies and households. The target customers are business, leisure and cargo customers in Northern Europe as well as Asian market. Finnair has over 70 destinations in Finland, Europe, Asia and North-America. Finnair is a network carrier focusing on the core business and uses hub & spoke system. (Finnair Oyj 2013a)

Priority pass card holders are the second important customer group for Almost@home. Priority Pass is an independent airport lounge access program. The members have access to over 600 airport lounges around the world. They have three tiers for membership and the annual fees range from 99€ to 399€. The travelers can search lounges for example on Priority Pass web pages for a specific airport. At Helsinki-Vantaa Priority Pass members can choose from Finnair Lounge, Lounge 2, Almost@home and Aspire Lounge by Servisair. To conclude Priority Pass brings customer to Almost@home but on the other hand they can choose one of the three other lounges as well.

4.2 Competition Analysis

This competition analysis will focus on the most relevant areas and activities available for the passengers while they are waiting their flight in the terminal 2.

4.2.1 Other Lounges

The newest lounge at the Helsinki-Vantaa airport is the Aspire lounge by Servisair. The Aspire brand is created in the beginning of 2012 first at Gatwick North airport. Now there are Aspire lounges as well in Luton, Liverpool and Birmingham. The prices starts from 35€ and showers can be used with additional fee of 10€. They have free WIFI and charging possibilities and off course some snacks, light meals, wine, beers, spirits and soft drinks. The lounge is designed with co-operation with Gullsten and Inkinen. (Servisair 2012)

The lounge is targeted for both business and leisure travelers and it is open for all travelers, non-Schengen and Schengen passengers. The seating capacity is 118 and it is situated in Terminal 2 airside. The interior is fresh and modern. The places of the lounge can be pre-booked easily from the Internet and children are allowed as well. (Servisair 2013)

Finnair's Plus Platinum-, Gold- and Silver-members, and other oneworld tier level members as well as business class passengers have the possibility to choose from 4 lounges at Helsinki-Vantaa airport, in non-Schengen area Finnair lounge and Almost@home lounge and in Schengen area Finnair Lounge and Lounge 2. (Finnair Oyj 2013b)

Finnair lounge in non-Schengen area is selected as a lounge of the year 2012 by Priority Pass members. The lounge is co-operated with SSP Finland. It can be accessed as well by SSP Finland contract members and other passengers for 48€ fee. "Elegant Finnair Lounge facilities offer six private shower suites, a wide-ranging buffet, Via Bar and various relaxation amenities equipped with top-quality Samsung LED televisions. Work facilities include a free WLAN network, work spaces with Apple iMAC computers and Finnish Powerkiss desks with wireless charging for mobile phones, and as multi-use facilities." (SSP Finland Oy 2012a) Finnair Spa & Saunas is situated in the vicinity of the lounge.

The Schengen area Lounge 2 is mostly for contract customers and airlines. A single visit price is 48€ or 15200 Finnair Plus points. Drinks and snacks are offered and there are copy and fax service as well as mobile charging opportunity. (SSP Finland Oy 2012a) It is for Schengen flights only.

The offerings of Finnair lounge in the Schengen area are some salad and soup and variety of drinks. Access is with Gold or Platinum Card or 18000 Finnair Plus Points. (Pallontallaajat 2012) The Lounge is spacious and bright and there are Finnair Blue workstations (MAC computers) as well. (Walton 2012)

The Aspire lounge can be seen as the biggest competitor for Almost@home because it is new; quite many passengers might want to try it out and because the entrance fee is lower and the places can be pre-booked. According to Rautapalo, A (19.9.12) their servings are not as good as Almost@home's. One minus is as well that shower is not included to the price. Though SSP Finland is co-operating with the Finnair Lounge it is also a serious competitor for Almost@home especially concerning the oneworld frequent flyer card holders. On the other hand the style of the lounge is totally different and the atmosphere is finer. Two other lounges by Finnair in the Schengen area are not seen strong competitors for Almost@home by the author.

4.2.2 Cafés, Bars and Restaurants

Many people, who do not use lounges, spend time in some of the many cafes, bars and restaurants of Helsinki-Vantaa. Many places offer possibility to pick take away meals for the flight. Most of the cafes and bars are open from dusk till dawn and some actually around the clock. The restaurants open their doors around lunch time. (Finavia Oyj 2013)

The cafes, bars and restaurants are competitors for Almost@home, because they are alternatives for passengers to wait their flight in a nice atmosphere and get some food and refreshment on the side. Especially passengers who are not frequent flyer card holders or first class passenger and do not have automatically access to a lounge usually

prefer cafés, bars and restaurants because there they do not have to pay so much than an entrance to a lounge.

