



Joni Forsgård

# Business-To-Business Branding in The Finnish Tourism Industry

Business Economics  
2017

## TIIVISTELMÄ

Tekijä	Joni Forsgård
Opinnäytetyön nimi	Yritysmarkkinointi Brändäys Suomalaisessa Turismi Teollisuudessa
Vuosi	2017
Kieli	englanti
Sivumäärä	56 + 4 liitettä
Ohjaaja	Thomas Sabel & Ralf Bochert

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Tämä tutkimus kartoittaa globaalin yritysmarkkinoilla toimivien suomalaisten matkanjärjestäjä pienyritysten brändäystä ja miten brändien jatkuvaa rakentamista kyseisellä toimialalla pystytään jatkossa mahdollisesti kehittämään. Euroopan kypsät matkailumarkkinat sekä globaali kilpailun kasvaminen asettavat haasteita suomen matkailumarkkinoille. Lopputyön tarkoituksena on luoda uutta tietoa toimialan brändien rakentamisesta, sekä miten niitä voidaan kehittämään vahvemmaksi globaali sekä kotimainen kilpailu mielessä.

Tutkimuksen käytettävä teoreettinen viitekehys koostuu pääosin yritykseltä-yritykselle brändäys kirjallisuudesta, johon on tarvittaessa sovitettu kulutushyödykkeiden markkinointi pohjaisia sekä turismi keskeisiä brändi käsitteitä. Keskeisimmät yksittäiset käsitteet joita tutkimus soveltaa on yritykseltä-yritykselle brändipääoma, brändi identiteetti, brändi asettelu, sekä brändi kommunikointi globaaleilla markkinoilla.

Suomalaiset matkanjärjestäjä brändit perustuvat vahvasti kokemukseen sekä verkostoitumiseen. Yksittäinen matkanjärjestäjä brändi kuvastaa koko suomea matkakohteena, sekä alihankkijoita jotka ovat osana yrityksen arvolupausta. Suomalaisen matkanjärjestäjä brändit ovat keskenään hyvin samanlaisia verrattaessa yrityksen arvolupausta, brändi identiteetti arvoja, sekä brändien markkina-asettelua. Myöskin yksittäisen brändin tarjoaman palvelun laadun paremmuutta on vaikea määrittää suoranaisesti. Kehitys ideana suomalaiset matkan järjestäjä brändit voisivat keskittää omaa yritystehtäväänsä sekä tulevaisuuden visiota. Brändien arvolupauksen rinnalle voitaisiin myös nostaa muita brändi identiteetin arvoja markkina-asettelun vahvistamiseksi.

## ABSTRACT

Author	Joni Forsgård
Title	Business-To-Business Branding in Finnish Tourism Industry
Year	2017
Language	English
Pages	56 + 4 Appendices
Name of Supervisor	Thomas Sabel & Ralf Bochert

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The thesis studied global SME Business-to-Business tour operators branding, and how brand building in Finnish tourism industry could be developed in the future. Europe's mature travel markets and increased global competition are challenging Finnish tour operators. The thesis established new information on Finnish B2B tourism industry branding practices, and explored the idea of improving Finnish tour operators brand building against global and domestic competition in the future.

The theoretical frame of reference used in the thesis concluded applications of Business-to-Business, Business-to-Consumer and tourism related branding literature. The key concepts of the study were brand equity, brand identity, brand positioning and brand communication on global markets.

The thesis found out that the Finnish tour operator brands are built on experience and networking. Individual tour operator brands represent the whole destination and supplier network, because they are both part of tour operators value proposition. Finnish tour operators' brands were found to be relatively similar in terms of value proposition, brand identity values and brand market positioning. The thesis found out individual brands' performance superiority hard to measure directly. The thesis suggested more focused company mission and future vision for tour operators as a base for core brand identity. Additional brand identity values could be introduced in the future alongside the value proposition to define more clear brand positioning on global markets.

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Keywords                      Tour operator, branding, tourism

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# 1 INTRODUCTION

This thesis explores business-to-business [B2B] branding in the tourism industry. The research is a case study of the Finnish tourism industry. The purpose of this research is to find out how B2B micro, small and medium-sized enterprises [SME] branding is valued and utilized in the business, and how it could be essentially improved in the Finnish tourism sector.

Business can only fully incorporate a successful brand, when the brand itself is a successful system aligning purpose, action and results. It has become increasingly important for B2B companies to establish relationships on a global scale, to connect a value proposition with clients' needs. A successful brand has a direct impact on businesses reputation strengthening, risk mitigation and client-building. (Martinez Onaindia & Resnick, 2013.)

Competition between tourism markets in Europe has tightened over the years because of a global economic crisis, appealing tourist resorts outside of Europe and a high seasonal variation. World Economic Forum (2016) ranks Finland 22<sup>nd</sup> out of 141 countries covered in *The Travel & Tourism Competitiveness Index Ranking 2015*. global competition opposes both challenges and opportunities for the Finnish tourism industry. As the global competition increases, the need for corporate brand awareness and effective lead finding on the market increases accordingly.

The research will focus on qualitative in-depth Finnish SME inbound tour operator interviews regarding brand building. The interviews are based on a reviewed theoretical branding literature. This study essentially explores the idea of more efficient B2B branding in tourism context.

## 1.1 Study Background

This section provides background information highlighting the current state of the Finnish tourism industry in the context of global tourism, two key markets development for Finnish tourism sector and the structure tourism businesses in Finland. A more detailed view of global tourism characteristics can be found in section 2.1.1.

The competition among tourism businesses in the European tourism sector is steadily increasing as global tourism has shown an annual growth of 4%. Regionally Europe has shown strong growth as a mature market. International tourist arrivals in Northern Europe grew by 7% in 2015. Finland as a destination has shown annual growth of 4-5% average by the end of 2015. (United Nations World Tourism Organization 2016, 8 [UNWTO])

Of the total international tourism consumption in Finland, Russia accounted for 18%, and was as number one, China for 14% was consequently the second largest in 2014. Measuring average spending (per person/per trip) however, China is number one with EUR 656. These numbers indicate the importance of these two markets for the Finnish tourism sector. (Visit Finland, 2016a)

Visit Finland (2016a) points out a significant change in international visitors' overnight stays in Finland comparing the years 2015 and 2014. In 2015 Russian incoming visitors decreased by 41.6%. Visitors from China and Hong Kong however, increased by 40.1%. For more recent information, Official Statistics of Finland (2017), is comparing the years 2016 and 2015. Russian tourists' overnight stays continued to decrease at a slowing rate by 13%. Chinese incoming visitors continued to increase by 23% relatively. These numbers indicate the Russian markets' gradual recovery, and the Chinese markets' relative increase.

According to Ministry of Employment and the Economy (2014a, 2015 [TEM]), the tourism business in Finland is shattered. Finnish tourism industry consists of totally 27,000 businesses, 90% of them being small businesses. Despite the annual growth regarding inbound tourism, as a global destination Finland is still not globally well known due to a number of factors such as remote location and a relatively slim product offering.

The Finnish tourism industry faces challenges and opportunities as mentioned above. Changes in the Russian markets indicate the need for actions to secure sustainable business relations with Russia. A significant increase over the years in Chinese market indicates the need for more market investment. For tour operators,

global brand building provides means to increase future brand recognition, lead generation and market differentiation in the current key markets.

## **1.2 Research Question and Objectives**

This research deals with global B2B branding in the tourism industry. The research focuses on how existing B2B branding theory applies to the tourism context, exploring the idea of more efficient tour operator brand building.

More specifically, the research question is to find out how Finnish SME inbound tour operators' branding can be improved. Tour operators' branding values and practices are explored and contrasted against existing B2B branding theory. Possible managerial implications for B2B branding in the Finnish tourism industry are presented based on the research results.

Branding research focuses on SME B2B inbound tour operators in Finland. SME setting is based on the current structure of the Finnish tourism industry mentioned in section 1.1.

The research falls into a qualitative category, where in-depth interviews are used to achieve an understanding of current individual B2B businesses branding practices against the theoretical framework. The interviews are conducted as phone interviews, because companies are scattered around Finland. Research population is all the tour operators in Finland, of which the sample consists of incoming SME travel trade corporations operating in foreign markets.

To solve the research problem, more specific research objectives are set. The first objective is to describe B2B branding on a theoretical level. The second objective is to conduct a case study of the Finnish tourism industry, providing insight into tourism business and branding in practice. The third objective is to find possible practical ways to improve B2B branding in the Finnish tourism industry as the thesis product.



### **1.3 Thesis Characteristics and Structure**

This thesis is service-oriented, falling into an explorative category. The thesis aims to achieve an understanding of the current B2B branding practices in the Finnish tourism industry and how branding could be essentially improved in the future. The thesis consists of the following parts: Literature review, empirical case study and the thesis product.

The theoretical literature consists of primary and secondary data, governmental statistics and publications fall under the primary data category, whereas published articles and books will fall under the secondary data category. The literature review forms a basis for the empirical study, forming a theoretical framework for the empirical study.

In the empirical study, I will apply the theoretical framework in its entirety to conduct a case study of Finnish tourism industry. Sample companies will be interviewed on a qualitative basis to gather information on current branding practices. Interviews will be conducted with people in key roles of branding and marketing. The sample being multiple companies within the industry, the case study will produce information that can be generalized to tour operators in the Finnish tourism industry.

The thesis product will be an understanding how current B2B branding theory applies into tourism context. It is performed in the form of a conclusion and managerial implications in the final section, which will be drawn from comparison of the empirical results and the theoretical framework.

### **1.4 Research Scope & Limitations**

B2B branding is relatively little researched, when compared to business-to-consumer (B2C) studies on branding. The idea of this thesis is to extend the knowledge of the little researched B2B branding in the tourism industry. There are many ideas worth considering, when answering the research question “how can Finnish SME tour operators improve branding” however the focus will be in detail on B2B brand

equity, brand building, tourism branding and brand communication in the digital age.

These subjects were chosen to meet the requirements of the set research objectives in section 1.2. The chosen subjects will be able to describe B2B branding on a theoretical level. Branding, marketing and social media theory together with already established current information on the Finnish tourism industry will form an objectively complete framework for the empirical study.

This thesis proposes certain limitations (Section 4.1), or the thesis product can only be applied to certain extent. This research explores global B2B branding in Finnish tourism industry, creating new information. The end results cannot be generalized or applied directly to any other industry with similar characteristics. The research sample is carefully chosen to meet requirements mentioned in section 1.2. This limits the thesis product to be applied only to Finnish incoming tour operators with a caution.

This research does not use a quantitative method due to an exploratory nature of the thesis, a lack of relevant database and a set time limit. Sample consisting of multiple companies and theoretical framework structured from variety of literature, the outcome of the thesis can be applied to Finnish tourism industry with ensured reliability and validity. Impact of interviewee in the interview situations have been minimized by using semi-prepared questions. The interviewee has no previous affiliation to any of the sample companies used in the case study. In any result, the thesis product will not replace the need of conducting companies own quantitative and qualitative researches.

## 2 LITERATURE REVIEW

Branding is universally acknowledged to be one of most important assets in business, powerful brand leading to success in the market place. Chunawalla explains that branding is not only considered to be important for the marketing manager of a company, a common employee is equally concerned in the process of branding. The concept of branding is characterized as organizational development, where the achieved perception of a brand is not only how a company looks and feels to its public, but also how it lives as a culture. (Chunawalla 2008, 3; Walters & Jackson 2014, 5-7.)

Hardly any company operating in today's business world neglects the importance of Business-to-consumer [B2C] branding, however B2B branding is still relatively new concept for companies which is gradually starting to gain more interest (Kotler & Pfoertsch 2007, 357-361; Keränen, Piirainen & Salminen 2012, 404-417). According to Kotler & Pfoertsch, the pressure of commoditization, growing customer power and globalization drive companies to create and maintain a sustainable competitive advantage by branding their products on B2B markets.

Keränen et al. explains that because the research of the B2B branding concept has been neglected in comparison to B2C branding, the concept of B2B branding lacks a systematic theoretical framework. Majority of the existing B2B literature is based on the concepts of consumer brand equity and customer loyalty. Majority of the frameworks used in researches utilizes consumer based branding theories as Aaker's brand equity model and Keller's customer-based brand equity model (Keränen, Piirainen & Salminen 2012, 404-417). Huikko's research *How to build a strong global brand for an SME Case: Company A* (2014) also establishes the logical starting point by observing Aaker's and Keller's brand equity models.

