

# **MARKETING PLAN FOR TRAVEL AGENCY VEN-FIN TOUR OY**

Mariia Zagumennova

Bachelor's thesis  
May 2016  
International Business

## **ABSTRACT**

Tampereen ammattikorkeakoulu  
Tampere University of Applied Sciences  
Degree Programme in International Business

**MARIIA ZAGUMENNOVA**  
Marketing Plan for travel agency Ven-Fin Tour Oy

Bachelor's thesis 58 pages  
May 2016

---

This bachelor's thesis was commissioned by Ven-Fin Tour Oy with the purpose to discover optimal and most efficient marketing activities to reach the objectives set by the CEO of the company.

The company is facing the challenges of the decline stage in a business life cycle in the aggregate with the global economy recession. The areas for improvement were identified with the help of a SWOT analysis of Ven-Fin Tour Oy and the overall business environment analysis made in the format of PEST. The research was conducted through collecting the internal statistics secondary data, external environment analysis and personal observations at the enterprise.

The thesis reviews the marketing events and strategic decisions based on the theoretical background on the product life cycle model and business life cycle concept and tourism development trends. A combination of the research findings is released in a marketing plan.

An optional implementation of the Marketing plan is considered by the CEO of Ven-Fin Tour Oy.

---

Key words: marketing plan, travel agency, Finnish tourism, niche company, business life-cycle, decline stage, expansion, challenges

## CONTENTS

1	INTRODUCTION.....	7
1.1	Background.....	7
1.2	Commissioner .....	8
1.3	Objectives and thesis scope .....	9
2	THEORETICAL FRAMEWORK .....	11
2.1	Managing the decline stage of the product life-cycle .....	11
2.2	The nature and contents of a Marketing plan.....	16
2.2.1	Nature of a Marketing plan .....	16
2.2.2	Contents of the Marketing Plan .....	18
3	ANALYSES AND RESEARCH.....	20
3.1	Company analysis.....	20
3.2	Market and customer analysis .....	20
3.3	Competition analysis .....	20
3.4	Macro- and microenvironment analysis .....	24
3.5	SWOT analysis.....	25
3.6	Research process and data collection .....	25
4	MARKETING PLAN FOR TRAVEL AGENCY VEN-FIN TOUR OY .....	27
4.1	Internal analysis .....	27
4.1.1	General description of the company .....	27
4.1.2	Service offering.....	30
4.1.3	Distribution .....	30
4.2	External analysis .....	31
4.2.1	Situational analysis .....	31
4.2.2	Tourism development trends affecting Ven-Fin Tour Oy .....	31
4.2.3	Competition.....	34
4.2.4	PEST- analysis .....	36
4.2.5	Market summary .....	37
4.3	SWOT analysis .....	40
4.4	Marketing strategy .....	41
4.4.1	Mission.....	42
4.4.2	Marketing objectives.....	42
4.4.3	Target marketing .....	42
4.4.4	Marketing strategies .....	43
4.4.5	Tactical actions.....	45
4.4.6	Marketing mix.....	50

4.5 Marketing research .....	50
4.6 Controls.....	51
4.6.1 Contingency planning .....	51
5 SUMMARY .....	53
5.1 Conclusions and recommendations .....	53
5.2 Personal learning experience .....	56
REFERENCES.....	57

## ABBREVIATIONS AND TERMS

TAMK	Tampere University of Applied Sciences
Oy	Osakeyhtiö (finnish) = Limited company
CEO	Chief Executive Officer
WTO	World Travel Organisation
PLC	Product life-cycle
BLC	Business life-cycle
ATL	Above-the-line
BTL	Below-the-line
HR	Human Resource
USA	United States of America
EU	European Union
ROI	Return on investment
GDP	Gross domestic product
WTTC	World travel tourism council
B2B	Business-to-business
IT	Information technology

## LIST OF FIGURES AND TABLES

- Figure 1: Product Life Cycle Template  
Figure 2: The 7 stages of business life cycle  
Figure 3: Competitive environment of the enterprise  
Figure 4: 5 forces of competition by Porter  
Figure 5: Main collaborating partners of Ven-Fin Tour Oy  
Figure 6: 7P's of Ven-Fin Tour Oy marketing mix
- Table 1: Ven-Fin Tour's Sales profit and turnover 2008-2015  
Table 2: Benefits and Challenges of the decline stage in BLC  
Table 3: Ven-Fin Tour's Sales profit and turnover 2008-2015  
Table 4: Nights spent in Finnish hotels during winter season (Nov-April) and summer season (May-Oct)  
Table 5: Amount of clients used visa issuance services 2012-2016  
Table 6: The amount of nights spent in Finnish hotels by Russian clients of Ven-Fin Tour during Christmas period 2011-2016  
Table 7: SWOT- analysis of Ven-Fin Tour Oy

## 1 INTRODUCTION

This bachelor's thesis was conducted for travel agency Ven-Fin Tour Oy located in Helsinki (Finland). The thesis was written as a mandatory part of the Bachelor degree in the department of International Business at Tampere University of Applied sciences. The data collection for the research has been started during the practical training period at the enterprise and continued while the internship at the company's subsidiary VenFin SPb located in Russia. The detailed analysis of the internal environment has given a clear understanding of company's insights and weak areas for improvement. The topic for this thesis has been discussed with the CEO of Ven-Fin Tour.

### 1.1 Background

Tourism is one of the most dynamic and promising sectors of the world economy, creating a total of about 10% of global domestic product, 7% of investments and 11% of global consumer spending (UNWTO, 2015). The role of strategic planning in a high competitive tourism industry has become more significant. At the tourist market in Finland and Helsinki, in particular, to avoid the risks it is essential to develop an individual plan of activities. It is caused by various factors such as seasonal character of touristic services, lack of favourable climate conditions, the mentality of population. For successful teamwork and profit growth tourism companies need to develop a comprehensive marketing plan.

The relevance of this study lies in the fact that with the development of technologies, availability of information and self-confidence of the tourists the travel agencies are no more in sufficient demand. Finnish market is divided between huge international tour operators. While small travel agencies are challenging on the decline stage in a life-cycle. Due to the growth of welfare of the population, an increase in the general level of culture and quality of life, companies are experiencing difficulties to maintain the position at the market. Consumer demand is continuously growing and competition is becoming increasingly fierce. The consumer has a wide range of choice and the winning company is no more the one that only provides low-cost goods. Quality, safety and brand awareness are taking the first place. The more brand awareness the travel agency

has, the lower are the promotions costs. The flow of potential customers depends a lot on brand awareness level.

Considering tourism marketing it should be mentioned that the tourism industry by its main characteristics not fundamentally differs from the other business spheres. In this case all the substantive provisions of modern marketing can be equally used in the tourism marketing. At the same time, tourism has its own specificity, which distinguishes it from other forms of production and trade.

The tourism market has its own distinctive features:

- The demand for tourism product is extremely elastic with respect to price and income level, but depends also on the political and social conditions;
  - Due to seasonal fluctuations in demand there is so-called phenomenon of saturation. Because of this can be recovered sufficiently distinct tourist zones;
  - The supply of tourist services is non-flexible and not mobile. The services can be consumed only in the place of their creation. Hotel, airport or the amusement park can't be transferred at the end of the season to another region.
  - Tourist product created by the efforts of many companies, each of those has own working methods and the specific needs of various commercial objectives.
- (Zhukova 2014; Westerncape.gov.za., 2005)

## **1.2 Commissioner**

Travel agency Ven-Fin Tour Oy had been successfully operating on the market for over 20 years since 20.01.1993.

The size of company is niche, at the moment the staff consists of 2 permanent employers and 1 external accountant. During the “hot season” Ven-Fin Tour is usually hiring 1 intern. Since the travel agency has no marketing department, all the issues should be solved by the director and lower manager cooperatively.

The table 1 demonstrates the company’s turnover and sales profit for the last 8 years.  
(Ven-Fin Tour Oy, 2015)

TABLE 1. Ven-Fin Tour's Sales profit and turnover 2008-2015.

<b>Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Sales Profit</b>	42 100	51 600	57 600	62400	66000	58800	33600	24000
<b>Turnover</b>	350000	431000	484000	520000	550000	492000	283000	205000

The information on the graph demonstrates the dramatic fall in sales over the last 3 years. This fact indicates the immediate need for measures aimed at the business recovery.

### 1.3 Objectives and thesis scope

The objective of the thesis is to create a marketing plan for travel agency Ven-Fin Tour Oy. The main goal behind the suggested marketing events is to keep the business running as long as possible and minimize losses got in the last 3 years of the activities. The target of business life-cycle extension is mainly to be achieved through bringing back the attention towards the company and increasing sales units.

In order to create a comprehensive marketing plan the following steps were made:

- 1) Learning the product/service life cycle and the declining stage in a business life-cycle in particular, its features, challenges and strategic choices
- 2) Discovering the basic concepts and approaches on marketing planning
- 3) Learning the structural components of the marketing plan for the enterprise
- 4) Analyzing the travel agency Ven-Fin Tour Oy, current business conditions and future goals
- 5) Creating the final marketing plan for travel agency Ven-Fin Tour Oy.

The marketing activities proposed in the plan are based on:

- 2 months of intense internship at the enterprise
- 3 months of internship at the Saint-Petersburg subsidiary Ven-Fin SPB
- Regular visits to the company, detailed internal and external environment analysis
- Direct communication with the customers

- Organization of trips for big group of Finnish tourists to Russia
- Knowledge gained through studies in TAMK
- Extension of marketing-oriented knowledgebase gained through exchange studies in Vienna
- Consultation with the director of Ven-Fin Tour

Qualitative approach is chosen for this thesis. During the research educational, scientific, internal statistical data and personal observations were used.

## 2 THEORETICAL FRAMEWORK

### 2.1 Managing the decline stage of the product life-cycle

*Each product ever existed on the market has a certain time. Sooner or later, it is forced out of the market by other, more perfect products. "- Theodore Levitt (1965).*

Being consumers, people buy thousands of products every year. And all these products have a life cycle. Older, long-established products eventually demonstrate less demand; while in contrast, popularity of new, modern goods or services usually increases quite rapidly after they are launched. However, the reason for decline in sales might be not only the technological development, but also shifts in consumer preferences or increased domestic and foreign competition.

Correct identification of the stage on which the product is can help building an effective strategy for its development, defining the priorities and objectives, and adjust pricing, advertising and sales policy.

Any product or service on the market is going through 4 main stages of life-cycle: introduction, growth, maturity and decline. Each phase of the product development has its own characteristics, requires a detailed analysis and proper management. Wrong choice of the product management strategy can lead to unnecessary costs of the company or, on the contrary, to a lack of investment in the product and to the loss of market share. Further in the report I will consider each stage of the product life cycle and describe decline stage more detailed. Figure 1 illustrates PLC phases.

