RUSSIAN CROSS-BORDER SHOPPING TOURISM IN ROVANIEMI

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Commissioned by Rovaniemi Tourism & Marketing Ltd
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Approved ________ 2014_____________
The aim of the thesis project was to find out the needs and demands of Russian customers in Rovaniemi in order to further develop and improve shopping services in the town. Shopping has become one of the most enjoyable activities undertaken by people during the holidays and very often it becomes a reason for travelling. Thus, the main focus was on detecting the satisfaction level with the shopping services in the town. The author's intention in this study was to recognise the factors affecting shopping motives in Rovaniemi. The thesis project was commissioned by Rovaniemi Tourism and Marketing Ltd.

The thesis is made up of two sections. One is a theoretical section that displays shopping tourism phenomena, theory and case studies. The other part discusses the Russian tourists' shopping motivations and behaviour in the town of Rovaniemi. The research topic derived from the author's personal interest in the subject and involvement in the field of tourism. Qualitative and quantitative methods were conducted in order to reveal the needs and demands of Russian tourists. The used methods included a method of survey and participant observation of Russians' shopping. The intended number of questionnaire responses was gathered carefully and randomly from the Russian consumers and the received data analysed using the content analysis.

The findings of the research proved the importance of Russian shopping tourism for the town of Rovaniemi. The results also indicated the need for further development and improvement of the shopping services according to the needs of Russian consumers. Taking into consideration the wishes and expectations of the customers, a list of suggestions for improvement and development of the services was investigated and analysed.

Key words: Russian customers, shopping tourism, cross-border shopping, goods, shopping services
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1 INTRODUCTION

Shopping has become one of the most popular leisure activities in the world nowadays. It is a phenomenon that involves subsets of recreation and utilitarian activity. During the holidays it becomes one the most enjoyable activities that very often gives a reason and motivation for travel. With the growth of developed technologies, efficient transportation and potential of credit card use, people have been able to travel to faraway places for shopping. New levels of mobility have influenced and increased shopping in the places far away from people’s home town. This form of shopping has existed for a long time. With new innovations and technologies, and as the society has become more mobile, it has given many new opportunities for people to travel long distances to shop. (Timothy 2005, 15–16.)

The customers’ relation between shopping and tourism may be of two categories. The first category includes the tourists whose main reason for travelling is shopping. The second category is those who choose shopping as a secondary activity done during a trip motivated by sunbathing or ecotourism (Timothy 2005, 17–18). Despite shopping being the main or secondary reason for travel, three dimensions of tourist shopping are identified including temporal, spatial and psychological. The temporal dimension is based on when during the holiday or travel the shopping takes place. The spatial dimension of shopping is based on where the shopping takes place. These shopping activities usually take place in the tourist’s home location at local stores and shopping malls before the departure, in the transit to the destination, or at the destination. The third dimension is considered to be psychological where the interests and motivation of the traveller are important. (Murphy–Benckendorff–Moscardo–Pearce 2011, 6.)

The topic of this thesis project is Russian cross-border shopping tourism in Rovaniemi. The aim of the thesis is to find out the needs and demands of Russian customers in Rovaniemi in order to further develop and improve shopping services in the town. Different methods of shopping tourism services improvement in the town are discussed taking into consideration the current expectations of Russian customers. Also, the reasons for visiting the
town are identified, analysed and assessed through different methods of research.

Russian cross-border shopping tourism is a well-known and developed phenomenon in Rovaniemi and in Finland. During the past several years some similar studies have been made in Kajaani and Lappeenranta. The results of those studies were unpredictable but useful for the development and improvement shopping services for Russian customers. This makes sense for conducting a similar research in Rovaniemi in order to enhance the level of shopping services. Besides, the undertaken study is very interesting for researching.

The author chose the topic for several reasons. Firstly, Russian tourism seems to be very important for the town and many entrepreneurs try to focus on Russians as their main target group. Russians come to Rovaniemi throughout the year. During the past few years Russians’ flow to Rovaniemi has been increasing. Owing to Russian tourism, the town of Rovaniemi has foreign customers during each season of the year (Statistics Finland 2013). Besides, it gives better opportunities for developing businesses for many companies in the town. Russian tourists are used to consuming many Finnish products in the town, so that very often they leave the shop shelves empty.

Also, for the author personally there are reasons for the choice of this very topic. Personal involvement in the field of tourism makes the author interested in researching the Russian customers’ satisfaction, needs and expectations. Since the author is working at a tourism company, the interaction with Russian customers is a part of her work. The author is also interested in observing customer behaviour when purchasing products and services. The topic is very significant for the present time and tourism development in Rovaniemi especially during the low season of the year.
2 SHOPPING TOURISM

2.1 Shopping as Form of Tourism

Shopping as the main reason for travelling is an important factor for millions of tourists each year. During a study, made by McCormick, 51% of travellers who were surveyed answered that shopping has been the primary or secondary reason for travelling during the previous years. (Timothy 2005, 15.)

There are many possibilities at present times to search in the internet specialized international shopping tours which can be purchased online or through travel agencies. In recent years the shopping tours from North America and Asia to Europe have become very popular. A US-based company offers five-day Christmas shopping tours to Paris. During such tours the tourists have an opportunity to stay at a hotel, eat breakfast, visit free fashion shows, and receive a 10% discount card at some department stores. The city of Florence also organizes some escorted shopping tours. The tourists are taken to some brand shops, such as Gucci or Prada. They also have a chance to visit the homes of famous designers and dine with them. Before each trip, the tourists are asked what kind of products they are interested in so that the guide may organize the visits to appropriate places and facilitate tourists in getting VAT tax reimbursements upon departure. Handicraft tours through Austria, Germany and the Czech Republic are also very popular among the shopping tourists. (Timothy 2005, 42–43.)

There are three main factors that appear as driving forces behind shopping as a primary reason for travel: seeking for merchandise, selection of destination and price advantages. But these three factors may overlap and work together (Figure 1). Price and goods variety/quality may transform a place into a world-famous shopping destination. (Yazdani 2007, 27.)
2.2 Seeking Merchandise

Recently it has become very common for people to travel in order to seek for specific goods to purchase. Timothy (2005, 43) argues that there exist specific groups of tourists who choose a destination because of textile production technique, design, quality or brand. Collectors, for example, travel in search of antiques to complement their collection at home. Many tourist destinations rely heavily on specialized shopping tourism. Oaxaca, a Mexican city, offers a lot of souvenirs and handicrafts, native and mixed European styles are also popular there. The most purchased products in Mexican border communities have become silver jewellery, clothing and prescription pharmaceuticals. (Timothy 2005, 43–44.)

Many people travel to such places where they can purchase duty-free items, less expensive such as watches, jewellery, perfume, cosmetics, electronic equipment and clothing. Thus, because of the status of international duty-free ports the Caribbean islands and Bermuda have become well-known shopping destinations. Any kind of tourism merchandise acts as a reminder for the traveller of the experience acquired at the destination. Very often product assortment, quality and authenticity, store location, image and sales personnel influence the customers' choice of the shopping place. Thus,
nowadays many places become famous shopping destinations because of what they offer to retail customers. (Timothy 2005, 44.)

2.3 Choice of Destination

Many places in the world have expanded into well-known shopping destinations, purposefully planned to be such, or by themselves automatically, because of a good variety of offered products that people have found desirable. Usually reputed shopping destinations are associated with a few primary products. (Yazdani 2007, 37.)

One of the most popular shopping destinations in the world is Dubai, United Arab Emirates. The newest form of shopping attraction, the shopping festival of Dubai was started in February 1996 and has run every year in January and February since then. The festival attracts several million visitors in only one month. Dubai has been successfully promoting its shopping opportunities from a wide stock of modern malls to traditional Arab souks and street-sellers. The image of Dubai being one of the most famous shopping destinations in the world appeared owing to the city’s role as a major air transportation hub for flights between Europe and Asia. The Dubai airport has become one of the main shopping centres offering luxury goods with low duty fees and no sales tax. (Timothy 2005, 45–46.)

Another example of famous shopping destinations is Hong Kong, which is well known for specific products, the glamorous malls of the city and Chinese markets. Its historic atmosphere has created an image that the shoppers visiting can hardly avoid it. The city nowadays is one of the most charming, product-diverse and accommodating shopping destinations in the world. For the past several years, weekend trips have been organized from the United States to Hong Kong for the primary reason of shopping. Shopping is the sole or main reason for many people and their ratio of expenditure on shopping is usually very high. (Yazdani 2007, 39.)

Shopping malls are also becoming tourist destinations. They play a very important role in the field of tourism. Several mega-multi malls have become the most popular tourist destinations in North America and this trend is also now developing in Western Europe. (Yazdani 2007, 37.)
An important part of tourism nowadays is themed shopping. One of the most popular themed shopping destinations is Rovaniemi, a town in Finnish Lapland, with a unique location at the Arctic Circle. Rovaniemi has been promoted and considered as the home of Santa Claus. This popularity gave rise to the successful shopping centre and craft shop collection located on the Arctic Circle. It has become so famous that nowadays tens of thousands of children from all over the world send their letters to the Santa Claus workshop and post office in Rovaniemi. Rich shopping opportunities are focused on the theme of Christmas and life in a cold climate, the chance of meeting Farther Christmas and his reindeer. From the year 2001 the number of Christmas tourists started to increase each year and charter flights from across Europe arrive directly to the town of Rovaniemi throughout the holiday season. (Timothy 2005, 45–52.)

2.4 Price Advantages

The price is a very important factor which influences tourist decisions. That is why many tourism companies provide and choose low-cost strategies for their companies. But tourists’ habits change constantly as they may spend more or less depending on the motivations they have during shopping. Tourists’ motivations play a crucial part in choosing the destination and companies should carefully identify the highest price tourists would be ready to pay for the goods and services. The destination with cheaper prices would be more popular (Timothy 2005, 52). The price may have a dual function – the higher the price is, the greater is the quality of the product and the higher is the willingness to purchase it; but on the other hand, the preparedness to buy is less. According to Nicolau (2011), “perceptions of value increase as price increases from below the buyers’ lower acceptable price limit to some acceptable price within their acceptable price range”.

Empirical research shows that the minimum price a person is ready to adopt for selling a product is usually bigger than the maximum price the same person would be ready to pay for buying the same product. For example, a person may consider a suitable price he would pay for the product is one dollar, but when selling the same good he would raise the price to at least one dollar and a half for the same product. (Nicolau 2011.)
Thus, Thailand has grown to one of the biggest shopping destinations because of good value and low cost. It is famous for its upper-class department stores and cheap night bazaars. The Tourism Authority of Thailand pays great attention to taking significant steps in developing shopping tourism. Some other places in Asia, including Korea, Taiwan and China, are commencing to grow as inexpensive shopping destinations. (Timothy 2005, 52.)
3 SHOPPING TOURISM MOTIVATIONS AND BEHAVIOUR

3.1 Shopping Motivations

3.1.1 Shopping as Vacation Activity

Retailing is viewed by some people as theatre. In this case shopping is represented by the consumers to the audience going through scenes of glamorous imagery. (Boedeker 1997, 13.)