With these limitations in mind, the thesis utilizes the already established B2C theory to certain extent, while also get in-depth with available B2B branding literature. In section 2.1. branding is defined, and the sections 2.2 give insight into the role of B2B branding. B2B, global and Finnish tourism market characteristics are explored

in the sections 2.3 and 2.4 Aaker's and Keller's models will be reviewed for this research in detail in section 2.5. Brand building activities are explored in the section 2.6. Destination, global and SME branding are all concepts in tourism business, which will be reviewed in the sections 2.7, 2.8 and 2.9. The fragmented literature will be pulled together in the final section 2.10 of the literature review. The essence of B2B tour operator branding will be drawn and the applications will be presented for the empirical part.

## **2.1 Branding Defined**

A brand is often defined as an identifier of the seller or the maker. A Brand represents inclusively the essence of a company, and is an identifiable mark for a consumer in qualitative terms of a seller's value proposition. For organizations, a brand, is an asset of substantial value and a clarifying, focusing, and motivational force. (Kotler & Keller 2012, 263-265; Chunawalla 2009, 2-14; Walters & Jackson 2014, 5-7; Kaputa 2012, 15-21.)

According to Walters & Jackson, a brand and a process of branding makes consumers to forge an intellectual relationship with a marketplace, where via brands consumers understand how different products or services compare in relation to competitive alternatives, giving consumers a specific feel of a brand (Walters & Jackson 2014, 5.)

A brand can be constructed of words, letters and/or numbers. Visual presentation such as a symbol or design, potential distinctive lettering or coloring is called a brand mark. According to Kotler & Keller, a brand can have different elements such as a distinctive log or an empowering slogan, making a specific brand unique from another (Kotler & Keller 2012, 272). Chunawalla explains that branding practically is an intangible value proposition, made physical by an offering. He states that an offering can be a combination of physical products, services, information and experience. (Chunawalla 2009, 4.)

Aaker explains that to achieve an optimal branding strategy and prevent potentially causing damage to a business, a brand should never be solely based on product attributes. A brand is much more than a product (Figure 1). This is because brands also deliver on a wider remit, beyond product attributes. (Aaker 2010, 72-73.)

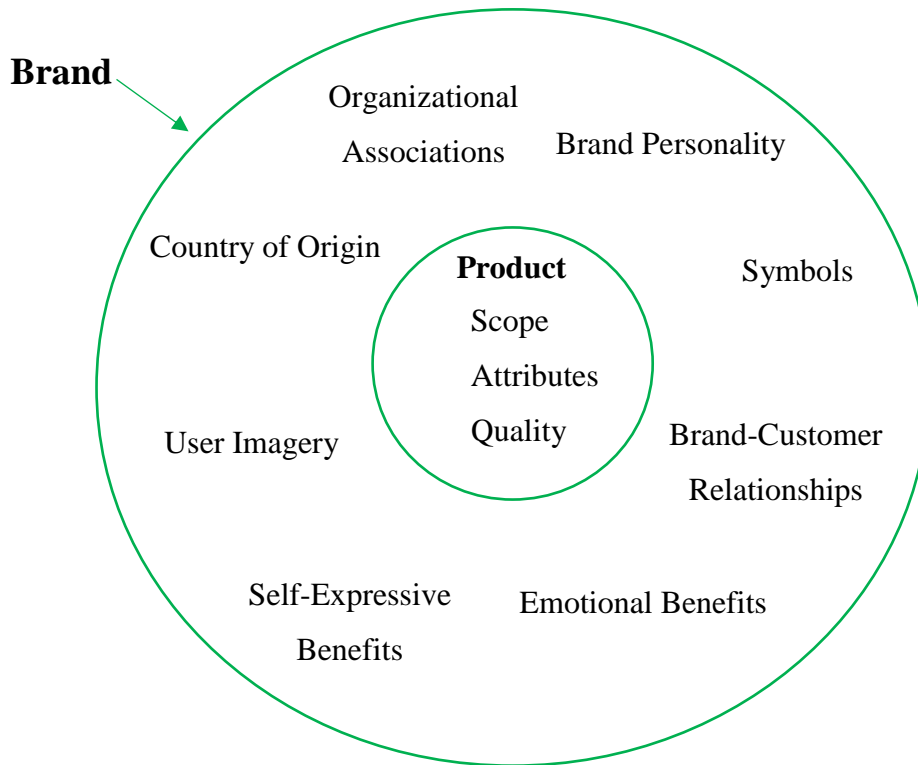


Figure 1 A Brand Is More Than a Product (Aaker 2010, 74)

According to Chunawalla, a brand in its complexity also reflects values that a producer stands for. Culture can be reflected by a brand as well, where a certain product or a service is usually linked with a culture. In consumers mind a brand projects personality, meaning that a brand is suggesting a specific personality to consumers. Chunawalla also explains that a brand suggests its target audience, based on how consumers associate certain types of groups or individuals with certain products or services. These reflections power the perceived brand, making consumers to correspond with a certain brand more than others. (Chunawalla 2009, 4-5.)

According to Segreto et al. company brand creation means establishment of a symbol, reflecting and incorporating the essence of the firm. A brand must speak simple

language, easily understandable, but emphasize and express the company's identity. Segreto et al. emphasizes brand adjustment accordingly for different key markets where a company is planning on doing business. (Segreto et al. 2012, 51.)

Kaputa highlights the importance of branding, by stating that if branding is neglected from a management perspective, customers will do the branding themselves instead. This would result in the management losing control over the branding process, leaving the business unable to compete with other established brands. (Kaputa, 2012.)

## **2.2 Role of B2B Branding**

Kompella (2014, 143-151) identifies the role of B2B branding to recognize real needs of a business buyer, going beyond a product or a service alone, providing a necessary meaning for interacting with the brand. Martinez Onaindia & Resnick (2013, 5) explain B2B Branding supporting sales directly by strengthening an organizational reputation and preferred supplier positioning. These factors shorten the decision-making process and strengthens risk mitigation once the business relationship is established, driving the sales process of a B2B company. (Kotler & Keller 2012, 264.)

Another clarifying benefit of B2B branding is a permission to provide additional value-adding services for businesses because of client-building. Kompella states that client-building also enables more impactful market entry and sets commoditization barriers in competitive industries. B2B Brands also have an influential effect towards company leadership, by aligning goals and objectives across business units. A focused messaging enables businesses to offer a clearer and more coordinated product and services offer. According to Martinez Onaindia & Resnick, B2B branding also has a role in workforce enhancement. B2B brands are contributing to an appealing organizational culture, increasing the acquisition and retention of current and future talent. (Kompella 2014, 143-151; Martinez Onaindia & Resnick, 2013.)

Kompella identifies four factors impacting the brand perception of a B2B company. (1) Established customer relationship. For B2B businesses the performance is relying on others daily. Changing brands can be a costly process, resulting trust playing a significant role in the relationship. By creating customer promise a company can stand by, brand perception will be reinforced. (2) Signaling a strategic shift from supplier to a partner. This shift takes a B2B company sales from customers' terms, to a Long-term collaborative win-win relationship. Established partner relationship enables B2B companies to shift also the focus from product and functionality to broad benefits. (3) Reaching through the end customer. B2B companies with a similar product offering, having an intermediary in contact with the end customer, can gain a competitive advantage by reaching directly to the end consumer. This is because when the consumer recognizes a brand, it becomes considerably easier for intermediary to recommend the brand performance for the end customer over others. (4) Reconciliation between a B2B Brand and a corporate brand. According to Hatch, Schultz & Olins (2014), for most of the companies, a B2B brand and a corporate brand are the same. However, Kompella differentiates these two concepts. The role of B2B branding is to connect with business customers' needs and priorities, whereas corporate branding focuses on setting out the institutional mission of a company. In this way, a B2B brand is close to a B2C brand. A corporate brand address all the company's stakeholders (investors, suppliers, distributors, partners, governments, and local, national, and international community groups, employees). Hatch et al. explains that corporate branding cannot only focus on the future, but must also connect with the past, taking into consideration what the brand meant for stakeholders in the past. (Hatch et al. 2008, 6-11; Kompella 2014, 146-151.)

### **2.3 B2B Market Characteristics**

Business-to-business markets differ significantly from business-to-consumer markets in terms of (1) Market structure, (2) Buying behavior and (3) marketing practice (Brennan, Canning & McDowell 2007, 7-18; Brown, Bellenger & Johnston 2007, 213-224). According to Brennan et al. a business market includes institutions,

governments and businesses buying virtually all kinds of products or services available. Nature of demand is always derived; organizations are buying to fulfill their own value-creation process (Glowik & Bruhs 2014,31). Depending on the type of organization, a business buyer is typically buying to increase sales, reduce costs or meeting government regulations (Zimmerman & Blythe 2013,2). Brennan et al. identifies other market structure characteristics being inelastic, and more volatile demand of business markets. This means that a demand on the market is less influenced by a price fluctuation, but is more exposed to change in demand of an affiliated product or service. Buying behavior characteristics for business markets are longer purchase cycles, higher purchase values and complex buying behavior. Other common business market practices are interdependence of buyer and seller, written rules and high formality. According to Glowik & Bruhs relationships have a significant impact on business markets, where purchasing managers represent an interface between the seller and buying company. In B2B tourism markets, a positive contribution to the value of the relationship is achieved by the provider relationship benefits, long-term orientation and agency attitude. Finally, a product or service customization is high in comparison to B2C markets, increasing product complexity on the markets. (Brennan et al. 2007, 7-18, Moliner-Velazquez, Fuentes-Blasco & Gil-Saura 2014, 219; Glowik & Bruhs 2014,34.)

#### **2.4 Global and Finnish Tourism Sector Characteristics**

According to UNWTO's *Tourism Highlights 2016 Edition*, Worldwide International tourist arrivals are expected to increase by an average of 3.3% over the period of 2010-2030. This accounts approximately 43 million people increase per year in worldwide international arrivals during the period. The statistics suggest the strongest growth by region to be in Asia and the Pacific (Section 1.1) with an increase of 4.9% international arrivals per year. The strongest growth in these regions results in a market share growth up to 30% in 2030. Asian and the Pacific market growth pushes Americas and Europe to a further decline in share of international arrivals, mainly because of comparably mature destinations in Northern Europe, Western Europe and North America. (UNWTO 2016, 14.)



TEM states in *Suomen matkailustrategia 2020* report, that Tourism provides a significant source of income for Finland, representing 3% of GDP [Gross Domestic Product] with an expected yearly international arrival increase of 5%. Tourism is the only export business, where consumption takes place in the homeland and attributes Value-added tax [VAT]. The report states that international inbound tourism has the most potential to increase tourism income for the Finnish industry in the Future, however the expected increase cannot not be achieved as an increase of traveler volume alone. To achieve yearly expected increase, the industry must adapt accordingly to global trends and develop marketing, services and sales. (TEM 2014, 8-12; Visit Finland 2016.)

TEM's report identifies three basic trends impacting the Finnish tourism industry in the future, (1) increase in environment-awareness, (2) shattered customer groups and (3) significance of the internet.

Environmental-awareness is impacting tourism industries globally, as global warming results in a change of attitude in consumers' mind. The impact of increasing environmental-awareness needs to be taken account in business development and marketing. Finland has a reputation as being a clean nature destination in the past, an environmental catastrophe resulting in possible loss of image and damaged nature. Shattered customer groups are emerging stronger than before, aging population increasing and being more wealthy demands more attention from the industry. Increasingly differentiated customer segments demand capability to be recognized in the Finnish tourism industry, not every segment can be served in the same manner, or be offered the same services. Internet has changed consumers buying habits, information seeking and decision making. Service based peer reviews in social media have impacted the consumer's decision making, which needs to be taken account. Social media enables new marketing opportunities for tourism companies in Finland. (TEM 2014b, 13-14)

TEM's reports *Suomen matkailun tulevaisuuden näkymät* (2014a) and *Suomen matkailustrategia 2020* (2014b) provide insight into strengths, weaknesses, opportunities and threats [SWOT Analysis] in the Finnish tourism industry. According to

TEM, on a global scale the biggest competitors for Finland are Norway and Sweden. These main competitors are taken into account when conducting the SWOT analysis.

