

Saimaa University of Applied Sciences, Lappeenranta
International Business Management
Degree Programme in International Business Management

Olga Trishkina

MARKETING PLAN FOR COMPANY X

Master's Thesis 2014

ABSTRACT

Olga Trishkina

Marketing plan for company X, 91 pages, 8 appendices

Saimaa University of Applied Sciences, Lappeenranta

Degree Programme in International Business Management

Master of Business Administration

Supervisor: Principal Lecturer Minna Ikävalko

The aim of this master's thesis is to make a structured marketing plan for company X, which provide tourism services in Finland. The company has holiday village of 15 cottages, and is building Spa with pools, saunas, restaurant, and spa treatments. Company's turnover of cottages' business was very low, because of bad visibility and lack of marketing. The marketing plan helps company to structure marketing steps, to facilitate personnel work and most importantly of all it helps to increase visibility of company's services and positively influence on company's profit.

The thesis is done with qualitative method, which is the most suitable for marketing research, because it is mostly analyzing and description rather than statistical or numerical reports. In the theoretical part is studied secondary data of the topic, including research about marketing, marketing plan, customer relationship management, customers' satisfaction and their decision making as well as value of new communication technologies and Internet in marketing. The primary data is mostly used in empirical part and is collected through face to face interviews, experimentation, questionnaire, surveys and focus groups.

The empirical findings include an overview of the company, presented in 4P marketing mix and company's marketing plan, which is elaborated with different analysis and is based on the concept, which includes: executive summary; current marketing situation / PESTE analysis; opportunity and issue analysis / SWOT; marketing objectives; marketing strategy; action programs; projected profit-and-loss statement and controls. The plan does not include competitors' analysis.

The company has got the marketing plan and action plan with budget for one year. Special monthly action plan is also presented, which helps manager to control achievements and results. The plan is clear and well-structured with different analysis. The main customer groups are defined and marketing strategy is clear. The company has got suggestion how to control and monitor the results of the plan and what should be emphasized and where to concentrate company's efforts. The overall outcome of this research is providing the company with a general guideline of future marketing activities for one year.

Keywords: marketing plan, marketing, tourism services, qualitative method

CONTENT

1	INTRODUCTION	5
1.1	Objectives.....	6
1.2	Delimitations	7
1.3	Research questions.....	8
1.4	Literature review	9
1.5	Methodology.....	11
1.5.1	Research methods	12
1.5.2	Data Collection Method	15
1.5.3	Data Analysis Method.....	17
1.6	Structure of the study.....	18
2	THEORETICAL FRAMEWORK	20
2.1	Definition of marketing.....	20
2.2	Definition of marketing plan	21
2.3	Marketing concept.....	23
2.4	Customer relationship management.....	26
2.5	Market segmentation.....	29
2.6	Customer’s decision making	31
2.7	Internet.....	33
2.8	Social media.....	35
2.9	Content of marketing plan	36
3	EMPIRICAL FINDINGS / MARKETING PLAN	41
3.1	Executive summary / 4 P Marketing mix	41
3.1.1	Place	41
3.1.2	Product	42
3.1.3	Promotion	44
3.1.4	Price	46
3.2	Current marketing situation / PESTE analysis	49
3.2.1	Political environment.....	49
3.2.2	Economic environment	50
3.2.3	Social environment	51
3.2.4	Technological environment	51
3.2.5	Environmental environment	52
3.3	Opportunity and issue analysis / SWOT analysis	53
3.4	Marketing objectives.....	53
3.5	Marketing strategy / “game play”	53
3.6	Action programs	54
3.7	Projected profit-and-loss statement	54
3.8	Controls.....	54
4	CONCLUSIONS	55

5	REFERENCES	57
6	APPENDICIES	61
	Appendix 1. Questionnaire on Russian	61
	Appendix 2. Questionnaire on Finnish	61
	Appendix 3. Results of questionnaire	61
	Appendix 4. Influence of Groupon campaign on website´s visitor number	61
	Appendix 5. Results of Groupon campaign	62
	Appendix 6. List of interview questions.....	63
	Appendix 7. Brochure for Finnish ski holidays	63
	Appendix 8. Brochure for Women´s Day	63

1 INTRODUCTION

This research aim is to develop a marketing plan for the company X, which provides tourism services in Finland. The company is founded in 2006 by four private co-investors. At the beginning, the aim of the company was to build a holiday village and a small spa, which would serve only clients of the cottages. At this moment the company's holiday village consists of 7 modern semidetached houses (14 apartments) and one VIP cottage, which are located close to National Park on the shore of lake. The company's business plan has been rewritten several times and now the company is building a bigger spa with different pools, saunas and restaurant, as well as fitness and wellness services.

The tourist centre has very big potential for development. Beautiful nature of National Park, ski resort, with 12 slopes and 60 km ski trails, one of the biggest lakes in Finland, but unfortunately there are not enough services for guests and clients at the moment. According to tourist centre's master plan, in 2015 area will be developed into a popular international tourist resort. It will be a competitive alternative to other Finnish resorts, attractive service centre for local residents and guests from Southern Finland, as well as one of the major holiday destinations for Russian tourists.

Nevertheless, good situation of the Spa cottages, accordance to regional tourism strategy and knowledge of very potential Russian market does not provide the company with profitable performance without well considered marketing plan.

By implementing the marketing plan and placing the client at the heart of the planning we could achieve a number of key benefits:

- increase in market share;
- increase in turnover;
- increase in profitability;
- increase in customer satisfaction;
- increase in customer loyalty;

- increase in the number of new clients;
- creating a competitive advantage.

When service provider gives customers what they want, there are good chances that they will come back, consequently enhancing sales, turnover, profitability as well as gaining client satisfaction and loyalty. No less important, satisfied customers tend to tell their friends, families and colleagues about own positive experience. (Gosnay & Richardson 2008, p. 10.)

The company X brings new services to the region, including spa and wellness services; everyday restaurant and cafeteria services; additional accommodation services. Especially, also provided are products and services for families with children as well as activities during bad weather conditions. The company is planning to cooperate with local entrepreneurs, which provide outdoor activities and beauty treatments. Company's business concept is to produce high-quality, inspiring, suitable for everybody, regardless of weather conditions activities and guided services throughout the year.

Company's history started in 2006, but the whole project of building cottages and long-expected Spa is still unprofitable (without additional accommodation), but will positively affect the whole development of the region.

1.1 Objectives

The company constantly develops its services, but it does not have any marketing plan. An unprofitable business during several years shows that something has to be changed. A well-planned and well-structured marketing plan would help company to raise visibility, increase customer flow and positively affect the company's income.

Taking a closer look at the whole definition of marketing and what opportunities and issues it includes, this research aims to work out the marketing plan for the company. The outcome of this research will provide the company with a general guideline of future marketing activities for 1 year.

1.2 Delimitations

Such a wide aim forces us to delimit the research. We do not investigate marketing steps very deeply, because the company is currently going through the changes and development process; we try to identify the main marketing activities for existing services, as spa and cottages.

We would like to delimit our markets as well. In the research we will consider only several regions of Russian Federation (Republic of Karelia, Moscow and Saint-Petersburg) as potential markets for the company.

We will not mention about future plans according to additional accommodation the company is planning to build. It will undoubtedly affect marketing steps in the future, but we would not consider it in this research.

One of the relevant delimitations is the company's business plan, which was developed independently of a marketing plan. Even more, the company has renewed the business plan three times and marketing actions have never been considered. As a result we see unreasoned and unproductive business.

There is also common practice for companies to elaborate a competitive analysis within the framework of marketing plan. Often the clients determine and recognize true competitive advantages, which influence on their decision (Kotler 1996, pp. 663). We have decided to exclude competitive analysis from our research also because of mentioned before time of changes for company. At this moment the company has only cottages. In few months the new Spa will be open, but it will be only Spa, not Spa Hotel, which is more common in Finland. Besides, new Spa will open only the first floor with swimming pools and saunas; restaurant and spa treatments department will be open later. So it is difficult to compare incomplete object with the already fully operating spa hotels. On the other hand the company has a short competition analysis in its business plan.

1.3 Research questions

The company's previous business experience has proved that clear marketing plan is needed. The main research question for the thesis is what are the main marketing activities for the company X?

Until now, the visibility of the company was very low and no significant marketing actions had taken place. Referring to one of the world's leading authorities on marketing – Philip Kotler – successful marketing requires planning and careful execution. It is easy to become involved in the day-to-day problems of marketing with no time for planning. When this occurs, the marketing manager is operating without direction and is being reactive rather than proactive. Even experienced managers sometimes fail to see that this is occurring until it is too late. (Kotler et al. 1996, p. 661.)

Marketing is not just advertising and promotional work. For understanding today's marketing issues, we are also answering several sub-questions: How to satisfy customer in nowadays technological environment? How to be competitive in Internet and social media? And How to influence on customer decision making?

According to Gosnay and Richardson, if one word had to be chosen to describe the main core of marketing it would be "customer". Marketing is about understanding who your customers are, being able to forecast what they want, and satisfied them with the services. The company's work should be created and implemented to serve the customers. The Chartered Institute of Marketing describes marketing as "the management process responsible for identifying, anticipating and satisfying customer requirements profitability" (Gosnay & Richardson 2008, p. 4).

Kotler, Bowen and Makens (1996, p. 670) point out that "no area of the marketing plan surpasses the selection of target markets in importance". Selection of target markets is a primary responsibility of marketing management and if inappropriate markets are selected, marketing resources will be wasted.

1.4 Literature review

The theme of tourism and hospitality is becoming more attractive to research. It gives a diverse range of issues related to marketing, marketing plan, Internet, customer behavior and satisfaction, market segmentation and informational technologies progress, etc. A high interest for these issues and subjects has led to emergence of many tourism and hospitality journals and as well as increasing of number of manuscripts. (Hung & Law 2011, p. 717.)

In this paragraph we mention the main topics of the theoretical part and give examples of main authors and research used in the thesis.

One of the relevant and constructive studies for us about marketing is “Develop your marketing skills” by Gosnay and Richardson. Authors say that most people have deficient picture of marketing, thus there are two myths of it. The first one: Advertising, sales, products, free gifts are words, which people usually used for defining marketing. However, marketing is not just advertising and promotional work. People see it as such, because promotional work, advertising, public relationships or sales are often the most visible part of marketing methods to the outside world. (Gosnay & Richardson 2008, p. 3.)