The first malls, department stores and shopping centres were developed in Paris and later on in other cities in the second half of the 19th century. During those days they were "places of consumption", "dream worlds" and "temples" where the products were adored by the consumers. They were able to walk around through the shopping area which captured their eye and introduced a big variety of fascinating goods and services. (Boedeker 1997, 13.)

For recreational shoppers shopping is a leisure-time activity and they take pleasure in it, even apart from purchasing goods. They like to spend their shopping time in the exceptional and unusual, but at the same time full-of-fun and surprising places. Safety is also one of the most important factors influencing the choice of the shopping place category. Shopping may be regarded as an adventure for one group of people, for another it may be a habitat – their home. (Boedeker 1997, 13.)

Table 1. Contrasts between Recreational Shopping and Shopping (Boedeker 1997,14)

<table>
<thead>
<tr>
<th>Recreational Shopping</th>
<th>Shopping</th>
</tr>
</thead>
<tbody>
<tr>
<td>An end in itself</td>
<td>A means to an end</td>
</tr>
<tr>
<td>Pleasurable</td>
<td>Out of necessity</td>
</tr>
<tr>
<td>Emphasis on experience</td>
<td>Emphasis on &quot;rationality&quot;</td>
</tr>
<tr>
<td>“Leisure”</td>
<td>“Work”</td>
</tr>
<tr>
<td>Outside of daily routine</td>
<td>Part of daily routine</td>
</tr>
<tr>
<td>Efficiency not central</td>
<td>As efficient as possible</td>
</tr>
</tbody>
</table>
Shopping remains to be a favourite activity even in those places where certain forms of tourism prevail. According to a research conducted in Las Vegas by Plog Research, 67% of the 8000 surveyed leisure travellers mentioned shopping as a major activity, whereas only 18% mentioned gambling. Shopping is also becoming very popular in the ski centres which are developing into trendy shopping centres. Domestic and international visitors affirm that shopping is one of the main three activities at ski resorts during winter and summer. Managers of the ski centres noted a significant role of shopping in this industry. The important part of the visitors’ experience in the ski resort includes the possibility of consuming different goods as memorable souvenirs from the holiday place. (Boedeker 1997, 15.)

3.1.2 Tourists’ Needs for Shopping

There are a lot of reasons for tourists to shop. Table 2 explains that prestige, self-esteem, nostalgia, vanity and economic savings work as motivation for shopping and the choice of destinations for tourists.

Table 2. Possible Motivations for Tourist Shopping (Yazdani 2007, 31)

<table>
<thead>
<tr>
<th>Motivation</th>
<th>Merchandise attributes</th>
<th>Type</th>
<th>Location</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>prestige</td>
<td>unique</td>
<td>crafts</td>
<td>Arctic Oceania</td>
<td>soapstone shells</td>
</tr>
<tr>
<td></td>
<td></td>
<td>local materials</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>local designs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>prestige</td>
<td>exclusive</td>
<td>clothes</td>
<td>Paris</td>
<td>fashion</td>
</tr>
<tr>
<td>economical</td>
<td>cost-saving</td>
<td>bargains</td>
<td>Asia</td>
<td>electronics</td>
</tr>
<tr>
<td></td>
<td></td>
<td>outlets</td>
<td>USA</td>
<td>all tapes/Videos</td>
</tr>
<tr>
<td></td>
<td></td>
<td>pirated goods</td>
<td>Asia Asia</td>
<td>watches</td>
</tr>
<tr>
<td></td>
<td></td>
<td>replicas</td>
<td></td>
<td></td>
</tr>
<tr>
<td>self-esteem</td>
<td>trophies</td>
<td>big game heads</td>
<td>Africa</td>
<td>pins</td>
</tr>
<tr>
<td></td>
<td></td>
<td>named items</td>
<td>Olympics</td>
<td></td>
</tr>
<tr>
<td>nostalgia/vanity</td>
<td>souvenirs/</td>
<td>souvenirs/</td>
<td>anywhere</td>
<td></td>
</tr>
<tr>
<td></td>
<td>memento, gifts</td>
<td>memento, gifts</td>
<td>anywhere</td>
<td></td>
</tr>
</tbody>
</table>
Table 3 exemplifies ten reasons why people shop during their holidays. They were identified during the consumer research by the Travel Industry Association of America in the year 2001. (Yazdani 2007, 32.)

Table 3. Reasons for Shopping on Most Recent Trip in Percentages (Yazdani 2007, 32)

<table>
<thead>
<tr>
<th>Reasons for shopping</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Something to do</td>
<td>22</td>
</tr>
<tr>
<td>Wanted to buy something for other people</td>
<td>21</td>
</tr>
<tr>
<td>Had an event or holiday for which needed to buy something</td>
<td>15</td>
</tr>
<tr>
<td>Wanted the souvenir of the trip</td>
<td>13</td>
</tr>
<tr>
<td>Like to shop/ always shop on trips</td>
<td>12</td>
</tr>
<tr>
<td>Friends/ relatives took me shopping</td>
<td>6</td>
</tr>
<tr>
<td>Lower prices/ save money</td>
<td>6</td>
</tr>
<tr>
<td>Wanted to buy items unique to the destination/ authentic goods</td>
<td>4</td>
</tr>
<tr>
<td>Different selection of stores than those at home</td>
<td>3</td>
</tr>
</tbody>
</table>

However, there are some other motives that drive tourists to shop. The desire for acquiring keepsakes and memories makes people purchase souvenirs in order to remind them of their momentous journey. Many travellers consider the trip scarcely completed without realising the purchase of remembrances. For most tourists the major reason for buying keepsakes is to have memories about the places they have visited. Especially such souvenirs as textile crafts, purchased during the travel, give people association with place, culture and personal memories received during the trip. (Yazdani 2007, 33.)

Another motive that drives people to shop is travelling in search of authentic places and experiences. Genuineness has become one of the integral parts of the visitor experience in the area of heritage tourism. The addiction of tourists to shop depends on different factors such as their cultural
background, economic situation and the variety of shopping opportunities in the destination. (Timothy 2005, 78–82.)

Novelty seeking is regarded as one of the driving motives in tourism. An example of consumer novelty seeking is attending the farmers’ markets which may be different from those supermarkets tourists usually visit at the local or international level. The uniqueness and difference in products encourage travellers for novelty seeking. (Grandhi–Arora–Shaw 2000.)

Functional needs during travelling have always been one of the most common reasons driving people for shopping. The most common purchases belonging to this category are mobile phones, cameras, suitcases for luggage, or groceries, toothbrush, or jacket if the weather is cold. (Timothy 2005, 83.)

One of the least general reasons for shopping, but still an important one, is boredom or excess of time. This usually happens at the airports when people have to wait for their flight and go to spend extra time in the airports’ retail shops. Sometimes tourists may choose shopping if the weather is not suitable for sunbathing or other outdoor activities. In this case it is a good decision to combine "business" and pleasure. (Timothy 2005, 83.)

Buying presents for people at home is as important as buying a keepsake for oneself. According to research studies women are more devoted to buying gifts for people at home that men and they might spend a lot of time carefully looking for suitable present. Moreover, the chosen gift should be unique, authentic and tell something about the visited place. (Yazdani 2007, 33.)

3.1.3 Benefits of Duty-Free Shopping

Very often shopping provides an important competitive advantage for countries and regions in combination with other attractions. The “tax-free haven” status adds the supplementary appeal to the regions and attracts the visitors.

Department of Finance of Philippine (2013) states that ‘duty-free stores are retail establishments, which are licensed by the government to sell duty and
tax free merchandise for the convenience of travellers’. From these operations the government earns certain revenue. All tourists coming from abroad may have tax free shopping with the presentation of their passport and in some cases visa. (Department of Finance of Philippine 2013.)

Duty-free shopping nowadays is provided nearly at all international airports, harbours and land border crossings. The duty-free points on land border crossings are usually located between the customs offices of every country. The world’s first duty-free shop was opened in Ireland at Shannon Airport in 1947 selling alcohol and tobacco to transit passengers. Duty-free shopping is an exceedingly significant tourist activity, which is estimated to be worth tens of billions of dollars every year. In the year 1995 more than 200 international airlines offered inflight duty-free sales. (Timothy 2005, 134–136.)

Global Blue tax free shopping brings to the shoppers savings during purchases in more than 270,000 shops around the world. The customer may receive tax free purchases in the stores which display the Global Blue tax free shopping sign on the window. In such cases shoppers should ask for the tax free form from the staff before paying for the purchases. The tax free form exists in two versions – blue or white. All fields are required to be filled in block letters in Latin alphabet. Incomplete tax free form will have no refunds. (Global Blue 2012.)

The refund process is usually executed at the airport before the departure flight. The refund is acquired from the Customs desk presenting the filled tax free form, passport, receipts and purchases. If the traveller is in a hurry one might receive the refund by sending the tax free form using the Global Blue envelope and gain the refund on his credit card. (Global Blue 2012.)
3.2 Shopping Behaviour

3.2.1 Supermarkets and Souvenir Shops

Physical need such as hunger leads many people to visit supermarkets and food stores. Especially tourists living in self-catering accommodations are often visitors in these places. In order to save budget they prefer cooking by themselves to dining in the restaurants. (Yazdani 2007, 41.)

Another need that engages tourists is clothes shopping. Many visitors coming to foreign country have already a purpose of buying clothes made in the visited destination. According to the Travel Industry Association of America, clothing was the most purchased item by tourist in the United States. (Yazdani 2007, 42.)

Tourists may notice a lot of different kinds of souvenir shops in tourist destinations. The variety of keepsakes is usually very wide. Galleries with special forms of art which represent local creative styles and fashion especially attract visitors. Very often souvenir shops are situated near the main attractions, sometimes even promoting the place for tourists. The goods in such shops are very often thematic according to the attraction they are located near. Thus, shops near churches and cathedrals offer religious paraphernalia. Shops in the Santa Claus Village, situated on the Arctic Circle in Rovaniemi, focus their goods on Christmas thematic and Santa Claus. (Yazdani 2007, 32–33.)

3.2.2 Shopping Malls

In the end of 1800s together with department stores started to develop the shopping malls, which became a standard feature by the middle of the 20th century. The first out-of-town shopping centre in the United States was built in 1920s in Kansas. In the end of the Second World War there were several hundred shopping centres in the United States. By the 21st century there accounted about 45,000 shopping malls and centres in the United States. (Timothy 2005, 121.)
The idea of creating the shopping malls was to allow the customers shop in the indoor collection of shops, without travelling from one single shop to another. Nowadays the shopping malls became recreational centres offering additional amenities. Customers may enjoy visiting restaurants, mini zoos, bowling alleys, sports centres, food courts, casinos, fitness clubs, children’s play grounds, exhibition centres, ice-skating rings, swimming pools and cinemas. These leisure facilities are the clue to making people visit shopping malls and keep them stay there. Furthermore different shows and events often take place there. Among the most interesting and pleasurable are fashion shows, antique sales, car and boat shows and charity bazars. (Timothy 2005, 122–124.)

An important feature attracting visitors is malls’ design and theming. El Mercado mall in San Antonio, Texas, designed in stereotypical Spanish colonial style offers goods from Mexico and South America. Small shopping centres are easier to design with a certain theme. The example is Park Meadows in Denver with a theme of nature and natural parks. (Yazdani 2007, 37.)