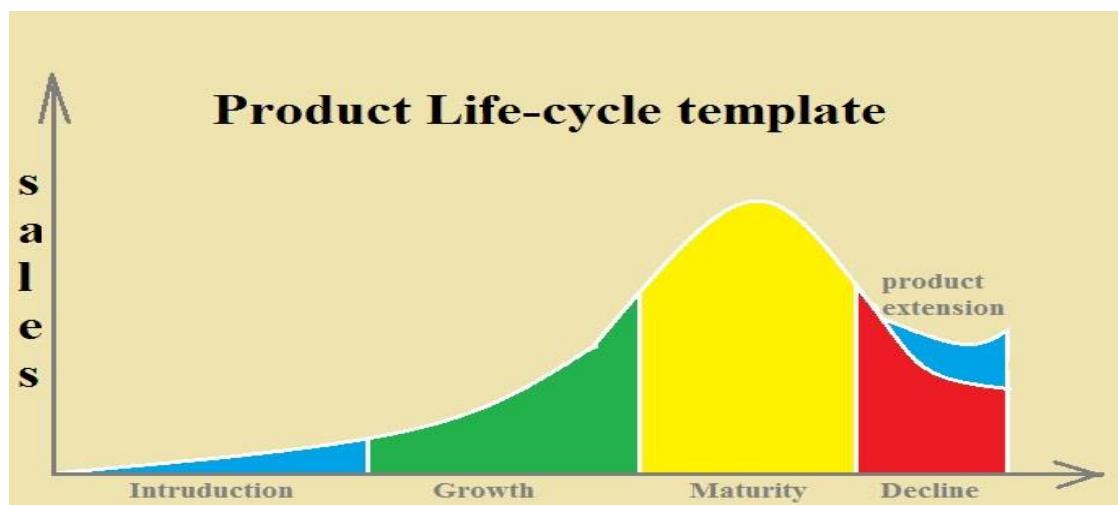


FIGURE 1. Product Life Cycle Template. (Kotler 2011. Modified)

The picture clearly shows 4 stages each product on the market is going through. Further in report each stage is described more detailed.

**Introduction** – the first stage of the product life cycle is characterized by small volume of sales, the low growth rate and a relatively high level of investment in product support. Operating profit during the start-up phase of the goods or services can be (or more likely to be) negative. Duration period depends on the intensity of the company's efforts to distribute goods to the market.

**Growth** – phase of growth is the most important stage of the product life cycle. The potential success of the new product or service is created exactly on this stage. The growth phase is characterized by high rates of increase in sales and profits, which can now be reinvested in the program to develop new product features. At this moment of time the company face with the first competitors who can copy successful production technology and product quality.

**Maturity** - when the product reaches maturity, the level of sales and profits stabilize and growth significantly slows down. On this stage the product is sufficiently known in the market and can exist with minimal support and additional investments. Competition in the growth stage reaches its maximum.

**Decline** - The phase of the recession of the product life cycle is characterized by a significant reduction in the level of sales and profits. Consumers are beginning to abandon the product in favour of more modern, new and technological novelties on the market. Despite the decline in demand, the company has loyal conservative consumers.

The thesis is devoted to the company at the decline stage of PLC. Therefore let's describe it more detailed under the following characteristics: (Kotler 2008)

- *Dynamics of sales and profits:*

The company's sales volume starts to decrease, but may stop at a certain minimum level, as the most conservative segment of consumers continues to remain faithful towards the product. Profit starts to decline. Since the volume of sales declines, economies of scale and reduced costs increase, there may be a situation

of loss-making sales (when sales are so minimal, that the level of costs leads to a negative value of the company's profitability).

- *Duration:*

The stage of recession may be permanent and long-term (for example, when the product is relevant, but is no longer sustained as a result of rising costs); or fast (in the case of better substitute products entering the market and commodity becomes instantly obsolete, irrelevant).

- *Competition:*

Compare to previous stages of product life-cycle competition is decreased due to the bankruptcy of weak players with niche market share. Only the major manufacturers remain on the market.

- *Pricing:*

Usually decline stage requires significant decrease in price for maximum retention of remaining customers.

- *Product-line management:*

The product line is shrinking. It is recommended to minimize the assortment of goods line, keeping only the most successful variations, focus all efforts on limited number of positions, while maintaining economies of scale.

- *Targeting:*

There is a reduction in the customer base. While working with the target audience the focus should be on maximum customer retention and maintain the level of familiarity and knowledge about the product.

- *Promotion strategy:*

Product or service promotion consists of the following steps: reduction of advertising investment or abandoning them; the use of low cost and mass communication channels; preservation of knowledge; moving from ATL to BTL means of marketing communications.

Some researches identify the fifth stage in a product life-cycle or consider it as a part of the decline stage – *product expansion* or opposite to it *product withdrawal*. On this stage the importance of right management and strategic decision is on extreme. All the marketing and production activities are according to the company's objective on this particular product, product line and overall company image.

The concept of product life-cycle can be applied to any product or service on the market. Although, speaking about business the concept of *Product life-cycle* has transformed to a *Business life-cycle* model. The stages of the PLC are disjoined to smaller steps which match in characteristics and challenge the *Business life-cycle* model and describe the start-up companies more detailed. Figure 2 illustrates 7 stages in a small business life-cycle.

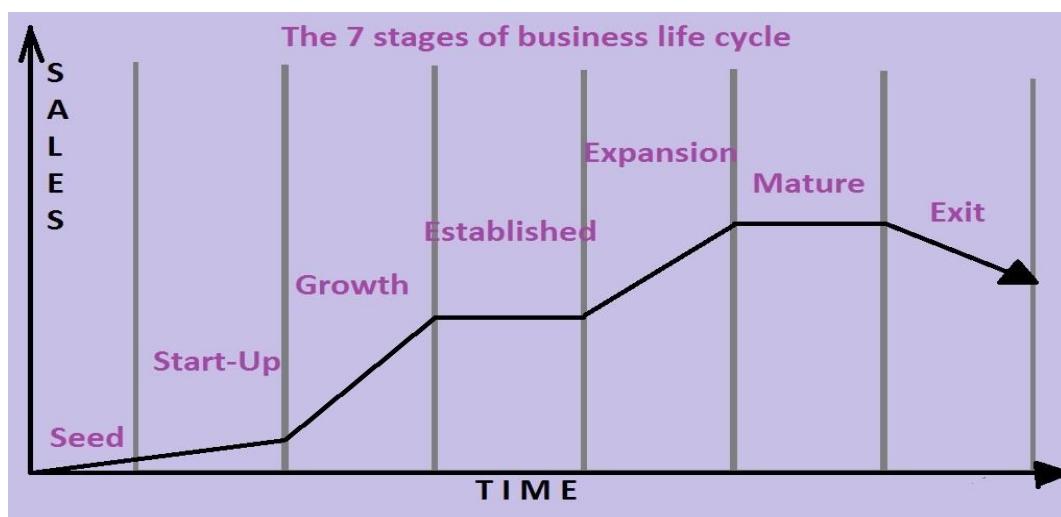


FIGURE 2. The 7 stages of business life cycle. (Janssen 2015. Modified)

Since the marketing plan described in the thesis is devoted to the company at the exit stage, further information in the report focuses on the last phase in a small business life-cycle.

Exit stage shouldn't be described exclusively from the negative side – when it seems that the business has become obsolete, new and extraordinary ideas appear and can boost sales to the top level. Despite the obvious challenges of this decline, there may still be opportunities for companies to continue making a profit out of their activities. Challenges and benefits of the decline stage in BLC are systemized in the table 2.

TABLE 2. Benefits and Challenges of the decline stage in BLC. (Powerbranding.ru)

Challenges	Benefits
<i>Market in Decline:</i> Consumers change preferences in favor of something new and better which lead to a decline market for the existing company or product.	<i>Cheaper Markets:</i> Some companies find the solution for the business instinct by switching to new, cheaper markets. Previously those markets were considered as less profit potential, but are worth investigating at the moment when the only alternative is shutting down the business.
<i>Falling Sales and Profits:</i> Sales are falling as a result of the decline on the market. Moreover the overall available profit is starting to decrease.	<i>Cheaper Production:</i> There is an opportunity to keep profit and sales on the sufficient level by reducing production cost. Business life cycle might be extended by finding alternative service providers, changing location or cutting down additional operational costs. The initiative on increasing the market share might also be considered to slow failure in sales, but it is much harder in current conditions than during the maturity stage.
<i>Selling a business</i> requires realistic assessment. Years of putting effort to build the company might not be comparable with its real market value. The decision of selling the business out brings along financial and psychological challenges of a business loss.	<i>Selling a business:</i> This opportunity allows covering unexpected costs appeared while the decline and probably getting certain amount of profit out of the deal. Money can be used for any other investment in future. It is essential to get a proper valuation on the company. Revise business operations, management and competitive barriers to make the company worth more to the buyer.
<i>Exit of the market/Product withdrawal:</i> Ultimately, for a number of enterprises it could get to a point where they are no longer making a profit from their business.	<i>Shutting down</i> the business enterprise: the ultimate step is considered when there is no way to reverse the decline. It is a wise decision to cash out on all the effort and years of hard work and exit from the market while the losses are at the minimum level.

After studying company strategies in declining industries Kathryn Rudie Harrigan has identified 5 strategies available for the firm:

1. Increase the firm's investment (to dominate the market or strengthen its competitive position)
2. Maintaining the firm's investment level until the uncertainties about the industry are resolved

3. Decreasing the firm's investment level selectively, by dropping unprofitable customer groups, while simultaneously strengthening the firm's investment in lucrative niches.
4. Harvesting ("milking") the firm's investment to recover cash quickly
5. Divesting the business quickly by disposing of its assets as advantageously as possible. (Harrigan 1980, 27)

After an analysis each company is choosing the strategy that better meets the objectives of the enterprise. In order to lead the firm to the achievement of those objectives the management team identifies relevant *strategic decisions*. Good examples of fundamental decisions are "reducing the number of offered products", "going selective: withdraw from the smaller segments and weaker trade channels", "cutting promotion expenses", "reducing selling price", "reducing to level needed to retain hard-core loyals" or "reducing to minimum level sales promotion". (Chesyer 1978; Weber 1976, 12-29; Doyle 1976)

## **2.2 The nature and contents of a Marketing plan**

### **2.2.1 Nature of a Marketing plan**

In a high competitive environment marketing is a core function of the enterprise. Using a marketing plan helps to enhance the control of the results of activities, to evaluate competitive position and to develop a clear and concrete plan of action to achieve the primary goals of the organization.

A marketing plan is conducted by researching and analysing the company's current situation, markets and customers included; developing and documenting marketing's objectives, strategies, and programmes; and lastly implementing, evaluating, and controlling marketing activities to achieve the set objectives. (Wood 2014, 4).

Therefore, the marketing plan dominates at some other plans and primary developed, as:

- Marketing solutions are in priority, as they define products or services provided, pricing strategy, placement and means of advertising;

- The content of the marketing plan has a direct impact on the performance of other plans e.g. pricing strategy set in the marketing plan influence on financial performance, product/service design will have an impact on the production plan.

The development of marketing plan is extremely important for the enterprise since the plan has a big functional load. It organizes and brings to all employees the ideas of governmental structure, allows to set clear objectives and control their achievement; It is a document that organizes the work of the whole company; avoids irrelevant actions that do not lead to the planned targets; It allows to properly allocate time and other resources and plays a significant role in employees inspiration.

In general marketing plan helps to enhance the efficiency of the enterprise thanks to a clear definition of the objectives and methods of achieving them; removing ambiguities and unnecessary actions that do not stimulate planned results.