The second myth authors dispel is that the most people believe that marketing is just a function of business that merely churns out products, free gifts and advertising matter from employees who work in the marketing department. However, marketing is much deeper and more profound than this. According to authors, marketing is a philosophy, a way of doing business, which should and must permeate throughout an organization. (Gosnay & Richardson 2008, p. 4.)

Much relevant and basic information about marketing and marketing plans have come from Kotler’s and his co-authors’s books (Kotler 1996; Kotler 2000; Kotler & Armstrong 2004; Kotler & Armstrong 2010; Kotler, Bowen and Makens 1996). Wood also considers marketing planning and especially as a process of researching and analyzing the markets and marketing tools (Wood 2003).

Puustinen and Rouhiainen state that strategic marketing planning is used to reduce time and cost consumption on unprofitable actions (Puustinen & Rouhiainen 2007, p.29); and Chaston as well justifies benefits of adopting a strategic marketing planning orientation (Chaston 2000).

Rope emphasizes the importance of market segmentation in marketing planning. He believes that market segmentation means allocation of company's strategy and resources to increase of market demand by specific marketing moves at different target groups of customers. (Rope 2005.) Dolnicar, Lazarevski and Yanamandram suggest in their research the new base for tourism market segmentation – a person's overall Quality of Life (QOL) segmentation, and says that the different values regarding the objectives of vacation bring new possibilities for tourism marketers (Dolnicar et al. 2013).

Albanese and Boedeker increase the meaning of customer orientation marketing in the companies. They state that customer orientation is one of the main philosophies of tourism marketing (Albanese & Boedeker 2002). Izquierdo, Cilian and Gutierrez point that customer - company relationship starts, when company orients its plans and activities towards attracting customers and satisfying those (Izquierdo et al. 2005). Singh and Singh say that customer relationship management is the ability of an organization to effectively identify, acquire, foster and retain loyal profitable customers (Singh & Singh 2011).

Referring to Buhalis and Law, searching of information is relevant process for purchase decision making today. Information searching process is now easy and fast due to information and communications technologies, which reduce travelers' risks and enhance the quality of trip (Buhalis & Law 2008). Kim, Lehto and Morrison also emphasize that the main goals of information searching is to support and ensure decision-making through reducing uncertainties (Kim et al. 2007).

Kim, Lehto and Morrison (2007) state that the Internet and development of information technology have given tourists a direct access to a great amount of information, which has dramatically influenced people's everyday lives and

travelers' behaviors, including the way they search for information and plan the trips. Buhalis and Law notify that by the reason of Internet's popularity a lot of travel-related organizations have to bring Internet technologies into their marketing strategies as well (Buhalis & Law 2008). However, Chaston warns that when a company is planning to build an international business based upon only marketing in Internet, it could be financially very expensive (Chaston 2000).

According to Vollmer and Precourt, traditional sources of advertising, like radio, television and newspapers are not anymore as popular as social media or Internet, where customer could find all needed information for immediate purchasing decisions (Vollmer & Precourt 2008). Weinberg continues this idea and says that social media provides companies and individuals with good possibility to promote their websites, products or services with cost-effective way to a bigger audience than traditional advertising channels allow (Weinberg 2009). However, according to Drury (2008), marketing through social media requires a company to adopt new and different techniques and methods.

1.5 Methodology

The world is changing. The result of it we can see in our everyday life. Marketing specialist and consultant Winkler underlines in her book, *Warp Speed Branding: The impact of technology on marketing* (1999), "We are living in a sliver of time during which 10 years has redefined the concept of fast food from a drive-through McDonald's to a 30-second microwave meal; nail polish dries in 30 seconds; photos are developed in one hour; and money comes out of street corner machines instantly" (Hammond 2008, p. 16). Thus, earlier customers wanted all and nowadays they want it all and now. Technological progress has incredibly accelerated the pace of life. Therefore, companies continually have to monitor the factors outside and inside the company as well as internal and external data (Table 1).

Table 1 Examples of external and internal data (Kotler et al., 1996, p. 670)

Internal data	External data
Guest registrations	Published industry information
Credit card receipts	Marketing research
Customer survey	“Guesstimates” after talking with competitors, vendors, etc.

So in this part of the thesis, the research methods and data collection methods are presented. The collection of data has been divided into primary and secondary data and in turn primary data were collected diversely.

1.5.1 Research methods

In the middle of 20th century quantitative methods have prevailed in all types of research, including theoretical fields and disciplines like management, tourism and marketing, which turn theoretical knowledge to practical ways. After World War II, many scholars have reconsidered the techniques and models of problems' researching regarding marketing, customer behavior, tourism, etc. (Walle 1997, pp. 524-526.) Today, researchers could use quantitative methods in social and tourism research, but they will deal only with strict methods and verifiable facts and numbers, which limit the area of investigation (Walle 1997, p. 534). As a result, a number of scholars nowadays are focusing upon qualitative methods in tourism research.

Referring to the research data, primary data is that which marketers collect for the first time specially for solving the research problem and objectives. It is usually concrete, recent and accurate data. Secondary data is the data that already exists and have been gathered for some previous other purposes or scientific research (Gosnay & Richardson 2008, pp. 46-47).

There are different ways to collect primary data. The methods of collecting data depend on whether you using quantitative or qualitative approach. According to techniques we use, we could conclude that in this thesis qualitative data is applied.

When it concerns quantitative data, it is based mostly on numbers, and aims at understanding and answering to “how”: How many? How much? How often? It is usually seeking answers to questions, collecting evidence and indicating outcome. Thus, quantitative research as well consists of surveys and customer questionnaires, where companies could ask customers about their reliable opinions in a structured way. (Solatie 2001, pp. 15-16.) In this research study we organize customer survey or questionnaire to cottages’ guests, but we do not collect answers from the customers that are based only upon numbers and quantitative analysis. Thus, we can conclude that we are not using quantitative research at all.

Qualitative data is usually based on customers’ attitudes, opinions, values, behaviors, feelings or perceptions. Qualitative research is often used to identify customers’ feelings about products and services and aims at explanation and answers to why. (Gosnay & Richardson 2008, p. 43.) There are a lot of types of qualitative data such as structured data (writings, in-depth interviews, survey comments, articles, books, literature reviews); and unstructured data (transcriptions, interviews, focus groups, conversations, open-ended survey responses); as well as audio recordings, pictures and web pages.

In Table 2 presented below, which is developed in Xavier University, United States of America, is clearly and concisely described the main differences between qualitative and quantitative researches.

Table 2 Comparison of quantitative and qualitative research (Xavier university library. Qualitative versus quantitative research)

Criteria	Qualitative Research	Quantitative Research
Purpose	To understand & interpret social interactions.	To test hypotheses, look at cause & effect, & make predictions.
Group Studied	Smaller & not randomly selected.	Larger & randomly selected.

Variables	Study of the whole, not variables.	Specific variables studied
Type of Data Collected	Words, images, or objects.	Numbers and statistics.
Form of Data Collected	Qualitative data such as open- ended responses, interviews, participant observations, field notes, & reflections.	Quantitative data based on precise measurements using structured & validated data-collection instruments.
Type of Data Analysis	Identify patterns, features, themes.	Identify statistical relationships.
Objectivity and Subjectivity	Subjectivity is expected.	Objectivity is critical.
Role of Researcher	Researcher & their biases may be known to participants in the study, & participant characteristics may be known to the researcher.	Researcher & their biases are not known to participants in the study, & participant characteristics are deliberately hidden from the researcher (double blind studies).
Results	Particular or specialized findings that is less generalizable.	Generalizable findings that can be applied to other populations.
Scientific Method	Exploratory or bottom–up: the researcher generates a new hypothesis and theory from the data collected.	Confirmatory or top-down: the researcher tests the hypothesis and theory with the data.
View of Human Behavior	Dynamic, situational, social, & personal.	Regular & predictable.
Most Common Research Objectives	Explore, discover, & construct.	Describe, explain, & predict.
Focus	Wide-angle lens; examines	Narrow-angle lens; tests

	the breadth & depth of phenomena.	specific hypotheses.
Nature of Observation	Study behavior in a natural environment.	Study behavior under controlled conditions; isolate causal effects.
Nature of Reality	Multiple realities; subjective.	Single reality; objective.
Final Report	Narrative report with contextual description & direct quotations from research participants.	Statistical report with correlations, comparisons of means, & statistical significance of findings.

1.5.2 Data Collection Method

Eisenhardt and Graebner (2009, p. 28) argue that case studies can accommodate a rich variety of data sources, including interviews, survey data, ethnographies, and observations.

In this research e-mail interviews, surveys, questionnaires and face-to-face interview will be used as the main mechanism for collecting the primary data. The e-mail interview, surveys or questionnaires are able to produce good and high-quality data, providing abundant material. Also, the data received by e-mail requires less investment of time. A considerable advantage is also that the interviewer could just send the questions by e-mail and the interviewee will answer the questions in the most convenient time for him/her. On the other hand, there is a potential risk of misinterpretation in the e-mail interview. People responding to e-mailed question have a tendency to write short answers rather than describe the matter in detail. Despite some drawbacks associated with the e-mail interview, this method had two over-riding advantages, the saving of time and the flexibility of the form. (Gillham, 2005, pp. 107-110.)

In the thesis we use only qualitative data. Here are the most common ways to collect primary data, which we used in this research.

- Questionnaire

Usually questionnaires provide research with quantitative data. However, it doesn't mean that all questionnaires' answers should be based upon numbers and should be analyzed in a statistical way with different diagrams, graphs, figures, etc. In this thesis we consider customer survey as questionnaire. The survey has been developed during autumn, and has been sent to all our customers via e-mail in December 2013 and February 2014. The survey includes questions about already existing services such as cottages and customer service.

The questionnaire provides us precisely with qualitative data; because we ask some open-ended questions and the major part of questions are not based upon numbers. Usually this method is challenging, when investigators are dealing with a lot of people and do not have enough time and money resources. However, the more people we ask – the greater accuracy we will gain in the result. (Gosnay & Richardson 2008, pp. 43-44.)