Strengths are accessibility from Russia, tourist attractive destinations and versatile travel centers. Russia is still currently the largest market for Finland despite the decrease in incoming tourists over the past years (Section 1.1). The most attractive destinations in Finland are Helsinki, The Turku Archipelago, Finnish Lakeland and Lapland. Versatile travel centers in Finland are located near nature and offer a variety of activities for visitors.

Weaknesses are listed as overall accessibility to Finland, high price level and the fact that Finland is not very well-known as a tourist destination. Finland is a remote location, which signifies the importance of airline routes and effective railway system. In comparison to other European destinations, Finland has a significantly higher price level, impacting the inbound tourism. Little investment in Finland's tourism image has been noted in the past, Finland's image as a safe destination with versatile, high quality services must be actively sold on a global basis in the future. (TEM 2014a 16-18; 2014b, 13-16.)

Matkailun edistämiskeskus [MEK] defines development strategy reports for winter- (2014a), summer- (2014b) and cultural-travelling (2014c). Finland as a travelling destination image has largely been built around winter's attractiveness. In the future, the concept of image advertising in Asia by businesses own marketing efforts will be in high focus. Figure 4 captures the current marketing slogan for winter travelling in Finland: "meaningful encounters" (Appendix 1.), representing the relationship between a man and nature (Visit Finland 2016b, 35). Summer and Culture travelling will be packaged together in the future more effectively, the emphasis being on productizing the potential offering, identifying customer segments and further developing industry networks. (MEK 2014a, b, c)

## 2.5 Brand Equity Defined

No universal definition for brand equity exists, however brand equity is generally agreed to consist of assets and liabilities connected to a brand's name and symbol, impacting the provided value of a service or product based on either individual or organization perception of a brand (Aaker 2010,7; Kotler & Keller 2012, 265; Chunawalla 2008, 220). Chunawalla explains that to have equity, there must be a brand. Without a brand, no equity exists either. Brand equity can be considered from a marketing- and financial perspective. Financially brand equity can provide potential premium pricing and increased trade average to achieve more incremental cash-flows. From a marketing perspective, brand equity is in the essence a consumer's perspective. A greater brand equity equals as added value endowed on products and services, leading customer accepting new products easier and paying a price premium for the company performance. Brand equity requires tracking on a regular basis. Brand auditing can be used to identify the sources of brand equity and this information can be utilized in strategic decision making. Quantitative brand performance data should be gathered from the key markets to understand how the brand and its marketing is performing in different markets. (Chunawalla 2008, 220-221; Aaker 2010,8; Kotler & Keller 2012, 271).

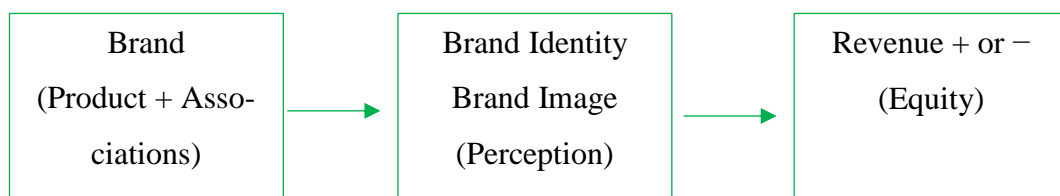


Figure 2 Diagrammatical presentation of brand equity (Chunawalla 2008, 220)

Aaker (1991, IX) identifies brand equity to be possibly more important to business-to-business markets than to consumer markets, because the impact of brand-name awareness in industrial markets buying behavior. Both Aaker and Keller recognize the models application possibility to Business-to-Business markets (Aaker 2010, 8; Kotler & Keller 2012, 265). According to Keränen et al. study *Systematic review on B2B branding: Research issues and avenues for future research*, Keller's and

Aaker's brand equity models were found to have been used dominantly as theoretical framework in empirical articles (Keränen et al. 2012, 408). The following sections 2.5.1 and 2.5.2 examines Aaker's and Keller's brand equity models.

### **2.5.1 Aaker's Brand Equity Model**

According to Aaker, brand equity is essentially a set of assets and liabilities associated with a brand's name and symbol. These assets can either add value to, or subtract it from the provided product or service to a firm or that firm's customers. Figure 5 (Appendix 2.) shows Aaker's model *How Brand Equity Generates Value* in its entirety. In the model Aaker identifies 4 major asset categories: (1) Brand Awareness, (2) Perceived Quality, (3) Brand Loyalty and (4) Brand Associations. The model also has a fifth category Other Proprietary Brand Asset, which essentially represents possible patents or channel relationships and is added to completeness. According to Aaker, every category underlying brand equity creates value for the customer as well for the firm in multiple different ways as the model demonstrates. Effective brand building requires sensitivity towards value creation methods to make informed decisions. Changes made to a brand's name or symbol could impact assets or liabilities drastically. (Aaker 2010,7-8.)

Aaker identifies brand awareness as the strength of a brand's presence in the consumer's mind. Awareness itself is measured in the different ways a consumer remembers a brand, ranging from recognition to recall. Brand recognition plays an important role in the familiarity-liking factor, because recognizing a brand essentially indicates remembering a previous encounter taking place. Aaker explains that this gives the brand a competitive edge, because consumers tend to prefer an item they have seen before. When considering a brand in a purchasing situation, brand recall is important. Aaker explains that having high recognition is not good if the recall of a brand is low, meaning a brand is recognized well but not recalled in a purchasing situation. According to Aaker, a brand name dominance is the best scenario for a brand, where most customers can only provide one brand name on the market. Aaker points out that achieving this level requires creating strategic awareness, where a brand is remembered for the right reasons. (Aaker 2010, 10-17.)

Perceived quality is a brand association, which has been proven to increase financial performance. Aaker explains that increased perceived quality leads to higher customer satisfaction, resulting in the increase of companies return on investment [ROI]. Perceived quality can also be used to position a corporate brand on the markets, being in key role in defining a point of differentiation. Brand associations between a consumer and a brand play a great role in brand equity by general terms. Aaker explains that brand identities are the driven by the brand identity, an organizations idea of how consumers see the brand in their mind. (Aaker 2010, 17-20, 25.)

According to Aaker, high brand loyalty translates to more predictable sales and profit stream, in industrial markets this impact can be seen over the relationship years. Brand loyalty also creates value, because retaining an existing customer is relatively cheaper than attracting a new one. On the other hand, consumer changing loyalties is relatively expensive for a company. Aaker defines loyalty enhancing methods being strengthening consumers' relationship with the brand. This can be achieved via segmented database marketing, where the customer feels that the company is connecting with them individually. (Aaker 2010, 21-24.)

### **2.5.2 Keller's Customer-based Brand Equity Model**

Keller's CBBE-concept essentially evolves around the differential impact a brand knowledge has in relation to company's marketing efforts. More favorable product or service reaction signifies positive brand equity when the brand is identified, than when it is not identified. Under the same circumstances, negative brand equity emerges when consumers react less favorably. According to Kotler & Keller, a consumer in the context of CBBE refers to an individual or organizational buyer. (Kotler & Keller 2012, 265-266.)

According to Kotler & Keller, the idea of CBBE is built around three key factors. (1) Differences in consumer response, (2) brand knowledge and (3) brand marketing. Difference in consumer response is where brand equity emerges, unless the competition happens solely based on price. Brand knowledge is essentially all the

thoughts, experiences and images associated with the brand. Kotler & Keller explain that unique and favorable associations are part of strong brands. Brand equity is then reflected in consumers' perceptions and behavior towards all the marketing efforts of the brand. (Kotler & Keller 2012, 266.)

Keller's CBBE-model, *Brand Resonance Pyramid* (Figure 3) shows the duality of brand development towards brand loyalty. Two main routes are set up in the pyramid, the right side representing the emotional side of branding, and the left side representing the rational side of branding. The rational side emphasizes on the product attribute benefits for the customer. The emotional side emphasizes on intangible values associated with the brand. Kotler & Keller explain that a brand should reach the top of the pyramid to create significant brand equity. The model has 4 different stages, (1) identity (2) meaning (3) response and (4) relationships. Every stage has rational and emotional building blocks parallel to each other, and every stage has a specific preset objective. The first stage of the model is identity, involving around salience, how often and how easily customers recall, recognize and identify the brand in variety of purchase situations. The branding objective at this first stage is to create a broad and deep brand awareness for the brand. The second stage is where the brand meaning for the consumer is defined. The meaning stage consist of rational performance and emotional imagery. Performance at this stage means how well the brand meets customers 'functional needs. Imagery block respectively describes how well the brand meets customers' intangible needs. The objective for this stage is for consumers to understand the brand in terms of its difference and similarity compared to competitive brands on the market. The third stage is called response, where customers rational judgements and emotional feelings are parallel. Judgements are based on brands perceived functional performance, such as perceived quality. Feelings are emotional reactions to the brand, such as security, excitement. the objective at this stage is to achieve positive and accessible customer reactions. The final stage of the brand development is relationships. At this final stage resonance describes the level of relationship between the brand and the customer, also describing their level of engagement. The final objective for the brand

at this stage for the brand is to convert customers' response to intense and loyal brand relationship. (Kotler & Keller 2012, 266-267.)

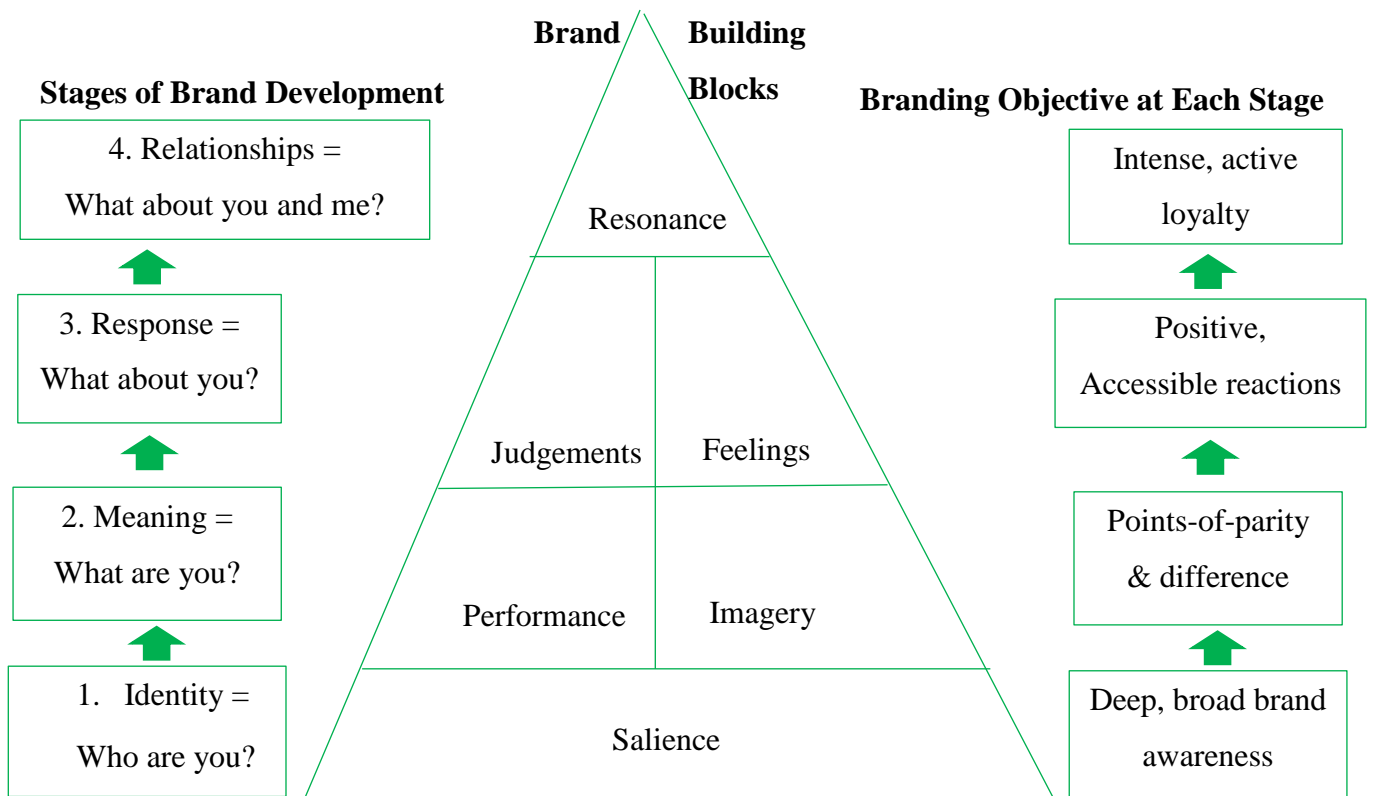


Figure 3 Customer-based Brand Equity Model (Kotler & Keller 2012, 267)

### 2.5.3 Customer Based Model Application to B2B Context

According to Keränen et al. the main problem of directly applying any individual consumer based model is the characteristics of B2B markets (Section 2.2). The main factors considered restricting the direct transfer of a consumer concept to industrial markets are increased amount of decision makers on the market, unique communication channels and longer-term relationship with customers. Brown et al. explains that B2B businesses generally uses larger purchasing groups less known to B2C markets, because of large purchasing value and perceived risk associated. Brand value is often communicated to customer via personal, interactive selling rather than media broadcasting often used in consumer context. This emphasizes the importance of the organizational sales force. Industrial buyers often rely on

fewer vendors, developing long-term relationships and partnerships. Keränen et al. express the need for a systematic B2B branding theory taking account these unique characteristics of B2B markets. (Keränen, Piirainen & Salminen 2012, 408-409; Brown, Bellenger & Johnston 2007, 213-223.)