The practice of marketing management identifies two variations - strategic and tactical plan:

- 1) *Strategic marketing plan* includes the development of marketing objectives and future strategies based on the analysis of the market situation and its forecasts and corporate opportunities. This level of planning is performed by senior management.
- 2) *Tactical marketing plan* - conductor of short-term specific activities on the material embodiment of the chosen strategy in the areas of marketing pricing, product policy, communications, high-quality customer service. Tactical planning is developed by middle management level. (Hearst Newspapers, 2016)

Despite of the type of the marketing plan, it covers the following aspects:

- product range in relation to technical and consumer product parameters (identification of benefits for consumers), assessment of competitiveness of products, assortment renewal and modification of the goods;
- marketing and distribution, which implies a range of distribution channels (product distribution), assessing the need for storage, transport, rearrangement of goods, determination of points of sale of goods, turnover planning, inventory size, after-sales service;
- advertising and promotion of goods and services, which includes carry-

- ing out the choice of advertising media, determination methods of encouraging sellers and buyers, evaluation of methods of the impact on competitions;
- financial performance, which includes, in particular, the definition of marketing costs (the amount as a percentage of turnover) and price planning (demand, costs, competitors, planning revenues from marketing activities);
  - HR management, which involves placement of management personnel and specialists, training and development of personnel, consultants, studying the experience of other companies. (MARKET-PAGES.RU, 2016)

The plan might be called a “marketing plan” or even a “battle plan”. It usually covers one year, varies in length to over 50 pages and describes all the aspect of the enterprise business environment.

### **2.2.2 Contents of the Marketing Plan**

The format of the marketing plan may vary in contents, length and format depending on the company objectives. Kotler et al. (2009) suggest that the following sections should be included in a marketing plan:

- **Executive summary and table of contents**

It is the initial section of the marketing plan, which provides a brief summary and the main objectives of the recommendations included in the plan. This section helps the reader to quickly understand the main thrust of the plan. It is usually followed by a table of contents section.

- **Situation analysis**

The section of the marketing plan that describes the position of the organization on the market. It includes the following sections: description of the market, an overview of products (sales volume, prices, and profitability level), competition (information on product strategies of the main competitors, their market share, prices, distribution and promotion), distribution (marketing trends change and the development of the main distribution channels).

- **Marketing strategy**

This section describes the main directions of marketing activities that will help the organizations to achieve marketing objectives. The marketing strategy includes specific features of the target markets, activities used, marketing mix and marketing costs. The strategies developed for each market segment must indicate how the strategy responds to the risks and opportunities in the market. That's why this part of the marketing plan is effectively done in cooperation with all organisational areas starting from purchasing and manufacturing to financing and HR.

- **Financial projections**

The following part of the marketing plan reflects the projected value of revenues, costs and profits. The amount of revenue is justified in terms of the predicted values in sales and prices. Expenses are defined as the sum of production costs, product distribution and marketing, in the last budget of painted detail.

- **Implementation controls**

It describes the procedures and controls to be carried out to assess the level of success of implementation of the plan. The company sets criteria (standards), which are measured by the progress in the implementation of marketing plan. This underlines the importance of quantitative and temporal definition of the objectives, strategies and events of marketing activity. Measuring the success of the implementation of the plan can be carried out annually, in quarter section, and for each month or week.

### **3 ANALYSES AND RESEARCH**

Further in the report analyses and research methods used while data collection for the thesis are described.

#### **3.1 Company analysis**

An integral part of the situation analysis of the marketing plan is company analysis. The purpose of the company analysis is to create clear image about the case company, its focus, values and main organisational principles. It covers objectives, key strengths and weak points of the company (QuickMBA.com, 2010)

#### **3.2 Market and customer analysis**

Market analysis is an important step in a marketing planning. Qualitative analysis of the market allows to quickly find free niche market, to choose the most attractive target market and better understand the consumer.

Market analysis includes industry overview, an analysis of the competition, and company's own position on the market and external regulations affecting the enterprise. Customer analysis is conducted in order to identify the most attractive customer segments and modify provided products or services to better satisfy the needs of those customers. (PALO ALTO SOFTWARE, 2016)

#### **3.3 Competition analysis**

Competitor Analysis is an important part of the strategic planning process. The analysis seeks to identify weaknesses and strengths that a company's competitors may have, and then use that information to improve efforts within the company. An effective analysis will first obtain important information from competitors and then based on this information predict how the competitor will react under certain circumstances. (Kotler et al. 2009, 308-311.)

Doing a competitor analysis holds several benefits for the enterprise:

- Helps to understand business's competitive advantages and disadvantages in the industry
- Analyses competitors' business strategies
- Provides a solid basis for the strategy development aimed to achieve competitive advantage in the future
- Helps to forecast ROI

It is necessary to analyse competitive environment on certain areas. A competitor analysis covers five key areas:

### **1. Company's competitors**

Competitors are companies providing the same or similar product or service to the same customer group at similar price. It often happens that local business will also have non-local competitors. If the business is going to expand in future and operate global it is necessary to identify industry competitors. The market in some countries might be dominant by a strong competitor and it is essential to analyze international competitors and their strategies to succeed in market. Figure 4 illustrates the competitive environment of the enterprise.

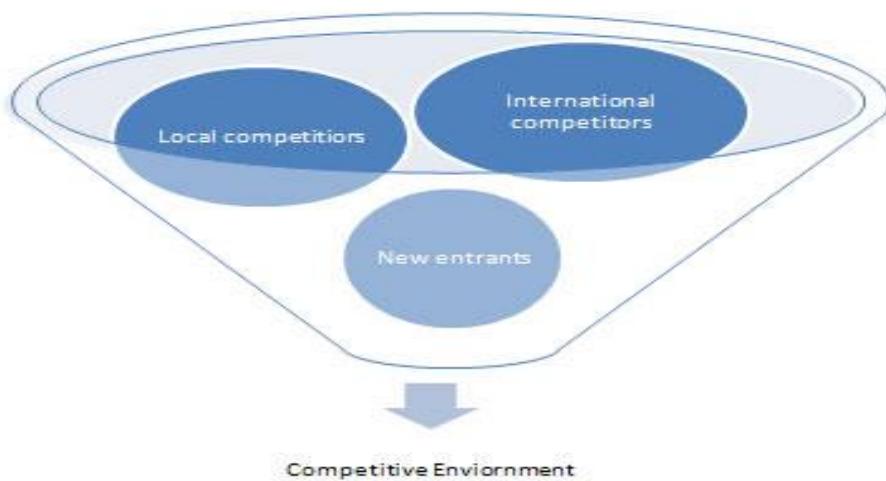


FIGURE 3. Competitive environment of the enterprise.

## **2. Competitor product summaries**

Competitive product analysis determines how own product compares with the competitors' products in the market place. Rarely there is a product or service that has zero competition. In fact, the more common scenario is that there are numerous products of the same quality, in the identical price range and offered to satisfy the same need of the customer. And this is where competitive product analysis becomes important, because it enables company to differentiate product from similar competitor products.

## **3. Competitor strengths and weaknesses**

There are two main questions to answer in this element of competitive analysis: What key advantages do the competing businesses possess in the realms of production management, marketing, service reputation, and other aspects of business operation? What key vulnerabilities or weaknesses do the competing firms have in these same areas?

## **4. The strategies used by each competitor to achieve their objectives**

Based on the scope of business, each company has its strategy that is suitable for the characteristics of product and market situation. Normally the company has two kinds of strategies - general and competitive.

### *General strategy:*

- Growth: After reaching the stable stage, the company wants to expand its business by purchasing new assets.
- Stability: After a period of rapid growth company wants to remain the same size or grow slowly to ensure that all business units are working efficiently.
- Retrenchment: The strategy that focuses on the most profitable product line by cutting down the others.
- Globalization: Establishing business operation into more and more countries to become multinational company. (Muckherjee S. & Kumar S., 2005)

### *Competitive strategy:*

- Cost leadership: The key of this strategy is to provide the identical products of rivals at lower cost. It is possible when the company is a market leader and it takes advantage of scale of economics.

- Product differentiation: The product portfolio is distinctive to the others rivals, so the price could be higher than the average market price.
- Focus: offering a specialized product in a niche market. (Porter M., 1985)

## 5. The market outlook

Market outlook is a forecast regarding the future trend of a particular company, economic segment, commodity or stock market exchange. Market outlooks are based on past performance, prevailing economic factors, consumer demand and preferences. (Czepiel & Kerin 2013; Bergen & Peteraf June-August 2002, 157-169)

One of the most known models for evaluation of industry influence on a company is introduced by a Harvard Business School professor, Michael E. Porter. He suggests 5 fundamental forces of competition that determine the attractiveness of certain industry. Identified forces can make both positive and negative impact on the attractiveness of the industry. (Kotler et al. 2012, 144.) Figure 5 illustrates 5 forces of competition by Porter.

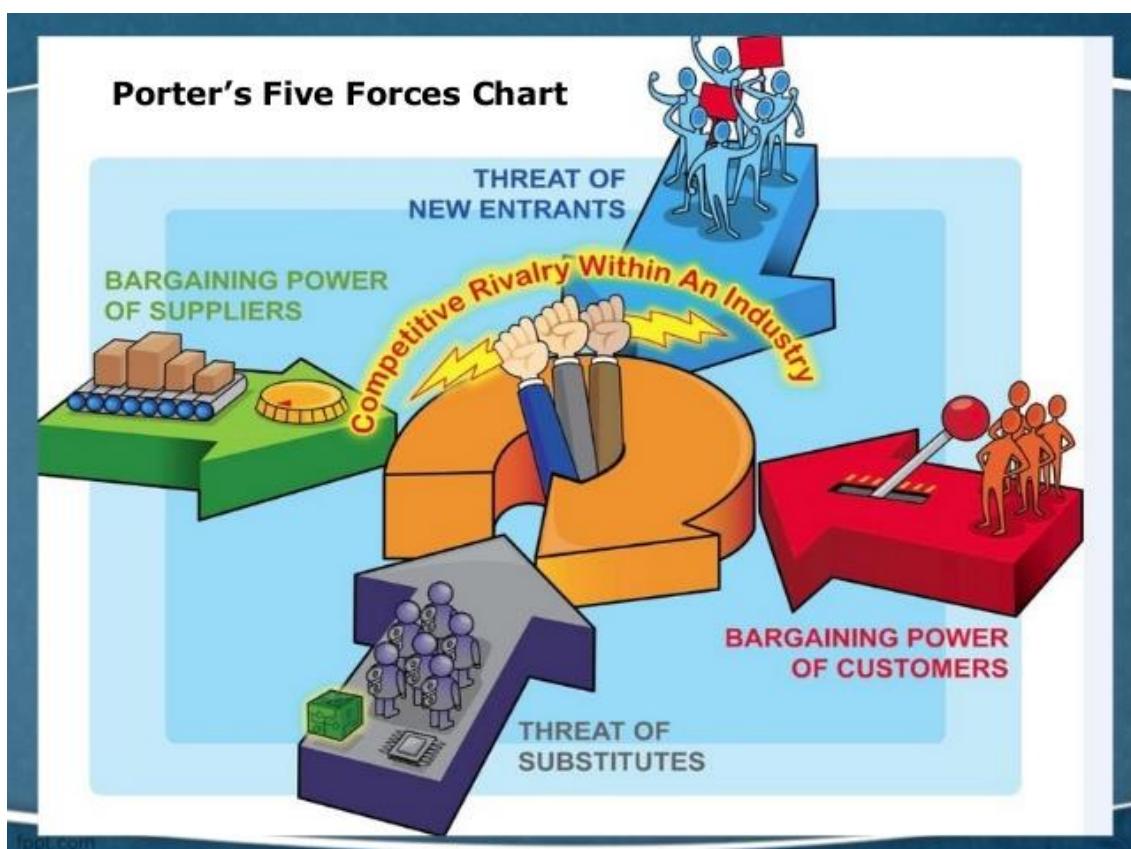


FIGURE 4. 5 forces of competition by Porter. (Khatri M., 2013)

### **3.4 Macro- and microenvironment analysis**

Marketing environment consists of two levels - macro environment and microenvironment.