- Experimentation

This method is used when data is collected in controlled conditions. For example, marketers could revise prices during the certain period to identify its influence on sales (Gosnay & Richardson 2008, p. 43). Similar experiment we have organized in February 2014 with Groupon sales channel. Winter season 2013-2014 were very challenging for winter ski centers because of mild winter and lack of snow. In the end of December and in the beginning of January it was clear that ski holidays for entrepreneurs of the region will be unprofitable. Thus, in the beginning of February the company organized marketing action with Groupon sales channel. The price of cottages was reduced by 50% and the provision for Groupon was 30% (normally 50%). So, for the company it was the only marketing step for Southern regions of Finland and without profit. During 10 days tourists bought 7 from 25 coupons for accommodation. The results of this campaign are presented as well in an attachment. We are going to use this marketing and sales channel in the future as well.

- Focus groups

This method of collecting data is also fairly useful. According to Solatie (2001, p. 16), this method is used in 80% of all qualitative research in Finland. In this method researcher choose group of people and ask their opinion, for example, about new product or service. We have used this method for group of sportsmen. We have developed one week program for orienteering camp in July and have spread it via e-mail to 250 contacts. As a result, 30 sportsmen from four different cities of Russia took part in the camp and company's goal to rent available cottages was achieved. Also, we received positive feedback from all sportsmen and the request to organize a similar camp in the next year.

- Interview

The interview could be organized with one person or with focus groups. It is a good way to collect reliable and detailed data through answers, opinions, etc. Face-to-face interviews were mostly considered as a data collection method, but due to the limited time resources that method was reduced to only two face-to-face interviews. The interview took place in February 2014 with the persons, who have long working experience in tourism sector and in particular have good experience in management. Both interviews lasted approximately one hour. During the interviews we have got much general information about marketing and marketing plan as well as good, useful and practical advice for our company. The list of interview questions is attached to the thesis.

Secondary data, in other words secondary analysis, is best known as a method for doing research using pre-existing statistical data (Heaton 2004, p. 13). It is a research strategy using pre-existing quantitative or qualitative researches' data for the reasons of investigating new questions or verifying previous studies (Heaton 2004, p. 16). The secondary data was collected from research, articles, journals and books about marketing. Furthermore, the secondary data was collected from marketing materials, web-sites and social media. This data will assist us to clarify what steps must be done for implementing a marketing plan for the company.

1.5.3 Data Analysis Method

Usually the process of data collection and analysis is recursive and active. However, analysis is not done when the data have been collected. Fairly often the investigator does not even know beforehand every person who could be interviewed or all the questions that might be asked.

The analysis of qualitative data is particularly different from statistical analysis, as the data does not exist in a numeral form. When analyzing interviews, experimentations or focus groups it is very challenging to give numerical descriptions to answers. Qualitative data is mostly useful to identify themes and trends. (Gosnay & Richardson 2008, p. 46.)

Analysis of the data gathered from interviews, marketing reports, web-sites, and other sources is mostly based on systematic combining. Systematic combining means the constant balancing of researcher between theory and empirical findings. This activity expands researcher's understanding of both theory and empirical phenomena. (Dubois & Gadde 2002, p. 555.)

1.6 Structure of the study

The thesis consists of introduction, theoretical and empirical parts. In introduction we present objectives and research methods as well as methodology of the research. Literature review presents description of different theories regarding topics we consider in the theoretical part. The theoretical framework includes different definitions and concepts related to marketing and company's future marketing plan. The most relevant definitions for us are marketing and marketing plan. Thus we start with definition of marketing and after consideration of relevant topics we conclude theoretical part with content of marketing plan. We discover what marketing plan includes and how it should be used. The definitions give us basic information for the deeper concrete research for the company. We also discover and study previous and recent researches about market segmentation, marketing concepts, customer relationship management and customer's decision making as well as meaning of social media and Internet in today's market, which help us in preparation of marketing plan.

Based on preview researches, we decided to consider the topics above more deeply. Studying of marketing concept topic helped us to understand, is the company production-, product-, sales- or marketing-oriented. After that in customer relationship management part we conclude that customer is the most important for the company and study how we could satisfy our customers. In market segmentation paragraph we discover which segments are relevant for company's marketing strategy and after that study how customers make their decisions after all, and how could we influence on their choice. Almost all recent researches increase value of Internet and social media in today's marketing, therefore we decided to consider these topics as well. At the end, before starting formation of company's marketing plan, we rather deeply research content of marketing plan and comply with it in empirical part. There in detail, we consider and explain the meaning and the purpose of 4P-marketing mix, SWOT and PESTE analysis, which we use in the company's marketing plan. The theoretical framework also explains the overall role of marketing plan in company's income, profitability and development. Appendices include customer survey, some company's offers as well as graphs of data analysis.

The empirical findings include overview of the company, presented in 4P marketing mix and company's marketing plan, which is the objective of the thesis. The marketing plan is elaborated with different analysis and is based on the concept, which includes: executive summary; current marketing situation / PESTE; opportunity and issue analysis / SWOT; marketing objectives; marketing strategy; action programs; projected profit-and-loss statement and controls. In this part we also consider and use primary data we have got from experimentation, questionnaire, focus groups and interviews.

2 THEORETICAL FRAMEWORK

2.1 Definition of marketing

Referring to Gosnay and Richardson (2008, p. 4), the main idea of marketing could be presented in one word – “customer”. Marketing means understanding who your customers are, their wishes and needs, and how to serve and satisfy them in the best way. The Chartered Institute of marketing defines marketing as “the management process responsible for identifying, anticipating and satisfying customer requirements’ profitability”.

Nowadays marketing is one of the relevant responsibilities of the top managers. Marketing has strategic, tactical and operational management importance. Today in many companies marketing director leads company forwards due to marketing-oriented strategy. Marketing is continual, it is a process. World is continuously changing and consequently our customers and their wishes and needs change. Thus, for satisfying customers, we have to understand who they are. Therefore, before we develop a new service or product, we need to think about future and possible changes in customers’ desires and needs and not just about their current demands. (Gosnay & Richardson 2008, p. 4.)

Usually people define marketing with following words: advertising, sales, free gifts, special offers, etc. However, selling and promotion are only some of marketing tools that work together to fulfill customer desires and to build customer relationships. Marketing is not only about satisfying customers, but delighting them through adding value, quality and innovation to their experiences. (Gosnay & Richardson 2008, p. 13.) Thus, marketing is also a social, ethical and managerial process by which clients and companies obtain what they wish and need through a well-planned relationship system with good information exchange mechanism (Kotler & Armstrong 2010, p. 29).

According to Puustinen and Rouhiainen (2007, p. 24), marketing is no longer a company expenses; on the contrary it is company’s investment. The aim of company’s marketing is to bring a profit and to provide a persistent and

constant long-term income. Doing marketing, companies usually aim to obtain something from the customers in return. The company's services and products quality, positive image, competency, accessibility, reliability and safety, are benefits which increase the number of customers in the end. Thus, at the beginning marketing brings company only costs and it is difficult to forecast when the company receives expected results from investments in marketing.

2.2 Definition of marketing plan

Successful marketing needs precise planning and accurate performance. The marketing plan is one of the relevant outputs of the marketing process. Usually marketing plan should be done for one year, but it should be based on long-term strategic marketing plan, that represents company's desires and hopes for 3-5 years ahead. (Kotler 2000, p. 88.)

The marketing plan includes clear and structured data about the markets and an effective action plan to achieve the company's marketing goals. It gives detailed information for company's personnel and marketing channels to reach the target markets or groups in effective way with saving of money and time. (Puustinen & Rouhiainen 2007, p. 28.) Strategic marketing planning is used to reduce time and cost consumption on unprofitable actions. The plan analyses the company's external and internal environments, through macro environment (PEST) and SWOT analyses. (Puustinen & Rouhiainen 2007, p. 29.) It attempts to remove the risks and rescue from the failure of marketing actions as well (Masterman & Wood 2006, p. 6).

According to Wood (2003, p.3), marketing planning is the process of researching and analyzing the markets and marketing tools. The marketing manager or director has to carefully evaluate the market situation and target markets to find the correct marketing tools and marketing channels to reach the company's marketing objectives.

Smith and Taylor have developed a six-step model of marketing plan – SOSTAC: situation analysis, objectives, strategy, tactics, action and control.

The first three questions authors ask in their model are: Where are we now? Where do we want to go? And How do we get there? The fourth step – tactics - consists of the detailed marketing action program. The last two steps include plan of the realization of the marketing actions and controlling mechanism. (Smith & Taylor 2006, p. 32.)

Kotler has suggested approximately the same marketing plan, but more intense, which includes: executive summary; current marketing situation; opportunity and issue analysis; objectives; marketing strategy or “game plan”; action programs; projected profit-and-loss statement; and controls (Kotler 2000, p. 89).

Chaston (2000, p. 38) has researched a number of publications for justifying benefits of adopting a strategic marketing planning orientation. The author gives some definitions about marketing planning referring to several researchers, for example: planning provides company with coordinated and directed work towards the achievements of a common goals; planning helps company to consider its long-term future, etc.

According to Kotler, Bowen and Makens (1996, p. 661), a marketing plan serves several purposes within any hospitality company:

- Provides a roadmap for all marketing activities of the firm for the next years.
- Ensure that marketing activities are in agreement with the company’s strategic plan.
- Forces marketing managers to objectively review and think through all steps in the marketing process.
- Assists in the budgeting process to match resources with marketing objectives.
- Creates a process to monitor actual against expected results.

Well-done marketing plan brings the following benefits to the company:

- It forces an assessment of the external environment
- It forces an assessment of the organization’s internal competences
- It quantifies the expected performance goals for the new venture

- It identifies the scale of required resources and the degree to which these will have to be met through the attraction of external funds. (Chaston 2008, p. 40.)

While planning company's future marketing steps, we should also consider marketing as combination of product, price, distribution and marketing communications, which are relevant tools for the company to affect its customers (Anttila & Iltanen 2001, pp. 12-15).

2.3 Marketing concept

There are a number of different business orientations that companies usually follow. Gosnay and Richardson emphasize attention on four orientations: marketing, production, product and sales orientations.

Where customer needs drive all the business decisions a marketing philosophy has been truly accepted and implemented. This is generally known as the "marketing concept". The company that adopts the marketing concept into its business practices is consequently said to be "marketing-oriented".