4.2.3 Other Things to Do

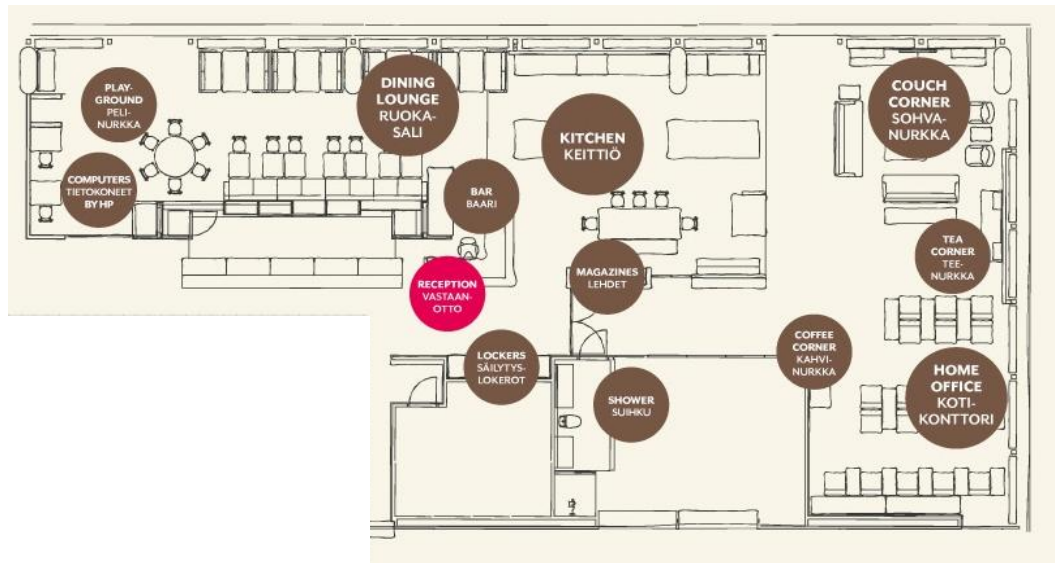
Duty Free and other shops at the airport offer activity for passengers and many passengers spend time by shopping or window shopping before their flight. Some passengers may choose to enjoy the view of the apron in the panorama lounge or to take a look at the art gallery or visit the book swap point or just sit at the waiting areas. The thing that connects all of these is that the customer does not necessary have to pay anything of these. Maybe the people who want to select some of these, does not really know how comfortable the lounges are or they do not know that it is possible for them to access a lounge or that they do not want to spend money on lounges or that they do not have so much time before the flight.

4.3 Internal Analysis

After completing the observation in the Almost@home lounge on 17.12.12 the author can assess the lounge from an objective point of view. The lounge is comfortable and the theme is brilliant, because it is pleasant to escape the fuss of the airport to a home kind of atmosphere. The concept is also unique, because there is no such kind of concept anywhere in the world.

Next to the entrance of the lounge there are two Artek chairs which should be telling the guests that they are about to enter into a lounge, but the message does not really show. The desk where to sign in is in a way around the corner, which means that it is a bit hard to notice if you are just passing by. In the passing way wall there is written in a brown background Almost@home lounge and the client airlines. The desk and the entrance are not home like. The kitchen is right next to the entrance, and therefore the first thing that you see is the food which is good. But there was not any smell of pulla or anything else. There were salad, sweet potato soup, flavored waters, beer, wines, tea and coffee on the menu. The guests can also buy other alcohol drinks but some of them are free of charge for Finnair's customers. The living room is on the right hand

side and more seats as well. On the left hand side there are tables where to sit and at the end of the hall kids' corner and two computers.



Just one person was in the lounge around 14 o'clock but after 15 many people came and closer to 16 there were quite many people. Most of them were between ages 40-55. Many of them looked like business men but there were leisure travelers and a few families with children as well. Children did not make any noise and they did not distract other guests at all. The guests looked relaxed and they enjoyed the lounge. Some were lying on the sofa; some were engaged into conversations with other guests; some were sitting behind their laptops. Roughly half of the guests have been in the lounge before and usually there are just one or two guests in a day who walk in and pay the entrance fee (Siitari, H. 17.12.12).

The atmosphere of the lounge was relaxed but tidy and clean. The staff was polite and helpful but does not act in a special way regarding the theme. When someone of the guests was a bit lost, there was someone helping them. They also told about the amenities about the lounge for the guests. A surprise was that Almost@home does not have any kind of register of their clients and the contact information is not asked, not even in the feedback form. The disappointment was that the entrance is not welcoming and home like and there was no music and no smells.

There are no signs or advertisements at the airport except the poster type wall at the entrance of the lounge. Finavia has been restricting the advertisements at the airport. SSP Finland has tried to get permission for a sandwich board but they haven't got it. The best way to promote the lounge would be, however, to let people know about it already before their trip.

Rautapalo, A. (19.9.12) thinks that the strength of the lounge is that the concept is unique because there is not same kind of lounge in anywhere else. She said that the food served has also good quality and there is more than in the lounges in general. She highlighted that they use locally produced food, want to be like at home and serve fresh and healthy food. The staff is also committed, helpful and wants to be good in the customer service. She said that one weakness is that the lounge is hard to find and there should be some signs or brochures in the airport that people would find it more easily.

The author sees that the capacity of lounge is quite limited because it can be quite crowded at the peak times. Some passengers are really looking for quietness from the lounges and might prejudice the lounge because children are allowed and they have a kids' corner as well. On the other hand, it is nice that families can also go to a lounge with their children.