Internal (micro) environment provides constant and the most direct impact on the functioning of the organization. The elements of the internal environment are:

- The production (volume, product range), the personnel (the structure, capacity, qualifications, number of members of workers, labour costs, interests and needs of employees);
- Management organization (organizational structure, management system, management level, the organization of communication systems);
- Marketing (products, their market share, distribution channels, marketing plans and programs, innovation, image, sales promotion, pricing);
- Finance and accounting (financial strength, profitability, own and borrowed funds and their relationship, the effective cost accounting system, budgeting, planning, profit).

The purpose of the internal environment analysis is to identify the strengths and weaknesses of the enterprise. Strengths serve as the company basis in the competition. They should continuously maintain and expand. The object of the greatest attention should be weaknesses.

To determine the strategy of the organization and apply this strategy into practice, management on one hand should have an in-depth understanding of the internal environment of the enterprise, its potential and trends, and on the other hand the external environment, development streams. The external environment is taken into account by strategic management primarily to reveal the threats and opportunities that the organization should learn when determining its objectives in achieving them. (Kotler 2008, 179)

Analysis of the external environment on the indirect effects of Ven-Fin Tour conducted with the help of PESTE - analysis. PEST analysis refers to the political, economic, social and technological elements of macro environment (Kotler 2008, 43).

### **3.5 SWOT analysis**

The section also includes SWOT analysis. It is a good instrument for analysis of internal and external factors affecting the organisation. SWOT includes strengths, weaknesses, opportunities and threats. On probation these factors can be divided to negative and positive: strengths and opportunities to be influences positively while weaknesses and threats – negatively (Armstrong et al. 2012, 58). The analysis provides an overall evaluation of the company's present position and identifies areas for improvement to avoid current and future difficulties.

Armstrong (2012, 58) explain the abbreviation letters as follows:

*Strengths* are internal capabilities that company relies on to reach settled goals.

*Weaknesses* mean internal restrictions that may interfere achieving company's objectives.

*Opportunities* refer to external factors that might be exploiting to the business advantage.

*Threats* are the already existing and emerging outside factors that are challenging the company's business activities.

### **3.6 Research process and data collection**

Marketing research and development of marketing strategies on its basis are inextricably linked with the collection, processing and analysis of information. The required information is usually available not in the right form. It should be found, processed and interpreted correctly.

Since the objective of the thesis is to create a marketing plan for a niche company at the decline stage, therefore the research questions were derived from a marketing plan. When planning for the thesis, the first research question was: Which parts are to be included to the marketing plan? What are the challenges that company needs to deal with?

The objective of the marketing activities of Ven-Fin Tour Oy is to keep the business running as long as possible and minimize losses. Therefore, the appropriate research questions here were: What is the most appealing customer segment? What is the most effective way to reach that target market? What are the best marketing tools for this company?

Further company internal analysis has identified the key weak areas that require urgent modification. With the help of external analysis the reasons for dramatic deterioration of company's performance were discovered.

Qualitative approach is used for this thesis. The required data for the thesis consists of consultation with the company's director, analysis of internal databases, customer interviews, external and competitor analyses. The theoretical framework is based on various books, education materials and e-sources.

## **4 MARKETING PLAN FOR TRAVEL AGENCY VEN-FIN TOUR OY**

The forth chapter of the thesis represents the marketing plan for travel agency Ven-Fin Tour Oy is. During the research for the marketing plan was made market analysis and selected appropriate marketing actions to satisfy customers' needs. Marketing tools used in the planning are chosen according to company's objectives and capabilities. Financial projections are excluded from the public version of the marketing plan in order to protect the company privacy.

### **4.1 Internal analysis**

#### **4.1.1 General description of the company**

Travel agency Ven-Fin Tour Oy was formed in January 1993 to provide tourist services and visas to Russian and Finnish customers. By 2016 it has been successfully operating for more than 20 years in Finland. The main purpose of the travel agency Ven-Fin Tour is to satisfy the need in touristic services providing qualified and reliable services to tourists. The company strictly complies with contractual obligations in tourist services, implement the necessary measures and inform the customers in case of any changes. Company's main task is to assist in planning and organization of special, unforgettable trip, make the holiday pleasant and beneficial, and offer interesting and replete program.

The size of company is niche, at the moment the staff consists of 2 permanent employers and 1 external accountant. During the "hot season" Ven-Fin Tour is usually hiring 1 intern. Since the travel agency has no marketing department, all the issues are solved by the director and lower manager cooperatively. The founder of the travel agency Svetlana Uspenskaya had retired in 2000 and gave the right to manage the company to her son Evgeny Egorov. Being passionate about the activities Evgeny has expanded networks and increased profitability of the agency significantly within last years.

The table 3 demonstrates the company's turnover and sales profit for the last 8 years (Ven-Fin Tour Oy, 2015).

TABLE 3. Ven-Fin Tour's Sales profit and turnover 2008-2015.

<b>Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Sales Profit</b>	42 100	51 600	57 600	62400	66000	58800	33600	24000
<b>Turnover</b>	350000	431000	484000	520000	550000	492000	283000	205000

The information on the graph demonstrates quite successful financial recovery from the economic crisis in 2008 characterized by comparatively low sales profit. The dramatic fall in sales over the last 3 years caused by political and currency crisis in Russia has brought the company to a critical point. This fact indicates on the immediate need for measures aimed to the business recovery.

The agency is situated in a highly developed part of the city, on the main central street. The office of the company is located in Helsinki 00250, Mannerheimintie 112, phone 358(0)9 491 209. The office has a good access and parking spots for customers.

Ven-Fin Tour Oy is open for the clients on weekdays from 09:00 to 17:00. Distinctive feature of this company is to combine Finnish and Russian working schedule throughout the year. Ven-Fin Tour Oy works on Finnish official holidays due to the need of service for Russian customers and, on the other hand, Russian official days-off are ignored - the company needs to be open for Finnish clients.

Ven-Fin Tour has expanded networks of collaborating partners and travel agents in Scandinavian countries and European part of Russia. Figure 6 illustrates main collaborating partners of the company.

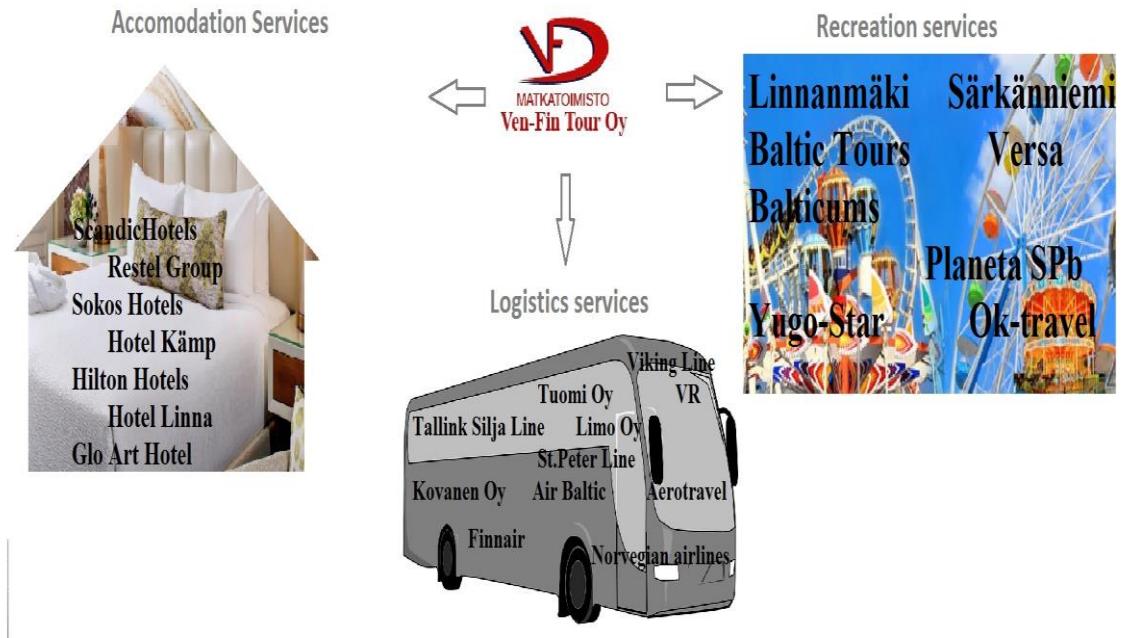


FIGURE 5. Main collaborating partners of Ven-Fin Tour Oy.

Ven-Fin Tour Oy operates according to the following main principles of the organization:

- Individual approach to each client
- A quick and competent response to all incoming requests
- Everyday improvement of the quality and services.

Communication with customers never finishes after the tour purchase or getting the visa. Clients usually come to the office after the trip to share experiences and give some feedback on the visited place or service. This part of the customer service is essential for making improvements and adjust the service to satisfy clients' needs in future. This activity is aimed to establish reliable long-term relationship with the target audience. Customers become friends with the agency, and their circle is growing. Travel agency Ven-Fin Tour has an excellent reputation and goodwill recognized even by their competitors.

The main objective of the company is to keep the business running as long as possible and minimize losses got in the last 3 years of operations. In this case marketing actions suggested in the plan are focused on intensive promotional campaign, new corporate customer retention and characterized by low costs.

#### 4.1.2 Service offering

Ven-Fin Tour Oy position itself as a niche travel service provider with the expanded service range and collaborating partners in Scandinavia and European part of Russia. Provided services are distinguished by individual approach to each client and high quality. Long business operation process has identified the best partners to work to collaborate with. All the services aimed to 100% of customer satisfaction.

Contingently the company provided services can be divided to 2 functional areas:

- *Visa services*: visas to the Russian Federation, Belarussia, Kazakhstan, Tajikistan, Uzbekistan
- *Touristic services*:
  - Logistics - organization of transportation services in Finland, Russia, Sweden, Estonia and Latvia including train, boat, and plain tickets
  - Accommodation - booking the accommodation in Finland, Russia, Estonia, Sweden
  - Recreation – recreation activities, business travels, customized tours, family or corporate events, shopping tours, travel insurance

#### 4.1.3 Distribution

Each customer is able to choose the suitable way for service distribution. Ven-Fin Tour Oy tries to make the service process as convenient as possible. Client always has a choice to get the service online starting from the initial request to the billing and getting the purchase confirmation or visit the office. It is a common practice to receive and send all the necessary documents e.g. for visa issuance by post after a consultation with the office manager. Consultation is available through the e-mail, phone call or personal conversation at the office.