3.2.3 Airports

Shopping at the airports is contrasted to daily shopping practice and venues. People at the airports have different motivations from general shopping. There are four types of airport shopping motivations:

- Functional motivations (good price, convenience and quality shopping);
- Experiential motivation (promotion and buying to indulge oneself);
- Airport-atmosphere-related motivation (impulse purchasing, pre-planned purchases and purchasing out of boredom);
- Airport-infrastructure-related motivation (service in the shops, multilingual staff, promotional materials) (Lin–Chen, 2012).

Airports are one of the most popular tourist shopping venues. Large airports usually have two kinds of shopping areas in the terminals – landside and airside. The landside area is opened for all the passengers and visitors and airport staff. It is located before the checkpoint. The airside shopping area is
located after the checkpoint has been passed. It is available only for the passengers with tickets and employees. The airside retailing got about US$3.5 (49%) billion of the total expended on duty-free items in the European Union in 1996. It represented about 70% of all commercial sales in airports. Airport retailing offers different variety of goods ranging from food services to tax-free shopping. It includes magazine stands, handicraft shops, clothing stores and luggage shops. (Timothy 2005, 127.)

Currently the airports have become the shopping centres, but not only transit points. During the past few years many airport authorities have recognised increasing of duty-free retailing in the airports as the method of generating revenue. Some international airports have grown to leading shopping destinations and are popular for the variety and quality of goods. The examples are Dubai International Airport, Changi Airport in Singapore, Amsterdam’s Schipol Airport. They are famous for furs and clothing, perfumes, candies, tobacco products, gold, jewellery and travel accessories. (Timothy 2005, 128.)

Singapore Changi Airport has been voted the world’s best airport. The 2013 World Airport Awards was held at Passenger Terminal EXPO in Geneva. Changi Airport is a leader and innovator within the industry and this is a key reason why it has remained ranked amongst the top-3 airports for the last 14 years of the awards. The development of services at Changi Airport is focused on the needs of the passengers and providing them with only the best of airport experiences. Changi Airport also picked up the awards for the Best Airport in Asia and Best Airport for Leisure Amenities. The wide range of leisure and entertainment facilities stand out at Changi Airport and serve to assure maximum level of passenger satisfaction. (The World Airport Awards 2013.)

There are some forms of retail consumption at the airports. The categories of airport shoppers are identified as:

Business travellers are popular consumers at airports, as they spend quite much time there.
Leisure travellers are fond of shopping for souvenirs and presents for their friends.

The people who drop off and pick up passengers are meeters and greeters. They also purchase some items as welcome or departing gifts.

Airport and airline employees are also shoppers at the airports, since they might purchase food and drinks, newspapers or souvenirs.

Airport recreationists – they are people who like to come and observe the airplanes taking off or landing, and shop because of big variety of shopping opportunities available in big airports. (Timothy 2005, 129–130.)

One of the most beautiful airports in Americas was created by architect Rafael Viñoly in Uruguay. The chief executive officer planned to improve the services at the airport and give a world class shopping experience to their customers. The Duty Free Uruguay devoted a lot of time for creating a store environment that would completely engage their customers. The design of the new shops was thought to start with eliminating all the defects the CEO noticed in other shops. The consumer behaviour was studied. The main point was to find out the drivers that led people to shop, and what stopped others from making purchases. Finally, the success has been got not only because of modern shop design and wide variety of goods offered in the airport shops, but by the personal interaction with the customers. (Gallagher 2009, 39–41.)

3.2.4 Tourist Shopping Villages

Benckendorff (2013) defines tourist shopping villages (TSV) as ‘small towns and villages that base their tourist appeal on retailing, often in a pleasant setting marked by historical or natural amenities which differ from urban shopping districts’. These places are usually located in rural or peripheral areas which offer a possibility to experience cultural and natural heritage. (Murphy et al. 2011, 14–16.)

The important and attractive parts of the success of TSV are the evidence of the natural and cultural heritage themes and provision of the services, such as parking, toilets, eating areas. Special events and festivals often take place
there attracting tourists and visitors from various places. Such TSV have different souvenir shops, craft markets and factory outlet stores. (Murphy et al. 2011, 14–16.)

One of the famous examples of TSV is St. Jacobs Mennonite community in Ontario, Canada. This small farming community became a tourist destination which offered traditional and locally made handicrafts. It was estimated that more than a million people visit St. Jacobs every year from different parts of Canada, the United States and overseas. St. Jacobs attracts with its unique cultural landscape - a scenic river and heritage buildings which were remade into the shops and restaurants. (Murphy et al. 2011, 14–16.)

3.3 Cross-Border Shopping Tourism Case Studies

3.3.1 Cross-Border Shopping

According to Bar-Kolelis and Wiskulski (2012, 44–45) “cross-border shopping is a unique type of shopping tourism consisting in people travelling beyond the boundaries of their own nation specifically to shop in a neighbouring country”. A cross-border shopping trip may be short for people living close to the neighbour country border, lasting from some minutes to several hours, or may be of longer duration for those living farther from the border.

Many authors define different types of cross-border shopping motivations. According to Murphy (2011, 11–12), shopping activity centres on price differentials between the countries near the border and differences in the range and options available. Some tourists come shopping to take advantage of cheaper prices in the visited destination. Another reason for shopping is a wider range and better quality of products. This type of shopping is often driven by an opportunity to buy branded luxury goods at better prices than at home.

A cross-border shopping trip is an activity which includes and starts with crossing the border for shopping reasons. Contrast, awareness, willingness to travel and procedures of crossing the border have to be fulfilled in order for cross-border tourism to emerge and develop.
Contrast - the vast contrast should be between the local offer and the offers on the other side of the border. Inequality should be at least in prices, quality and selection of goods.

Awareness - tourists have to know what the other side of the border offers in order to motivate people to come there.

Willingness to travel – a person should be ready, excited and stimulated to travel. Many people consider shopping abroad as an entertainment. They might or might not be motivated by many factors.

Border crossing procedures – they should be uncomplicated and easy. Today many borders may be crossed even without visa requirements, but this is not the situation in every country. It depends on the country’s political agreements. A lot of formalities about crossing the border may discourage people from going abroad, despite their desire to travel. (Bar-Kołelis–Wiskulski 2012, 44–45.)

According to Bar-Kołelis and Wiskulski (2012, 13) the most general factors that conduce to the cross-border shopping are tax rates, opening hours, proximity to the border, exchange rate between the currencies, price level, fame and marketing, language, availability of a wider range of products and services.

3.3.2 Cross-Border Shopping within Kostomuksha and Kainuu Region

A study about cross-border consumption within Kostomuksha and Kainuu region was conducted in the year 2010. The main foreign customers in Kajaani are the citizens of Kostomuksha, the town which is situated in Russian Karelia Republic. It is the nearest Russian town to Kajaani and its region. The distance between these two towns is 155 km. Kostomuksha is one of the biggest towns in the Karelia republic which accounts for about 35000 people. (Sheveleva 2010, 20–21.)

The retail sector of Kostomuksha has no possibility to offer a wide range of choices since it is in a very bed condition. Competition is very low in Kostomuksha as there are no professional retailers or marketers. People
working in the retail sector have no business strategies which could improve and develop their businesses. (Sheveleva 2010, 25.)

There are several grocery stores and only two supermarkets in Kostomuksha and the diverse of products are quite scanty compared to Finnish markets. Besides, people are complaining about the quality and the choice of products. Customers are not satisfied with the service inasmuch it is difficult to find the salesperson while shopping and the needed goods. Moreover, there are no specialized fashion stores in the town. Clothes are brought from big cities and sold in small rented premises without any brand name or labels. Retailers of the shops offer commodity according to their personal choice, but not according to the customers’ needs. This unprofessional approach led to the mass bankruptcies of these shops in spring 2009. (Sheveleva 2010, 25.)

The study tells that the majority of the border crossing Russians are shoppers and they spend in Finland only one day and return home the same day. Lower prices is a significant reason for Russians to visit Finland. Russian customers come to Finland by their own means since there is no public transportation between Kostomuksha and Kajaani. The research shows that 32% of the surveyed people visit the Kainuu region once a month and 24% come to Finland once in 2–3 weeks. But in many cases the trip periodicity depends on the customer’s transportation abilities. Over 49% of the respondents go to Kajaani when they need to buy some particular products, and 45% of the consumers visit Kajaani during the great discount period. It was found out that during the shopping trips Russian customers usually buy groceries, clothes, households, cosmetics and baby commodities. However, the most frequently purchased items are groceries and clothes. Consumers with a lower income level buy goods because of discounts while people with higher income level make impulsive purchases more often. (Sheveleva 2010, 37–42.)

The study shows that customers of Kostomuksha spend a lot of money in the Kainuu region during their visits. 35% of the respondents spend about 150-250 euros per visit, and 20% of the surveyed people spend 251–350 euros per one day trip to Finland. Since the competitors in the Kostomuksha town
are not performing expected quality and variety of goods for Russians, the reasons for cross-border consumption in the Kainuu region were better quality, cheaper prices and specific products sold only in Kajaani. (Sheveleva 2010, 42–44.)

3.3.3 Cross-Border Shopping within Mexico and State of Texas in US

The study about cross-border shopping within Mexico and State of Texas in US had a purpose to understand if and how Mexican national cross-border tourism contributes to the vitality of retail sector and communities of the United States. The study designates tourists who go to another country for the explicit reason of shopping cross shoppers. The data was collected at the San Maros Outlet Malls, Texas, during the 2008 Christmas shopping season via mall intercept method. The outlet malls are situated between Austin and San Antonio at 180 miles from the Mexican border. A mall intercept method was used to interview respondents about their visit to the United States, expenditures and personal information. (Sullivan–Bonn–Bhardwaj–DuPont 2012, 596–597.)

The majority of the interview respondents came to the United States by car, a small number of the shoppers arrived via other travel modes. There were visitors of different origins, but mostly the shoppers were coming from border area, from Neuvo Ladero and Monterrey. (Sullivan et al. 2012, 600.)

The research shows that the average cross-border visitor spent about three nights at the area. Distance and frequency of shopping trips to the United States had no positive influence on Mexican national cross-border shoppers’ expenditures. The biggest amount of money daily was spent by Mexican tourists that stayed in the hotels, whereas day visitors spent very small amount per visit. The most purchased goods by the shoppers were clothes. Cross-border tourists who stayed in hotels or with friends spent about $800 (U.S.) on clothing daily, while day visitors and those who stayed in condominiums spent about $400 (U.S.). (Sullivan et al. 2012, 601.)

The results of the survey from the input-output analysis confirmed that Mexican national cross-border shoppers’ expenditures during a trip to the United States outlet malls would generate income for the local and regional
areas and create jobs for the local and regional economy. The primary reason for visiting the discount outlet malls for Mexican national cross-border shoppers’ was for shopping and price turned out to be a very important motivation for crossing the border. The shoppers visited the outlet shops 2.45 times a year. The study discovered that Mexican national cross-border shoppers receive no social benefits during the visits of discount outlet. (Sullivan et al. 2012, 603.)