4.3.1 Product life Cycle

Almost@home lounge has been set up in November 2011 and the marketing plan that the author will do is for the years 2014-2015. At the time of writing the product has been introduced and it is creating the awareness among the public and building the brand image and there is not yet a competitor with same kind of concept anywhere. The author expects that during the years 2014 and 2015 the lounge is in the early growth phase but there will most probably be more competitors. New market segments should be targeted in addition to the early adopters of the lounge. Also, some new options or features should be offered to them in order to ensure to make them loyal customers. Challenge will be how to please all the targeted segments. There should also be extended promotion and channels how to reach the new customers and

offers in order to get more customers to try out the lounge but as well to continue personal selling to the airlines and travel agencies who will in turn promote the lounge to their customers. To conclude, focus in the early growth phase should be in delivering the brand promise and plan new ways for distribution and promotion and to increase the amount of retentive customers and positive word of mouth as well as target new segments.

4.4 Customer Analysis

60% of passengers at Helsinki-Vantaa are leisure travelers and the rest are travelling in business purposes. Finavia has identified four types of air travelers in their survey; The fast and efficient flyer (38%), who is business traveler and values comfort and efficiency; the enjoyment seeker (31%), who likes spending time at the airport and values shopping and new experiences; the safety seeker (13%) who flies with family and values clear signage and familiarity and the habitual traveler (18%), who do not want to spend long time at the airport and values speed and short queues. (Finavia 2012b)

On average the passengers spend two hours at the airport before departure. 75% of the passengers use at least some services at the airport. Every day 8840 people go to a café, 8200 buy some things at the shop, 2700 eat in a restaurant, 1600 go to a bar and 1200 spend time in a lounge. (Finavia 2012b)

SSP Finland has conducted a consumer insights study and according to it the physical environment and experience is as important as the food served as well as the service. 33% of the consumers would pay more for a better experience, 50% are seeking atmosphere and 30% want an escape or lounge experience. They also found out that demographics do not really affect to the behavior of the passengers, but the time that the customers have after the security control and before their flight affects the most. The service provider is the second important factor.

The key drivers for the air travelers are that firstly they tend to prioritize food and beverages at the airport and secondly they need sufficient information of the journey, because they experience stress when they travel, which is connected to lack of infor-

mation. Thirdly, safe physical and emotional environment is an important need for travelers. And lastly, the service providers guide the passengers in their choices. (Bull 2012)

The customer segments at the moment for Almost@home are travel agencies, priority pass members, private persons (walk-in, guests and friends and transit-customers) and contract airlines. Everybody is welcome to the lounge and customers can be divided into private travelers and business travelers. Sometimes it is hard to have different kind of customers e.g. business travelers and children but the staff takes care of the problems if they occur. (Rautapalo, A 19.9.2012)

The client list of Almost@home includes the following partners:

- Aeroflot
- Air China
- Air France
- Airport Angels
- Airpro (by invitation)
- Aurinkomatkat (by invitation)
- British Airways
- Bulgaria Air
- Finnair
- KLM
- Mr. Travel (by invitation)
- Priority Pass
- Rossiya Airlines
- SMT (TraWell Club carholder)
- Ukraine Airlines

By invitation means that the clients can give invitations to their customers and then Almost@home charges from them. Basically the charging system goes same way with other clients as well. Contracts with the airlines vary according to the volumes they bring to the lounge but generally passengers flying in business or first class and passengers with tier class frequent flier card have free of charge access to the lounge. Guests with Priority Pass are second biggest customer group after Finnair's passengers (Laakso, J. 27.9.12).

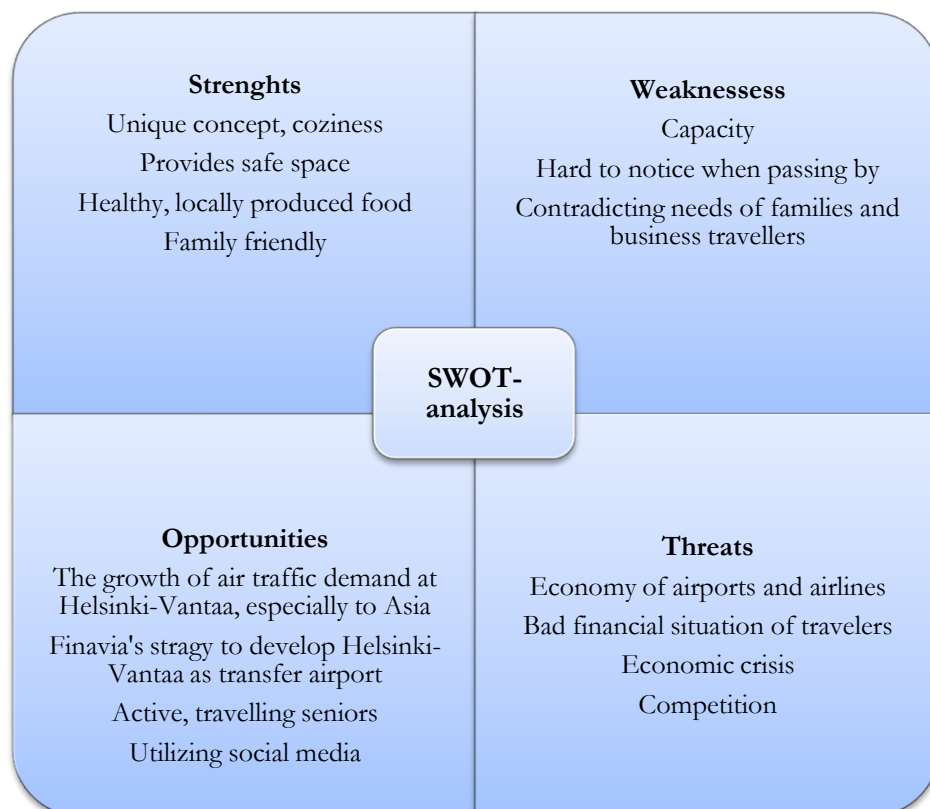
To conclude the passengers at Helsinki Vantaa can be divided into segments firstly by the most relevant factor concerning Almost@home, which is whether they are flying