## 4.2 External analysis

### 4.2.1 Situational analysis

Ven-Fin Tour Oy has been operating on the market for more than 20 years and has faced the challenges of the decline stage in a life-cycle. Touristic services provided by a third party are no more in demand. Within last years travel industry has been forced to transform traditional marketing means to online marketing. This change is brought by the emergence of digital era and availability of convenient and easily accessed self-services for tourists. Customers can easily check the availability and prices for flight to needed destination book the hotel online or contact the sales department in amusement park to make a group reservation themselves. Therefore in XX century the need for coming to travel agency is obsolete and companies are competing fiercely for online booking opportunities.

The situation is aggravated by economic recession and crisis in Russia in 2014-2015. Since main operation area for the company is considered to be European part of Russia and Finland, the political and economic crisis in Russia has transformed the whole way of previous state of the business.

The main source of company income had always been serving Russian tourists in Finland and Finns going to Russia. Visa issuance, in turn, had been considered as a secondary source of profit making up about 15% of the total revenue. The situation happened in the last 3 years has led to the dramatic fall in the demand for touristic services both from individual and agent clients. In other words, the only source of revenues for Ven-Fin Tour since the end of 2013 has become visa issuance service leaving the company along with the 15% of the previous profit level.

### 4.2.2 Tourism development trends affecting Ven-Fin Tour Oy

With the growth of world tourism in volumes the preferences of travellers are modifying. As an integral part of tourism travel agency Ven-Fin Tour Oy is affected by most of the changes happening within the industry. Further in the plan are described the most appealing for the company tourism development trends.

First of all it is necessary to mention that based on the interview with the CEO of Ven-Fin Tour individual tourism grows slower than mass tourism. Although tourists who plan the vacation individually have some advantages, however, to realize long-distance trips is difficult because of high effort on individual programs.

Not less important trend is that the volumes of travels with a recreational purpose are increasing compared to the volume of business tourism. It is predicted that tourism will be developed by increasing the number of people travelling with a recreational purpose, although business tourism remains important for the international tourism in general.

The next change is that overall outbound tourism rate might demonstrate a slight decrease in Finland caused by limitation of vocation period for some professions in 2015. The government has announced reduction of paid benefits including sick leave and overtime payments to lower public spending and save the country's budget (Mortans.Info, 2015).

The next change in the development of mass tourism is brought by young employees' generation. Usually conservative model of travelling envisages trips 2-3 times a year while long official vocation periods. People used to travel somewhere only for Christmas holidays or during summer/winter vocation. Therefore the average duration of trip had been considered as 1 week. Being eager to travel and investigate new destinations, young employed generation is travelling more often than 3 times per year. To avoid layoffs at work they are trying to make a trip for a few days e.g. during the weekend. The tendency has increased the popularity of short trips on weekends or 2-3 nights staying in a new destination.

Another trend is high customer expectation rate from the service. Overall boost in travels, availability of modern recreation services and increased mobility are the main reasons for the change. At the same time touristic product is becoming more demanding. Much attention is paid to the details which sometimes have no direct relationship with the means of accommodation or excursions.

Difference in climate conditions and countries' distinguish points have divided the type of tourism geographically. Thereby in the perception of the modern tourist Western and

Southern Europe are associated with the beach holidays, Great Britain - with educational tourism, and Northern Europe (e.g. Scandinavia and Ireland) specialize in eco-tourism. Therefore to keep and increase the level of attractiveness of Finland for foreigners, all members of tourism industry should work to support the image of the country known by its lakes and forests, relaxing vocations and high quality services.

The ageing of the tourist product in Central Europe has led to one of the latest trends of the 21st century - popularity of non-traditional tourism. South Asian or African destinations demonstrate more demand. People are willing to spend couple days on a Safari along with the nature with no means of communication or stay at unusual accommodation: mountain chalets, lodges, bungalows. Therefore managers of Ven-Fin Tour are always seeking for extraordinary hotels or recreation services. A good example of this kind of accommodation demonstrating more and more demand is the snow castle of Kemi "Luminlinna" located in the North of Finland. The area covered by the castle is up to 20,000 square meters. All the premises are made of snow and ice and are rebuild every year. The temperature in the rooms is -5C. For guests' service are the restaurant with national cuisine, art exhibitions and performances by opera singers and dance crews. The popularity of wedding ceremonies and couple's honey moons are increasing every year. (Kemin Matkailu Oy, 2015)

Tourism market evolution requires the conversion of all types of tourism-related businesses. The trend towards healthy lifestyles makes hotels to have fitness equipment, to develop special health tourism programs, include training or fitness-camps for certain sports. Compare to the end of last century it is more widespread to travel to national parks, reserves, safari, and skiing resorts nowadays. Countries that expect influx of tourists should seek funding for the construction of new and reconstruction of old tourist facilities. Tourism development will pay its investment.

For the domestic market it is particularly favourable to develop excursion tourism. Under the term "excursion tourism" implied the type of tourism including a short visit to a particular place arranged by tourist organisation, often as a part of a holiday. (MacmillanDictionary.com, 2016). Based on Ven-Fin Tour's report 2015 the excursion tourism is one of the most popular types of travels among Chinese, Finns and Germans (Ven-Fin Tour 2015).

While educational tours, international student exchanges or language learning camps have become an integral type of world touristy, trips under medical purpose are just settling in the concept of tourism. For example Finnish citizens prefer Estonia or Belo-russia for dental care and plastic surgery services. At the same time Finland is becoming more attractive for Russians diagnosed with cancer, dismissing accustomed earlier Germany and USA.

#### **4.2.3 Competition**

Competition within tourism industry in Finland is extremely fierce. Since Ven-Fin Tour provides Visa issuance and touristic services it competes with other enterprises in those 2 areas.

Ven- Fin Tour is competing with 2 main tour operators providing visas and tours for Finnish habitats. They are Lähialuematkat Russian Tours and Futurist Oy located in Helsinki. Those 2 companies are not considered as main competitors since the sizes of companies and their revenue is much higher than Ven-Fin Tour's. Those tour operators are taking around 55% of the market share in Finland.

Being a niche company Ven-Fin Tour directly competes with Pietarin Matkat Oy located in the heart of Helsinki. Pieatrin matkat provides visa issuing services and tourist services in Russia at the higher price, but still gets more clients than Ven-Fin Tour due to the beneficial location of the office right in front of the huge central shopping mall. It also has an interactive info screen used for promotion outside the office that attracts more pop-up clients.

The second closely related competitor for Ven-Fin tour is Visumservice Helsinki Ab. This company's price level is as well higher than Ven-Fin Tour's at the average 30%. Visumservice has a great website and pops up among the first ones in the online searching engines.

The third direct local competitor is Balt-tur Matkatoimisto. The company has absolutely the same services portfolio as Ven-Fin Tour Oy. Speaking about prices it is necessary to mention that Balt-tur Matkatoimisto is sticking to the same price level. Anyway, for

some kinds of services Ven-Fin Tour is taking less revenue from the client that makes the company the cheapest service provider in Helsinki.

Enterprises operating in tourism industry are also competing nationally. It is necessary to consider not only local competitors, but also travel agencies located outside Helsinki. Russian Visa centres are located in Helsinki, Lappeenranta and Turku. Therefore travel agencies operating in those cities are also considered as Ven-Fin Tour's competitors. Tour operators located outside those 3 cities in Finland, as a rule, do not provide visa issuing services or operate through the agent located in Turku, Lappeenranta or Helsinki.

The leading visa issuing company in Turku is Neva Tours. The company organizes group trips and assists in individual trip to Russia preparation. Saimaa travel Oy located in Lappeenranta has the same services portfolio. The comparative advantage of the company is the closeness to Russia which makes trips more comfortable and attractive for Finnish citizens. This fact brings to the company more clients with frequent trips to Russia.

With the increase of visitors to the Finnish capital touristic services are started to be provided not only by travel agencies but also by logistics companies. Therefore indirect competition has appeared. One of the examples of indirect competitors for Ven-Fin Tour is a transport company Kovanen Oy. Initially being a taxi and airport transfer services provider Kovanen Oy has started to make excursions for tourists. Having a solid equipment base (wide range of cars), necessary driver skills with the good knowledge of Helsinki the company has a beneficial advantage to start providing the excursions for tourists within the city. Since Kovanen Oy is one of the most popular taxi services in Helsinki, it has a direct impact to the clients: on the way to a hotel from the airport a driver offers interesting excursion programs to the customers, gives them brochures with prices and contact details. When visitors arrive to Helsinki, taxi driver is usually the first person they have a chance to talk with. Convenience of the service offering (customer doesn't need to search for the excursion in the Internet or ask at the reception in a hotel for a travel agency) gives Kovanen Oy an advantage as a good interactive channel in customer communications. This fact allows the company to confidently compete with travel agencies and steal part of their market shares.

There are many activities and types of recreation available to people contemplating a vacation. Availability of information about all the amusement parks, cruises, or events has substituted the actual visit to the travel agency. Substitutes could include less expensive, self-planned trips and activities, popular in Finland adventure trips involving hunting or fishing as primary activities etc.

#### **4.2.4 PEST- analysis**

The PEST-analysis demonstrated bellow is characterizing Ven-Fin Tour's macro environment and identifies factors, affecting business activities.

##### **1. Political factors**

- A stable political situation in Finland;
- State regulation and support of tourist industry;
- The creation of a competitive tourist complex, satisfying the needs of domestic and foreign tourists with a variety of qualified services, the development of related industries (hotels, amusement park, logistics etc.);
- Imperfection of the state policy in the field of investment;
- The relations between the neighbouring countries and visa requirements.

##### **2. Economic factors**

- Reducing purchasing power;
- Inflation → raising prices for tourist services;
- An unfavourable business climate;
- Economic crisis in EU;
- Business growth of the world population as a result of the processes of integration and globalization.

##### **3. Social factors**

- Increase propensity for organized savings;
- The study and application of international experience and the use of effective

methods of human resource management;

- The absence of a favourable economic environment, allowing citizens to provide a high level of social consumption;

#### **4. Technological factors**

- Implementation of programs of information and the development of economic activities based on Internet and other modern information technology, e-commerce systems;
- Easy access to the information on the availability, price and characteristics of tourist services in the Internet;
- Development of low-cost tourism services (e.g. CouchSurfing, Bla-bla car etc.).

Based on PEST-analysis of Ven-Fin Tour and consultation with CEO of the company can be made a conclusion that the greatest threats to the travel agencies are economic and technological factors. The company should primarily concentrate on its strengths to overcome the current negative impacts. The most favourable impact on the organization provides partners and loyal customers, from which today there is no significant threat. Thus, company must use all the possibilities to deal with possible weaknesses.

##### **4.2.5 Market summary**

Currently, the market of tourist services is characterized by a very high degree of competition between firms. This is due to the specifics of this type of activity. The development of the tourist market, the complexity of the work on it is largely dictated by the peculiarities of the competitive environment of the tourist company. Assessing the environment of tourist firm, it is necessary to consider the micro- and macro environment, which constitute the marketing environment.