"Production-orientation" is when managers are focused not upon the customer but upon productions techniques, reduced costs and efficiency issues. Typically it involves high volume, low margin business with low innovation.

"Product-orientation" is when the company focuses upon the product: the features, quality, cost, brand, etc – not the customer. Usually these companies look to increase existing products or improve on competitors' products (Gosnay & Richardson 2008, p. 7).

"Sales-orientation" is when company introduces sales techniques to sell its products; basically it sells whatever it produces. Hard-sell techniques were often used in this approach to help persuade the customer to buy one particular product or service rather than that of the competition. (Gosnay & Richardson 2008, p. 8.) The orientations are summarized in Table 3.

Table 3 Attributes of different orientations (Gosnay & Richardson 2008, p. 9)

Orientation	Nature	Motivation to change	Marketing activities	Marketing oriented
Production	Stack 'em high sell 'em cheap – high volume, low margin, risk, R&D and innovation.	<i>Internal.</i> Take share by cost leadership.	Yes. Often target late majority and laggards.	No
Product	Add to existing idea. Some tailoring of product offer. Medium volume, occasionally high margins.	<i>Internal.</i> Look to improve on internal or external rivals.	Yes. Target early adopters and niche markets.	No
Sales	“We sell what we produce”. Not necessary the first nor the best. Can take large market share.	<i>Internal.</i> Look to take share from competitors by having higher awareness. Single transactions.	Yes. Heavy reliance on promotion – some use of mass media, other through sales teams. Strong branding.	No
Marketing	“We sell what our customers want”. Often end up market leaders. Seek to innovate with products and	<i>External.</i> Seek to identify customer needs that aren't satisfied by rivals and	Yes. Heavy reliance on market research. Promote	Yes

	services.	provide solutions. Look to develop relationships.	loyalty schemes. Seek to sell benefits and add value for customers.	
--	-----------	---	---	--

On the basis of the mentioned above factors we could sum up, that the company X is a marketing-oriented company and places the customer at the heart of all the planning decisions, since the customer purchases products and services from the company in exchange for money.

Hammond, in the book “Branding your business” notices, that most small business work the wrong way round (Figure 2), focusing first on company’s identities and designing symbols before understanding the whole brand meaning and who is company’s customer (Hammond 2008, p. 15).

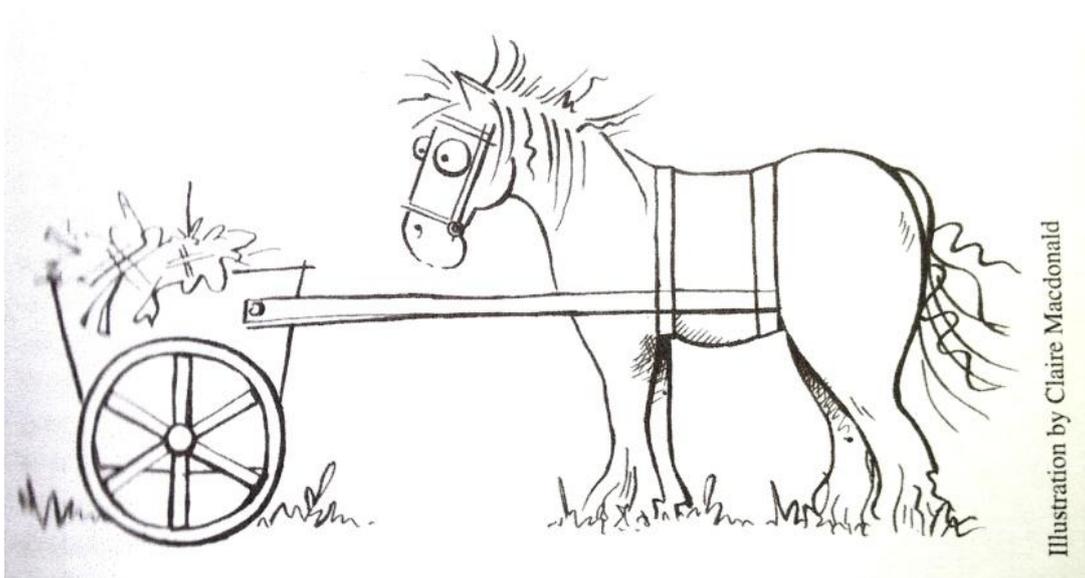


Figure 2 “Cart-before-horse-ism” (Hammond 2008, p. 15)

The author presents in Figure 2 how a company’s misunderstand of the meaning of customer before the brand book and call this way of working as “cart-before-horse-ism”.

2.4 Customer relationship management

Customer orientation is one of the main philosophies in tourism marketing. Today a customer requires fairly high level of quality at once and perfectly as well as sets high expectations for their vacation. (Albanese & Boedeker 2002, p. 88.)

Customer-company relationship starts when the company orients its plans and activities towards attracting customers and satisfying them. Attraction and loyalty programs are valuable both to customer and to firm and create stronger relationship. (Izquierdo et al., 2005, p. 235.)

Kotler defines customer relationship management (CRM) as “the overall process of building and maintaining profitable customer relationships by delivering superior customer value and satisfaction.” Thus, customer relationship management is strongly associated with satisfaction of customers’ desires and needs. CRM is responsible for the realization of customer’s expectations as well as about products and services presentations. CRM integrates management of customer groups with management of marketing companies referring to marketing concept. According to Singh, CRM is “the ability of an organization to effectively identify, acquire, foster and retain loyal profitable customers”. (Singh & Singh 2011, p. 137.)

Originally customer relationship management appeared in call centers. At that time, companies took advantage of telecommunication technology. After appearance of Internet, companies realized that they have to manage their customer information independently for each channel. Nowadays, customer relationship management has to manage and control such channels as e-mail, websites and telephone. Companies are more and more starting to use an automatic email response system for the quick response to of customer requests. Currently the companies could take advantages of collected customer data and approach customer’ with appropriate e-mail messages. (Singh & Singh 2011, p.144)

In twenty-first century, due to globalization and internationalization of markets, competition has increased and intensified. The role of the customer has changed and the customer loyalty has become one of the most relevant and necessary competitive advantages. Consequently customer relationship management is the main tool for developing strong and deep relationships with the customers and building long lasting and beneficial customer relationships. (Singh & Singh 2011, p.138.) Furthermore, because of the high competition of companies, the customer nowadays expects excellent value. Therefore, the customer value as well is one of the major factors for maintaining a competitive advantage. (Martelo et al., 2013, p.2042.)

According to Hooley, the loyal customers, using the company's services more often, deserve the best offers and the most attention as well as financial and social benefits. It is better to give the loyal customer more than requested for increasing satisfaction. (Hooley et al., 2008, pp. 397-401.) Nowadays, keeping customers satisfied is important in order to make them come back to use company's services again (Kotler & Armstrong 2010, p. 387).

Helander and Hirvonen (2001, p. 283) propose an analytical framework (Figure 3), which presents how to manage customer relationships effectively. According to the authors, the companies have to understand the customer's business activities in order to build up a lasting and successful customer relationship.

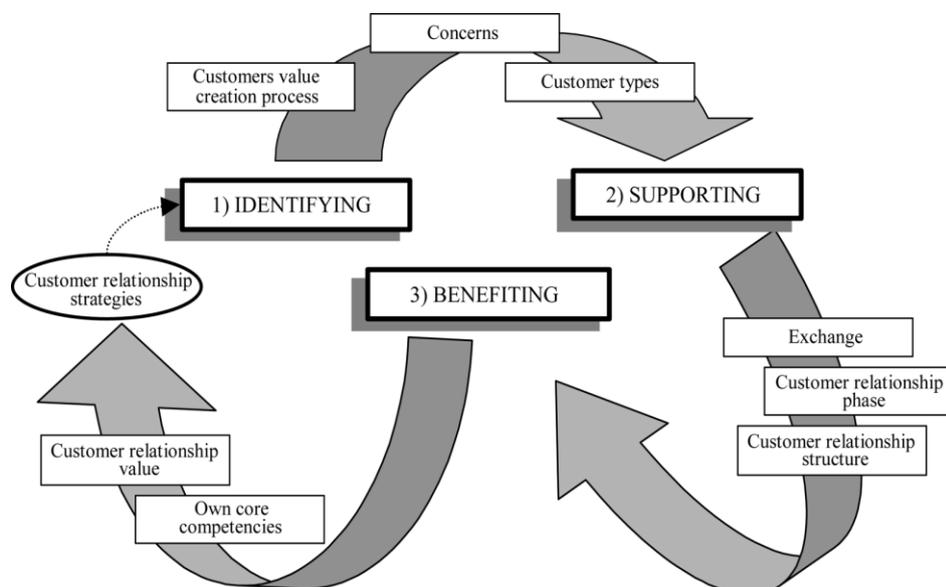


Figure 3 The proposed analytical framework for managing customer relationships effectively (Helander & Hirvonen 2001, p. 283).

In Figure 3, authors present a three-phase model, where the company has to identify the creation process of consumer values; only after that it could aim to support the value; and then both the company and the customer could benefit from the relationship (Helander & Hirvonen 2001, p. 283).

However, companies have to keep the distance with customers. For example, close relationships between customer and company's personnel could be undesirable for both the company and the customer. When a relationship has gone beyond a business exchange and has developed into a friendship relationship, it could bring disadvantages to customer, who may almost sacrifice for choosing company's services and to company's personnel as well, when customer takes advantage of the friendship. (Bove & Johnson 2001, p. 193.)

Many researches include in the definition of relationship quality only satisfaction, trust, and commitment, but we have to remember that customers' relationships with companies may develop negative reactions to service failure. The customers recall a service failure incident to their friends and evaluate the quality in negative way. Usually the information of negative experience fairly quickly transferred ahead and affects mostly on high relationship-quality customers. (Kaltcheva et al., 2013, p. 525-526.) Thus we should not forget about the customers who were dissatisfied with the services and we must develop a compensation system.

Thus, we can summarize, that marketing goal of customer relationship is to provide increased value to the customer, to raise customer satisfaction and thereby customer loyalty, which creates higher profit due to increased volume (Liu et al., 2000, p. 160).

Here are the main benefits of customer relationship management: cost decrease, customer loyalty, high profit, better identification of customer needs,

improved sales, enhanced cross-selling, CRM helps to categorize the customers and enhances customer satisfaction as well (Singh & Singh 2011, pp. 142-143).