Kuhn et al. (2008) research *An application of Keller's brand equity model in a B2B context* gives a detailed insight into applying Keller's CBBE-model (Section 2.5.2) into industrial markets, assessing the direct consumer based model transferability over to industrial markets. In the first stage, brand salience is established to be significantly more complex in industrial markets than in individual consumer markets. Large organizations often have buying centers with different needs consisting of multiple groups of people, making the purchasing decision relatively more complex. In the second stage performance and imagery is lacking elements such as delivery reliability, support services and the company reputation. According to Kuhn et al. all these missing elements are considered significantly important for industrial brand development, quality being the most important aspect of the perceived performance. Instead of individual brands, B2B brands are often marketed under the manufacturer hybrid brand, where a specific product name is being displayed alongside the hybrid brand. This indicates the importance of the company name as a branding variable, which is not given much attention in the Keller's model. Some factors are valued differently on industrial markets, such as supplier reputation being more important than the price. In the third stage, Keller's brand judgements and feelings are focusing on expressive benefits, however in industrial markets the emphasis is purely on reducing risks. According to Kuhn et al. buying from well-known brands is a way of reducing risks, supporting the idea of imagery and feelings in Industrial markets. However, different types of feelings and imagery needs to be evaluated in B2B context than what is suggested in B2C context. In the final stage, gaining or losing even a single customer can impact the business significantly in B2B context. This means that brand loyalty is very important in industrial markets. Kuhn et al. explain that negative experience with a single aspect of a brand, a product or service for example, can lead to supplier change in every product category. Positive encounters with a brand can then lead to category extensions, where



the brand gets to provide more products or services for the customer. (Kuhn, Alpert & Pope, 2008 41-44.)

Kuhn et al. redesigned Keller’s CBBE model (Figure 4) changing the focus from individual brand equity to manufacturer or corporate brand equity. Imagery has been replaced on the second stage by organizational reputation, indicating the importance of risk mitigation in purchasing situation. Kuhn et al. explains that on the third stage, feelings were not found to have a significant impact on Industrial markets. Feelings has been replaced by salesforce relationships. at the final stage resonance is replaced by partnership solutions, being more relevant for industrial relationship building. (Kuhn, Alpert & Pope 2008, 50-51.)

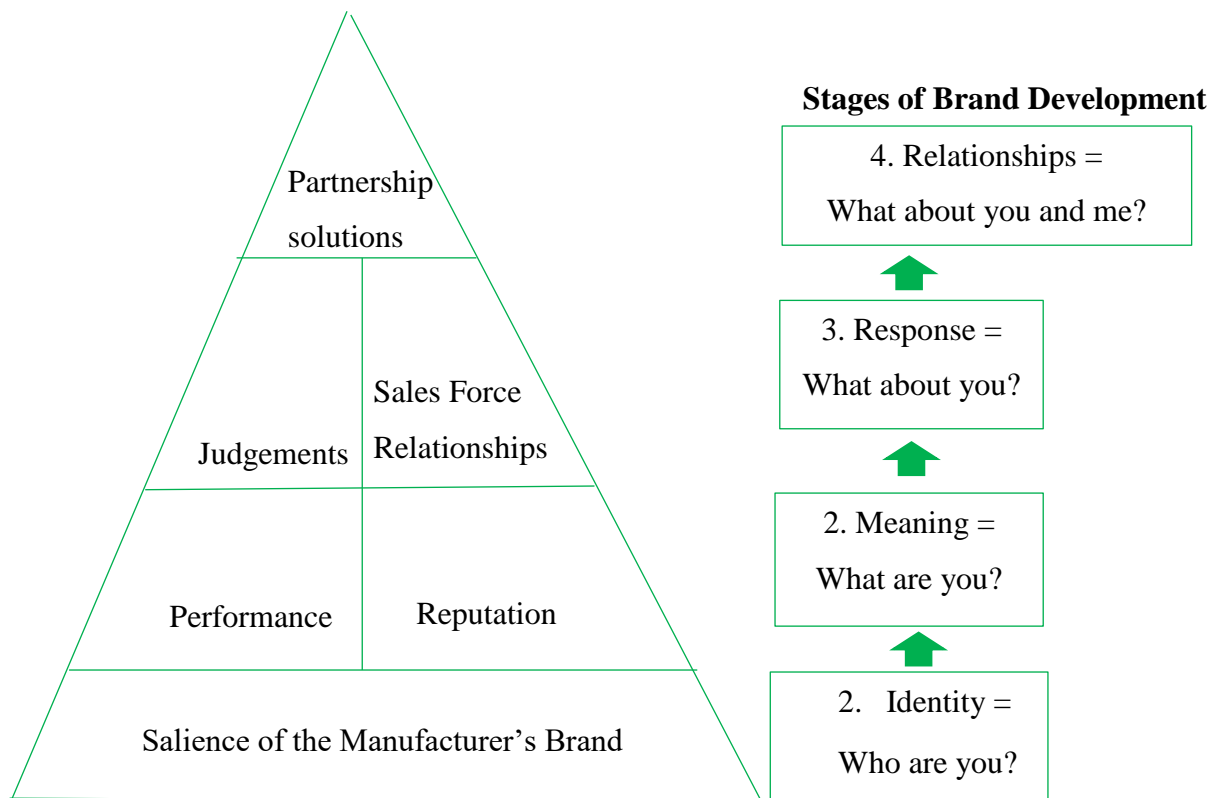


Figure 4 A revised customer-based brand equity pyramid for B2B (Kuhn, Alpert & Pope 2008, 50)

## 2.6 Brand Building

According to Chunawalla, brand building is a dynamic process, where the brand is continuously under development to become stronger on the target market. Chunawalla identifies five stages of brand building as a framework for the building process: (1) product development, (2) positioning and launch (3) brand development, (4) brand consolidation and (5) brand extensions and improvement (Chunawalla 2008, 241). Chunawalla explains that brand building starts with a consumer and ends with it. Customers need to be able to identify the brand special, for relationship forming to happen. This means that the brand idea and the concept must respectively meet the consumers' needs and should stand for something in the consumers' minds. Kapferer introduces two starting-point models for value creation. Model A starts the value creation process from product advantage to intangible values, whereas model B starts from values leading up to product. According to Kapferer, despite the fact where the value creation starts, essentially the value proposition should be based on the target market value curve. The value curve represents how attributes of a brand are valued differently on different market segments. (Kapferer 2012, 57-60.) According to Aaker, the creation of brand identity (Section 2.6.1) is imperative for strong brand building, and the identity must be coordinated over to organizational units, markets and media (Aaker 2010, 339). According to Kotler & Keller, positioning (Section 2.6.2) is where the brand takes its place in the minds of the target market based on the brand offering and image. Brand elements for identifying and differentiating brands are based on how meaningful, memorable, likable, transferable, adaptable and protectable the brand is on the target market (Kotler & Keller 2012, 272, 298.)

Marketing and advertising activities in the context of brand building are considered important. According Kotler & Keller, marketing strategies are based on segmentation, targeting and positioning. Segmentation is the action of profiling buyer, grouping them into segments based on demographic, psychographic and buying behavior. Integrated marketing is used to respond the dynamic competition on the

target market and to create brand contacts. Brand contacts are essentially informative customer or prospect encounters with the brand on the market. Integrated marketing aims to strengthen the brand promise, associations and image, making every marketing effort working in a combination as well as individually (Kotler & Keller 2012, 272-274). According to Chunawalla, advertising and promotion significantly impacts the success rate of a brand. Advertising services essentially aim to generate lead-ons, brand image or goodwill. Service advertising is meant inviting the target prospects to enquire, or visit the advertiser. (Chunawalla 2008, 243-246)

According to Aaker, brand building is a task of higher management. Brand building is essentially hard to manage efficiently, because brand managers experience internal and external pressure. The pressure is building a barrier between the plan of a strong brand and the actual process of brand building. Internal pressures can be the need to invest elsewhere in the business, or no perceived motivation to change already established branding strategy. External pressures are intense price competition and increasing competitors on the market (Aaker 2010, 26-27, 340). Kapferer identifies prerequisites for a strong brand building. First, a brand needs to be able to handle volume, because if the brand is not able to fulfil trade expectations, the brand will lose customers and weaken the brand image. Secondly, a brand must be able to provide consistent perceived quality. Intangible service is challenging to brand because of the human variability. Thirdly, on mass-markets the price is in the key role, price should match the perceived quality. Fourthly, a brand should be end-user driven, finding the specific market needs. Finally, if possible, a brand should try to create entry barriers for competitors trying to copy already established business models. (Kapferer 2012, 55.)

### **2.6.1 Brand Identity**

Aaker defines brand identity as indicating a direction, purpose and meaning for a brand. Brand identity is also a strategic variable, the driver of associations, which is one of the main principles of brand equity (Aaker 2010, 68-69). According to Kapferer brand identity represents the vision and aim of a brand. A brand with clear identity can be differentiated on the market, and it signifies the field of competence,

thus giving recognition. Brand identity is an attribute that is impossible to copy like other business attributes (Kapferer 2012, 149-151). Brand identity is also the first stage in Keller's CBBE (Figure 3), and Kuhn's revised B2B brand equity-model (Figure 4), indicating the importance of planning the identity in the context of brand building.

Figure 7 (Appendix 3.) presents Aaker's Brand Identity Planning Model. According to Aaker, the idea behind this model is to give depth and texture to brand identity by looking at the brand identity through four factors: Brand as (1) product, (2) organization, (3) person and (4) symbol. Aaker explains that not all the factors are required for a strong identity, only one could be enough depending on the brand. Each brand should however consider the factors, identifying what their brand should stand for in consumers' mind (Aaker 2010, 78.)

The brand as product perspective, looks at how the offered product or service works as a strategic variable. As previously defined in section 2.1, product attributes should not solely define the brand. According to Aaker however, product attributes should be associated with a brand. The end goal for a product or service related association is to get consumer recall the brand, when the product/service category is brought up. Product attributes such as quality or value helps the brand distinction to get more recognition. A service or product can also be associated with a country of origin, indicating a certain type of quality for the respective service or product (Aaker 2010, 80-82). Brand as organization perspective emphasizes organization attributes, such as culture and values. According to Aaker these attributes are generally more lasting and resistant to competition than product attributes. Organizational values can increase brands attractiveness and strengthen the value proposition (Aaker 2010, 83). The Brand personality perspective gives the brand more depth. Relatable personality can help customers to express themselves on B2C markets, brand personality can also be the base for relationship building on industrial markets. Aaker explains that specific type of personality could also reflect the offered service or product attributes (Aaker 2010, 83-84). Finally, the brand as symbol per-

spective provides cohesiveness structure to an identity, and strengthens the recognition and recall of a brand through visual imagery. According to Aaker, symbols with metaphors or a strong brand heritage reflects self-expressed benefits on consumers. (Aaker 2010, 84-85.)