As a conclusion of the survey, it was discovered that economic benefits of shopping in the United States are important for the shopping visitors, as well as for the communities that benefit from their expenditure. An open border provides income to be generated from the tourists and this contributes to the vitality of U.S. retail sector and communities. (Sullivan et al. 2012, 603.)
4 ROVANIEMI AS LEISURE AND SHOPPING DESTINATION

4.1 Introduction to Tourism in Rovaniemi

According to the Ministry of Employment and Economics (2012), Finnish tourism industry has good growth potential. Tourism provides employment, tax and export income, as well as increasing wellbeing throughout Finland. According to the main idea expressed in the strategy, before the year 2020 tourism business could employ 171,000 people producing about 7.5 billion in tax revenue.

Rovaniemi is a unique tourist destination and an international centre of tourism. It is the provincial centre of Lapland, situated on the Arctic Circle and at the meeting point of the rivers Kemi and Ounas. Rovaniemi offers a unique combination of peaceful nature, Nordic culture and urban activity (Rovaniemi Marketing & Tourism Ltd. 2013, 3–4). The surface area of Rovaniemi makes it the largest town in Finland. Rovaniemi is situated 800 kilometres north from the national capital Helsinki and has a population of around 60,000 inhabitants. (Invest in the Arctic 2009, 5.)

Since 1920 tourism has played a significant role in Rovaniemi. The busiest tourist season is winter from November until April. The winter season counts for about 50-60% of the total number of visitors. Economically the winter season is even more significant. Christmas tourism has shown significant growth in the last years. The share of Christmas flights in total international passenger traffic is 62%. (Rovaniemi Marketing & Tourism Ltd. 2013, 7.)

The number of registered overnight stays in Rovaniemi has been developing favourably during the long period of time. The most important factor behind this positive development is the increase of overnight stays spent by foreign tourists in winter in Rovaniemi. (Figure 2.)
Figure 2. Overnight Stays by Foreign Tourists in Rovaniemi in 2008–2012 (Lapin Liitto 2013)

Figure 2 depicts overnight stays by foreign tourists during the years 2008-2012 in Rovaniemi. Since during the year 2009 there was a decrease in the number of recorded nights by foreign tourists in the town, from the year 2010 this numbers started to rise gradually and reached the top in the year 2012. In general, during the year 2012 the amount of registered overnight stays in Rovaniemi region exceeded 497,000 of which 56% were foreign.

The increase of overnight stays has taken place over a long period of time especially in winter and Christmas tourism by foreigners. During the last five years the biggest number of tourists in Rovaniemi was coming from Russia, Germany, United Kingdom, France and Italy. (Figure 3.)
Russians continue to be clearly the largest group of foreign visitors in Rovaniemi. Even though there was a decline in the number of overnight stays by foreign tourists in Rovaniemi during those years, this had no influence on Russian travellers and the number of overnight stays by Russian visitors in the town was rising gradually from year to year. The number of overnight stays reached new high level in the year 2012. The total number of overnight stays by foreign tourists increased by 3.0% from last year and Russian stays increased by approximately 26% from 2012 by this moment.

Tourism in Rovaniemi has had good growth potential since the year 2000. But compared to other tourist resorts Rovaniemi is slowly losing its market share on the international markets. Tourism in Rovaniemi has had big problems caused by seasonal change which is becoming even more enhanced (Figure 4). Seasonality is defined as temporal imbalance in the phenomenon of tourism, which may be expressed in terms of number of visitors, their expenditure, and traffic on different forms of transportation, employment and admissions to attractions (Kolomiets 2010). Large seasonal fluctuation is an obstacle to large investments. But growth in Christmas and winter tourism is still expected in Rovaniemi in the nearest years.
Tourism is highly dependent on seasonal changes in climatic conditions and economic activities, as well as human behaviour and society. According to the data about registered overnight stays in 2012 it makes clear that there are two seasons when the biggest number of foreign tourists comes to Rovaniemi - winter season during December-March, and summer season during June-August. Even though seasonality influences on foreign travellers, some small number of Russian visitors is observed every month even during the low seasons in Rovaniemi. The most popular time for visiting the town for Russians turned to be December and January compared to Germans who come to Rovaniemi by big groups during the whole summer and winter.

On the whole, the image of Rovaniemi has had fast and positive development. As a centre of Lappish administration, trade and culture, the town of Rovaniemi has such strengths as good traffic connections and town standard services in the centre of the wilderness (Table 4). Rovaniemi is Lapland’s largest and most international tourist resort. It is associated with cross-country skiing, ski jumping and top alpine sports. (City of Rovaniemi 2012, 4.)
Table 4. Rovaniemi Tourism SWOT Analysis (City of Rovaniemi 2012, 6)

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Good location and accessibility</td>
<td>• Enhanced cooperation between different actors and fields</td>
</tr>
<tr>
<td>• Lapland’s favourite and most international tourist resort</td>
<td>• Training and research cooperation</td>
</tr>
<tr>
<td>• Christmas tourism</td>
<td>• Summertime, congress and wellbeing tourism</td>
</tr>
<tr>
<td>• Town in the heart of wilderness</td>
<td>• Development of segmentation</td>
</tr>
<tr>
<td></td>
<td>• New distribution channels</td>
</tr>
<tr>
<td></td>
<td>• Quality development</td>
</tr>
<tr>
<td></td>
<td>• Product development</td>
</tr>
<tr>
<td></td>
<td>• Global growth in tourism</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Weaknesses</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Business structure</td>
<td>• Poor visibility</td>
</tr>
<tr>
<td>• No distinct driving enterprise</td>
<td>• Limited scope of capital</td>
</tr>
<tr>
<td>• Low investment level</td>
<td>• The impact of tourism on the environment</td>
</tr>
<tr>
<td>• Insufficiency of cabin and apartment-type accommodation capacity</td>
<td>• Global warming</td>
</tr>
<tr>
<td>• Lack of common goal/vision</td>
<td>• General global economic development, rise in oil prices</td>
</tr>
<tr>
<td>• Poor feasibility</td>
<td>• Actions by competitors, e.g. Nordic countries, Canada, new EU nations</td>
</tr>
</tbody>
</table>

4.2 Leisure Tourism in Rovaniemi

Tourism is growing rapidly in Rovaniemi. Owing to the unique location of the town on the Arctic Circle the visitors come here from every part of the world. Every year the town of Rovaniemi is visited by about half a million tourists. The majority of the tourists are from Russia, Germany, Great Britain and France. (City of Rovaniemi 2012, 4.)

Lapland with its eight seasons and reach cultural heritage has excellent opportunities for versatile tourism attractions and services. The biggest attraction in Rovaniemi is Santa Claus, but the growth and development of Christmas tourism is highly dependent on the programmes offered by the area’s activity services and Christmas season events (Rovaniemi Marketing & Tourism Ltd. 2013, 7). Special programmes for travellers are arranged so
that they can enjoy Christmas and winter. The tourists might go to meet Santa, ski on Ounasvaara hill and play in the snow, go on snowmobile safaris, drive reindeer and huskies. Many tourists make a flying visit to Rovaniemi for only one day to experience the Christmas tale. Thanks to the international airport, railway and E75 highway, Rovaniemi is very easy to reach. (Invest in the Arctic 2009, 5–6.)

Rovaniemi is one of the main destinations of Finland for foreign travellers, in numbers of overnight stays by international visitors it ranks third after Helsinki and Vantaa (Rovaniemi Marketing & Tourism Ltd 2013, 3.) The received data about overnight stays by foreign tourists and Russians in Rovaniemi during January-May 2013 shows gradual growth compared to the last year. (Figure 5.)

![Graph showing overnight stays by foreign tourists and Russians in Rovaniemi in January-May 2012-2013](lapin-liito-2013)

Figure 5. Overnight Stays by Foreign Tourists and Especially Russians in Rovaniemi in January-May 2012-2013 (Lapin Liito 2013)

There was observed an increase in overnight stays by 3.6% by foreign tourists during the period of January-May 2013, and 11.3% rise in the overnight stays by Russian visitors.

A great attraction and popular initiation ritual for many tourists has become crossing over or under the Arctic Circle. The current latitude of the Arctic Circle is approximately 66.5°N, but it moves north at an annual rate of ca. 15 m. While there are several countries in the Arctic Circle, Santa Park in Rovaniemi is the only place in the world to undercross the magical Arctic Circle. (Rovaniemi Marketing & Tourism Ltd. 2013, 10.)
Summer brings visitors who come to gaze at the midnight sun and summery Lappish nature. There are various nature activities to try out in summer such as angling, riverboat cruises, quad bike safaris, white-water rafting and hiking trips. The Arktikum Museum and Ranua Wildlife Park are unique places which are worth visiting during the trip to Rovaniemi (Invest in the Arctic 2009, 6). The summer season attracts visitors already in the middle of May where in the year 2013 the total number of foreign travellers accounted 13 956.

Russian visitors are very important for the town of Rovaniemi and they play an integral part for tourism in the town. Thus, in May 2013 Russian overnight stays in the town accounted almost half of the total number of stays by foreign visitors. (Figure 6.)

![Figure 6. Overnight Stays by Foreign Tourists and Russians in Rovaniemi in May 2012-2013 (Lapin Liitto 2013)](image)

Finland tourism statistics show that overnight stays by foreign tourists in May grew by 17,9%, and by Russian visitors rise by some 40,8% from the previous year. The change in overnight stays by foreign tourists in May 2012-2013 was 1446, where almost 2/3, 1281 stays, were made by Russian travellers. Nevertheless, the overnight stays by Russian tourists are rising gradually from year to year (Figure 7).
According to the statistics about overnight stays by Russian tourists the most popular time for visiting Rovaniemi is January. The number of stays by Russians in January was increasing every year, though there was some decline during the year 2010, but from the year 2011 there happened to be a gradual growth of the overnight stays till the year 2013.

**4.3 Shopping Tourism in Rovaniemi**

Rovaniemi, as the capital of Lapland, offers a lot of wonderful opportunities for shopping with a variety of reputed Finnish design products and native Lappish handicrafts and arts, including gold and jewellery made by local goldsmiths based on Lappish culture and nature. Rovaniemi is very famous for the traditional handicrafts in particular Sámi jewellery, fishing and hunting knives. Travellers are charmed by the hand-woven rugs and traditional Lappish cups carved from birch wood which are known as kuksa. The town of Rovaniemi is also known for producing reindeer skins. (Discovering Finland 2013.)

The close Finnish border to Russia allows people to come to Rovaniemi due to different reasons throughout the year. Shopping in Rovaniemi is very popular among Russian tourists and is one of the main reasons for visiting the town. Shopping tends to be one of the most favoured holiday-time activities. It is not restricted to pleasure travellers; since even business
travellers go shopping, many business tourists schedule additional days on business trips for shopping. Even in the places where particular kinds of tourism prevail, shopping is a general activity. Though many men do not like shopping in their own city, they still find it interesting to execute in Rovaniemi. (Cooper–Hall–Timothy 2005, 95.)

Shopping opportunities are one of the main attractions in Rovaniemi for the westbound Russians who look for brand, quality and price. Visitors might find designer clothes and quality consumer products in Rovaniemi at very reasonable prices. Russian customers are prepared to pay well for Finnish goods and services, because they trust they will get value for money. The city centre has many pedestrian areas around Lordi’s Square with an abundance of beautiful stores. (Finland Promotion Board 2013.)