to Schengen or non-Schengen country. The sub categories are short haul, long haul, scheduled and charter as well as business and leisure travelers. The behavioral factors are how much time they have at the airport, how much money they spend as well as the key needs and values that they have when travelling.

In the case of Almost@home the worthy customers would be the ones who are traveling to a non-Schengen country in a business or leisure purposes, has money and time to be used at the airport, and values quality food, safe space and reassurance, for example like the enjoyment seekers and safety seekers in Finavia's survey.

4.5 Summary

The SWOT-analysis includes the most important outcomes of the analysis of market of Almost@home. The strengths and weaknesses are the internal resources and limitations and opportunities and threats are external conditions of the industry that affects to the business. The marketing strategy will be built around the strengths and opportunities and weaknesses will be developed and threats tried to be minimized.



5 Marketing Strategies

In this part the strategies for the marketing of Almost@home lounge will be presented.

5.1 Segmentation

Firstly the clients of Almost@home can be divided into travelers and airlines, travel agencies and other partners. In the marketing plan, however, the passengers are seen as the customers and the airlines, travel agencies and other partners are channels how to reach them. When focusing on the travelers, the ideal customers for Almost@home would be the ones, who are quality conscious and ready to spend money for experiences, and who tend to come early to the airport before their flight and who like to spend time there. Like mentioned in the thesis report, the international and charter customers spend most time in the airport and long haul passengers spent more money in the airport than short haul passengers.

Therefore, the target segments for Almost@home will be:

- Business travelers searching comfort in travelling and who need space for working possibilities. Male, from 35-55 years old, who has to fly regularly because of their work. Does not usually pay their flights themselves. Wants a possibility to relax before long flight or wants to prepare for a meeting.
- Families, couples and active seniors (+55), who need safety and guidance and are interested in quality products and food. Are ready to spend money to get valuable experiences. Comes early to the airport, because needs reassurance. Travelling because going for a holiday or visiting friends or family.
- Airport enjoyers, who value new experiences at the airport and like spending time and money there. Interested in adding comfort to the travelling. Flies at least six times in a year. Eager to find information about the airports, airlines and their travel destinations before their journey. Females and males, from 25 to 45 years old.
- International transfer passengers, especially travelling to and from Asia, who has at least two hours time between their flights. Can be either business or leisure travelers.

5.2 Positioning

The positioning helps to define how the targeted customers perceive the lounge compared to the competitors. Aspire positions itself as stylish, elegant and modern lounge. Finnair lounges bring the perception of quality, fine place and working space for business travelers. Almost@home, on the other hand, is positioned as comfort, cozy, escape, safe space and a place where everybody are welcome. The lounge is breaking the traditional image that lounges are just meant for the first or business class passengers, where regular passengers would just feel awkward.

By differentiating itself from the other lounges Almost@home will provide sensory and cognitive stimulation for customers and potential customers that the perception of the lounge is as desired. The aim is that the guests will be engaged to the home like environment that they can relax as well as possible.

5.3 Marketing Strategy

The marketing strategy is based on differentiation; the unique concept among the lounges, which illustrates Finnish home. The aim is to develop the market segments and to target several passenger groups and to obtain new customers. As a result, the market share rises. The new cornerstone is the customer experience.

According to the six design principles for staging and marketing experiences by Pine & Gilmore (presented on page 22 of thesis report), first the marketing of Almost@home is done by and through the theme of Finnish home. Secondly, elements like locally produced food and Artek's second cycle furniture are supporting the theme. Thirdly, all the elements that are diminishing, contradicting or distracting the theme are eliminated. The fourth principle refers to the fact that people want to buy some items that will be a memory of the experience, and therefore Almost@home products are created and sold in the lounge. Fifth principle advises to engage all five senses which in turn make the experience more memorable. Lastly, effective feedback system is applied.

The core product itself will not be changed but some features will be added. The nature and the main characteristics will be emphasized more in all the marketing communications. The brand personality and the theme will be visible and cohesive in all the encounters with the customer.

New marketing channels will be tried and promoting through partners will be emphasized. New pricing strategies for the quiet times will be incorporated. New promotion channels will be used as well to obtain new customers. In addition, the customer loyalty and positive word of mouth will be fostered.