The concept of brand identity consists of core identity and extended identity (Figure 7). Core identity is part of the brand that remains constant even though the brand continues to develop. Core identity stands for the fundamental beliefs and values that drive the brand, defining what the brand stands for. Extended identity of a brand completes the brand identity concept. Extended Identity could be visible brand associations, brand personality or the product itself. (Aaker 2010, 85-89; Chunawalla 2008, 175.) Brand Identity provides value proposition for the customer in terms of functional benefits, emotional benefits and self-expressive benefits. Functional benefits are product or service attributes that have direct impact on purchase decision and use experience. Emotional benefits are obtained when purchasing a product or service, a brand providing a specific feeling or emotion linked with a brand (Aaker 2010, 96-99). Perceived emotional and functional benefits of a brand were also identified as core parts of Keller's CBBE-model. (Section 2.5.2.) The bottom-line for brand identity is to form a brand-customer relationship through perceived value proposition. (Aaker 2010, 103-104)

### **2.6.2 Brand Positioning**

According to Aaker, Brand positioning is the process of implementing the identity. The process itself is part of the identity, which needs to be actively communicated to the target audience demonstrating the advantage over competitive brands. Kotler & Keller identify positioning as the act of designing a company's offering and image to establish a special position in the targeted market. Chunawalla explains that brand positioning also forms the basis of pricing, promotion, product development and distribution strategies. (Aaker 2010, 176; Kotler & Keller 2012, 298; Chunawalla 2008, 201-204; Kapferer 2012, 155.)

Aaker's Brand Identity Planning Model (Figure 7, Appendix 3.) presents the implementation process as part of the identity. Aaker identifies four characteristics of brand positioning: (1) part of identity and value proposition, (2) target audience, (3) active communication and (4) advantage demonstration. Positioning is based on the idea of combining the brand identity and value proposition together, and positioning the brand by emphasizing different elements of the identity. According to Aaker the core identity should be utilized in the implantation to maintain the brand positioning in line with the brand values. Emphasizing the extended identity, the brand can bring up certain points of leverage outside the core identity. Value proposition itself can be used to emphasize functional, or emotional benefits by consumers (Aaker 2010, 176-179). The second characteristic emphasizes focusing the positioning to specific audience. The target audience is a part of larger target segment, where the value proposition of the brand meets customer needs the best. According to Aaker, a brand can be positioned with a secondary target audience in mind as well (Aaker 2010, 179). The third characteristic emphasizes active communication. Active communication can be used to strengthen or change the existing customer relationship or brand image. According to Aaker, a brand image can be augmented from current state, and exploited to reposition a brand (Aaker 2010, 180-182). Finally, demonstrating the brand advantage to customers increases the brand's recognition, and the brand can be differentiated from the competitive brands better. Brand advantage should be part of the value proposition and resonate with customers' needs. (Aaker 2010,182-183.)

According to Kotler & Keller, the positioning of the brand must always be both, present- and forward-looking. Brand should essentially find a balance between what the brand is and what it could be in the future. Kotler & Keller emphasize on identifying target market and relevant competition as the frame of reference for the positioning. Second important task is to define the points-of-parity and points-of-difference, which is also the second stage objective in Keller's CBBE-model (Section 2.5.2). According to Kotler & Keller, a brand mantra should be created to summarize the essence of the brand for internal use. The idea is to communicate the business category, setting the business boundaries and clarifying the brand uniqueness

in a simplified way. The Brand Mantra should also inspire employees connecting with the employees. (Kotler & Keller 2012, 298-308)

## **2.7 Destination Branding**

According to Tasci & Kozak, no single clear definition for branding in the tourism destination context exists (Tasci & Kozak 2006, 305). Tsiotsou & Goldsmith explain that destination branding is essentially a means of managing the network relationships between different operators working at the destination. Destination brands essentially are managed by government associated destination marketing organizations [DMO] in cooperation with industry stakeholders (Tsiotsou & Goldsmith 2012, 51,57-58).

Saraniemi identifies destination branding as a holistic, subjective impression of the destination's core identity based values emerged and developed from all the stakeholders. Stakeholders can be either supply-sided tourism businesses or demand-sided primarily customers (Saraniemi 2011, 252-253). Saraniemi's study Destination brand identity development and value system proposes a model of destination brands value creation process. According to Saraniemi a combination of DMO's organization, destination and stakeholder identities together create brand value for customers and brand equity for the destination. (Saraniemi 2010, 55-57)

DMOs and stakeholders' co-creation of branding is emphasized to deliver a consistent local brand promise and effective brand positioning (Saraniemi 2010, 57; Tsiotsou & Goldsmith 2012, 57-58). According to Pike, individual stakeholders have heterogeneous market interests forcing DMOs to target wider range of segments. DMOs are also challenging to directly control the customer perceived brand promise locally. (Pike 2005, 259)

Visit Finland defines Finland's destination identity based on four factors: (1) Creative, (2) Contrast, (3) Credible and (4) Cool. Creative refers to Finns unique composed music, create design and technical innovations emerged from cultural and

environmental surroundings. Contrast refers to significant seasonal change in Finland. Credible relates to functionality of services and safety in Finland. Finally, Cool stands for the Finns as people, their lifestyle and Finland's climate. (Visit Finland, 2017.)

According to Visit Finland, Finland's destination marketing themes are (1) Silence, please, (2) Wild & Free and (3) Cultural beat. Silence represents peace and quiet, natural environments that Finland offer as to contrast to hectic daily life. Wild & Free is reflecting Finland's nature offering and activities. Cultural beat reflects the unique culture of Finland and elements associated with it such as Father Christmas, Finnish design, heavy metal music and natural produce. (Visit Finland, 2017.)

### **2.7.1 Service brands**

Service brands are very different from product based brands. According to Kapferer the service brand's value proposition, functional benefits are intangible. Being intangible means that physical illustration of the service becomes virtually impossible. Kapferer suggests using slogans as brand vocals, defining the brand guidelines and indicating customers what to expect. However, Kuhn et al. study (Section 2.5.3) found that relevance of brand names and slogans were diminished in B2B markets, when compared to the product offering. (Kapferer 2012, 72; Chunawalla 2008, 257; Kuhn et al. 2008, 48.)

Service brands alignment and internalization is essential for strong brands, because the services are heterogeneous. This means that services are very difficult to standardize. Even though the same price for a specific service is paid, it is unlikely for that service quality to be maintained. Because of the human component, the whole organization should internalize the brand, every employee should reflect the brand values as their own. Kapferer suggests strong behavioral norms to an organization to help gaining more service stability. However, according to Chunawalla strong behavioral norms also introduce inflexibility to the service (Kapferer 2012, 72-73; Chunawalla 2008,257-258.)



Chunawalla and Kapferer both emphasize portraying the intangible service as tangible by using physical elements. Chunawalla further explains that this can be achieved for example by specific music when customers are on hold, using certain colors or physical facilities (Chunawalla 2008, 264). Kapferer explains that it is essential that the brand perception must be attributed to the right brand, expressing the brand extensively on websites and facilities. (Kapferer 2012, 75.)

Roberts & Merrilees study Multiple roles of brands in business-to-business services found out that the service quality is the most important factor of brand attitudes. This means that service brands should emphasize on providing high levels of appropriate service quality when building strong brands. According to Roberts & Merrilees brand attitudes also has a significant role in contract renewal/ repurchase decision making. Roberts & Merrilees suggest setting the brand as centerpiece of any major customer retention program, enhancing the relationship quality between B2B service provider and its clients. (Roberts & Merrilees 2007, 414-415.)

### **2.7.2 B2B brand & Tourism Marketing Communications**

Lynch & de Chernatony emphasizes the recognition of functional and emotional brand attributes influence on industrial buyers. B2B brands should emphasize functional and emotional brand values (Section 2.5.2) in organizations external and internal brand communications. Internal communications are focused on organizations employees, whereas external communication is always towards industrial buyers. According to Lynch & de Chernatony B2B organizations salesforce should be trained to adapt their branding communication and sales presentations according to varying customer needs on the market. (Lynch & de Chernatony 2004, 412-415)

Tsiotsou & Goldsmith talk about marketing communications in the context of tourism branding. According to Tsiotsou & Goldsmith CRM (Customer Relationship Marketing) and e-marketing are both utilized in B2B tourism business. The idea of relationship marketing focuses on attracting, maintaining and enhancing customer relationships. CRM's most important aspect for tourism business is the concept of

customer retention. Customer retention is described as loyalty, resulting of emotional connection with the brand. Customer loyalty and retention can be maintained via active brand engagement. The impact of CRM in B2C tourism has been established. However, in B2B tourism, the concept of CRM is not integrative, because CRM also involves the destination suppliers' involvement in the value creation process directed to other stakeholders. (Tsiotsou & Goldsmith, 2012 139,142-145, 158)

According to Tsiotsou & Goldsmith, e-marketing is the most effective way to promote a brand for future growth. Online marketing provides the means for reaching a wider client base via social media platforms such as Facebook, Twitter and YouTube (Lipiäinen & Karjaluoto 2015, 739). Electronic Word of Mouth (eWOM) communications is very important in tourism, indicating the perceived quality of the services and so attracting new customers by sharing content online. Online communication like eWOM also has a direct impact on organizations reputation. Consumer travel blogs are used as a form of online feedback, where customers can share their opinions about perceived quality of the service. Tsiotsou & Goldsmith also explain that this enables anti-branding activities, where websites can produce negative information resulting decreased brand value and anti-consumption. Anti-branding has been noted in tourism, usually generated towards well established brands (Tsiotsou & Goldsmith 2012, 291-292).

According to Bodnar & Kohen, B2B social media presence enables higher brand recognition and lead generation (Bodnar & Kohen 2011, 5). Lead is an organization or person providing information for the brand in transaction for educational content. lead functional is used as the indicator of sales in B2B context. Bodnar & Kohen introduce five steps for lead generation on B2B markets: (1) Foundational elements, (2) maximized content discovery, (3) conversion opportunities (4) test iteration and (5) increasing the lead volume. Foundational elements are the landing page, offer and call to action [CTA]. Landing pages collect the transactional information, by offering educational content. The landing page mission is to collect leads; CTA being filling the form for an offer. Content discovery can be maximized by producing remarkable content. Bodnar & Kohen explain that many organizations produce

bland content in fear of giving too much information away to competitors. Remarkable content requires organizations to pick a side in the industry, and use innovative communication. Produced content should then be consistent, monitored and brand engagement prioritized. Conversion opportunities should be maximized by positioning CTA's alongside the content that is created for people, not for organizations in "travel trade website" style. Iterate testing means that marketers should ship by testing ideas more frequently, accepting occasional failures as part of the strategy. Finally, lead flow maximation can be done by increasing the landing page visitors by evaluating the website-traffic, or by optimizing CTA's and landing page's functionality by changing page layout, content type and adding different type of media over long-term period. (Bodnar & Kohen 2011, 13-27)

German content marketing agency Crispy Content's CEO Gerrit Grunert proposes B2B tour operators utilizing content marketing strategy in Social media. According to Grunert tour operators should utilize social media platforms to create content including pictures, audio and video to position and advertise the brand in the mind of the target audience. (Grunert, 2014.)

## **2.8 Global Branding & Communication**

According to Hollis (2010), "Global brand is one that transcended its cultural origins to develop strong relationships with consumers across different countries and cultures" (25-26). Hollis portrays global brand building as challenging, pointing out the different brand adaptation needs based on different cultures and economic statuses. Global brands should engage target audience locally, making them relevant for the target audience and create an advantage. (Hollis 2010, 81)

Kotler and Keller explain that entering global markets might require adaptation of brand elements or brand communication (or both). Brand names can cause confusion when entering foreign markets, a locally created brand name might lose its initial value on foreign markets because of the language barrier. This same impact can be noted in the use of slogans. On global markets a brand should not lose its perceived quality and value. A global brand communication should be adapted, with

unified message that can be translated into different languages if needed. Even the use of colors in marketing should be reconsidered, because some cultures associate certain colors with ideas unintended by the marketer. Personal selling associated with B2B markets must be adapted to different cultures. For example, the United States no-nonsense attitude versus Asian subtle approach could not result in effective brand communication (Kotler & Keller 2012, 631-633).