2.5 Market segmentation

Tourists differ in their motivations, tastes, wishes, desires, lifestyles, family size and in other features. Market segmentation means allocation of company's strategy and resources to increase market demand by specific marketing moves at different target groups of customers. (Rope 2005, p. 155.)

The most typically and commonly used variables in segmentation of customer markets are:

- Geographic: region (country, city, etc.), population density, size of metropolitan (according to size of population), climate (according to weather).
- Demographic: age, gender, family size and lifestyle, income, education, nationality, religion, etc. For example, there are some standard categories as DINKS – Double Income, No Kids or Full-nest.
- Psychographic: activities, interests, opinions, attitudes, values, etc. This is segmentation of customers according to their lifestyle.
- Behavioral: benefits sought, usage rate, brand loyalty, user status, readiness to buy, etc. This segmentation is based on customer behavior toward products or services (NetMBA).

Rope emphasizes (2005, p. 155) that the segments should be chosen very narrowly and if it seems impossible, the segment should be narrowed even more. Segmentation usually means the rejection of some segments and fairly focused work on selected segments. One of the most relevant reasons for choosing the concrete segment is its sufficient purchasing power. On the other hand, identifying the market segment helps sustain a destination's competitive advantage (Dolnicar et al., 2013, p. 724).

Dolnicar, Lazarevski and Yanamandram (2013, p. 725) suggest in own research the new base for tourism market segmentation – person’s overall Quality of Life (QOL) segmentation. QOL usually means person’s sense of well-being, satisfaction or dissatisfaction, happiness or unhappiness. According to authors, some people see family as the most relevant contributor to QOL and for others it is work. Some people perceive vacation as necessary only for maintaining a QOL and others take vacation exactly to enhance QOL.

However, vacations are playing a significant role in today’s fast and busy life rhythm and provide many people with life satisfaction. Vacations have a noticeable influence on QOL by providing following outcomes: physical and mental rest; personal development and consumption to enhance status (Richards 1999, pp.189-190). But despite this, some people don’t even care about vacation. Thus, the different values regarding the objectives of vacation bring new possibilities for tourism marketers. (Dolnicar et al., 2013, p. 725.) It is fairly important to know the purpose of the customer’s vacation; e.g., wellbeing trip or impact on life satisfaction.

Gender as well, is one of the most important segments of marketing in tourism. Men and women differ in particular in information searching or in decision making. A significant increase of Internet popularity has further highlighted the need for understanding online users’ behavior and desires from a gender aspect. (Kim et al., 2007, p.423.)

Segmented marketing provides customers with especially for them developed services or products. That enhances customers’ satisfaction and brings possibility to get them back. Nevertheless, if we would like our segments to be practical we have to think about the following criteria: identifiable (the differentiating attributes of the segments must be measurable so that they can be identified); accessible (the segments must be reachable through communication and distribution channels); substantial (the segments should be sufficiently large to justify the resources required to target them); unique needs (to justify separate offerings, the segments must respond differently to the

different marketing mixes); durable (the segments should be relatively stable to minimize the cost of frequent changes). (NetMBA.)

2.6 Customer's decision making

Nowadays the number of tourists who speak different languages and have computer skills is rapidly growing. These tourists can travel in multicultural and unusual environments abroad. The development of information and communications technologies as well as Internet has greatly influenced tourists, who especially value money and time. Such customers are looking for trips by themselves referring to their personal interests and schedule. They are not any more interested in collective packaged tours. (Buhalis & Law 2008, p. 611.)

Purchasing of tourism product imply that tourists have to imagine the product, because usually he/she cannot test or try it in advance. Time and space stand between customer and the product. Thus, the tourist makes a decision only on the basis of available information from different sources and on the basis of received information from the service provider. (Kim et al., 2007, p. 424.)

Nowadays, searching for information is relevant process for purchase decision making. Information searching process is now easy and fast due to information and communications technologies, which reduce travelers' risks and enhance the quality of trip. (Buhalis & Law 2008, p. 611.)

Buhalis and Law emphasize four factors that affect information search of tourism products or services: the composition of traveler groups; the existence of families and friends at the travel destination; previous experience in the travel destination visits to the destination; and new services of the travel destinations (Buhalis & Law 2008, p. 611).

Recent studies showed that one of the main goals of information searching is to support and ensure decision-making through reducing uncertainties. Usually tourists use diversified information sources to plan their trips such as personal

experience, friends and family, travel agencies, travel brochures and guidebooks, journals and newspapers. (Kim et al., 2007, p. 424.)

After the information searching, customers purchase the service or product and it could be done in different ways. First, customers could buy the product straight from the website where they found the information, but very small per cent of purchasers do that. Second, customers could check the information on the website, but purchase the product from a competitor's website, where provider offers for example some free of charge additional service. Third, a majority of customers still prefer to use Internet as a source of information of product details, prices or situation and to purchase services or products from stores, offices or receptions. Thus online search might precede offline purchase. (Nierop et al., 2011, p. 155.)

On the other hand, for example, the number of travelers who book directly from hotels' websites is rapidly increasing. Time and the fast response are important tools to satisfy and to get customers in today's rapid data spread on the Internet (Buhalis & Law 2008, p. 611).

According to Gosnay and Richardson (2008, pp. 27-28), purchasing of product is a psychological process, where customer usually goes through 6 steps of decision making process:

- Step 1. Problem recognition.
- Step 2. Information search.
- Step 3. Information evaluation.
- Step 4. Purchasing decision.
- Step 5. Post-purchase decision/behavior.
- Step 6. Feedback prior to next decision.

Recent researches bring out that marketers have to consider as well gender differences in information search behavior and decision making, referring exactly to psychological differences between men and women. Men usually don't consider all available sources, instead relying more on their own opinion. Thus men select and research the most relevant information, focus on concrete

and objective facts and consequently make decisions more quickly than women. Women on other hand research a lot of different information sources before making a decision. They rely more on external information than on their own opinion. (Kim et al., 2007, p. 425.) Nevertheless, companies have to remember about other factors which affect customer behavior: age, income, education, attitudes, motivation, etc.

It is important to quickly identify the customers' needs and desires to satisfy them with specified and comprehensive products and services. Fairly often nowadays, experienced and demanding travelers contact tourist product's providers and ask for additional services or present their own needs, wishes and requirements. (Buhalis & Law 2008, p. 611.)

2.7 Internet

The Internet and development of information technology have given tourists a direct access to a great amount of information, which has dramatically influenced people's everyday lives and travelers' behavior, including the way they search for information and plan trips (Kim et al., 2007, p. 423).

Nowadays independent and demanding tourists could find almost all needed information from the Internet as well as make online purchases of airline tickets and online room reservations themselves without travel agency help. The tourist can find from the Internet online reservation systems and online travel agency's search engines (like Google) and destination management systems, social networking and web 2.0 portals (like Tripadvisor), price comparison sites as well as individual websites. (Buhalis & Law 2008, p. 611.)

Price is one of the relevant factors for customer decision making. Organizations know it and use information and communications technologies to communicate with customers on their websites and consequently develop relationships or organize web-only discounts and offers as well as open new channels. (Buhalis & Law 2008, p. 611.)

From the point of view of the customers the information and communications technologies provide them with different tools for convenient and fast process of information searching and purchasing as well provision of interactive assistance, and flexibility in representing information (Kim et al. 2007, p. 426).

Due to popularity of Internet, a lot of travel-related organizations, like hotels, airlines, travel agencies and restaurants have to bring Internet technologies into their marketing strategies as well (Buhalis & Law 2008, p. 611).

Virtually, companies present information about services and products on their website. More and more companies implement to their websites online booking or purchasing engines. Thus websites are classified as either informational or transactional. On an informational website clients cannot purchase a service or product online, whereas it could be done on a transactional website. (Nierop et al., 2011, p. 155.)

According to preview researches, regarding to the segmentation in gender aspect, women spend more time on the Internet per week than men, and have stronger positive attitudes toward both online and offline information sources. However, it does not so often lead to the purchase, unlike in the case with men, who make purchase decisions faster than women and on a basis of smaller amount of information. (Kim et al., 2007, p. 428.) Women are more detailed and elaborated in external information search. They scrutinize much online information and visit frequently and more travel websites than men. (Kim et al., 2007, p. 431.)

Nowadays marketers may benefit and get better profit by making gender-sensitive online communications, website or even presentation content, designed in terms of functionality and efficiency. For example, a website which is targeted for a male audience should be focused on one or two features that are unique to the advertised product or service. On the other hand, website's content which is targeted for women should be focused on the common themes with diversified features, rather than the unique ones. (Kim et al., 2007, p. 432.)

In today's rapidly changing, developing and competitive e-environment, companies have to pay special attention on website content and to whom they are aimed (Kim et al. 2007, p. 431).

Even with elementary computer skills and financial resources the entrepreneur could now consider entering new markets worldwide. However, when company is planning to build an international business based upon only marketing in Internet, it could be financially very expensive (Chaston 2000, pp. 74-75).

2.8 Social media

Nowadays customers require fast and easy access to information they need at a convenient time for them. Traditional sources of advertising like radio, television and newspapers are not anymore as popular as social media or internet, where customer could find all needed information for immediate purchasing decisions. (Vollmer & Precourt 2008, pp. 30-35.)

Social media is one of the Web 2.0 applications. Constantinides and Fountain define Web 2.0 as a "collection of open-source, interactive and user-controlled online applications expanding the experiences, knowledge and market power of the users as participants in business and social processes. Web 2.0 applications support the creation of informal users' networks facilitating the flow of ideas and knowledge by allowing the efficient generation, dissemination, sharing and editing / refining of informational content." Here are five main categories of Web 2.0: blogs (<http://gizmodo.com>), social network (www.facebook.com), communities (www.youtube.com), forums (www.epinions.com), content aggregators. (<http://www.google.com/ig>) (Constantinides & Fountain 2008, pp. 232-233.)

According to Evans (2008, p. 41), recent studies show that from approximately 3.5 billion word-of-mouth conversations that take place around the world in one day, about two-thirds of them regard a brand, product or service. More rapidly and widely word-of-mouth conversations spread in social media and Internet what is relevant and useful for marketers and sellers. The social media provides

companies and individuals with good possibility to promote their websites, products or services with cost-effective way to a bigger audience than traditional advertising channels allow. (Weinberg 2009, pp. 2-3.)