The marketing objectives will be attained by harnessing the theories of experience marketing. The connections with customers are supposed to be direct and two-way and engage customers in a personal way. The purpose is to affect to their feelings and emotions, senses, thinking, behavior and relating to the brand. The marketing is based on Schmitt's theory presented on the page 24 of the thesis report. In order to affect to the perceptions of the travelers, the following experiences are created:

SENSE: Offer stimuli for all the senses. Play calming music, generate smells that remind of home, offer esthetic pictures and interior design, provide touch elements such as the design furniture, and serve healthy, tasty food.

FEEL: Generate feelings as joy, warmth, comfort and safe like home and pleasure as well as releasing travel stress. And to make people feel welcome and that the staff cares about them.

THINK: Make people think how the lounge solves the problems occurring when being at the airport (stress, unable to shower, no one to ask for advice when lost, no space) and compare to the benefits of quality, locally produced food, art, the safe space.

ACT: Make people to choose rather to fly with style and comfort, have physical space for working and escape the hurry of airport.

RELATE: Provide concept to which users others want to relate to. Make them want to relate to frequent flyers and flying culture, travelers who have no stress and to the enjoyers.

The objective is to provide emotional and functional value to the customers that they feel satisfied to the lounge and as a result become loyal customers and spread positive word of mouth. The loyalty is supported by structural and social relationships with the customers.

The marketing strategy can be divided into three stages, pre-purchase, the experience itself and post purchase. The summary of the theory behind can be seen on page 26 in the thesis report.

Pre-Purchase: The marketers have to create images and perceptions about the lounge for the potential customers already before the intended journey. By affecting to the emotional and rational side, the potential customers are engaged to the brand and they feel belonging towards it. However, the differences between the segments regarding the previous experiences and attitudes have to be taken account. Sufficient amount of information should also be provided that they are able to make the buying decision. The first contact with the brand should give the sense of welcome. The marketing channels will be internet, partner networks, direct contacts and the lounge environment itself.

The experience: The aim is that the lounge provides pleasurable experiences for the guests. All the senses including sight, smell, hearing, touch and taste will be engaged. The guest will be immersed to the lounge by providing contrast to the airport environment and by the esthetic interior and they can choose whether they participate passively or actively to the entertainment (e.g. game consoles) and education (e.g. magazines) available in the lounge.

The service quality including the cleanliness, attentive and caring staff, food and interior has to be maintained high in order to please the demanding customers. The value, provided for the guests, consists of the emotional value; meaning the positive feelings and thoughts arising, as well as of functional value; consisting of service quality. The values provided make guests satisfied and when they are satisfied, they will buy more add-on products as well. But these have to be recommended to them actively.

Post Purchase: When it is time to leave from the lounge there is the last chance to create positive last impressions and enhance the overall experience for the guests. First of all, the staff should thank the guests and wish them welcome again. There should also be some memorabilia available; because it is important for some of the guests to buy something which will remind them of their positive experience and it is beneficial for the provider as well concerning that the guests will remember better the lounge and add on revenues rises. In addition, an effective feedback system should be applied. The contact information gathered will then be used for promotion purposes after the guests have left.

6 Marketing Programs

The following tactical marketing tools will be used in order to execute the marketing strategies: communications, visual and verbal identity and signage, product presence, co-branding, electronic media, and people. In this chapter these tools will be presented separately. Every action includes also specific targets that the controlling of the implementation of the plan would be easier.

6.1 Communications

6.1.1 Advertising

Advertising at the airport will be enhanced. More signs about the lounge are needed at the airport. The signs could be as simple that they would show the logo of the lounge, entrance free of charge for partner customers, the walk in price for others and the location of the lounge.

Target: To get five signs approved by Finavia and placed before May 2014.

The wall outside the lounge, where the client list is, is not been used for its full potential. Many customers could decide to come to the lounge when they are passing by. The client list is usable, but the brown wall does not affect much to the perceptions of the by-passers. Therefore a picture targeted for all the customer groups is needed. When the potential customers are looking at the picture, they see an esthetic view to the lounge, they feel that they are welcome to the lounge, feel curiosity of what is inside and feel that they want to relate to the lounge users. The first text that people would see is that the lounge is open for everyone. The walk-in price should be visible as well. In order, that the by passers would get better perception of the lounge and that they would know that they will get with the price, a brochure would be available there as well.

Target: Planning ready in March 2014. The new wall picture in place in June 2014.

It would be beneficial, if it would be possible to send email to the customers who have bought a flight from Helsinki-Vantaa airport. This could be carried out with the part-

ner airlines. They would benefit about it in a way that their customers become happier when the airline has recommended something valuable for them. The message could be sent for example a week before the intended journey and it could be like “Your journey is about to begin and we would like to recommend for you the possibility to start your journey by relaxing in the Almost@home lounge and leave the hurry and travel stress behind. Check more information at the site

[http://www.sspfinland.fi/fi/ravintolat-kahvilat-ja-lounges/terminaali-](http://www.sspfinland.fi/fi/ravintolat-kahvilat-ja-lounges/terminaali-2/lounges/almost-home-lounge/)

[2/lounges/almost-home-lounge/](http://www.sspfinland.fi/fi/ravintolat-kahvilat-ja-lounges/terminaali-2/lounges/almost-home-lounge/)” The target groups are couples, seniors, families, airport enjoyers and transfer passengers.