Personal selling has been established important for B2B markets (Sections 2.3 & 2.5.3) and emerging Asian markets has been identified as one of the key markets for global tourism. China specifically has been identified as one of the key markets for Finnish tour operators (Sections 1.1 & 2.4). According to Hollis, when a foreign brand is communicating to China, the most important thing is to respect Chinese idea of ‘‘Face.’’ The essence of face is a manner; no Chinese person would behave in a such way that results embarrassing another person. Hollis explains that such values as consideration and respect are in the key role of a personal relationship. In B2C markets Chinese consumers have noted to favor high-end brands with higher reputation, emphasizing the idea of face. (Hollis 2010, 91-95)

When building a strong global brand, Hollis recognizes five fundamental factors: (1) A great brand experience, (2) Clear and consistent positioning, (3) A sense of dynamism (4) A sense of authenticity (5) A strong corporate culture (Hollis 2010, 56). A great brand experience translates to maintaining or building customer loyalty by combining innovation and addressing customers’ needs accordingly. The perceived value transforms the brand perception. A clear positioning should be perceived consistently by the target audience on different markets. Dynamism relates to a brand claiming a leadership position on the target market through communication. According to Hollis, the sense of dynamism attracts more attention from consumers’ side. A successful global brand is often associated with authenticity, originality and strong brand heritage. These factors impact on brands perceived image, target audience respecting a brand that has lasted the test of time. Finally, a strong corporate culture is needed to align the interests of an organization and its staff

members, resulting in as a motivational force to employees and a competitive advantage to the organization. (Hollis 2010, 56-64.)

## **2.9 Branding Micro, Small and Medium-sized Enterprises**

Chunawalla identifies SMEs as youthful, with a passionate leadership and smaller teams operating under the entrepreneur's vision. smaller organizations are considered as quick decision makers because of a smaller team, enabling fast market adaptation. SMEs generally have a single brand as opposed to larger umbrella branding or hybrid-branding corporations. According to Chunawalla, SMEs brand identity is developed over time. Because of limited resources, brand awareness is created through personal selling and high quality service. Smaller organizations improve their business by creating clear differentiation. (Chunawalla 2008, 253-254.)

According to Bodnar & Kohen, when smaller brands have a customer base specifically targeted and highly limited resources, a direct form of communication at travel trade, or face-to-face meetings should be used over the use of social media (Section 2.7.1). Social media helps companies to generate leads on a larger scale. If the targeted scale is relatively small, the impact of Social media decreases significantly. (Bodnar & Kohen 2011, 7-8.)

Inskip study *Corporate branding for small to medium-sized businesses - A missed opportunity or an indulgence?* (2004) found that most SME organizations interviewed failed to identify their core corporate message, and find the idea of using a corporate brand to differentiate themselves new. According to Inskip, the use of branding in the B2B sector is valuable way to differentiate for SMEs, especially when perceived product/service functional superiority is hard to compare. SME's brand concept must be honest and sound, whereas the branding process needs to be fast and flexible. The focus in the branding process needs to be on the translation of entrepreneurs' vision. After the process, a long-term tracking and brand evaluation is required. (Inskip 2004, 359-362, 364-365.)

Altshuler & Tarnovskaya study ‘‘Branding capability of technology born globals’’ (2010), longitudinal case study examined a small born global businesses international branding processes on technology markets over the period of 10 years. The research result showed that building a young international B2B brand was possible with a strong, unified vision of a company and brand strategy. A strong vision needed to be implemented in the strategy managed by the team. According to Altshuler & Tarnovskaya, the importance of technology, collaborative and marketing communications capabilities were requisite for successful global technology brand. Altshuler & Tarnovskaya proposes an interesting, yet controversial idea to previous B2B branding literature: Technology branding is mainly based on the products tangible quality, benefits such as price, reliability and quality. The perceived brand image was found a little of relevance in born global technology branding. (Altshuler & Tarnovskaya 2010, 217-225.)

## **2.10 Summary – How to improve B2B branding in Finnish tourism Industry**

As mentioned in the beginning of the literature review, the lack of sound theoretical framework is apparent in the review. The available B2B literature reviewed for this study observed corporations with a tangible value proposition. This has been taken into account by addressing seemingly tourism related branding characteristics in the review such as service, global and SME branding in sections 2.7, 2.8 and 2.9. Service brand’s characteristics are reviewed, because tourism performance accounts as service rather than a tangible product. The literature of branding in general was found to be fragmented, the following summary part constructs a summarizing look at the literature.

The literature review started by defining a brand and branding process (**Section 2.1**). The reviewed literature has also established the importance and the role of B2B branding in industrial markets (**Sections 2.2 and 2.3**). The global and Finnish tourism sector pointed out the future of tourism market trends, emerging Asian markets showing significant growth and the need for future investment and possible target leads (**Section 2.4**.)

Brands as an asset was introduced (**Section 2.5**), and the process of creating brand equity was examined from a B2C basis through Aaker's and Keller's customer based brand equity models (**Sections 2.5.1 and 2.5.2**). Aaker emphasized brand equity as a set of assets or liabilities impacting the brand performance, whereas Keller focused on brand knowledge in the brand equity leading to establishment of a relationship between the organization and the customer. Keller's model application to was even further applied to B2B context, Kuhn et al. proposing a review Brand equity model for industrial markets (**Section 2.5.3**). Revised model addressed important aspects of B2B markets to Keller's model, focusing the consumers value perception on corporate brand, emotional brand reputation and sales force relationships leading up to partnership solutions. The concepts of brand identity and further implementing that idea to brand positioning was reviewed (**Section 2.6**.)

Following section examined brand characteristics associated with tourism branding (**Section 2.7**). Specific tourism branding issues focused on destination branding and service branding. Tourism businesses value proposition is essentially intangible, making service branding an important concept in B2B tourism branding. Tourism marketing communications was reviewed as part of building brand awareness and lead generation. E-marketing, more specifically the use Social media and content marketing was identified as important part of brand communication alongside personal selling and trade events.

The final parts of the literature review looked at global and SME branding (**Sections 2.8 and 2.9**) Global and SME Branding and communication gave more insight on the limited resources and lack of understanding B2B branding as a competitive advantage. Born globals case study also gave insight on how product quality may play larger role then the brand image itself. Global brands must tackle cultural and language barriers and maintain their perceived value proposition the same.

In conclusion, brand management needs to be aware of branding and brands role in B2B markets as a method of differentiation (**Sections 2.2 and 2.3**). Management needs to recognize the limited resources, express the company's vision and implement that vision into the brand concept (**Section 2.9**). Branding process starts with

a product development based on strategic customer, competitor and self-analysis (**Section 2.6**). Brand identity is established, indicating company's vision and direction. According to Aaker's Brand Identity Planning Model, four factors impact in the formation of the core and extended brand identity: brand as (1) product, (2) organization, (3) person and (4) symbol. The identity and value proposition essentially forms the customer-brand relationship (**Section 2.6.1**). Positioning is a combination of the value proposition and the brand identity. brand positioning on the markets is done by emphasizing different elements of the core and extended brand identity (**Section 2.6.2**.)

Finland as a destination brand is a significant part of tour operators' value proposition. According to Saraniemi, by combining DMO's organization, destination and stakeholder identities together, brand value is then created for customers and brand equity for the destination. Tour operators being part of the stakeholders, implies that operators should not deviate their own identity too much from the destination's identity (**Section 2.7**.)

Aaker defines brand equity essentially as a set of assets and liabilities associated with a brand's name and symbol. Aaker's brand equity model's four values seem to be applicable to B2B context: (1) Brand Awareness, (2) Perceived Quality, (3) Brand Loyalty and (4) Brand associations. Kuhn et al. modified Keller's model, emphasizing that road to partnership solutions is impacted by corporate brand salience, company reputation and product/service quality, and finally salesforce relationships and performance judgements (**Sections 2.5 and 2.5.3**.)

Tourism businesses' perceived quality is hard to stabilize, Because of the human component. The whole organization should internalize the brand; every employee should reflect the brand values as their own. Kapferer suggests strong behavioral norms to an organization to help gaining more service stability, but at the same time this causes inflexibility in service. Physical elements can be introduced in service to portray the service as tangible (**Section 2.7.1**.)



According to Tsiotsou & Goldsmith, e-marketing is the most effective way to promote a brand for future growth. Online marketing provides the means for reaching a wider client base via social media platforms. Bodnar & Kohen identify Social media presence and content creation as possibility for higher brand recognition and lead generation in B2B markets (**Section 2.7.2.**)

The global factor must be taken into consideration because tour operator business is essentially exporting services for targeted foreign markets, even if the consumption happens domestically. Global aspects of branding touched on maintaining the brand value on global markets, and communicating effectively despite the cultural barriers (**Section 2.8.**)

The presented theoretical aspects of B2B branding are utilized in the following empirical study of Finnish tour operators with limitations and tourism specific branding issues considered.

### 3 CASE STUDY – FINNISH INBOUND TOUR OPERATORS

Answering the research question “how to improve B2B branding in the Finnish tourism industry”, the research needs to explore two variables: (1) how tour operator managers perceive B2B branding today, and (2) what are the current B2B branding practices in Finnish tourism industry. The empirical study is essentially an application and contrast of the reviewed theory against the managers branding perception and performance. The results give an understanding of how the existing theory applies to the tourism context, describing B2B branding on a practical level and forming a case study of Finnish tour operators. The thesis product then represents academic value in terms of understanding B2B branding in the context of tourism, and managerial implications in terms of how to improve B2B branding in the context of tourism. This chapter further explains how the reviewed literature is utilized in the formation of semi-structured interview questions. As part of the qualitative research, the tour operators’ websites and social media status will be reviewed in terms of activity, extent of social media presence and portrayal of the company’s brand identity online.

The case study’s interview topics (Appendix 4.) follow the reviewed literature on B2B branding with a focus on Aaker’s and Keller’s brand equity models. The interviews start with a topic of **(1)** management perception of B2B branding & the role of B2B branding in travel trade. The idea is to understand how tour operator managers value B2B branding and its role within the context of tourism. The second topic is **(2)** brand identity. This topic explores the company’s core reason of existence, future vision of the business and how clear these are internalized for the company employees. The third topic is **(3)** brand positioning on the key markets. This topic explores how the brand identity and value proposition is implied in the key markets and how the brand is positioned against competitors. The fourth topic explores **(4)** brand communication, brand contact creation and marketing practices. This topic identifies marketing channels that are utilized to create brand contacts, and to what extent global aspects are considered in the communication performance. Segmentation, targeting and key markets are also explored in this topic.

The interview topics numbered five and six explore rational and emotional elements of B2B brand equity in tourism, and how they are applied to practical business operations. The fifth topic explores **(5)** the company brand performance: brands functional and supportive benefits for clients in different markets against competitors, and the importance of the company reputation in travel trade risk mitigation. The sixth topic explores how the management strives to standardize a level of **(6)** perceived quality and sales relationships. The seventh topic is **(7)** partnership solutions, where understanding of partnerships solutions in travel trade is established, and how they are maintained. Finally, the eighth topic explores **(8)** how and to what extent brand performance tracking is utilized in the industry.

### **3.1 Tour operator A**

Tour operator A was established in 2014, being a young micro company currently operated by two people without a traditional office. During the interview the manager established his perception of B2B branding as one of the cornerstones for building client relations and trust. Branding was not mentioned as a tool for competitive advantage or differentiation directly, rather an indication of service quality. According to the manager, the experience is one major factor behind a strong brand in tourism industry. Despite the young brand, the staff members themselves are well experienced in the industry.

Tour operator A's service concept is to provide full DMC [Destination Management Company] services in Scandinavia. The company's mission was not established further. The future vision was said to increase sales volumes, and increase content creation on social media drastically in the future towards clients and end-users. During the conversation, the brand identity became apparent despite the vague company mission. Tour operator A's brand identity expresses effective and flexible service through experience, where the service process is made easy for the client. Tour operator A's brand identity is implied in brand positioning, where manager showed understanding of how the brand is positioned against competitors based on the identity. The company's key markets targeted are Asia, Europe and North-America.

Brand communication and brand contact creation is largely handled via face-to-face meetings such as business meetings and industry travel trade events, emphasizing the importance of personal selling and networking. The use of social media is used in brand contact creation as a form of extending the brand knowledge on the key markets by reaching both end-consumers and clients. The company's official language is English, which is the only language used on the website and on social media. This indicates that global communication is one aspect of the brand, setting a unified message to all markets in English.