Social media gives numerous opportunities to strengthen and expand employee communications as well as being one of the new tools to contact sales channels like travel agencies and tour operators. Through the social media they can rapidly get news and new pictures, as well as give immediate feedback on the product or service and buy the service or product straight away after a short online conversation. (Weber 2009, pp. 25-26.)

One of the main goals of social media in business context is to engage people. The outcome of engagement could be decision to purchase a product or service or to give a recommendation to friends. According to Safko and Brake (2009, p. 25) there are four principal ways to engage people: communication, collaboration, education and entertainment. For example, online voting gives a customer a sense of ownership and engagement while he or she is observing how other people are also discussing and are interested in the same product or service. Online games are also apparent and useful tool to engage and entertain. (Mangold & Faulds 2009, pp. 362-363.)

However, according to Drury (2008, pp.274-277), marketing through social media requires a company to adopt new and different techniques and methods than in the case of marketing through traditional channels, where marketing message is intended for the target audience. In social media, marketers are building a relationship and conversation with target audience. Marketing is no longer a one-way process of giving messages to audience; it is more about exchanging feelings and ideas.

2.9 Content of marketing plan

There are different marketing plans that companies use. Companies have own strategy, mission, vision, goals and financial situation. Marketing plan must be based on company's business plan and strategic goals. Without knowing and

understanding of own products and services benefits, it will be challenging to do marketing and to sell products profitably for sustainable and continuous growth of the business (Figure 1).

In this research we elaborate the marketing plan, which consists of the following points:

1. Executive summary with using 4P Marketing mix.

The marketing plan starts with short overview of company's goals according to the plan as well as with general information about the company. One of the common methods of presenting information about company in structured and convenient way is 4P marketing mix. It divides information to following factors: Product, Place, Price and Promotion. Through this analysis the company can emphasize the main products and services it has and uniqueness of them; estimate benefits of company's location; determine the pricing and consider the highlights of company's marketing. The 4P model of analysis should be the key to company's business success by supplying appropriate products at fair price in the suitable place using correct promotion methods. (Hammond 2008, p. 16.)

2. Current marketing situation with using PEST analysis.

This paragraph presents important information of company's macro environment, which is fairly precarious and unsecure for company's business, because it consists of a set of unregulated and unpredictable for company external factors (Gosnay & Richardson 2008, p. 16). The most practical and structured way to research the macro environment is PEST analysis. It helps to analyze the Political (taxation, legislations, stability, international politics, etc), Economic (income, savings, employment, exchange rates, prices, etc.), Social (age, sex, occupation, religion, language, health, population growth, safety, etc.) and Technological (automation and technical development as well as information communication technologies) changes in company's business environment. (Kotlet et al. 1996, p. 665.) It gives company

bigger picture of external factors, which company could face in and which could influence the company's business. PEST analysis reveals changes in external environment, and it helps company to be ready for them; as well as it measures market's potential and forecasts future demand. (Kotler 2000, p. 86.)

3. Opportunity and issue analysis / SWOT analysis.

SWOT analysis helps the company to identify and verify the positive and negative inside the company: strengths and weaknesses, and outside of it, in the external environment: opportunities, and threats (Balamuralikrishna & Dugger).

SWOT could be used to:

- Investigate the opportunities and methods to solve the problems.
- Find new ways and directions to make successful business, using existing threats.
- Find out possibilities for changes using information about company's strengths and weaknesses. (Community tool box.)

The company should use SWOT analysis in the following way: base oneself upon Strengths, reduce Weaknesses, use Opportunities, and struggle with Threats (Balamuralikrishna & Dugger).

4. Marketing objectives.

Referring to company's strengths and opportunities, external factors and profit, company can identify and set financial and marketing objectives and a timetable to achieve them.

Marketing objectives usually combine two areas: product development and market development. In product development the company is looking for development of existing products or services for existing client base. In market development the company sells existing products and services for new markets and target groups. (Gosnay & Richardson 2008, p. 127.)

5. Marketing strategy

Marketing strategy has to be implemented for choosing the most effective way of action to achieve the company's objectives. It sets the overall direction and goals for company's marketing.

Business plan goals and marketing strategy should go hand-in-hand. Well-developed marketing strategy helps company to fulfill its business's goals. The marketing strategy is the way how company will run the business, and it has to be planned and developed in cooperation with entire team within the company. It could be implemented for several years.

6. Action programs.

The strategy should be presented in a clear and specific action plan, where company presents at least actions, timetable and responsibilities. In other words, action plan consider how company will communicate with market. For example, print advertising, publicity, direct marketing, trade exhibiting, Web and Internet marketing, and sponsorships. The main questions of action program are: What will be done? When it will be done? Who will do it? How much will it cost? (Kotler 2000, p. 89.)

7. Profit-and-loss statement.

The marketing plan implies also estimating of marketing costs, according to planned actions and activities. Investigation of probable marketing costs gives company information for making a final marketing budget. This supporting budget forecasts the company's turnover and marketing costs in different units. The budget as well helps to estimate company's need in savings or in additional staff. (Kotler 2000, p. 90.)

8. Controls.

The company has to set audits and reviews that will reveal whether it is making progress toward the objectives. In accordance with action plan, controls could be organized every month, quarter or ones per year. In case there are no advancements, the company has to reconsider its goals or actions.

Kotler suggests (Kotler 2000, p. 88), three types of marketing control:

1. Annual-plan control. Checking of company's achievements in sales, income and objectives.
2. Profitability control or marketing profitability analysis. Checking of actual profitability of existing products, target groups and sales channels.
3. Strategic control or marketing audit. Checking of the company's marketing strategy appropriate to markets conditions.

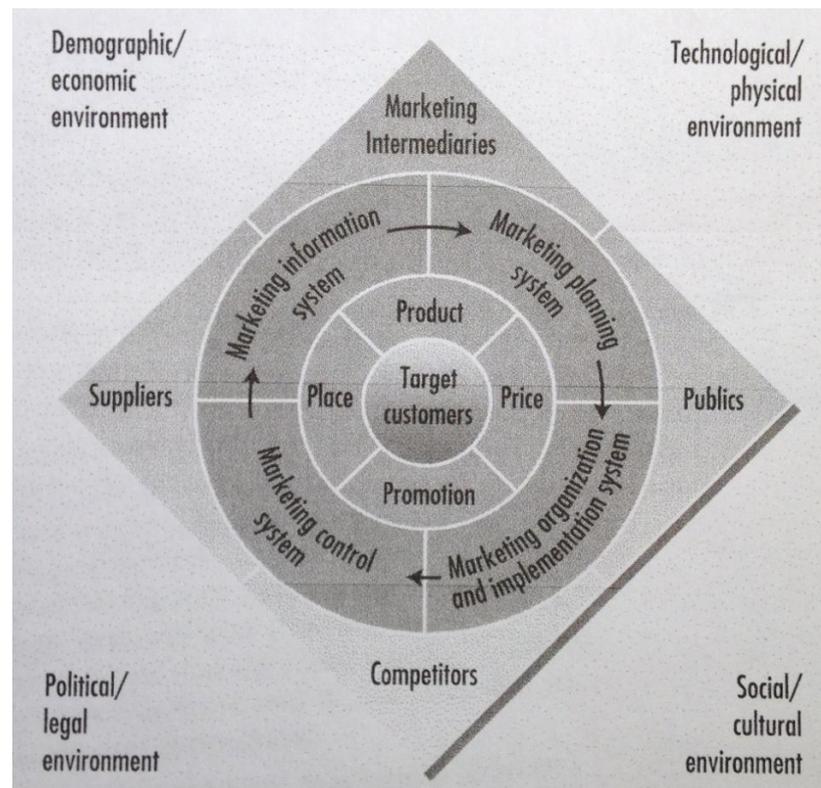


Figure 1 Factors influencing company marketing strategy (Kotler 2000, p. 88).

Figure 1 presents comprehensive picture of marketing process and factors that influence on company's strategy.

3 EMPIRICAL FINDINGS / MARKETING PLAN

3.1 Executive summary / 4 P Marketing mix

When company would like to be effective in the market it should always remember about at least four elements: Place, Product, Promotion and Price, which are known as the 4P marketing mix. The four elements are usually presented as one unit and structured to support each other; otherwise company's marketing strategy will be uncoordinated.

3.1.1 Place

The Place means where the product/service is located. The location should be convenient and accessible for client. The company has to take advantage of its location or try to provide clients with easy and structured information and maps. The company should take into account as well all services around for creating an attractive description about its location.

The location of the holiday village is advantageous in terms of tourism and marketing. It is situated in Finland, 140 km from the nearest Russian border crossing point. The nearest city with different facilities, e.g. shop centers, markets, sport and cultural objects as well as an university is in 70 km and is situated in the middle of way from the Russian border to the tourist center. So the customers can go shopping on their way to cottages.

The tourist center is one of Finland's best known national landscapes. It was awarded as the most popular Finnish hiking and tourism center. The National Park has forested hills, lookout points, white quartzite cliffs, wilderness-like lake, slash-and-burn woodlands and traditional landscapes, as well as excellent hiking and skiing trails. It has rare geological features, a versatile array of animal species and an abundance of plant species. The holiday village is situated at the border of National Park and on shore of lake, which is one of the biggest lakes in Finland and is rich with fish.

The tourist center was also awarded as the skiing center of the year by the Finnish Ski Area Association. Ski center is one of the oldest slope areas in Finland. It has 12 slopes, the snow park, and 60 km of ski trails including 25 km lighted trails. In addition to all the above, it has the highest slopes in Southern Finland. The holiday village is situated between two ski centers. Lighted ski trail runs 200 m from the holiday village.

The National Park was awarded a certificate called the European Charter for Sustainable Tourism in Protected Areas, which is issued by the Europarc Federation.

The tourist center is known as a resort of four seasons, because seasonality in the weather is clearly visible in this part of Finland. Thus it is especially attractive for tourists both in winter and summer, due to diversified services it provides. Clear seasonality gives it exclusive advantage compared to other Finnish resorts.