Target: Start negotiations with partner airlines in August 2014. Start sending the messages in November 2014.

The advertising will happen in the Internet as well. The pages where information will be added are: facebook, youtube, Helsinki-Vantaa, tripadvisor and SSP Finland. Detailed plan is found under the headline electronic media.

6.1.2 Brochure

Brochure including pictures and basic information as well as client comments of the lounge will be created. People are more willing to come to the lounge if they see that others have left positive comments about it. It can be distributed for the partners and clients and it can be available in the lounge, outside the lounge, next to the client list wall and near the check in kiosks. The brochure makes the readers think the benefits of choosing to go to the lounge next time when they travel and it makes them want to add some comfort to their travelling while they want to feel same way than the customers, who has left the comments. The targeted passengers are couples, families and seniors and airport enjoyers.

Target: Planning ready in March 2014. The brochure available to distribute in June 2014.

6.1.3 Feedback System and Client Register

The feedback system and client register will ease the communication with customers and strengthen the relationship with them. It is targeted for all the people, who visit the lounge.

Targets:

1. The feedback form will be renewed in a way that the guests can add their contact information (Name, phone number, and email address).
2. The contact information, purpose of the journey, gender, age and nationality will be recorded to a client register.
3. Get 30 persons to fill the feedback form in a day, of which 10 leave their contact information.
4. The feedback will be recorded as well and it will be used for controlling the quality of the lounge and to develop its services.
5. Targeted news and offers will be sent to the guests who have left their contact information.

6.1.4 Communication with Partners

The co-operation with the existing partners will be enhanced by building relationships with them. The elements of good relationship are mutual trust and honesty. The relationship should be also beneficial for both partners. The targets to maintain the relationships are the following:

1. Create a contact database in January 2014
2. Store everything which has been discussed with the contacts immediately
3. Listen and try to understand their business and expectations for the relationship
4. Remember to thank the partners and send some gifts relating to Almost@home once in a while, e.g. vouchers to visit the lounge, memorabilia products
5. Maintain the relationships by contacting regularly and arrange face-to-face meetings.
6. Have a personal touch to the communication and act according to the brand

6.2 Visual and Verbal Identity and Signage

6.2.1 Brand Name and Logo



The brand name is Almost@home and it includes a message that when you come to the lounge, you can feel as relaxed as at home. It makes the customers think that this lounge must be different than the other lounges. The logo can be seen on the left side. The brown color gives a feeling of warmth, peace and safety, which are the attributes for the lounge as well. It can mean approachability, stability and honesty. However, some people might connect brown with dirt or it can give a dull, stale or sad impression as well. The author would recommend that the logo could be remodeled lightly. Finnish design is visible in the lounge; therefore it could be used in the logo as well. The logo could be more fresh, inviting and modern.

Target: Let some people who do not know the lounge to evaluate the logo and start actions if answers are not as desired. Start the process in September 2014.

6.2.2 Signage

1. Set the main message to be delivered which differentiates from the competitors (unique selling proposition)
2. Communicate the brand message clearly
3. Be consistent in all the verbal and non-verbal communications
4. Use the logo in the brochure, feedback form and memorabilia products

6.3 Product Presence

6.3.1 Product Design and Display

The lounge is designed to remind of Finnish home. The designer furniture of Artek is used in the design. The concept includes that everything in the lounge can be bought as well. The interior itself would not be changed but the entrance of the lounge will be changed to match better the brand and the theme. There could be a door and a door-

bell like in every home. The doorbell sends a ring for the staff and they can go to open the door and welcome the guest to home. Next to the entrance there could be slippers available for the guests. This would make the guests to feel straight from beginning that they are about to enter to a home.

Target: Plan the changes for the entrance in December 2014. Execution ready in March 2015.

All the senses will be engaged in the lounge. Calming music on a low volume will be played to create a pleasurable soundscape. The smells that remind of home should be present all the time but not too strong that it does not disturb the guests. The cleanliness and quality of the interior gives esthetic experience. The touch sense will be stimulated by the furniture and electronic devices available. Then the guests can taste the healthy and tasty food served.

Target: Pay attention to the sense stimulation on daily basis.

6.3.2 Brand Characters

The brand personality will not be changed but some of the aspects will be highlighted more. The brand promise will include building two way relationship with the customers, having home like memorable experience engaging all the senses, providing warm and welcoming interior beginning from the entrance, the staff having smiley and friendly face all the time, providing personalized, theme fitting service, to leave to hurry outside the lounge and by having the most suitable partners.

6.4 Co-branding

6.4.1 Alliances and Partnerships

Travel agencies are a great way to reach the families and seniors, who would not know about the lounge otherwise. The partnerships with Mr. Travel, Aurinkomatkat and SMT will be continued and the new partner travel agencies will be Kaleva Travel and Uniquetour. Entrance coupons could be sold to them with a discount and then they could offer these to their customers. The target people would be the ones who are

ready to pay for quality. Kaleva Travel has the Luxury Collection and Uniquetour is concentrated on the luxurious travel packages, and therefore the lounge offering would suit for their packages and for their customers, for example for couples going for a honeymoon.