Risk mitigation is established as an important part of the B2B branding concept. The company takes account into clients' risk mitigation by testing all the services personally before offering them to corporate clients. The manager also emphasizes the importance of experience and networking to assure service quality. Support services are offered via networking as well; an emergency number exist where the end-users can also always contact the tour operator at any given time.

Tour operator A strives to impact customers perceived brand quality by emphasizing the networking between suppliers and relationships in the industry. There are little to no physical elements introduced in the service. A slogan exists; however, it is not presented on the website or alongside the company logo. Tour operator A is not part of any international organization. Brand quality is measured and evaluated via client and end-user feedback on site.

Brand relations between corporate clients are maintained mostly via emailing and phone calling. This indicates the importance of relationships and personal selling in tour operator A's business. According to the manager, an individual corporate customer is important for tour operator's business. Brand tracking and development is done on long-term basis, with constant focus in the future.

Further website and social media review shows that tour operator A has active online presence extending to LinkedIn, Facebook, Twitter and YouTube. All the content created on the social media is linked to Finland's destination brand identity,

linking DMO's marketing identity together with tour operator A's marketing communication. The website is also representing the brand identity of tour operator A well. The website has blog posts by the managers, and feedback section by the service end-user strengthening the service image. The products are clearly presented on the website with imagery linked with DMO's brand identity.

### **3.2 Tour operator B**

Tour operator B was established in 1977, employing 5 people in one traditional office. During the interview the manager stated that branding is important for B2B tourism business, but could not describe the actual role for B2B branding. It became apparent that the manager understood the branding as a concept, however there was no mention of brand advantaging as a tool of differentiation or the use of branding in any competitive sense.

The company mission is to provide specialized custom and business trips, with specialization on agricultural tours. The company's future vision is to continue develop and strengthen professionalism towards domestic outbound clients and foreign inbound markets. The company currently has focus on two different types of business, outbound and inbound. The brand identity was hard to establish because the focus is decentralized. Experience however emerged as one of the identity values that the brand represents.

The brand's market positioning shows signs of identity implication and value proposition on the markets, positioning against competition based on the industry experience and the unique agricultural tour service they provide in Finland. The company's current key markets are New Zealand and Australia; the Asian markets potential is also recognized.

The brand's communication and company brand contact creation is handled via face-to-face meetings such as client meetings and travel trade events. The importance of social media is realized. However, the content creation online is only in

Finnish with a focus on domestic markets. Global communication is a future development idea. However, the manager mentions the lack of resources and time as an imitating factor in future development.

The Brand strives to maintain a level of service quality with experience combined with networking and supplier relations. Tour operator B also notices the importance of the client's risk mitigation. In a similar style to tour operator A, B also provides emergency number that enables quick response for problem solving. The service quality is also emphasized with the brand being only member of ATOI [Agricultural Tour Operators International] in Finland. Tour operator B has a slogan, but the manager could not recall it.

The company strives to impact clients perceived quality by introducing some physical elements to the service. Brand related coloring is apparent in the business and logo is displayed clearly in the offices and meeting situations. The use of music was not used in the business, but the manager found the idea of using music while on hold interesting and as one future development ideas. Brand quality is measured by end-user feedback and reviewed in weekly meetings.

Client relations are taken as one the most important factors when doing business. Relations are maintained through client meetings, events and familiarization trips. Tour operator B also found individual clients important for the business, and recognized the importance of corporate reputation in client building.

Tour operator B focuses on both long term and short-term brand development. The Manager notes that company strives to respond to current trends in tourism, while also keeping the long-term brand development in mind. The lack of resources became apparent in the interview, impacting the scope of development process.

Further review of the website and social media shows some problems between the brand and foreign markets. The website itself can be viewed in Finnish or English, however the English version of the website is represented as a single section, while all the other titles including product categories and the brand name are displayed in

Finnish. This means that it is virtually impossible for foreign leads to navigate through product categories. The English section provides a short overview of four seasons in Finland, followed by a short introduction of the company. Service quality is also emphasized with organizational memberships in the text, no visual logos or service imagery are displayed. Tour operator B's brand logo is only being displayed in Finnish. Social media presence can be seen on Facebook, where content is also created only in Finnish with domestic markets in mind.

### **3.3 Tour operator C**

The manager describes B2B branding as storytelling, whatever you are selling you must create a story around anything one sells. The manager establishes their brand as incoming B2B tour operator very clearly, also emphasizing the importance of a supplier network in the value creation process. The manager considers B2B branding as very important part of the business because of the nature of tourism service.

The manager described the company mission as full service DMC in Finland and Lapland. The mission was not established further. Tour operator C's future vision is to shorten and simplify the clients purchasing process, making the process more effective. The business is also taken more towards online booking in the future, as part of the purchase process simplification. Tour operator C's brand identity values emerge as industry expertise, confidence and honesty as the interview progresses.

Tour operator C's brand identity is implied heavily on the market positioning; they are positioned confidently against competitors with superior service based on local supplier network and 25 years of experience. The manager emphasizes the superior supplier network, carefully handpicked over the years.

Tour operator C's marketing communication and brand contact creation is built around the focused idea of finding the correct leads. brand contact creation is focused on carefully picked travel events and meetings. The brand communication itself is very focused, brand communication is offered in the language of foreign

key markets. Fluent communication is offered in English, Spanish, and Italian. Chinese and French are also represented in the website in the form of advertisement. Tour operator C is using social media, but the manager notes that the benefit from sharing content online for them is limited. The manager explains that another foreign operator is not trying to find business partners directly from social media, rather the goal is to inform and maintain existing relations with clients.

Tour operator C strives to assure service quality by requiring suppliers to provide specific paperwork as proof of competency. In many cases tour operator C provides direct ground support for end-users, and the company can be contacted via emergency phone for a quick response on every tour. Tour operator C is also a member of multiple international organizations and has undergone service quality training course Quality 1000, provided by the Visit Finland organization.

Tour operator C does not have any slogan or any other physical elements regarding call services or office design. The logo is apparent on the website and company portfolio. Service standardization is maintained by focusing specific services under the same executive, resulting in more similar service encounters. The other part of the service standardization is well established supplier network. Brand quality performance is measured by receiving end-user feedback on tour and corporate feedback after the service performance. Tour operator C keeps a database of previous encounters for future encounters with clients. The manager notes that use of slogan is not important for their business because the end-user is not the client, rather other industry professional.

Tour operator C's manager sees client retention as one of the core requirements for successful tour operator performance. The importance of the individual customer is also established in the interview. Social media is used to inform clients on new products, client meetings are also held to maintain and discuss future business operations.

Tour operator C's brand has been built 25 years with long-term orientation as focus point. The next brand development direction will be taken towards expanding the



brand contact base alongside the development of social media. In the future, the brand could possibly be in contact with the end-user directly.

Further the website and social media review shows connections with DMO's marketing imagery and products are presented accordingly. Social media presence extends mainly to LinkedIn and Facebook, where the company creates content in English and Spanish. The company website is only available in English, and it showcases clearly the memberships and certificates received as a sign of service quality.

### **3.4 Practical B2B Branding in Finnish Tourism Industry**

Finnish tour operator managers have a common understanding of branding as a concept, describing the role of B2B branding as basis for relationship building and partner solutions in the industry, creating trust between professionals. The brand itself does not only represent the company alone, rather the supplier network operating in the destination. Branding was never mentioned in a competitive sense directly, but indications of service quality and corporate story telling is apparent in Finnish tour operator brands.

Brand identity in terms of operators' direction, purpose and meaning, all had significantly similar values behind them. All the interviewed operators in the sample virtually value the following factors in their brands identity: experience and network as a basis for easy client solutions. The product as a part of the brand identity was apparent in every case. Significant note is that all the operators' services and packages are seemingly interchangeable, meaning that service superiority is hard to compare before experiencing the actual service. The future vision in every case was to move business online to a certain extent, the idea is to simplify the purchasing process and increase more informative content online. The interviews implied that tour operators' individual missions were not very focused, however the future visions had more focused direction. Networking was clearly a part of Finnish tour operators' brand identities, where also destination, operator and supplier identities merged together.

Finnish Tour operators' brand identity was clearly carried over to the market positioning, emerging selling points being the experience and superior network of suppliers. The problem in this positioning is that they are all essentially positioned in the same way. The Tour operators' value proposition is hard to compare because of the nature of business. No talk of personal selling or client relations in the business were brought up directly. Finnish tour operators target globally extensive markets; Asia, Europe, Australia and North-America highlighted. Asia's market potential is fully recognized in the industry.

The interviewed Finnish tour operators marketing communication and brand contact creation channels and methods were found to be similar. Tour operator brands strive to generate leads by visiting tourism trade events for B2B markets. Another conventional way of creating brand contacts are business meetings between individual professionals. The use of social media exists today in interviewed tour operators' businesses, and all the operators recognize the potential use of social media in business. Today social media is utilized mainly in brand communication between already existing professionals to expand product information reach and maintain relationships, other possible target audience is the service end-users. The most common brand communication channel in tour operators' daily business is emailing. Global communication is often considered in marketing by offering product portfolios, website and online content only in English, giving out a unified message. Other languages are also provided directly in the service, or in form of website translations.

All the interviewed operators assure service quality for the client in a similar way, emphasizing supplier network and industry experience that is used in the supplier selection. All the operators recognize the need for clients' risk mitigation. Support functions are also provided in form of the supplier network, on ground support and an emergency phone. Industry awards, memberships of international organizations and quality certificates are used to signal a level of service quality. However often these are not emphasized in the communication channels, and organizational logos are often displayed modestly.

Brand service standardization is the most complicated topic based on the interviews. During the interviews operators highlighted very different aspects of the business. The superior networking between local suppliers continued to emerge, some physical elements are also implemented to the service by using colors. More standardized brand encounters are also achieved by allocating specific services to the same employees. With micro-sized companies, the services are always focused for specific persons. Physical elements in service are not in extensive use within the industry. The use of slogan for B2B tour operators is insignificant despite the nature of business. Two out of three interviewed operators had a slogan. However, the first slogan is not presented anywhere and the second operator could not remember what the slogan was. Third operator considered slogans more significant on B2C markets. The use of specific office design and color associations with specific companies are used to a very limited extent. Website designs however have noticeable color themes also seen in the company logos.

The interviewed tour operators consider existing client retention as a requirement for successful business. Finding correct leads and maintaining relationship with them, providing recurring services is ideal for tour operators. Individual corporate clients can bring significant portions of income to specific tour operators. Maintaining business relations through face-to-face meetings, emailing and phone calling indicates need for personal brand selling in the industry. Good corporate reputation is also recognized as requirement for successful tour operator brand.

The interviewed tour operators consider existing client retention as a requirement for successful business. Finding the correct leads and maintaining relationship with them, providing recurring services is ideal for tour operators. Individual corporate clients can bring significant portions of income to specific tour operators. Maintaining business relations through face-to-face meetings, emailing and phone calling indicates high need for personal selling in the industry. Good corporate reputation is also recognized as a requirement for a successful tour operator brand.

The Interviewed tour operators track and develop brands according to long-term planning, brand performance tracking is based largely on corporate client and end-

user feedbacks. One major challenge in Finnish tour operators brand development during the interview emerged as the lack of resources and time. The lack of resources is typical because the small size of operator companies and the teams behind it.

Finnish tour operators have varying social media presence. Facebook and LinkedIn are utilized in the business mostly. Twitter and YouTube have been given to less attention when it comes to content creation. Content creation itself is very similar between the tour operators. Tour operators' brand identity and destination brand identity values defined by DMO are well linked together with all the interviewed operators. The websites are also varying in quality, language most often offered is in English. The brands logos are also most often in English and colors used on the websites are matched with logos. Websites are also providing blogposts written by the managers. However, these are not used in the lead generation directly.

### **3.5 Managerial Implications – How to Improve B2B Brand Building**

After researching Finnish B2B tour operators brand building, there are specific factors that can be possibly improved within Finnish tourism industry. The following managerial implications are factors to consider in future brand development, based on contrasting the case study results to the reviewed B2B branding theory.

- (1) The management needs to understand corporate brand as a tool of differentiation, strive to use the brand clearly as an advantage in the Finnish sector.
- (2) Lack of resources requires management to set a focused and a clear company mission, and further define the company vision as a set goal that all the employees work towards.
- (3) Small operators are more flexible to change in brand strategies and marketing positioning. Managers should consider emphasizing different parts of the brands identity alongside the value proposition such as brand as an organization to gain unique position on the key markets.
- (4) Introduction of new brand elements such as office design and on-hold music when contacting the operator to help standardizing clients perceived service.