The tourist board’s figures show that although Russians only stay for an average of 2.3 nights, they spend more per day than almost any other tourist nationality, and account for about a third of all the money spent by Rovaniemi’s foreign visitors (Figure 8). (Finland Promotion Board 2013.)

![Figure 8](image)

**Figure 8.** Length of Stay by Foreign Tourists and Especially by Russians in Rovaniemi in 2008-2012 (Lapin Liitto 2013)

According to the statistics of Finland, length of stay by Russian tourists were declining from the year 2008 to 2010, and started gradually increase from the year 2011. In contrast to this, the length of stay made by all the foreign tourists in Rovaniemi was fluctuating all the time from year to year. The
longer time Russian customers spend in the town – the bigger amount of money they might spend and this has straight connection to the shopping tourism in the town of Rovaniemi.
5 RUSSIAN CROSS-BORDER SHOPPING TOURISM IN ROVANIEMI

5.1 Thesis Process and Used Research Methods

5.1.1 Thesis Process

The aim of the thesis project was to find out the needs and demands of Russian customers in Rovaniemi in order to further develop and improve shopping services in the town. The objectives of this project were to find out the reasons why Russians come shopping to Rovaniemi; to make clear if it is the main reason for visiting the town; and to define the satisfaction level from the shopping services.

There were chosen two methods of research to be conducted for getting the empirical material: a method of observation and a survey. Since the customers who were going to answer the questionnaire were Russians the questionnaires were created in Russian language for the customers and translated also into English. The method of observation is a good method to use as the observer can operate in a covert fashion. If no one knows about the research the logic is that no one will act in anything but a normal way (Descombe 2007, 217).

Table 5. Thesis Process

<table>
<thead>
<tr>
<th>Period of Time</th>
<th>Task</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 2013</td>
<td>Idea paper submitted; thesis project plan created</td>
</tr>
<tr>
<td>March 2013</td>
<td>Finding the commissioner; the questionnaire created; the 1st and 2nd phases of the survey implemented</td>
</tr>
<tr>
<td>April 2013</td>
<td>The 3rd phase of the survey implemented</td>
</tr>
<tr>
<td>May 2013</td>
<td>Theoretical background writing</td>
</tr>
<tr>
<td>August-October 2013</td>
<td>Theoretical background writing; analysing the results of the survey</td>
</tr>
<tr>
<td>November 2013</td>
<td>Method of observation is carried out</td>
</tr>
<tr>
<td>December 2013</td>
<td>Finalizing the project and making conclusions</td>
</tr>
<tr>
<td>January 2014</td>
<td>Preliminary expectation of the thesis, thesis final version created</td>
</tr>
</tbody>
</table>
5.1.2 Methods Used

During the thesis process qualitative and quantitative research methods were used.

Howard and Sharp define research as:

> seeking through methodical processes to add to bodies of knowledge by the discovery or elucidation of non-trivial facts, insights and improved understanding of situations, processes and mechanisms. (HubPages 2013.)

The purpose of research is to find out a solution to a certain kind of problem or discover and show a direction towards the solution. (HubPages 2013.)

Methods of research are usually divided into two main groups – qualitative methods and quantitative methods of research. According to Aliaga and Gunderson (2000) quantitative research is:

> explaining phenomena by collecting numerical data that are analyzed using mathematically based methods. (Sagepub 2013.)

Thomas (2003, 1) says that quantitative research is:

> focus attention on measurements and amounts (more and less, larger and smaller, often and seldom, similar and different) of the characteristics displayed by the people and events that the researcher studies.

Another group of methods of research is qualitative research. Hennink, Hutter and Bailey (2011) state that qualitative research is:

> an approach that allows you to examine people’s experiences in detail, by using a specific set of research methods such as in-depth interviews, focus groups discussions, observation, content analysis, visual methods and life histories or biographies.

According to Denzin and Lincoln (2008, 4) qualitative research involves an interpretive, naturalistic approach to the world. This means that qualitative researchers study things in their natural settings, attempting to make sense of, or interpret, phenomena in terms of the meanings people bring to them.
The best possible methods for gathering data for this kind of thesis was to use quantitative method such as survey and a method of observation as an example of qualitative methods of research.

The researcher decided to conduct the survey as it is one of the most efficient methods to find out the reasons why Russian tourists come shopping to Rovaniemi, to know if it is the main reason for visiting the town. In the questionnaire the customers may easily express their thoughts and wishes as the questionnaire was planned to be anonymous. During this survey the customers were provided with ready-made answers, they only had to put a mark near one or several answers. In the questionnaire they also had a possibility to answer the open questions, add their own ideas for developing the shopping services in the city.

Survey was a good method to use as it is easy to standardise. Every customer was asked the same question in the same way. Thus, the researcher is sure that every responder was asked exactly the same question and that makes questionnaire a very reliable method of research. Questionnaire was easy in creating and interpreting; besides the respondents made the time-consuming part of completing the questionnaire.

Though, there are may be still some difficulties and disadvantages in using and interpreting questionnaires. Sometimes it is difficult for the researcher to examine complex issues and opinions because of the format of questionnaire design. Even if open-ended questions are used the depth of respondents’ answers tends to be limited than with any other method of research. During this kind of research if the researcher was absent it is difficult to know whether the customer understood the question properly. (Sociology 2013.)

The questionnaire included 17 questions. Three questions in the questionnaire were open ended questions; two of “yes/no” type of questions and 12 multiple choice questions. The biggest part of questions was of multiple choice questions. It was done in order to save customers’ time for answering the questionnaire. In many cases it makes answering much easier, and no need to think for a long time responding to each question. Each multiple choice question also included a space for a free answer.
The survey had three phases of implementation. The first phase, testing the questionnaire, was implemented on 1–2 March. The questionnaire was printed out on both sides of the paper and in some cases customers did not check the second page and left it empty, even though it was mentioned to check the next page.

Some changes in the questionnaire layout were done for the 2\textsuperscript{nd} phase which was conducted on 7–9 March during the Russian holidays. The questionnaire was printed out in one page and in the end the results were much better than those received after the 1\textsuperscript{st} phase.

The 1\textsuperscript{st} and 2\textsuperscript{nd} phase of survey were conducted in the City Market, Anttila and shopping centre Revontuli. Many Russian customers friendly agreed to take part in the survey. Some of them were very excited about that. There were even such cases when the customer completed the questionnaire and after several minutes came back for adding some more ideas. But bigger part of Russian customers refused taking part in the research explaining that they were in a hurry and had no time for answering the questions. That was the reason of the survey being implemented in 3 phases. It was also noticed that the greater part of responses were women of middle age.

The 3\textsuperscript{rd} phase of the survey was conducted in the beginning of April in the hypermarket Prisma. It is very popular among the Russian tourists and 30\% of the responds were easily collected there.

Another method of research - a method of observation was used as one of the examples of qualitative methods. This method involved human observation of what the shoppers did and how they reacted, their consumer behaviour, how active they were in the shopping malls.

DeWalt and DeWalt (2011, 1) state that participant observation is:

a method in which a researcher takes part in the daily activities, rituals, interactions, and events of a group of people as one of the means of learning the explicit and tacit aspects of their life routines and their culture.

The researcher chose this method of research since it allows getting richly detailed description of behaviours, intentions and situations. Nevertheless,
some challenges might happen during the participant observation if, for example, the researcher has no interest in the event which is going to be observed. Thus, researchers observing the same event might gain totally different information according to their being interested in the event or not (Kawulich 2005.).

The method of participant observation was carried out on the 16\textsuperscript{th} of November 2013 in the hypermarket Prisma and lasted 2 hours from 14:30 to 16:30. The observation plan for the researcher had a purpose of combining a role of the observer and a customer of the market. The observation was carried out during the purchasing process. Thus, Russian consumers had no idea about being observed and the observer remained unidentified.

Before the method of the participant observation being carried out, the method of survey was already conducted and results analysed. Therefore, the researcher had a plan of observing Russian consumer behaviour paying attention to the goods and products purchased by the Russians, in order to test if the output of the observation method would support the survey results.

Consequently, the results of the survey were confirmed by the results of the observation. The researcher ascertained in the reliability of the questionnaire responses having found the similarities between the questionnaire answers and the results of the observation.

The results of the survey may be considered valid and reliable within the research limitations. Firstly, Russians were in a hurry during their visit to Rovaniemi and lack of adequate time for completing the questionnaire might result in return of superficial data. Secondly, the close-ended type of questions included in the questionnaire provides a lower validity rate than other question types, even if there were only two questions of this kind created by the researcher. Lastly, numerous survey questions could lead the participants of the survey to boredom and providing not accurate answers.

The method of participant observation had different from the survey kind of limitations. Reliability is one of the problems in participant observation. Since it is rare to have independent observation of the same shopping activity in Prisma hypermarket the method of observation is subject to the biases of the
observer. The results of the observation method may be only counteracted by using the survey outcome. Subjective bias on the part of the observer may undermine the reliability and hence validity of the data gathered. That might occur because the observer recorded not what actually happened, but what she merely thought she saw. The researcher tried to record detailed description of the behaviours and situations.
5.2 Russian Tourists’ Shopping Motivations and Behaviour

5.2.1 Demographics of Russian Tourists

Demographic questions are very important aspect of the survey. Age and sex are the most common demographic questions which are usually asked. There were 111 customers taking part in the survey. The respondents were asked to specify their sex and age category. There were 5 different age categories starting from 15 to over 50 years old (Figure 9). They were created according to the division made by a German psychologist M. Rubner (Lucid 2008).

![Age Distribution](image)

Figure 9. Age of the Respondents, n=111

The majority of the respondents who participated in this survey were female - 64% (n=71), and 36% (n=60) male. The biggest part, more than half, of the participants were over 51 years old. About quarter were between 31-40 years age, and only the fifth part of the respondents were 41-50 years aged. The youngest respondents taking part in the survey were between 21-30 years of age and there were only 5 of them belonging to this category. As it turned out there were no participants of 15-20 years of age.
Identifying the towns and cities Russian customers were coming from was one of the key demographic criteria influencing the results of the survey about Russian shopping tourism in Rovaniemi (Figure 10).

Figure 10 demonstrates towns and cities Russian visitors were coming from. In obedience to the research a lot of visitors were coming from the north part of Russia, basically from Kola Peninsula. Close Finnish border allows Kola citizens visit Rovaniemi all year round. There were also customers from southern cities of Russia – from Saint-Petersburg and Voronezh. The fact that there were no visitors from Moscow arouses curiosity, though Moscow is a very big city and situated closer to Finland than Voronezh.

Figure 11 depicts more detailed information and analysis about Russian visitors in the town of Rovaniemi and quantity of tourists from each city in percentage.
Visitors from Murmansk region are the most frequent tourists in the town of Rovaniemi. According to figure 11 more than 85% of the respondents were coming from Murmansk and Murmansk oblast. A bit more than a half of surveyed people were originally from the city of Murmansk. And this is not strange since Murmansk is the closest big city to Rovaniemi which is situated in Russia. A small number of participants came from further cities. Thereby, every ninth of respondents was coming from Saint-Petersburg, and only 3 respondents came from Voronezh.