##### ***Market analysis***

Finnish touristic market is characterized by its seasonality. The difference between tourist flow in winter and summer season should be taken into account by all the enterprises in industry. Table 4 demonstrates that the amount of nights spent at the hotels located in

Finland is steadily lower in the winter season compare to the value in summer. (Visit-Finland 2015)

TABLE 4. Nights spent in Finnish hotels during winter season (Nov-April) and summer season (May-Oct).

<b>Total amount of nights spent</b>		<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
	Winter season	8236478	8588590	8551057	8478790	8251119
	Summer season	11666557	11665519	11650120	11402675	11452543

As it was mentioned before, the 2 main Ven-Fin Tour's service categories are visa issuance and touristic services (accommodation, logistics, and recreation). The tables 5 and 6 demonstrated bellow are showing Ven-Fin Tour's amounts of individual and corporate customers by each service category.

TABLE 5. Amount of clients used visa issuance services 2012-2016.

	<b>GROWTH 2012-2016 (forecast)</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016 (forecast)</b>
Individual customers	<b>57%</b>	<b>610</b>	<b>723</b>	<b>927</b>	<b>1051</b>	<b>960</b>
Corporate customers	<b>36%</b>	<b>103</b>	<b>112</b>	<b>107</b>	<b>118</b>	<b>140</b>
<b>Total</b>	<b>54%</b>	<b>713</b>	<b>835</b>	<b>1034</b>	<b>1169</b>	<b>1100</b>

In comparison to visa issuance services it is impossible to count the yearly amount of touristic services users in one table due to the difference in its measurements. First of all the market and customers are divided geographically to Russian and Finnish customers and can be counted seasonally. Secondly, logistics services indicators are the amount of people used the service and distance in kilometres, while accommodation services demand is measured by the amount of nights spent in a hotel. Therefore the touristic services client's base overview is considered on the example of the Russian tourists visited Finland during the Christmas period. Christmas period has always been the most popular for Russians to come to Finland therefore is considered as one of the busiest and profitable seasons for the travel agency. The table 6 illustrates the total amount of nights spent in Finnish hotels during the Christmas period 28.12 – 11.01.

TABLE 6. The amount of nights spent in Finnish hotels by Russian clients of Ven-Fin Tour during Christmas period 2011-2016.

	<b>2011-2012</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>2014 -2015</b>	<b>2015 -2016</b>
Corporate clients	2730	2381	1357	981	11
Individual clients	713	835	1034	1169	-
<b>Total</b>	<b>3443</b>	<b>3216</b>	<b>2391</b>	<b>2150</b>	<b>11</b>

The information in the table indicates on the critical for the company decrease in the demand for the service caused by economic situation in Russia and deterioration in welfare and paying capacity of Russian travellers.

### ***Market needs***

Ven-Fin Tour Oy is providing its customers with a wide portfolio of touristic services. Serving Russian-speaking customers in Finland and vice versa Ven-Fin Tour Oy is making a meaningful contribution to economic and cultural collaboration between these neighbour countries.

Trips to Russia always attract Finnish citizens and visitors while preparation process including visa procedures seems complicated and challenging. The travel agency simplifies the process of getting visa for its customers at the cheapest in Helsinki competitive price. Also it helps to plan the route, choose suitable accommodation and recreation program. These services are in demand by Finnish customers first of all due to the language difficulties. Russia is just at the beginning of the tourism industry transformation to the international mode and not all the logistic companies or hotels have e.g. English- or Finnish-speaking contact person or information on web-site available on different languages.

Furthermore Ven-Fin Tour Oy distinguishes from competitors by convenient accessibility. Customers can get agency's assistance from anywhere by e-mail or phone. At the moment company not only books hotels or transfers by online request, but also issue visas to its clients after receiving necessary documents and passport by post. Ven-Fin Tour Oy has loyal customers from Sweden, Eastern parts of Russia, China and Great

Britain that are using company's services for more than 5 years and have never actually visited the office in Helsinki.

### ***Market growth***

In recent years tourism in Finland is demonstrating strong growth and becoming more international. Currently comprising only 2.4% of GDP, Finland's travel sector has great potential for growth. For a comparison, the EU average percentage value is 6%. (Invest in Finland 2016)

Nationally tourism has become an integral export part and a good source for working places. Finnish ministry of employment and economy has reported that the annual tourism consumption has been more than 13 billion Euros, and it has possibilities of growing to even 20 billion Euros by 2025. It is estimated that the amount of people employed in the tourism sector will reach 180,000 people by 2025. (Vesterinen N., 2015)

The number of foreign visitors in Finland has increased significantly during recent years. According to forecasts by the WTTC, the total demand for travel in Finland will grow by 33.7 percent between 2006 and 2016. If the tendency continues, the amount of tourists will almost double within next 5-8 years.

### **4.3 SWOT analysis**

The following SWOT analysis demonstrated in table 7 captures the key strengths and weaknesses within the company, and describes the opportunities and threats facing VenFin Tour Oy.

TABLE 7. SWOT- analysis of Ven-Fin Tour Oy.

<b>STRENGTHS</b>	<b>WEAKNESSES</b>
<ul style="list-style-type: none"> <li>1. Well-organised managing system</li> <li>2. Excellence of stuff who are professional and very customer attentive</li> <li>3. High customer loyalty among repeat customers</li> </ul>	<ul style="list-style-type: none"> <li>1. High daily costs, low reserve budget</li> <li>2. Inconvenient location that prevents new customers from a pop-up visit</li> <li>3. Lack of marketing</li> <li>4. Poor, not up-to date web-site</li> </ul>
<b>OPPORTUNITIES</b>	<b>THREATS</b>
<ul style="list-style-type: none"> <li>1. Growing market that has yet to be adequately addressed</li> <li>2. Continuously expanding range of high quality services</li> <li>3. Becoming leading Russian visa providing company in Helsinki</li> <li>4. Goodwill credits from famous and well-trusted partners.</li> </ul>	<ul style="list-style-type: none"> <li>1. A slump in the economy will affect the travel industry</li> <li>2. Falling effective demand for tourism services</li> <li>3. Substitution by self-services (no need for a travel agency in future)</li> <li>4. Deteriorating of the political situation with neighbour countries</li> <li>5. Increasing competition</li> </ul>

#### 4.4 Marketing strategy

Dealing with the challenges facing the travel agencies all over Finland will be possible only if the verified marketing strategy and tactics, including a communications component to promote the resort and tourist product on the domestic and international markets.

The marketing strategy will seek to raise the customer awareness regarding Ven-Fin Tour Oy services offered, develop the customer base, and increase customer loyalty and referrals.

Due to the dramatic fall in sales within last 3 years Ven-Fin Tour's advertising budget is very limited. The events used in advertising campaign are characterized by their simplicity and low costs.

#### **4.4.1 Mission**

Ven-Fin Tour's mission is to provide the customers with the highest quality visa issuing and touristic services in Finland.

*Mission statement: Your reliable travel agency.*

#### **4.4.2 Marketing objectives**

The objectives of the marketing activities:

1. Maximum individual customer acquisition and turning new customers into long-term customers
2. Maintaining the corporate customers client base
3. Boosting the recognition of the travel agency as a leading niche provider of services at the cheapest price via advertising, PR;

#### **4.4.3 Target marketing**

Based on the analysis of Ven-Fin Tour's financial performance, attractiveness of certain customer groups and their shares in company's revenue the target market is to be segmented into three customer groups:

- 1) Individuals customers: Already excising individual customers and new referrals
- 2) Corporate customers
- 3) Young people with low budget

Supporting the idea of issuing more visas it is necessary to gain more customers travelling abroad on a business purpose. In a virtue of customer analysis it was identified that Ven-Fin Tour has several clients working for Teboil Company. Teboil frequently holds business events in Russia that require attendance of Finnish employees. Once purchased visa from Ven-Fin Tour by one of the employees has spread the service to other Teboil workers. Eventually the amount of clients grew thanks to world-of-mouth and special

offers were agreed between Ven-Fin Tour and Teboil. Establishing reliable B2B relationships makes the process easier and more confident for both parties.

The same customer analysis has demonstrated similar situation with employees of Helsinki Hospital and a number of international companies. At the moment not all their employees know about the travel agency providing qualified service and some of them still use the competitors' services. The experience of dealing with Teboil has to be taken into account and applied with these organizations as well. It is essential to find a contact person in each of the enterprises and agree on collaboration.

The segment of people with the low budget is targeted for the special reason. This segment up until now has been underserved. It is common that people with low budget in order to avoid additional costs refuse from using travel agency services and plan the trip themselves. Thereby the significant customer group that includes students, unemployed people is simply ignored.

#### **4.4.4 Marketing strategies**

The marketing strategies of the case company focuses on how to establish a corporate image and expand the company's reputation.

Ven-Fin Tour is dividing its business activities on 2 types:

1. Serving tourists in Finland ( mostly Russian clients) – *incoming tourism*
2. Serving tourists in Russia – *outgoing tourism*

Due to the economic and political situation in Russia and decline in demand for touristic services in Finland by Russians it is chosen to concentrate on the second type of activities for at least next one year.

During the long working period providing the touristic services for Russian clients in Finland has been considered as the bigger source of income than incoming tourism activities. Ven-Fin Tour is mostly focused on Russian tourists in need of accommodation or logistics services in Finland and Finns with the same needs in Russia. Political and economic crisis in Russia in 2014-2015 has transformed the whole way of previous state

of the business. The company has lost almost all individual and corporate Russian customers. With the current exchange rate Russian tourists cannot afford trips to Finland.

Competitor analysis has identified that Ven-Fin Tour Oy is the cheapest visa issuing and touristic services provider in Helsinki. Being on the decline stage Ven-Fin Tour is advised to stick to the previous price level and not increase it significantly. In 2014 the service prices were raised up for 10 Eur. The small market price adjustment let the company to slightly increase profit per a unit without significant customer loss. The increased price for service still remains the cheapest on among travel agencies in Helsinki. The financial goal to minimise losses got in the last 3 years of operation is to be achieved not through increasing prices but raising the number of sales units with the help of marketing actions described in the report.

Every year multiple tourist exhibitions are held aimed at improving the functioning of the tourism industry, exchange experiences and make new partnerships. Typically, these exhibitions are held purely inside the industry, which means that only the main tourist business representatives and journalists covering these events are represented. Tourism exhibitions provide a unique opportunity to representatives of the tourism industry from around the world to meet, establish contacts and negotiate a deal. Participation in the exhibition allows maintaining a high level of competitiveness of the company and learning about the latest industry developments. Participation in touristic exhibitions gives to travel agency the opportunity not only to attract potential customers, but also to sign contracts with new partners on the most favourable terms.

Promotion strategy is limited by a low budget of the enterprise. It is specified by variety of ways to promote the sale of advertising, public relations and sales promotion. The physical evidence strategy is based on raise in visibility. In addition to advertisement on Facebook and radio travel agency shall regularly posts on its webpage in order to improve the visibility. Creating an Instagram and Twitter account with regular updates doesn't require additional expenses and let Ven-Fin Tour be closer to its customers. Those platforms are used for keeping in touch with already existing customers and retaining new ones online.

Thereby, 7P model of marketing mix, continuous adjustment of marketing strategy, modern marketing theory and practice have proved that the marketer should look at the

business firstly form the consumers' point of view. In order to get a favourable market position and competitive advantages all the elements of the marketing mix should be linked to the consumers.