- (5) Brand identity values should be internalized to everyone within the company. This decreases the human service variability in the value creation process. Consider spelling out the brand identity values internally and publicly for the clients.
- (6) Brand communication in face-to-face and online form should be setting out a unified message on all operators' key markets. Websites and social media pages should provide content fully in English when the targeting foreign key markets. If service is provided in foreign languages, the core communication message should not deviate respectively from other languages.

## 4 CONCLUSION & FURTHER STUDIES

Answering the question “How to improve B2B branding in the Finnish tourism industry?” requires multiple perspectives on of how the branding is done in Finland’s tourism sector. The focus in the case study interviews was to achieve an understanding of what is manager’s perception of B2B branding and how they do it in practice. The case study was successful; saturation was achieved the research goal in mind with a relatively small sample size.

In conclusion, Finnish incoming tour operator brands are built on experience and networking. Individual brands’ service superiority is hard to compare, because tour operators value proposition is a result of multiple suppliers. Product offering in terms of functional benefits and marketing is relatively similar between the operator brands. Tour operators’ brand communication with existing clients is largely based on emailing, phone calling and client meetings. Finnish tour operators also create new brand contacts by actively attending trade events and schedule professional meetings within the global industry. Personal selling and corporate reputation is emphasized in incoming B2B tour operator markets. Both end-user and client feedback is utilized to track brand performance, and then further used in strategic brand development. Social media is currently used actively in Finnish tourism industry, however the impact on business is currently indirect because of the B2B market nature. Finnish tour operators’ main brand development challenges include limited resources and time.

Tour operators can build stronger brands and respond to global competition in the future by setting focused company mission and vision for all the company operations. The small size of Finnish operators also enables flexibility, that can be used to strengthen brands value proposition and market positioning. Brands market differentiation and uniqueness should be brought up more effectively in the future, because brands service superiorities are hard to establish directly.

B2B tourism branding is a relatively little researched subject. Future studies can be carried out by introducing quantitative methods to the subject and survey B2B

branding from the clients' perspective. Brand checking individual tour operator client bases, exploring what clients value the most in B2B brands through quantitative survey, and researcher contrast the results to already existing theory could be the possible future study ideas on this topic.

#### **4.1 Limitations, Reliability and Validity**

As discussed in the beginning, the limitations of the thesis are apparent in this study. This thesis is a qualitative study of Finnish incoming tour operators, where essentially new information was discovered about B2B branding principles in Finnish tourism sector. The research population consisted of less than 15 companies in Finland, of which three were interviewed in-depth. The relatively small sample size and type of the research causes results not to be generalized directly. Brand building improvement suggestions can be applied to Finnish tour operators; however, improvement ideas should be applied with caution. The companies outside Finnish tourism industry cannot apply the information gained in this thesis, because the theoretical framework and interviews are not designed to be generalized to other industries.

This thesis is creating new information via the theoretical framework and empirical research provides results that are ensured with confident level of reliability. The framework consists of multiple central B2B theories on branding, with added service, destination, global and SME branding theory elements to fit the theoretical framework to tourism oriented business model. The research situations were all conducted in a similar manner as a phone interviews, with similar lengths and predetermined topics. Incoming B2B tour operators' brand building is very limitedly covered researched subject so far, the specific informative details in the thesis could be dated in the future.

This thesis presents a confident level of validity, the thesis product reflecting the reality of tour operators' branding in the Finnish tourism Industry. The predetermined interview topics worked successfully as a basis for measure, though some of the theoretical concepts had to be simplified for the interviewees. The conducted

empirical research based on the theoretical framework successfully measures the set research objectives, further building a clear picture of B2B branding in the Finnish tourism industry. The conducted study results also indicate possible industry applicable branding improvements successfully, answering the set research question.

This thesis product does not replace the need of conducting companies own quantitative and qualitative researches.



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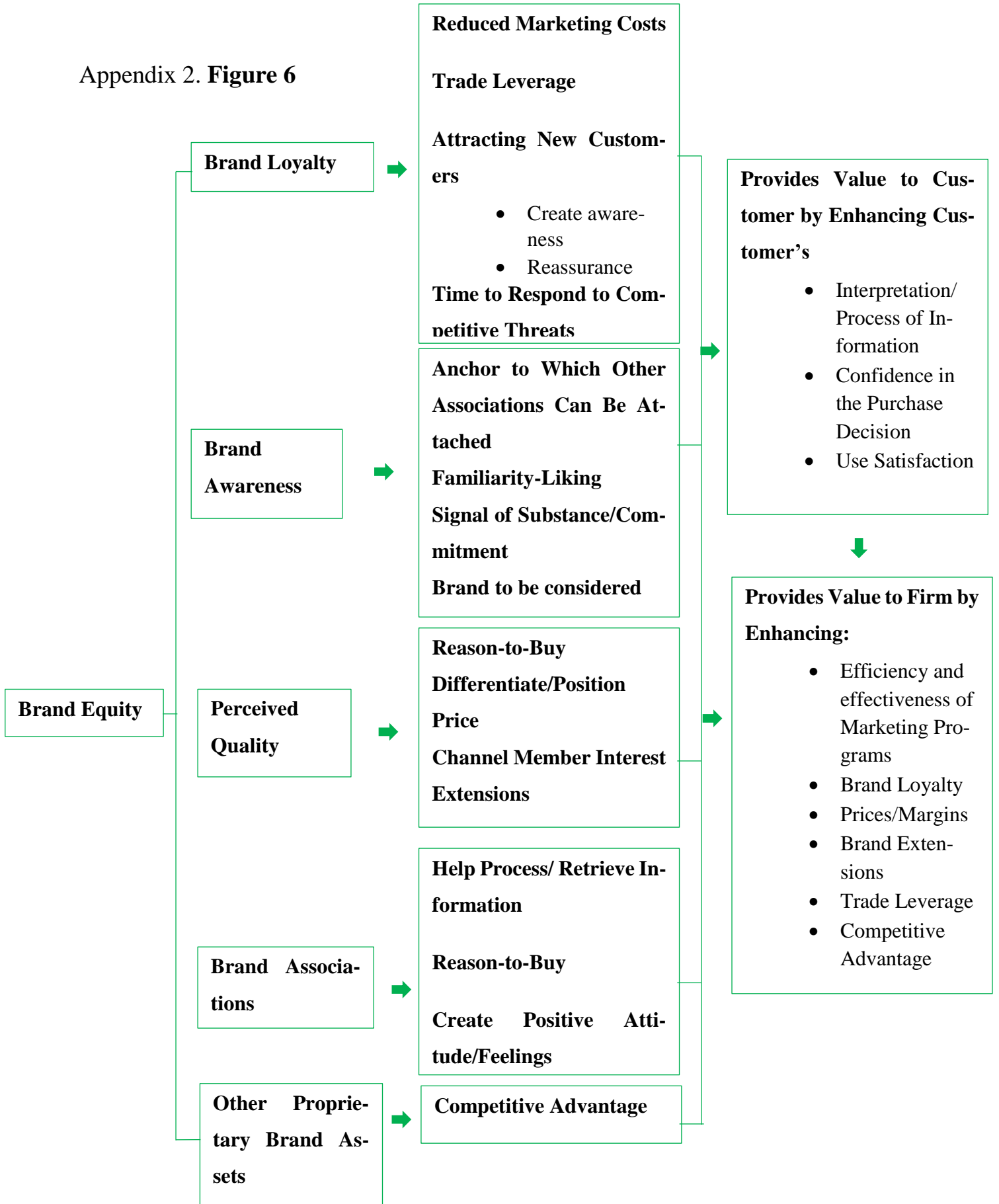
## 6 APPENDICES

### Appendix 1. Figure 5



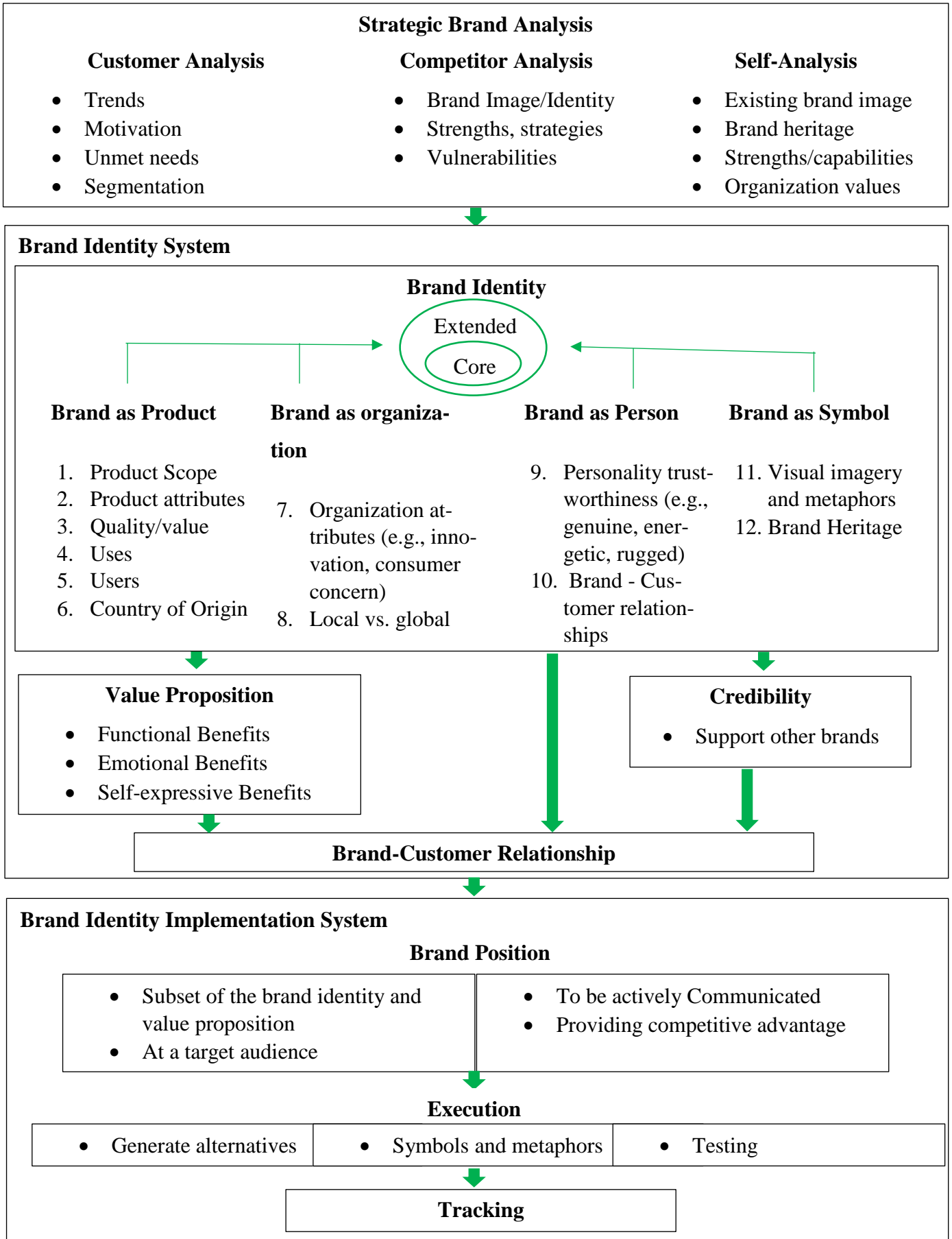
**Figure 5** Finland's marketing image (Visit Finland 2016b, 36)

Appendix 2. **Figure 6**



**Figure 6** How Brand Equity Generates Value (Aaker 2010, 9)

Appendix 3. **Figure 7**



**Figure 7** Brand Identity Planning model (Aaker 2010, 79)



#### Appendix 4. Semi-structured topic guide for management in-depth interviews:

1. Management branding perception & the role of B2B branding in tourism
2. Company's mission, the service concept and future vision
3. Brand positioning on the key markets against competition
4. Brand marketing communication & brand contact creation
5. Assuring brand's service quality and clients risk mitigation
6. Standardizing customer's perceived quality and measuring brand quality
7. Maintaining partnership relations in travel trade, importance of individual customer business performance & company reputation in client building
8. Brand development tracking