5.2.2 Purposes for Visiting Rovaniemi and Length of Stay

People are motivated by certain factors for visiting new or already visited places. Understanding the motivations of visiting the destination is seen as an integrating part for this kind of survey. When talking about Russian cross-border shopping tourism in Rovaniemi as a topic of this thesis it was very important to find out other possible reasons which lead Russians to visit the town. The respondents were offered to choose a multiple option to this question and also write their own variant if such was not mentioned in the options. (Figure 12.)
In the process of survey was identified that for most of the survey participants visiting the town turned out to be for holiday and leisure. For the majority of the surveyed people the main reason for coming to Rovaniemi was holiday. The third part of the customers came to Rovaniemi for shopping. The fifth part, 19%, of the tourists had other motivating reasons for taking trip to the town among which were sport, visiting friends and relatives, and getting acquainted with Rovaniemi as a part of Finland. None of the respondents came because of work. The research revealed that there were no differences in the reasons for coming to the town between male and female responds.

People of different age categories have various purposes for making trips and motivated by different factors. It was essential for the research to compare the reasons for coming to Finnish town Rovaniemi of two different age categories – visitors over 51 and under 51 years old - and find out the differences and similarities in their responds. (Figure 13.)
Figure 13. Purposes for Visiting Rovaniemi for the Customers under and over 51 Years of Age, n=111

According to the survey more than a half of the respondents over 51 came to Rovaniemi for a holiday. And less than a half of the customers under 51 years old also mentioned this reason. The research showed that people under 51 years old like shopping more than those of over 51, as the third part of the respondents under 51 chose this statement, whereas less than quarter of the customers under 51 mentioned it. The visitors over 51 years old are less interested in sport than the customers under 51, as only 5 respondents over 51 chose this option, since each tenth of the customers under 51 came to Rovaniemi for sport. As it turned out none of the over 51 years old customers came to the town for visiting friends and relatives, in contradistinction to less than 51 years old visitors – every tenth of them had a reason to visit their friends and relatives.

Although the survey was conducted in shopping areas and all the respondents taking part in the survey were making purchases, only 8% (n=9) of them gave positive answers to the question if shopping was a main reason for visiting the town, and 19% (n=21) of the participants mentioned shopping as a secondary reason. Whereas the majority, 73% (n=81), did not mean shopping as the main, neither a secondary reason for visiting the town.

Customer visit frequency is an important aspect for understanding shopping behaviour. Some scholars have done researches on the topic. They provide
some insights for understanding shoppers’ behaviour by highlighting the relationship between destination visit frequency and such factors as customers’ demographic characteristics, the possibility to combine shopping tours with other trips, and motivations of visit. (Chen–Ooeda–Sumi 2005.) In this survey as well the researcher had a purpose to identify customer visit frequency for further analysis of data (Figure 14).

![Customer Visit Frequency, n=107](image)

The biggest number of the customers visited the town of Rovaniemi the first time either visit it once in half a year. The survey revealed that the third part of respondents visited Rovaniemi the first time. Each fourth visitor comes to the town once a year or once in two months. And only a small group, tenth part of the surveyed people visit Rovaniemi quite often – once a month.

The visits of tourists, especially longer stays, bring higher tourism incomes. Length of stay is an important determinant of tourists’ general consumption of local resources. Since quantity of experiences which the tourists undertake depends on their length of stay. Analysis of the length of stay can be an indicator of the tourists’ profile and their tendency to spend during the vacation. That was the reason the researcher provided the shoppers with this question and ready-made options to it. They could mention their own answer as well if there was not offered such in the questionnaire.

According to the research the majority of the respondents, 82% (n=91), stay in the town of Rovaniemi for 2-3 days. Tenth part (n=12) of the surveyed
people comes to Rovaniemi just for one day, and only 4% (n=5) of the visitors stay here for a longer time – 4-6 days.

5.2.3 Satisfaction with Services and Products

One of the crucial elements of successful destination marketing is tourist satisfaction with the goods and services which influences the choice of destination and the decision to return. The participants of the survey were asked to give their opinion about the working personnel in the shops they visit. The results show that 100% (n=111) of the respondents were satisfied with the services in the places of purchases.

The shoppers had also a possibility to assess the variety and quality of goods purchased in Rovaniemi and half of the participants stated that the variety of goods is wide, but 8% (n=9) mentioned that it is not wide enough. For other 40% (n=43) of the visitors the variety of goods was normal.

As for the quality of goods purchased in Rovaniemi 80% (n=89) of respondents agreed that it is good, and 20% (n=22) stated that it is very good. There were no negative responses about the quality of goods.

In the process of survey the author had a purpose to enucleate which shops and shopping areas Russian customers mostly visit and purchase goods. The participants could choose multiple options and mention the shops they usually visit in the town. They also could write down other shops if such were not noted in the list. (Figure 15.)
Figure 15. Shopping Areas Visited by Russian Customers, n=104

Five most popular shopping places in Rovaniemi for Russians appeared to be the hypermarket Prisma, Anttila, shopping centre Revontuli, City Market and souvenir shops in the Arctic Circle. In contradistinction to Arctic Circle shops Sampokeskus happened to be unfamiliar to Russian customers since only 8 participants pointed it out in their responses. Less famous and visited turned out to be second hand shops and Gigantti.

Existing products, attractions and experiences at the destination drive a visitor’s destination choice. Developing appropriate and innovative tourism product is essential for the long term sustainability of a tourism destination. Simply developing a tourism product does not necessarily mean that visitors will come. Successful products and experiences meet and exceed visitor expectations and fit with the destination’s brand.

Thus, to get the information about the mostly purchased products in Rovaniemi by Russians was essential for data analysis and further development shopping for Russian customers. The participants of the survey were offered to choose multiple options and mention the products they usually buy in Rovaniemi. (Figure 16.)
According to the conducted research Russian customers are interested in purchasing food, clothes and souvenirs most of all. Among the often bought items are also shoes, household chemicals, and toys. Smaller number of the respondents also buys tableware, household appliances, furniture, cosmetics and fragrance in Rovaniemi.

So why do the Russian customers come for purchasing goods to Rovaniemi? This was a very important question to know. In order to identify the reasons the respondents were offered to choose a multiple option while answering this question. (Figure 17.)
The survey revealed that the main reasons for buying goods in Rovaniemi were quality and system of discounts. It seems that Russians do not consider the prices in Rovaniemi to be very low, since only a few respondents mentioned low prices as a reason for purchasing. The other reasons for making purchases were wide variety of products, design and branded goods.

Consumers of various age categories differ from each other at every stage of the decision-making process. The reasons for purchasing goods for older people may be different of those for young or middle aged customers. In order to clear up the differences in reasons for buying products for the age categories under and over 51 the author made a cross-tabulated data analysis. (Figure 18.)

![Figure 18. Reasons for Buying Products for the Customers under and over 51 Years of Age, n=111](image)

As it is visible form the chart the main reasons for buying goods in Rovaniemi for the customers over 51 are quality, system of discounts and wide variety. Customers under 51 buy goods mostly because of quality, system of discounts and branded goods. Only 4% of the visitors over 51 are interested in branded goods whereas 16% of the respondents under 51 mentioned this option.

In the survey the customers were asked about products and services they use during the stay in Rovaniemi. This question was created from the commissioner’s request. It was an open question so the respondents had a
possibility to mention all kinds of products and services they use in the town. The survey revealed that among the services were hotels, excursions, Wi-Fi internet, sport services, entertainment for children, spa, swimming pool and sauna. They also buy food, seafood, fish, milk, coffee, sweets, greens, fruit, yogurt and juice.

5.2.4 Ideas and Wishes for Improving Goods and Services in Rovaniemi

A lot of Russian visitors come to Rovaniemi every year. They purchase many different kinds of products here. But still there are remain some difficulties and inconveniences in purchasing goods. In order to find out what those difficulties are and how it could be improved the appropriate data was collected. (Figure 19.)

![Figure 19. Wishes for Improving Quality of Service in Shopping Area, n=101](image)

The majority, more than a half, of the survey participants would like to be served in the shops by Russian speaking staff; less than a quarter of the respondents wished to pay with Russian money, and every sixth respondent would like to receive customer loyalty cards. It seems that the customers are satisfied with the variety of shopping centres in the town, since only 2% of the respondents would like to have more luxury shops in the town.

Some more ideas and wishes were received from the respondents such as to make prices lower and assortment wider, to make more Russian speaking excursions, to prolong the opening hours of the shops during weekends, to
have more elegant clothes for women, to make titles of products and services not only in Finnish, but in other languages – if not Russian, then at least in English.

5.3 Observation of Russian Shopping Tourism

Approaching the hypermarket there was noticed a lot of cars which came from Russia. That meant it was a suitable day for conducting participant observation. Having entered the hypermarket Russian customers were easily identified. Their appearance, hairstyles and clothes differed from Finns. The atmosphere in the market was calm, though it was Saturday. The market was not overcrowded. Russians were moving through the market mostly in pairs or in groups of three or four persons. It was understood that those people were close friends or a family. The biggest groups of Russian consumers were noticed in the department of discounted clothes and shoes, and in the department of meat and sausages.

Russian visitors were very active and excited consumers. In general, Russian customers could be divided into two groups – consumers of the first group moved rapidly through the shop making stops in already known places. They seemed to be in a hurry, having no time for quiet and tranquil shopping. They were heading to the planned beforehand apartment of the market without setting eyes on other goods. It was understood that was not their first visit to Prisma. Consumers of another group were very concentrated, slowly moving in the market, watching the both sides of the shop and carefully paying attention to new products.

There were Russian customers of different age categories and all of them were buying different goods. It was difficult to identify which goods every age category was focused on, since the variety of products in their carts was very diverse.

A small group of Russians was observed in the apartment of milk products which was discussion about the quality of cheese. One young lady was explaining to the older one her experience about different sorts of cheese which she had already bought from Prisma, and made conclusion and advised older lady to buy Valio cheese “Oltermanni” since it tasted creamy
and was melting in the mouth. The older lady appreciated young lady’s help and decided to buy two packs of cheese – one for herself and one for her daughter. She was very satisfied with the advice, said “thank you very much!” and patted young lady on the shoulder, - thus showing her gratitude.

One young enthusiastic couple was observed in the sausage apartment. Their basket was full top of different kinds of sausages, it seemed one more move and all the sausages would be on the floor, but they still were holding some other kind of sausage discussing if they should take two or three packs, as one they wanted to give to their mother.

Moving further a family with two children was noticed in toys apartment. Two small boys were bagging their father to buy them small toy cars. The boys were almost crying, but they were refused. They were still following their parents carrying the toys in their hands, but their father rudely commanded to take back the toys.

The Russian customers paid attention to the titles written in Russian language. They checked the titles and expressed positive feedback about that. They said it would be good to have that kind of titles in Russian in every store in Rovaniemi.

Queuing up at the cash desk Russian consumers were checking their goods discussing about tax free refund. Two women agreed to put all their goods together in order to get a tax free refund, since there were not enough products bought by each of them for getting the refund money. Having paid with one receipt the women smiling went for having their purchases taped with a special “tax free” tape and getting the tax free form. Leaving the hypermarket a big advertising Prisma screen was visible from the exit. This is a good way of advertising and attracting customers to the market.