#### **4.4.5 Tactical actions**

Following chapter describes the tactical actions that Ven-Fin Tour should consider in accordance to the chosen marketing strategies.

In order to survive in current economic conditions company needs to reorganize the focus in portfolio. The idea is to minimize impact of depending on Russian customers in the agency financial performance. Stimulating visa issuance sales and trips for Finnish clients to Russia is the winning solution at the moment. The main reason of Ven-Fin Tour loyal clients' trips to Russia is visiting relatives living there. Family ties are not usually that sensitive to political situation which means that relatives will continuously need a visa to go to the country. Other group of customers always need a Russian visa are business people. Finland has lots of companies doing business with Russia. Employees need to travel to business meetings, attend forums etc. Increasing the monthly amount of visas provided will help company to cover holes in a budget caused by lack of Russian tourists coming to Finland.

A great chance for expanding the B2B relationships is giving the World Hockey championship happening 6-22.05.2016 in Russia. All the hockey players, team stuff, fans and family members are in need for Russian visa for the event. Ven-Fin Tour has to find the contact person in the participating teams and agree on terms of provided services.

The corporate customer acquisition will be done through direct mailing. Ven-Fin Tour will contact the companies dealing with Russia. It needs to be done through a web-search. Nowadays almost all the international companies have their web-sites or accounts on social media. It is very easy to find an e-mail or phone number of the managers and contact them. A clear informative PDF-file describing the Ven-Fin Tour's provided services, prices and contact details should be created and send to the managers of International companies. This way of new customers' retention doesn't require any ad-

ditional costs and can be done by either travel agency director or manager without involving external help.

Since one of the target segments Ven-Fin Tour will provide the services for low budget people at the different conditions, giving discounts and special offers. In this case it might be a good option to contact student unions in Finland since they organize lots of trips that might need visas and accommodation services.

It is also necessary to establish collaboration with travel agencies located in cities, that doesn't have Visa Issuing centres and already serving students. For example, travel agency Aikamatkat Oy located in Tampere has a solid student customer base but don't have an ability to provide visa services. Becoming an intermediate company helping to get visas for Aikamatkat Oy gives to Ven-Fin Tour an additional source of revenues.

While issuing visas services remains the same as last years, touristic services strategy is based on promotion of special trips to Russia and business travel. The analysis of demand for organized tours made as an individual assignment during the internship at Ven-Fin Tour Oy has demonstrated that the number of interested customers is increasing. The analysis was followed by developing the program for a group of tourists travelling to Vyborg. Travel package should have met some requirements settled by CEO of Ven-Fin Tour. The trip organization took me about 3 months of intensive work. The program was implemented in October 2014. Total amount of participants was 92 (8% less than expected).

The trip implemented during the internship was a prototype of possible organized tours. Ven-Fin Tour had never organized group programs for tourists, usually preferring individual tours organization. Primary customer analysis, successful program implementation and feedback after the trip have demonstrated interest and willingness of Finnish tourists to participate in suchlike events.

Thus the practice of organizing group trips to neighbour countries is considered as a profitable source of income supported by consumer interests. Having all the necessary assets Ven-Fin Tour is taking unique historical, geographical and geological advantages while new service development. The aim is to make "Seasonal trips", carried out on annual basis, the brand distinctive advantage of Ven-Fin Tour.

SWOT analysis and personal communication with customers at the office underlined a significant weakness of the company – poor web-site. At the moment company's site doesn't look attractive and modern, contains not updated information (old price list, phone number and not existed anymore tourist routs). The website is done in 3 languages – Russian, Finnish and English, but the information described in each language is unequal and missing some details. Some of the links are saying that the information is not available yet indicating incompleteness of the site.

The other significant defect of the web-page is that it's invisibility for searching engines. Typing usual key words for a search to Google like "Visa to Russia in Helsinki" or "trip to Russia" etc. doesn't lead to company's web-site. Apparently only the person that knows the exact web address can get access to Ven-Fin Tour's site. This problem should be solved immediately by hiring a professional IT-specialist able to modify the Internet page and make it visible for searching systems. Programmer's services may cost a particular amount but it needs to be considered as a long-term investment extremely needed in 21st century. Well-functioning web-site is a part of a company's image and important mean of communication with clients.

Ven-Fin Tour's subsidiary VenFin SPb located in Saint-Petersburg is an active participant of the tourism exhibitions. During the internship there I had a chance to take part in the preparation process and the seminar during the exhibition.

It should be noted that the majority of tourism exhibitions held in January-March. Therefore the director of the travel agency should monitor coming events in autumn, analyse the most attractive and affordable for the company and start preparation process in advance.

Participation in tourism exhibition requires a lot of time and effort for preparation. Since Ven-Fin Tour has a low budget and not enough staff within the company it will be a good idea to recruit interns with tourism or business education background for this period. It is beneficial for the intern to step in to a real business environment and apply knowledge obtained in school on practice during the preparation to the event. On the other hand company gets free assistance by a student with innovative views on business and creative way of doing things.

One of the most famous exhibitions in Finland is Nordic Travel Fair (“Matkamessut”) which takes place yearly at the end of January in Messukeskus in Helsinki.(Messukeskus, 2016). The Fair present not only exhibitors, but also holds seminars on future trends and coming changes in travel industry, organizes forum where people discuss challenges in the field, workshops, blogger meetings etc. In other words, the event is interesting both for entrepreneurs and customers. According to the post at the official twitter account in 2016 67000 people have visited the event (MatkaTravelFair, 2016).

This event is a unique platform for presenting the company to a huge amount of potential consumers and partners. At the same time it is a great opportunity for business knowledge exchange and competitor analysis.

Supporting the objective of new individual customer retention paid advertisement on Facebook and Helsinki radio “Sputnik” are chosen as the main advertising channels for the next year.

At the moment Facebook has more than one billion registered accounts (more than 10 million of them are Russian-speaking), which indicates the enormous value of a social network for owners of any kind of businesses. In such a mass of people finding the right consumer is guaranteed.

First advantage of Facebook advertisement is that it doesn't require much effort to create. Simple poster with attractive background, the name of the company, provided services and prices is more than enough. The website provides a clearly described manual for the add creation. Facebook add easily connects potential client to the company's page in one click. A big part of Facebook's pitch is that it has so much information about its users that it can more effectively target ads to those who will be responsive to the content. Facebook advertisement let the company reach target audience based on personal information filled on user's profile pages e.g. Helsinki region, working place, age, interests etc. At any point of time it is possible to adjust the settings of the target audience.

The cost of the campaign on Facebook is also an advantage for Ven-Fin Tour. Budget of advertisement is flexible based on the amount of target audience and time of the adver-

tisement to be online. In this case company can always stop the add in order to cut down additional expenses if it had already brought enough customers to the office or increase the budget and continue intensive promotion on Facebook when company revenues are high.

Radio "Sputnik" broadcasted in Helsinki and Lappeenranta is a great platform for promotion of business activities provided in Russian language. Having a solid audience of permanent listeners "Sputnik" offers comparatively low price for the advertisement. This fact is beneficial for the travel agency. This communication channel allows company to raise the brand recognition and bring more clients. After a possible increase in sales and promotion budget it is considered to start advertising the services on radio "Helsinki" as well.

The simplest way and important communication tool with clients is the business card. The importance of business cards is confirmed by a long history of this attribute. However, the card is not only mean of advertising (phone numbers, type of activity, etc.), this is "the image of the company." Card is the "face" of the business that becomes the main image of the carrier during the first meeting. Competitive service market requires not only the availability of business cards, but their professionalism. What is included in this concept: business card is made on high quality material, carries comprehensive information of the enterprise, the information on a card is clear and memorable, as well as the design itself. A small mistake in the business card may result in the loss of future client or partner before the negotiations or give them an additional advantage while bargaining. At the same time refined card will attract new companion to the business.

#### 4.4.6 Marketing mix

The figure 6 illustrates Ven-Fin Tour Oy marketing mix in 7P's model.

7 P's of Ven-Fin Tour Oy marketing mix						
PRODUCT	PROMOTION	PRICE	PLACE	PEOPLE	PROCESS	PHYSICAL EVIDENCE
<p><b>Visa issuing services</b> Touristic services in Russia and Scandinavian countries</p> <p>Features: high-quality touristic services in accordance to the latest trends in the tourism industry; individual approach; convinience of use; regular availability of service</p>	<p>Social media: Facebook, Twitter, Instagram Advertisement on radio Direct mails Word-of-mouth marketing</p>	<p>Cheapest visa issuance service in Helsinki Special offers and discounts for low budget customer groups Special offers for corporate clients 10% discount for the loyal customers (using the company's services for more than 2 years)</p>	<p>Office Ven-Fin Tour in Hesinki Online: Ven-Fin Tour website, e-mail Tourism exhibitions</p>	<p>Experienced and enthusiastic employees Existing individual customers acting as referrals New individual customers Corporate customers</p>	<p>Well-organised services according to the schedule No delays or cancellation of the provided services Fast reply to online requests Strictly observed working schedule</p>	<p>Professional and informative web-site Business cards, brochures Tidy and well-equiped office Modern and comfortable vehicles and accomodation Customer satisfaction rate available online</p>

FIGURE 6. 7P's of Ven-Fin Tour Oy marketing mix.

#### 4.5 Marketing research

The primary data collection for the marketing research is based on the personal observations while regular visits to the enterprise.

During the initial phases of the marketing plan development, company's customer databases were analysed and identified most attractive customer segments. Further interviews with the customers has identified weak points in Ven-Fin Tour's operations and demonstrated clients' interests for the future services development. Customer interviews provided useful insight into the decision making process of marketing actions.

Macro and micro environment analyses assisted in shaping the clear picture of Ven-Fin Tour's surroundings and factors affecting business operations.

An additional source of dynamic marketing research is the review of Ven-Fin Tour financial performance for the last years. It helped to follow the tendency of sales and identify main reasons for dramatic fall in profitability. Financial analysis helps while making the decision on the right activities focus and promotion of appealing services.

The last source of market research is competitive analysis. Ven-Fin Tour Oy will be constantly follow competitors on the market, observe their strategies, new services offered and price levels.

## **4.6 Controls**

The purpose of Ven-Fin Tour's marketing plan is to act as a guide plan for the organization activities. To follow the implementation and effectiveness of marketing actions the company should monitor revenues and control the expenses on a monthly basis.

It is necessary to follow customer satisfaction through company's web-site feedback section and rate system, and surveys sent to e-mails. Along with the online sources personal interaction with the client is a fastest way to get feedback and adjust services if needed.

### **4.6.1 Contingency planning**

Since the travel agency is very niche it has no marketing department. Marketing strategies will be implemented by the director and managers of the company cooperatively. Not enough marketing experience and educational background might become a critical point. Lack of proficiency can lead to a flop of marketing actions.

Macro environmental influence might also negatively affect marketing strategies implementation. A slump in the economy cannot be fixed by Ven-Fin Tour's operation and will require the whole business transformation in order to adjust to the new circumstances.

Low budget available for marketing campaign is a struggle point for its success. The company manager should accurately choose most appealing promotion channels and follow their effectiveness on financial performance.

Lack of resources to deal with the decline stage of the business life-cycle might prevent the company from its objectives achievement. The worst case risks may include determining that the business cannot support itself on an ongoing basis with the following liquidation of assets to cover liabilities.