3.1.2 Product

The product or service is the item the company sells to the customer and gets money for it. Therefore product's or service's features have to be considered carefully, exactly for certain target groups and markets. Here the company could evaluate benefits and uniqueness of own products and services. In this part we present the main products we can promote: cottages and future spa.

The company was established in 2006. The aim of the company is to build a multiservice center, which will provide customers with accommodation, spa and wellbeing services. Customers of all ages regardless of the weather could relax in spa, enjoy clear air and nature of National Park, improve their health or have an active holiday.

Holiday village

The company has 15 apartments: seven semi-detached houses and one VIP-villa with 70 beds and 22 additional sleeping places. All cottages are fully equipped. Customers only need to bring food. Each cottage has drying locker for clothes, dishwashing machine, washing machine, iron and ironing board, refrigerator, microwave, kettle, coffee maker, complete set of dishes, fireplace, sauna and terrace with view to the lake.

- **Cottage 1** is for maximum six persons. Cottage has two bedrooms, sauna, shower, toilet and loft with 2 mattresses as well as kitchen and dining-room with fireplace and exit to terrace, where is set of outdoor furniture.
- **Cottage 2** is for maximum eight persons. Cottage has kitchen and dining-room with fireplace, two bedrooms, shower, sauna and toilet on the first floor; 1 bedroom, living room with double-berth, toilet and shower of the second floor. It also has own terrace with set of outdoor furniture.
- **The VIP-villa** is for six persons. Villa is very spacious and comfortable. It has 3 bedrooms with TVs, 3 toilets, 3 showers, sauna, kitchen and dining room with big fireplace and panoramic windows for whole wall to the lake as well as big terrace with set of outdoor furniture.

There are sheds with free wood for fireplaces and two grills, which are in customers use, in the area. Two boats with life jackets and paddles are also free for use of customers. Children could swing on a swing or play in the sandboxes, which are in the yard and on the beach. Beach is sandy and very suitable for children, because of shallow shore.

Spa

In 2011 the company has started to build Spa. Warm saunas, large diversity of hydro massages, big pool and special area for children will serve everybody who wants to rest or to take care of own health, or to have training. The whole building of Spa has 3 floors. The first floor has 200 square meters large swimming pool with two 25 meter long swimming lanes and 20 different hydro

massage points, including separate jacuzzi and water bubbling bed in the middle of the pool. Children's pool will be a favorite area for kids, because of its water slide and other water activities. The children's pool is designed so that parents feel comfortable sitting in the same pool on the bench with hydro massage and observe their children playing close to them. Spa will offer four different saunas. Traditional Finnish saunas and steam sauna are located next to the changing rooms. A separate sauna department, which includes aroma sauna, salt sauna and a Sun-room to relax, is situated on the other side of pool area. The second floor with restaurant, cafe, small children's playground and some space for billiard and other attractions for adults will be open a little bit later. After that the company will continue to fit up the ground floor, where will be center of spa treatments, such as salt cave, aroma baths, massages, manicure, pedicure, etc. There will also be a gym and fitness room. The company is planning to provide doctor's services as well. It means that a doctor, according to all information he has got from the client, could recommend what kind of treatments are more suitable for the client and to prepare schedule of procedures for whole holiday.

Outdoor activities

The company would like to do cooperation with local companies, which provide outdoor activities. It is not needed to create all by themselves. The region has good possibilities for diversified outdoor activities. Some of partners' programs will be sold on the company's website through online purchase system. It helps company to present to client better picture of the place as international tourist center.

3.1.3 Promotion

Promotion is activity that improves visibility of the product or service and helps to increase the amount of company's sales. Successful promotion leads to increased clients flow and growth of company's income.

Until 2014 company's promotion was organized accidentally and suddenly. There were no plan how to do promotion, for whom and when. Promotion actions were

happened when the company get some information about possibility to promote services in some newspaper or on some exhibition.

In 2013 the company presented own services in one or two exhibitions in Finland. It bought places from several newspapers and magazines like Spa journal in Russia and newspapers of the region. The company printed coupons with opening discounts to spa and made several releases in some newspapers; it created new website and has done a lot of direct marketing to Russian tour operators and agencies. The promotion was mostly oriented to Russian and Finnish clients.

The main steps done were implementing the company's brand book and creating a new website. Company's brand book was done in English and Russian languages. It includes the key constant of company's branding: logo and the rules of its construction, company's colors and font, basis for company's presentations, letters in Word format, envelope, as well as business card and badge for personnel.

Until 2013 the company had the www.x.com website, which was in three languages; Finnish, English and Russian, and presented information mostly about cottages and short description about the region. In 2013 the company has designed and developed a new company website, www.x.fi. The new website was developed by Finnish specialists based on company's wishes. Specifically for new website the company has ordered photographer's services as well. The www.x.fi website is mostly informative, but there is possibility to purchase accommodation services online, using for example a credit card. The main idea of website is to give website visitors information about company's services as well as overall information about services in the region. The website is developed for presenting visual and compact but diversified textual information, meaning that it is mostly oriented to families and especially to women. However, there is an online purchasing system which could be useful for male customers as well. The company is committed to making website easy and client friendly, thus the website is continuously updated at this moment.

3.1.4 Price

Every pricing strategy has to at least cover company's costs. Exception is special offers for attracting more customers. The price of the product or service depends on ability of company's target customers to pay, on products' features, on competitors' prices and overall depends on marketing environment. Pricing strategy should consider all these factors together.

Prices for spa:

NORMAL TICKET		€
	Adult	
	Child, 4-12 years old	
	Pensioners, students, military	
ABONNEMENT		
	Adult	
-10 %	10 times	
-15 %	25 times	
-20 %	50 times	
	Child, 4-12 years old	
-10 %	10 times	
-15 %	25 times	
-20 %	50 times	
	Pensioners, students, military	
-10 %	10 times	
-15 %	25 times	
-20 %	50 times	
FAMILY TICKET	-12 %	
2 adults + 2 children / 1 adult + 3 children		

Prices for cottages 2014:

Cottage 1

Season	1 nights	2 nights	3 nights	4 nights	5 nights	6 nights	7 nights
A	260	526	643	759	876	959	1028
B	260	376	491	595	690	783	843
C	187	300	373	450	511	575	646
A+	28.12.- 4.1.		1202	4.1. – 11.1.		1155	

Cottage 2

Season	1 nights	2 nights	3 nights	4 nights	5 nights	6 nights	7 nights
A	292	590	721	853	984	1077	1155
B	292	422	551	669	775	880	947
C	210	337	419	506	575	647	726
A+	28.12.- 4.1.		1558	4.1.– 11.1.		1470	

VIP

Season	1 nights	2 nights	3 nights	4 nights	5 nights	6 nights	7 nights
A	447	987	1046	1267	1418	1565	1706
B	371	519	669	804	926	1046	1122
C	299	447	568	654	747	825	897
A+	28.12.- 4.1.		2657	4.1.– 11.1.		2520	

B	11.1.-31.1.
A	1.2.-9.3.
A*	10.3.-17.3.
A	18.3.-11.4.
C	12.4.-1.6.
B	2.6.-17.8.
C	18.8.-2.10.
B	3.10.-5.10.
C	5.10.-18.12.
A	19.12.-27.12.

CLEANING

Cottage 1 75 € / 28.12.-11.1.: 100 €

Cottage 2 90 € / 28.12.-11.1.: 120 €

VIP 90 € / 28.12.-11.1.: 120 €

LINEN

Made bed 15 €

In stack 11 €

A+ 28.12.2014- 11.1.2015

28.12.2014 - 4.1.2015 and 4.1.2015 – 11.1.2015

Special discount for 2 weeks booking -5%.

Prepayment 20% within 2 week after booking.

The end of the sum until 30.9.2014.

10.-17.3.2014 BIATHLON

Cottage 1							
Season	1 nights	2 nights	3 nights	4 nights	5 nights	6 nights	7 nights
A*	272	551	673	795	917	1004	1077

Cottage 2							
Season	1 nights	2 nights	3 nights	4 nights	5 nights	6 nights	7 nights
A*	306	619	756	893	1031	1128	1210

VIP							
Season	1 nights	2 nights	3 nights	4 nights	5 nights	6 nights	7 nights
A*	469	1034	1095	1327	1485	1639	1788

28.2.-15.3.2015 BIATHLON

Cottage 1 min 3 nights							
Season	1 nights	2 nights	3 nights	4 nights	5 nights	6 nights	7 nights
A*	326	661	808	954	1100	1205	1292

Cottage 2							
Season	1 nights	2 nights	3 nights	4 nights	5 nights	6 nights	7 nights
A*	367	743	907	1072	1237	1410	1598

VIP							
Season	1 nights	2 nights	3 nights	4 nights	5 nights	6 nights	7 nights
A*	563	1241	1502	1706	1967	2146	2520

CLEANING	LINEN
Cottage 1 75 €	Made bed 15 €
Cottage 2 90 €	In stack 11 €
VIP 90 €	

3.2 Current marketing situation / PESTE analysis

The organization cannot control external environment and it is one of the biggest challenges for companies. The macro environment consists of uncontrollable factors which can affect a business. Therefore company has to monitor external factors to take advantage of the opportunities and to reduce risks. One of the most convenient and structured methods to study external factors that can affect on companies activities is PESTE analysis. PESTE is an acronym for political, economic, social, technological and environmental.

3.2.1 Political environment

Political environment include government regulations and legal issues under which the company must operate.

Global

- Higher requirements in policy of reducing climate change
- Growing importance of Russia's, China's and India's role in world politic
- The ability of European Union to function profitably– competitiveness risk
- Increasing terrorism, crime and consequently sense of insecurity
- Increasing of international tourism control
- Growing risks of different new infections and diseases
- Growing demand for health and wellness services
- Growing demand for safety services and products with insurance
- Increasing aging and climate change cause a variety of tax practices
- Price competition is getting tougher
- Travel by air is becoming more expensive
- Increasing attention to sustainable development in tourism

Local

- Union of communities
- Focusing on regional centers
- Searching and supporting of investments into tourism industry, especially for enlargement of accommodations and activities services.
- Supporting of international relationships
- Development of tourism center
- Development of regional leading products, as rural and eco-tourism, cultural tourism, event tourism, sports tourism, wellness tourism, food tourism as well as film production-related tourism
- Limitations in easy and fast transportation

3.2.2 Economic environment

Economical environment affects the purchasing power of potential customers and company's costs.