During the observation process it was noticed that Russian customers value the original products made in Finland. They like the quality of products and are very interested in purchasing genuine Finnish made food and clothes, even if they are more expensive than those made in China. In the author’s working experience such cases took place when Russians were asking
where they could buy clothes made in Finland. Moreover, they mentioned that the price did not matter for them.

5.4 Suggestions for Improvement of Shopping Services

According to the study conducted by a research organisation TAK for the Federation of Finnish Commerce was found out that tax-free purchases by Russian visitors increased by 26% from previous year between January and September this year. The shopping tours by Russian visitors have been increasing substantially in the past couple of years, - informs the Federation of Finnish Commerce. During the year 2013 77% of Russian tourists visited Finland for shopping motives (Good News 2013). In order to attract more and more Russian customers to the town of Rovaniemi some suggestions for improvement shopping services were created and they are demonstrated in the tables 6, 7 and 8.

Table 6. Suggestions for Improvement of the Services According to the Needs of Russian Consumers

<table>
<thead>
<tr>
<th>Title</th>
<th>Present state</th>
<th>Suggestions what to do</th>
</tr>
</thead>
<tbody>
<tr>
<td>Russian speaking staff</td>
<td>Few shops in Rovaniemi employ Russian speaking staff</td>
<td>Big markets, e.g. Prisma, City Market, Anttila, might employ Russian speaking staff all year round, not only during the Christmas season, for making shopping for Russians easier and encouraging.</td>
</tr>
<tr>
<td>Russian money</td>
<td>No possibility to pay with Russian money in Rovaniemi</td>
<td>Usually Russian tourists change Russian money for Euros before visiting Finland. Making purchases in Rovaniemi they still have Rubles in their wallets, but when they run out of Euros and still want to make purchases they have no possibility to do that. Many shops in South Finland already have experience of using Rubles, and it would expand shopping possibilities also for Russian tourists visiting Rovaniemi.</td>
</tr>
<tr>
<td>Titles of goods</td>
<td>The majority of shops and markets</td>
<td>Very often Russian customers face the problem of understanding</td>
</tr>
<tr>
<td>Have no titles of goods in Russian. Only the hypermarket Prisma print titles of products in Russian language</td>
<td>the price of the certain product or mix prices. In order to make shopping process more advanced the titles of goods might be printed also in Russian, at least in the biggest most visited by Russian customers markets.</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>Booklets and brochures in Russian language</td>
<td>No booklets, neither brochures in Russian languages</td>
<td></td>
</tr>
<tr>
<td>Printing brochures in Russian language and spreading them in Rovaniemi and at the customs would encourage Russian customers who are crossing the border to visit firstly the shops mentioned in the brochure, since they might already get the information about products and discounted goods.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Information desk in Russian language</td>
<td>Information desk in Russian language is provided only during the Christmas season in Revontuli shopping centre</td>
<td></td>
</tr>
<tr>
<td>Create information desks in the markets and shopping centres and provide Russian speaking staff there in order to guide Russian visitors any moment they need.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Every year more and more Russians are visiting Finland for shopping and recreation. In the year 2012 Russian consumers spent a total of €1.2 billion. This is 39.5% more than in 2011 (Barents Observer 2013.). Some steps for improving services for Russian consumers have already been done, though there is still much to be done. There are few Russian customers speaking English or some other foreign language. That is why it makes sense to develop services in Russian language that would encourage more Russians to visit Rovaniemi. Besides, the suggestions for improvement services for Russians demonstrated in table 6 might be realized with small amount of money.
Table 7. Suggestions for the Inside Improvement of the Shops

<table>
<thead>
<tr>
<th>Title</th>
<th>Present state</th>
<th>Suggestions what to do</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comfortable seating</td>
<td>Some scant seating areas are provided in few shops in Rovaniemi</td>
<td>Small seating areas may be included in the halls of shopping centres and near the restrooms and fitting rooms to allow customers rest when needed.</td>
</tr>
<tr>
<td>Good music</td>
<td>Some small shops provide music</td>
<td>Provide low-tempo music for better shopping atmosphere and intentions. Let the customers enjoy while making purchases.</td>
</tr>
<tr>
<td>Displays</td>
<td>No displays demonstrating new collections of clothes or new products</td>
<td>Making a striking colour displays and slide shows demonstrating new collections of clothes, or new goods, or discounted products e.g. would draw more customers, women, men and even children.</td>
</tr>
<tr>
<td>Free Wi-Fi</td>
<td>No free Wi-Fi internet connection available in the shops and shopping centres of Rovaniemi</td>
<td>Provide free Wi-Fi internet connection for using smartphones and tablets while shopping in-store for increasing visitors</td>
</tr>
<tr>
<td>Clean and free bathrooms</td>
<td>There are few free of charge bathrooms in Rovaniemi</td>
<td>Shopping centres might provide free and clean bathrooms for their customers</td>
</tr>
</tbody>
</table>

Table 7 demonstrates the most important points for creating a good image about the shop. It is very important that customers enjoy not only the choice of goods in the shop, but also being there. The experience of shopping is becoming more important - today people go shopping not only when they need to buy something. They are moving through the stores where they are attracted by the environments which are appealing and pleasant to be in. In order to better satisfy and attract the customers retailers have to take more active role in improving the customer experience. It is worth paying more attention to the interior of the shop and shopping centres and create the best appearing and operating venue. That might increase sales, reduce expenses and improve profitability.
Table 8. Suggestions for Development and Improvement of the Services and Activities

<table>
<thead>
<tr>
<th>Title</th>
<th>Present state</th>
<th>Suggestions what to do</th>
</tr>
</thead>
<tbody>
<tr>
<td>Club members</td>
<td>Some shops give a possibility of becoming a club member</td>
<td>Inviting Russian customer to become a member of the club of the shop will develop more tight relation between the customer and the shopping since the consumer may follow when sale is going to happen or new stock coming. That will impulse him/her to coming to Rovaniemi for making purchases.</td>
</tr>
<tr>
<td>Loyalty cards</td>
<td>Loyalty cards are given to Finnish people</td>
<td>Loyalty cards might be available also for Russians. That will encourage them for making more and frequent shopping.</td>
</tr>
<tr>
<td>Opening hours</td>
<td>Short opening hours of many shops, especially during the weekends. Many shops are opened from 12.00 to 18.00 during weekends</td>
<td>Prolong the opening hours of the shopping centres and markets during the weekends so that Russian consumers have possibility to visit all possible shops in the town.</td>
</tr>
<tr>
<td>Reduce shrinkage</td>
<td>The reduced prices are not always fixed into the cash register</td>
<td>The reduced prices have to be always fixed into the cash register, in order to avoid mistakes and not making Russian customers, with no knowledge of Finnish and very often English language, pay overmuch.</td>
</tr>
<tr>
<td>Elegant clothes</td>
<td>Little choice of elegant clothes for women</td>
<td>Provide more elegant clothes, dresses for women. Russian women like to wear very nice, graceful and elegant clothes not just for parties but in everyday life.</td>
</tr>
<tr>
<td>Children’s craft area</td>
<td>None children craft area in the shopping centres of Rovaniemi</td>
<td>Creating children’s craft area would make shopping for children also interesting; so that they could rest, play and create art while their parents shopping. This would improve and concentrate their parents’ shopping. (Fleener 2008.)</td>
</tr>
<tr>
<td>Shopping lottery</td>
<td>No data fixed about existing lottery days in the shops and shopping centres</td>
<td>The shops of Rovaniemi could provide some lottery days for their customers. Every 10th or 20th customer would get a present, for example gift card with some</td>
</tr>
</tbody>
</table>
Retailers unceasingly are trying to optimize the shopping experience in such a way that increases people’s willingness to buy. Table 8 depicts mostly the services which might be developed in Rovaniemi shopping centres for making shopping life not only encouraging but also interesting and entertaining. Thus, for example creating children’s craft areas or providing shopping lotteries would also interest and stimulate children for the shopping trip and having a holiday for the whole family in Rovaniemi.
6 CONCLUSIONS

The aim of the thesis project was to find out the needs and demands of Russian customers in Rovaniemi in order to further develop and improve shopping services in the town. The objectives of the project, which included detecting the satisfaction level from the shopping services in the town and cognizance of the factors affecting shopping motives in Rovaniemi, were successfully reached with the help of conducting qualitative and quantitative methods of research. By carrying out the survey all the required information was collected. The intended number of questionnaire responses was gathered carefully and randomly from the Russian consumers and the received data analysed using the content analysis. The data was also acknowledged by conducting the method of observation. The main reason for conducting the method of observation was that it allows getting richly detailed description of behaviours, intentions and situations. In addition, it improves the quality of data collection and interpretation.

The method of survey was chosen as it is one of the most efficient methods to find out the required information. Besides, it was easy to standardise, since every customer was asked the same question in the same way. Thus, the researcher is sure that every responder was asked exactly the same questions and that makes questionnaire a very reliable method of research. Furthermore, questionnaire was easy in creating and interpreting.

Shopping has become one of the most enjoyable and popular leisure activities in the world undertaken by people during the holidays. The content analysis showed that as the main or secondary reason for travelling shopping is an important factor for millions of tourists each year. Based on the literary review of various definitions, cross-border shopping was defined as a unique type of tourism consisting in people travelling beyond the boundaries of their own nation specifically to shop in a neighbouring country. For cross-border tourism to emerge and develop, contrast, awareness, willingness to travel and procedures of crossing the border have to be fulfilled.

Russian customers are very important target market in Rovaniemi. According to the statistics Russian travellers visit Rovaniemi during the each season of
the year. Even during the low season some minor number of Russians make trips to the destination. The questionnaire provided customers with 17 questions related shopping tourism in Rovaniemi. In three phases of implementation 111 responses were successfully collected in different shopping areas of the town. The biggest number of responses was assembled in the hypermarket Prisma which, according to the results of the survey, appeared to be the most popular and visited shopping area by Russians in Rovaniemi. Holiday and shopping turned to be the main reasons for visiting the town. The results of the research showed that the most interested shopping group in the town was over 51 years old consumers coming from Murmansk region. Most of all the visitors like to consume food, clothes and souvenirs. Quality of goods turned out to be a main motive for making purchases.

The research revealed that the third part of the surveyed participants visit Rovaniemi once in half a year. For the majority of the respondents the shopping trip lasts 2-3 days. The tourist satisfaction with the goods and services is one of the crucial elements of successful destination marketing which influences the choice of destination and the decision to return. Thus, ninety per cent of the respondents signified satisfaction with the wide variety of goods, and all the participants stated their gratification with the received service in the places of purchases.

There were a lot of enthusiastic participants who kindly agreed to take part in the research, though quiet big public of Russian people rejected involving in the survey. Conducting the methods of survey and participant observation were successful in terms of the chosen period of the year. As long as it was not the busiest time of the year the research was conducted smoothly and tranquilly. The results of the survey were confirmed by the results of the participant observation. The researcher ascertained in the reliability of the survey results having found the similarities between the survey answers and the results of the observation.

Russian cross-border shopping tourism is well-known and developed phenomenon in Rovaniemi and in Finland. During the past several years some similar studies have been made in Kajaani and Lappeenranta. The
results of the studies were unpredictable but useful for the development and improvement shopping services for Russian customers. These researches support the findings of the conducted research in Rovaniemi, since there were found a lot of similar answers, statements and arguments. Therefore, the research results may be applied to a wider group than those who took part in the study in Rovaniemi and the method of data gathering conceived valid and reliable.