Target: Start negotiations with Kaleva Travel and Uniquetour in January 2015. Try to sell 50 coupons to them every month.

Almost@home will develop co-branding with Iittala. Iittala could design some products especially for Almost@home, provided with brand logo, colors, design etc., and then these could be sold as memorabilia in the lounge. Target group is transfer passengers and leisure travelers.

Target: Start negotiations in November 2014. Get the products to the lounge in February 2015. Sell 10 products every day.

Another memorabilia product could be a necklace with a certain smell. Kaipaus Finland Oy (<http://www.kaipaus.com>) has developed a technology that enables to add some essential oil into the piece of jewelry and it stays in it even several months. The brand smell of Almost@home is pulla, thus cardamom essential oil would suit perfectly into the jewelry that is sold as a memorabilia of the lounge.

Target: Start negotiations in November 2014. Get the products to the lounge in February 2015. Sell 10 products every day.

A new partnership will be established with the first design hotel in Helsinki, Klaus K. The design of the hotel is based on Kalevala. A partnership with them could include that the hotel guests would get a coupon to the lounge and in exchange Klaus K could bring some promotional elements to the lounge.

Target: Start negotiations in February 2015. Try to get additional 50 guests in a month.

The other partnerships with Airlines, Stockman, Priority Pass and Airport Angles will be continued and fostered as well.

Target: Increase the amount of guests coming through these partners by 15% by the end of 2015.

6.5 Electronic Media

6.5.1 Experiences on Websites

A video, in which the Almost@home lounge would be introduced, will be uploaded to Youtube. The video should be found from Google with words Helsinki airport lounge. The length of the video could be about 2 min and it could display the location, premises, the food served, shower and smiling, welcoming staff members. The video generates feelings of warmth, joy and peace and it should be inviting. The target groups are business travelers, airport enjoyers and transfer passengers.

Target: Make the video in January 2014. Publish it in the beginning of February and get 200 views in February. Increase the views by 25% every month. At the end of 2015 there will be 27200 views.

On the Helsinki-Vantaa airport web pages (www.helsinki-vantaa.fi) the only place where Almost@home is mentioned when you click first from the bottom of the page Helsinki Airport in brief and then go to contacts, then services, and the lounges. And what you can find from there is a phone number, opening hour and location. Firstly here will be added an appealing text about the lounge, which makes the viewers to think that they would like to fly with style and comfort and act on it. Secondly, here an own panorama (www.helsinki-vantaa.fi/more-information/maps-and-images/360-panoramas) of the Almost@home will be added. The target groups are airport enjoyers, business travelers and transfer passengers.

Target: Ready in July 2014.

SSP Finland web pages: The text about Almost@home on the web pages will not be changed, but a virtual tour will be added. The same panorama pictures that on Helsinki-Vantaa pages but music will be added as well in order to engage senses. It would be great as well if the places to the lounge could be pre-booked and paid for the quiet times in a bit cheaper price. For example between 11-14, when there are usually few people in the lounge, the entrance tickets could be sold in the internet for that time at the price of 40€. The target groups are airport enjoyers and transfer passengers.

Target: Ready in 2014 November.

6.5.2 Internet as a Way of Communication

A Facebook page will be created for Almost@home. It will provide a two-way communication channel for the customers and increase the awareness about the lounge. The lounge staff can create content there when there are no customers in the lounge. The posts can vary from the new pieces of art in the lounge to small competitions among the fans or comments to activate the fans or sharing of partner news (e.g. come to taste new Lipton Tea to the lounge) and other things happening in the lounge. The page will activate people to relate to other lounge users.

Targets:

1. Set up a Facebook page in February 2015
2. Add pictures and videos about the lounge
3. Get fans for example with help of a competition (40 fans more every month)
4. Encourage the fans to be active on the page
5. Share content approximately once in a week

Popular travel blogs are efficient channel to market Almost@home lounge. More and more people are reading and writing blogs nowadays. Invitations to the lounge could be sent to international bloggers and then they would write about the lounge to their blog. The downside is that it cannot be controlled what the bloggers will write about the lounge.

Target: Get 1 new blog post about the lounge every second month.

Tripadvisor is a common tool for travelers to find reviews for example about hotels and tourists sites. Many travelers want to know what the others think about a lounge before going there. By using the site, more people get to know about Almost@home and positive reviews encourage guests to visit the lounge. The aim is to get people to think that Almost@home is great place to visit. This marketing tool is eligible for all the target groups.

These are the targets how to make use of TripAdvisor:

1. Register with TripAdvisor Management center in April 2014.
2. Share information about Almost@home
3. Upload photos and videos about the lounge
4. Encourage guests to review the lounge on TripAdvisor orally in the lounge, at SSP Finland's web pages and in the feedback form. (give small gifts for the ones)
5. Try to get 10 new reviews every month
5. Monitor the feedback you get and respond to them once in a week
6. Check more tips at <http://tripadvisor4biz.wordpress.com/videos/#Howtomarket>

6.6 People

6.6.1 Salespeople and Company Representatives

In all of the communications with partners or clients the brand characters should be emphasized. The key words are: open for everyone, cozy, relaxed, quality conscious and uniqueness. The salespeople and company representatives should focus also to the relationship building with partners, clients and lounge users.