## 5 SUMMARY

The main objective of the current thesis was to develop a comprehensive marketing plan for the niche travel agency located in Helsinki Ven-Fin Tour Oy. It aimed to support a case company, and come up with marketing activities which could help the agency to overcome current business challenges. The practical recommendations for the commissioning enterprise Ven-Fin Tour Oy have been based on internship at Ven-Fin Tour Oy followed by regular visits to the office and in-depth acknowledgement with the company insights, desk research on the subject of business life cycle and marketing strategies, theoretical framework, research data gained from business literature and webinars.

The qualitative and constructive research in the thesis was conducted with the help of customer interviews, analysis of company's internal databases, analysis of tourism industry and competitive environment. The combination of primary and secondary data collected throughout the constructive research has revealed the company's weak points for improvement.

### 5.1 Conclusions and recommendations

Personal observation and initial interview with the CEO of Ven-Fin Tour revealed the necessity of improvement of marketing strategy used by the company. In high competitive environment marketing is an essential part of successful business activities.

It has been discovered that, generally, Finnish tourism industry has a huge growth potential and have access to the resources needed for customer satisfaction. The country trustworthy reputation widely known for Scandinavian high quality, the well-functioning network of touristic institutions, government financial assistance, natural resources and wide range of touristic activities available – all of these gives Finland an excellent opportunity to take a valuable place in world tourism.

Current business condition of Ven-Fin Tour requires immediate improvement of all 7P's of marketing mix. Due to the low budget company is very limited in the choice of appealing marketing tools. Therefore, strategies suggested in the marketing plan are aimed to the implementation without any external sources and at lowest possible ex-

penses. Since profitability is not the major indicator of company's successful performance when reaching the critical point, the niche company is recommended to primarily focus on the concept of social network, the values and high quality and convenience of services it provides. Highly accessible Internet allows the company to find a target segment through the online systems and start diffusing the services through other social media channels such as Facebook, Twitter, Instagram, etc.

Due to the current economic situation the specialization on Russian-Finnish tourism is not considered as a stable base for successful niche business running. Economic and political crisis in Russia started in 2013 has made a crucial impact on Ven-Fin Tour's financial performance. Therefore, it is recommended to reorganize the business portfolio and focus on alternative touristic services described in the marketing plan. The aim of this strategy is to decrease the level of business dependency on Russian clients.

Being on the decline stage, company still has a lot of potential to expand business life cycle and increase revenues. Professionalism of provided services gained through more than 20 years of operations provides a solid basis for customer retention. Market and client's bases analysis has identified the most attractive customer segments. By building the first traction of new individual customers, company is able to raise profitability in the fastest and most efficient way. Further company's actions are to be targeted to make clients loyal. Besides providing high quality services it is necessary to keep in touch with clients through social media channels. Regular updates on Facebook and Instagram pages remind customers about the company, increase attention level towards Ven-Fin Tour and track the leads. Online channels are also to be used as marketing and promotional platforms when introducing new services and offers, popular destinations or interesting facts about tourism.

Acquisition of corporate clients is considered as a valuable strategic decision for Ven-Fin Tour. It takes more time and effort to attract and establish collaborating relationships with corporate customers, than getting in touch with individual customers segment, but B2B relations are always tend to be more stable and long-run oriented. Corporate customer retention is to be done through direct mails and personal communication with the contact person.

To build momentum, Ven-Fin Tour should consider the power of influential people who spread word-of-mouth. In this case company is advised to establish relationships with low budget customer groups like students. They are usually identified as Early Adopters in the diffusion of the innovation's adoption curve with the huge ability to track the leads of other young people. Special offers for this customer segment and individual approach are the main points in business relations with targeted group.

Analysis of Ven-Fin Tour's competitive environment has proved the fact that the company is a cheapest provider of touristic services in Helsinki. This information should be used as a distinguish point when attracting new and retaining existing customers. A brief analysis of company's competitors succeeding in current business conditions revealed common patterns which are: an English and Russian version of the website, good visuals, simple in-site navigation, and prompt customer service.

In order to expand business life cycle, Ven-Fin Tour is strongly advised to regularly participate in local and international touristic exhibitions and events. This constantly expands networks by bringing new partnerships, retains new individual and corporate customers and tracks the leads. Nowadays Ven-Fin Tour lacks online visibility; therefore it needs to regularly be present in business forums, touristic events where niche enterprises can promote themselves in a familiar environment.

Apart from marketing events described in the thesis, the research has revealed the necessity of practical changes in business activities. Following the excising model of travel agency and overall way of doing business Ven-Fin Tour is staying behind most of recently arisen travel agencies. The company is recommended to rearrange the services portfolio and expand the presence at new emerging markets.

A set of marketing tools suggested for Ven-Fin Tour Oy has been already partly executed. Based on brief review of sales and customer feedbacks it has brought positive results in the company's performance.

## 5.2 Personal learning experience

The actual theoretical and practical knowledge obtained during the research process has also given me an ability to discover the inner core of the case company. Being familiar with the challenges and solutions for the decline stage of business life-cycle I could not imagine that in reality the usual ways of dealing with the business problems are not always working in a predicted way. The consequences of any decision either lead the company to success or crush the whole business. The other option is that the implementation of marketing tool doesn't create any change at all, that means that the time and effort was simply wasted.

While doing the competitor's analysis and customer interviews I got a chance to expand networks and get to know people whose entrepreneur experience might be considered as a successful example to follow.

My thinking was widely expanded by getting the chance to become innovative and professionally expertised in suggested ideas. Trust and freedom of thoughts given by commissioning company has developed my independence and responsibility level. Moreover, my written language along with communication skills has been significantly improved.

The outcome of the current thesis has brought personal satisfaction in educational and professional concept. The feedback on thesis got from CEO of Ven-Fin Tour has encouraged me for the future collaboration with the case company.

## REFERENCES

- Armstrong, G., Kotler, P., Harker, M., Brennan, R. 2012. *Marketing: An Introduction*. 2nd edition. Essex: Pearson Education Ltd.
- Bergen, M. & M, Peteraf A., *Competitor Identification and Competitor Analysis: A Broad-Based Managerial Approach*, Managerial and Decision Economics 23, June-August 2002, 157-169
- Chesyer R. Wasson, 1978. *Dynamic Competitive strategy and Product Life Cycles*. Austin, TX: Austin Press
- Czepiel, J. and Kerin, R. 2013. *Competitor analysis*. [web publication], [accessed 16 April 2016]. Available from:  
<http://pages.stern.nyu.edu/~jczepiel/Publications/CompetitorAnalysis.pdf>
- Doyle, P. 1976. *The Realities of the Product Life Cycle*. Quarterly Review of Marketing, Vol 1, summer 1976, 1-6
- Harrigan, K., 1980. *Strategies for Declining Industries*. Journal of Business Strategy, Vol.5, October, 27
- Hearst Newspapers, 2016. *Tactical Marketing vs. Strategic Marketing*. [webpage], [accessed 26 April 2016]. Available from: <http://smallbusiness.chron.com/tactical-marketing-vs-strategic-marketing-20704.html>
- Invest in Finland, 2016. [web publication],[accessed 23 February 2016]. Available: <http://www.investinfinland.fi/industries/travel-and-tourism/112>
- Janssen, T., *Just in Time Management*, [web publication], [accessed 21 March 2016]. Available from: <http://www.justintimemanagement.com/en/The-7-stages-of-business-life-cycle>
- Kemin Matkailu Oy, 2015. [web publication], [accessed 05 April 2016]. Available: <http://visitkemi.fi/fi/lumilinna>
- Khatri, M. 2013. *Porter's 5 forces. Model for Industry analysis*. [web publication], [accessed 20 October 2015]. Available from:  
<http://www.slideshare.net/mayurkhatri5/porters-five-forces-26443199>
- Kotler, P., 2008. *Principles of marketing*. 5<sup>th</sup> European ed. Pearson Prentice Hall
- Kotler, P., 2011. *Principles of marketing*. 14 ed. Pearson Prentice Hall
- Kotler, P., Keller, K. L., Brady, M., Goodman, M. & Hansen, T. 2009, *Marketing Management*. Pearson Education Ltd.
- Kotler, P., Keller, K. L., Brady, M., Goodman, M. & Hansen, T. 2012, *Marketing Management*. 14<sup>th</sup> ed. Prentice Hall

Levitt, T., 1965. *Exploit the Product Life Cycle*. Harvard Business Review article, Vol.43, November-December, 81-84

Macmillan Dictionary, 2015. [web publication],[accessed 02 January 2016]. Available: <http://www.macmillandictionary.com/dictionary/british/excursion>

MARKET-PAGES.RU, 2016. Informational business portal. *Strategic and operational marketing*, [webpage], [accessed 26 April 2016]. Available from: <http://www.market-pages.ru/strategmarketing/4.html>

Mortans.info. Independent informational channel, [web publication], [accessed 10 March 2016]. Available from: <http://mortrans.info/analytics/profsoyuzy-finlyandii-ustroyat-masshtabnuyu-zabastovku/>

MatkaTravelFair, 2016. [web publication],[accessed 30 March 2016]. Available: <https://twitter.com/MatkaTravelFair>

Muckherjee S., Kumar S., 2005. *Organisation and management and business communication*. Courcebook. Paperback

PALO ALTO SOFTWARE, 2016. *Business planning guide*. [webpage], [accessed 02 February 2016]. Available from: <http://articles.bplans.com/writing-a-business-plan/>

Porter, M. 1985. *Competitive Advantage: Creating and Sustaining Superior Performance 1st Edition*. The free press

Powerbranding.ru, 2015. [webpage], [accessed 12 February 2015]. Available from: <http://powerbranding.ru/tovar/zhiznennyj-cikl/>

QuickMBA. 2010. *Marketing Plan Outline*. [webpage], [accessed 15 April 2016]. Available from: <http://www.quickmba.com/marketing/plan/>

UNWTO, 2015. World travel organisation [webpage], [accessed 23 December 2015]. Available from: <http://www2.unwto.org/>

Vesterinen N., 2015. Informative brochure. West print Ltd.

VisitFinland, 2015. [web publication],[accessed 22 February 2016]. Available: <http://www.visitfinland.com/travel-trade/tourism-statistics>

Weber, J., 1976. *Planning Corporate Growth with Invested Product Life Cycles. Long Range Planning*. Journal, Vol. 9, October, 12-29

Westerncape.gov., 2005. *Understanding Tourism Marketing*, [web publication], [accessed 01 April 2016]. Available from: [https://www.westerncape.gov.za/text/2005/7/section1\\_understanding.pdf](https://www.westerncape.gov.za/text/2005/7/section1_understanding.pdf).

Wood, M. B. 2014. *The Marketing Plan*. A Handbook. 5th edition. Essex. Pearson Education Ltd.

Zhukova, M. 2006. *Tourism industry management. Course book*. Knorus, Moscow

**Unpublished sources:**

Ven-Fin Tour report 2008  
Ven-Fin Tour report 2009  
Ven-Fin Tour report 2010  
Ven-Fin Tour report 2011  
Ven-Fin Tour report 2012  
Ven-Fin Tour report 2013  
Ven-Fin Tour report 2014  
Ven-Fin Tour report 2015  
Interview with the CEO of Ven-Fin Tour Oy