The results of the survey may be considered valid and reliable within the research limitations. Firstly, Russians were in a hurry during their visit to Rovaniemi and lack of adequate time for completing the questionnaire might result in return of superficial data. Secondly, the close-ended type of questions included in the questionnaire provides a lower validity rate than other question types, even if there were only two questions of this kind created by the researcher. Lastly, numerous survey questions could lead the participants of the survey to boredom and providing not accurate answers.

The method of participant observation has different from the survey kind of limitations. Reliability is one of the problems in participant observation. Since it is rare to have independent observation of the same shopping activity in Prisma hypermarket the method of observation is a subject to the biases of the observer. The results of the observation method may be only counteracted by using the survey outcome. Subjective bias on the part of the observer may undermine the reliability and hence validity of the data gathered. That might occur because the observer recorded not what actually happened, but what she merely thought she saw. But the observer tried to record detailed description of the behaviours and situations.

Russian cross-border shopping tourism has had a good growth potential in Rovaniemi during the last couples of years. Managers of the shopping areas try to provide better shopping conditions for Russian tourists during the Christmas season. Insomuch as Russian visitors come to Rovaniemi all year round and contributes to the vitality of Rovaniemi retail sector shopping services might be improved and riveted on Russians as their regular customers.
Due to the received data the list of suggestions for improvement shopping services in Rovaniemi was created and divided into three parts, discriminating the suggestions for improvement services according to the needs of Russian consumers, suggestions for the inside improvement of the shops and suggestions for development and improvement the services and activities.

The suggestions for improvement services according to the needs of Russian consumers proffer to provide Russian speaking staff in the shopping areas all year round for making shopping easier and encouraging; let Russian money in use, as it would expand shopping possibilities for Russian tourists visiting Rovaniemi, since many shopping areas in South Finland already have experience of using Rubles; write titles of the goods in Russian and provide the information desk in Russian language in order to guide Russian visitors any minute. The key point in these suggestions is that no great financial contribution is required for realising all the stated advises.

The main idea in the suggestions for the inside improvement of the shops is to provide customers enjoy not only the choice of goods in the shop, but also being there. Thus, it was put forward to provide consumers with comfortable seating areas in the shopping centres halls, low-tempo music for enjoying while making purchases, and free Wi-Fi internet connection for using smartphones and tablets. It is worth paying more attention to the interior of the shop and shopping centres and create the best appearing and operating venue. That might increase sales, reduce expenses and improve profitability.

Retailers unceasingly are trying to optimize the shopping experience in such a way that increases people’s willingness to buy. Accordingly, some services might be developed in Rovaniemi shopping centres for making shopping life not only encouraging, but also interesting and entertaining. The suggestions for development and improvement the services and activities in Rovaniemi included providing Russian customers with loyalty cards, the possibility of becoming a shop club member, and wide choice of elegant clothes for women. Creating children’s craft areas or providing shopping lotteries would also interest and stimulate children, as well as their parents, for the shopping trip and having a holiday for the whole family in Rovaniemi.
BIBLIOGRAPHY


Dear customer!

I am writing my Bachelor’s thesis about Russian shopping tourism in Rovaniemi. Together with Rovaniemi Tourism & Marketing Ltd I would like to identify the reasons for shopping in Rovaniemi and the level of consumer satisfaction with the goods and services received during the purchasing of products.

Please, kindly answer the questionnaire.

Your opinion is very important to us!

<table>
<thead>
<tr>
<th>1. Gender:</th>
<th>a) Female</th>
<th>b) Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Age:</td>
<td>a) 15–20</td>
<td>c) 31–40</td>
</tr>
<tr>
<td></td>
<td>b) 21–30</td>
<td>d) 41–50</td>
</tr>
<tr>
<td>3. Home town:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Length of stay in Rovaniemi:</td>
<td>a) 1 day</td>
<td>c) 4–6 days</td>
</tr>
<tr>
<td></td>
<td>b) 2–3 days</td>
<td>d) Other:</td>
</tr>
<tr>
<td>5. How often do you visit the town of Rovaniemi?</td>
<td>a) First time here</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b) Once a month</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c) Once in two months</td>
<td></td>
</tr>
<tr>
<td></td>
<td>d) Once in six months</td>
<td></td>
</tr>
<tr>
<td></td>
<td>e) Once a year</td>
<td></td>
</tr>
<tr>
<td></td>
<td>f) Other, what?</td>
<td></td>
</tr>
<tr>
<td>6. Purpose of visiting the town:</td>
<td>a) Shopping</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b) Holiday</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c) Work</td>
<td></td>
</tr>
<tr>
<td></td>
<td>d) Sport</td>
<td></td>
</tr>
<tr>
<td></td>
<td>e) Friends and relatives</td>
<td></td>
</tr>
<tr>
<td></td>
<td>f) Other, what?</td>
<td></td>
</tr>
<tr>
<td>7. Is shopping the main reason of visiting Rovaniemi?</td>
<td>a) Yes</td>
<td>b) No</td>
</tr>
<tr>
<td></td>
<td>c) Secondary</td>
<td></td>
</tr>
<tr>
<td>8. In your opinion the staff is friendly and welcoming?</td>
<td>a) Yes</td>
<td>b) No</td>
</tr>
<tr>
<td>9. Which shops do/did you visit in Rovaniemi?</td>
<td>a) Prisma</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b) City Market</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c) Anttila</td>
<td></td>
</tr>
<tr>
<td></td>
<td>d) Revontuli</td>
<td></td>
</tr>
<tr>
<td></td>
<td>e) Sappokeskus</td>
<td></td>
</tr>
<tr>
<td></td>
<td>f) Gigantti</td>
<td></td>
</tr>
<tr>
<td></td>
<td>g) Arctic Circle Souvenir Shops</td>
<td></td>
</tr>
<tr>
<td></td>
<td>h) Second Hand Shops/Kirppis/Vintikki</td>
<td></td>
</tr>
<tr>
<td></td>
<td>i) Other, what?</td>
<td></td>
</tr>
<tr>
<td>10. What kind of products do you buy in Rovaniemi?</td>
<td>a) Food</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b) Household chemicals</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c) Household appliances</td>
<td></td>
</tr>
<tr>
<td></td>
<td>d) Souvenirs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>e) Tableware</td>
<td></td>
</tr>
<tr>
<td></td>
<td>f) Toys</td>
<td></td>
</tr>
<tr>
<td></td>
<td>g) Clothes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>h) Shoes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>i) Furniture</td>
<td></td>
</tr>
<tr>
<td></td>
<td>j) Other, what?</td>
<td></td>
</tr>
</tbody>
</table>

See next page
11. What are the reasons for buying products in Rovaniemi?
a) Quality  
b) Design  
c) Wide variety  
d) Low prices  
e) System of discounts  
f) Branded goods  
g) Other, what?

12. What would you like to improve in the area of shopping in Rovaniemi?
a) More luxury shops  
b) Possibility to pay with Russian money  
c) Russian speaking staff  
d) Acquisition of loyalty cards  
e) Other, what?

13. In your opinion the variety of goods is:
   a) Wide  
   b) Not enough  
   c) Normal

14. In your opinion the quality of goods is:
   a) Bad  
   b) Good  
   c) Very good

15. Your ideas and wishes for improving service and product quality:
   ____________________________________________________________
   ____________________________________________________________
   ____________________________________________________________
   ____________________________________________________________
   ____________________________________________________________

16. Did you have any problems in purchasing goods in the shops and markets? What were they?
   ____________________________________________________________
   ____________________________________________________________

17. What kind of products and services do you use during your shopping trip?
   ____________________________________________________________
   ____________________________________________________________
   ____________________________________________________________
   ____________________________________________________________

Thank you for your time and effort!
Уважаемый покупатель!

Мы вместе с организацией ООО “Rovaniemi Tourism & Marketing” проводим исследование о шоппинге в Рованиеми. С помощью этой анкеты мы хотели бы выяснить причины шоппинга/покупок товаров в Рованиеми и уровень удовлетворенности потребителя продукцией и сервисом обслуживания клиентов.

Пожалуйста, уделите минуту внимания и ответьте на вопросы.

Ваше мнение очень важно для нас!

1. Ваш пол:
   a) Муж. ☐
   b) Жен. ☐

2. Возраст:
   a) 15–20 ☐
   b) 21–30 ☐
   c) 31–40 ☐
   d) 41–50 ☐
   e) 51– ☐

3. Родной город:

   ____________________________

4. Период пребывания в Рованиеми:
   a) 1 день ☐
   b) 2–3 дня ☐
   c) 4–6 дней ☐
   d) Другое, что?

5. Как часто вы посещаете город Рованиеми:
   a) Впервые в Рованиеми ☐
   b) 1 раз в месяц ☐
   c) 1 раз в два месяца ☐
   d) 1 раз в пол года ☐
   e) 1 раз в год ☐
   f) Другое, что?

6. Цель поездки:
   a) Шоппинг/Покупка товаров ☐
   b) Отпуск/Отдых ☐
   c) Работа ☐
   d) Спорт ☐
   e) Посещение родных/друзей ☐
   f) Другое, что?

7. Является ли шоппинг основной причиной поездки в Рованиеми?

8. По вашему мнению, обслуживающий персонал дружелюбный и

Смотрите следующую страницу
| 9. Какие магазины вы посещаете посетили в Рованиеми? |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| a) Призма/Prisma | b) Сити Маркет/City Market | c) Анттила/Anttila | d) Ревонтули/Reventuli | e) Сампокескус/Sampokeskus | f) Гигантти/Gigantti | g) Сувенирные магазины на Полярном Круге/Aрктик Circle Souvenir Shops | h) Магазины СекондХенд/Kirpis/Vintikki | i) Другие, какие? |

| 10. Какие товары вы покупаете в Рованиеми? |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| a) Продукты | b) Бытовая химия | c) Бытовая техника | d) Сувениры | e) Посуда | f) Игрушки | g) Одежда | h) Обувь | i) Мебель | j) Другое, что? |

| 11. Причины покупок товаров в Рованиеми/Финляндии? |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| a) Качество | b) Дизайн | c) Низкие цены | d) Широкий выбор | e) Система скидок | f) Брендовые/фирменные товары | g) Другое, что? |

| 12. Что бы вы хотели усовершенствовать в сфере шоппинга в Рованиеми? |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| a) Больше люксовых магазинов | b) Возможность расплачиваться российскими рублями | c) Русскоязычный персонал | d) Приобретение карт постоянного клиента | e) Другое, что? |

| 13. По вашему мнению, ассортимент товаров: |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| a) Широкий | b) Недостаточный | c) Нормальный |

| 14. По вашему мнению, качество товаров: |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| a) Плохое | b) Хорошее | c) Очень хорошее |

| 15. Ваши предложения для усовершенствования качества сервиса и продуктов: |

| 16. Возникали ли у вас проблемы с приобретением товаров в магазинах? Какие? |

| 17. Какими продуктами и |
| | услугами Вы пользуетесь во время пребывания в Рованиеми? |
| | |

Спасибо за Ваше время и усилие!