Target: Make one totally new contact every month and tell him/her about the lounge.

6.6.2 Customer Service Providers

The staff in the lounge should put themselves into a role of a hostess. In practice they could say first when the guests come that "Welcome home!". This makes them feel that they would actually be going to a home and they would feel relaxed. The staff should make the guests feel welcome by smiling and being helpful proactively. When a guest is about to leave the staff should thank them for visiting and say "Welcome again!". In this phase it would be good to remind them to give feedback via the feedback form and TripAdvisor.

Target: Remember the role in every encounter with the customer

The staff should try to provide personal service for the guests by identifying the needs of different customer groups and then offer services accordingly. The guest register where all of the information and preferences of the guests would be written down would help in this. For example, when someone comes to the lounge first time and he wants to borrow woolen socks. Then, the next time when he comes the staff can ask him, “Would you like to have the woolen socks like last time?”. He would be positively surprised that the staff remembered him and the relationship starts to build.

Target: Read the comments in the client register every time when a guest comes in and act accordingly and write down all the wishes. The comments of the guests can be used to develop the lounge services as well.

7 Evaluation of Risks

The different kind of risks for the implementation of the marketing plan will be evaluated in the following table. The table includes also the preventive actions and risk response plan meaning what to do if the risk happens and what is the alternative plan.

Scale for likelihood: 1 = Very low 2= Low, 3 = Median, 4 = High 5 = Very high

Scale for impact: 1= insignificant, 2= minor, 3= major, 4= severe 5= fatal

Scale for detection difficulty 1= really easy, 2= easy, 3= median, 4 = hard, 5= really hard

Assessment of the Risks						How to response?	
Nature of risk	Likelihood	Impact	How affects	Detection difficulty	Prevention actions	Response	Contingency plan
General risks for the implementation of the plan							
The plan is not realistic or suitable for Almost@home	4	5	The plan cannot be executed	4	Make careful background research	Try to alter some parts in the plan	Make a new plan
Not enough effort put into the execution, no controlling and maintaining	3	4	The marketing will not be as effective as planned	4	Plan who is responsibility is to execute which parts	Complete and maintain the started actions	Make a controlling plan
Too big changes for the brand	4	3	The brand might not be as safe and familiar	4	Assess what existing customers might think about the changes	Make some modifications to the changes	Keep the changes and trust that new customer will prefer it
Financial risks							
Not enough allocated money for marketing in the budget of 2014-2015	4	3	Not all the planned activities can be executed	2	Make the budget for the lounge carefully, not forgetting how important marketing is for the business	Try to cut costs from somewhere else	Execute the activities that does not require anything else than personnel expenses
Unforeseen costs	4	4	Affects the amount of profits	3	Careful planning of the costs	Try to cut costs from somewhere else	Usage of cheaper alternatives

Nature of risk	Likelihood	Impact	How affects	Detection difficulty	Prevention actions	Response	Contingency plan
General decline in the travel industry	4	5	Fewer people are travelling	3	Following regularly the changes in the industry	Enhance the relationships with existing customers	Offering alternative products to which the decline does not affect
The money spent for marketing does not pay itself back	2	3	The profits does not rise	4	Effective marketing	Enhancing the strategy	Coming up with new ways to sell and market the lounge
The budget does not work in reality	4	4	The money needs to be allocated again	3	Careful when planning the budget	New budget with accurate rates	Alternative budgets
Legal risks							
New laws restricting the business	4	3	Depends of the law	1	Following possible future changes in legislation	Comply with new laws	Complain about new laws
Mistake in partner contract	2	4	Requires extra time and effort, possibility to financial losses	4	Checking the contracts carefully with own layers and limiting liability in contracts	Try to solve the problem with the other party, prepare to trial	Make a new contract
Staff management							
The communication of the plan fails	4	4	All the staff members are not aware about the new marketing strategy	2	Decide how the plan will be communicated	Solve why the communication failed	Try other ways to communicate

Nature of risk	Likelihood	Impact	How affects	Detection difficulty	Prevention actions	Response	Contingency plan
Conflicting opinions with the author of the plan and the management	3	5	The plan will not be executed	1	Find out what the management thinks about the plan before publishing the final version	Try to solve how to find solutions suitable for the management	A new marketing plan will be done for Almost@home
Changing conditions							
The preferences of clients changes	3	5	Not so many guests coming	3	Maintain good relations to customers and follow the trends in the industry	Try to alter the product to match to the trends	Renew the whole concept
Competition changes	4	5	Business suffers if clients will choose rather a competitor's service	4	Effective marketing, brand and relationship building	Have to come up with new ways to improve competitive advantages	New strategy
Competitors will enter with same kind of marketing strategy	2	3	The marketing activities are not that unique anymore for a lounge	4	Not to have the marketing plan available for everybody	Try to invest even more to the execution of the plan	Plan alternative ways to market

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