Global

- Increasing energy and food prices
 - increasing of raw-material price
 - Financial crisis
 - Customer are more demanding
 - Customers value time and money
 - The number of family's members is decreasing
 - Russians' purchasing power increases
 - Consumers' average level of education increases
 - Customers' free time decreases
 - Working requirements increase
 - Increasing of extreme tourism demand
 - Market segmentation is clearer (family, work, hobbies)
 - Chinese, Indian and Japanese tourism demand is growing

Local

- Growth of the Euro to Ruble

- Smaller and more specific financial grants for companies
- Growing poverty in regions
- Demand for wellness, fitness and stress management services and programs
- Difficult to get specialists for work
- Closeness to St. Petersburg market
- Border area
- Long-term holiday changes for several short holidays
- Unemployment between young people is increasing, but their income is growing

3.2.3 Social environment

Social environment includes demographic and cultural aspects, which influence customers' needs and wishes.

- Development of online communities
- Population aging of developed countries
- Increasing of diseases because of lifestyle
- International relationships develop
- Income gap
- Purchase behavior develops and globalizes
- Immigration increases
- Increase demand of cultural tourism
- People are retiring healthier and richer
- Health awareness is increasing and growing
- Reduction in the number of young consumers from Europe and the United States, but is growing numbers from Russia, China and India.
- Short-term adventure holidays increase from Russia, China and India.

3.2.4 Technological environment

Technological environment takes into consideration the technology issues that impact on how the company brings its products or services to the market.

- Increasing of virtual reality
- Increasing of energy variants
- Increasing of networking
- New materials and methods of production
- Development of infrastructure
- Increasing importance of logistics
- Increasing importance of bioenergy
- Increasing importance of Internet and social media
- Online purchasing is growing
- Increasing and development of information and communication technology
- The border between free time and work disappear

3.2.5 Environmental environment

Environmental factors relates to the ecological and environmental aspects that could affect the company´s product and service demands and how the company operates business.

- Fresh water: demand is growing and availability decreasing
- Consequences of climate change are increasing
- Knowledge of environment is increasing and affects behavior
- Creating of new public transport
- Increasing of importance of sustainable development in tourism
- The greenhouse effect becomes stronger
- In Southern Finland, most of the winters have little or no snow.
- Some sea resorts are now too hot for older customers
- The winter season becoming shorter
- Sea level rise dangerously
- Customers are looking for snow, therefore they are moving for certain snow resorts
- Increasing of eco tourism
- decreasing demand of hot and dry resorts

- Tour operators are looking for new winter and summer resorts, where weather risks are low.

3.3 Opportunity and issue analysis / SWOT analysis

The SWOT analysis is useful tool for business planning, strategic planning, competitor evaluation, marketing and product development and research reports. SWOT is an acronym for Strengths, Weaknesses, Opportunities, and Threats. SWOT analysis presents company's internal and external environment and is relevant part of company's strategy. Usually, internal factors to the company listed as strengths (S) or weaknesses (W), and external factors to the company listed as opportunities (O) or threats (T).

Company's strengths are usually its resource and capabilities, which are the basis for company's competitive advantage. Company's weaknesses are factors which work against a company's successful outcome, like high costs and weak brand. The company almost always has opportunities for better profit and growth which may come from external environment, like new technologies. Per contra external environment may present threats to the company, as new regulations for example.

3.4 Marketing objectives

Marketing objectives are the goals that the company wants to achieve while promoting its product or services to the target groups of customers.

3.5 Marketing strategy / "game play"

The company's marketing is customer oriented and flexible. Because of difficult economical situation in the world and challenging weather conditions, company's marketing will be focused on those periods, when customers really travel or have possibility to travel. All marketing steps will be taken in order to achieve as a minimum the company's last year turnover or possibly to increase it.

3.6 Action programs

An action plan or step-by-step guide helps company and especially its personnel to move in the right direction to successful business. It is an internal plan that lists the actions company has to take on a day-to-day basis for getting better results. Action program is clear and has both repeated actions and simultaneous actions. It includes actions, timetable and responsible persons.

3.7 Projected profit-and-loss statement

The profit and loss statement is a summary of the financial performance of the company in marketing. In this case it is presented as annual report. It reflects the past performance of the company and the forecast of marketing costs in different units and company's turnover for the next year.

This evaluation and forecast will help company to estimate company's costs and percentage ratio between company's turnover and marketing expenses. The forecast helps to estimate company's needs in savings as well and consequently affects on future marketing steps.

3.8 Controls

The company has developed marketing action plan and additionally table of marketing steps monthly. Thus, the managing director will inform personnel about planned and needed marketing actions in the next month and will control the fulfillment of tasks every month.

In case some of objectives or action plan's steps will be changed or implemented in other ways or even missed, then the managing director should bring changes to the plan or should reconsider company's goals and actions and evaluate the current situation for future marketing steps.

4 CONCLUSIONS

The goal of this thesis was to make a marketing plan for the company X and to highlight the main future marketing steps for one year. The marketing plan should help the company to increase customers' flow and company's income consequently.

Nowadays fast pace of life has influenced on different spheres, including tourism and marketing. Modern technologies, Internet, social media, etc give tourists many possibilities to buy what they want and when they want. Therefore in this thesis, customer satisfaction and decision making issues as well as value of Internet and social media are considered.

In the theoretical part we have researched the definition of marketing and marketing plan as well as content of marketing plan and some factors that could affect the company's marketing strategy and actions based on secondary data. In the empirical part we developed active marketing plan using as well collected primary data, including interviews, surveys and experiments.

The goal of the thesis is achieved; marketing plan and action plan with budget for one year is prepared. It is clear and well-structured with SWOT and PESTE analysis; however the plan does not consider competitors' analysis for this year. It will be done in one year after the whole tourist center will be almost built. The marketing plan includes general action plan for one year and a more precise plan for every month, which facilitates the work of personnel and helps to control the achievements.

An unfinished building project and an uncertainty of spa's opening date brought difficulties in the preparation process of marketing plan, but on the other hand the company decided to use this year to create a basis for future years marketing and sales actions. A successful and well-planned marketing plan will help company to achieve competitive advantage and to get better income and profitability.

The company has to monitor the external and internal environments as well as reinforce its strengths and possibilities and work on its weaknesses. The company has to develop its services and products to satisfy customer needs and wishes, thus the marketing plan needs to be updated to remain competitive.

5 REFERENCES

Albanese, P. & Boedeker, M. 2002. Matkailumarkkinointi. Helsinki: Edita Publishing Oy.

Anttila, M. & Iltanen, K. 2001. Markkinointi. 5th edition. Porvoo: WS Bookwell Oy.

Balamuralikrishna, R. & Dugger J.C. SWOT Analysis: A Management Tool for Initiating New Programs in Vocational Schools. <http://scholar.lib.vt.edu/ejournals/JVTE/v12n1/Balamuralikrishna.html> (Accessed on 14 February 2013)

Bove, L. & Johnson, L.W. 2001. Customer relationships with service personnel: do we measure closeness, quality or strength? *Journal of Business Research* 54, pp. 189–197.

Buhalis, D. & Law, R. 2008. Progress in information technology and tourism management: 20 years on and 10 years after the Internet - The state of eTourism research. *Tourism Management* 29, pp. 609–623.

Chaston, I. 2000. *Entrepreneurial marketing: competing by challenging conventions*. London: Macmillan.

Community tool box. SWOT analysis: strengths, weaknesses, opportunities, and threats. <http://ctb.ku.edu/en/table-of-contents/assessment/assessing-community-needs-and-resources/swot-analysis/main> (Accessed on 14 February 2013)

Constantinides, E. & Fountain, S.J. 2008. Web 2.0: Conceptual foundation and marketing issues. *Journal of Direct, Data and Digital Marketing Practice* 9 (3), pp. 231-244.

Dolnicar, S., Lazarevski, K. & Yanamandram, V. 2013. Quality of life and tourism: A conceptual framework and novel segmentation base. *Journal of Business Research* 66, pp. 724-729.

Drury, G. 2008. Social Media: Should marketers engage and how can it be done effectively, *Journal of Direct, Data and Digital Marketing Practice* 9, pp. 274-277.

Dubois, A. & Gadde, L. 2002. Systemic Combining: An Adductive Approach to Case Research. *Journal of Business Research* 55 (7), pp. 553-560.

Eisenhardt, K.M. & Graebner, M.E. 2007. Theory Building from Cases: Opportunities and Challenges. *Academy of Management Journal* 50 (1), pp. 25-32.

Evans, D. 2008. *Social Media Marketing: An Hour a Day*. John Wiley and Sons. Hoboken, NJ, USA.

Gillham, B. 2005. *Research Interviewing: The Range of Techniques*. McGraw-Hill Education. Berkshire, GBR.

Gosnay, R. & Richardson, N. 2008. *Develop your marketing skills*. London: Kogan Page.

Hammond, J. 2008. *Branding your business. Promoting your business, attracting customers and standing out in the market place*. London: Kogan Page.

Heaton, J. 2004. *Reworking Qualitative Data*. Sage Publications, Incorporated. London, GBR.

Helander, N., & Hirvonen, P. 2001. Towards joint value creation processes in professional services. *The TQM Magazine* 13 (4), pp. 281-291.

Hooley, G., Piercy, N. & Nicoulaud, B. 2008. *Marketing strategy and competitive positioning*. 4th edition. Essex: Pearson Education Limited.

Hung, K. & Law, R. 2011. An overview of Internet-based surveys in hospitality and tourism journals. *Tourism Management* 32, pp.717-724.

Izquierdo, C., Cilian, J. & Gutierrez, S.S. 2005. Impact of customer relationship. Marketing on firm performance & Spanish Case. *Journal of Services Marketing* 19(4), pp. 234-244.

Kaltcheva, V., Winsor R. D. & Parasuraman, A. 2013. Do customer relationships mitigate or amplify failure responses? *Journal of Business Research* 66, pp. 525–532.

Kim, D-Y., Lehto, X.Y. & Morrison, A.M. 2007. Gender differences in online travel information search: Implications for marketing communications on the internet. *Tourism Management* 28, pp. 423–433

Kotler, P. 2000. *Marketing management*. Upper Saddle river (nj): Prentice Hall.

Kotler, P. & Armstrong, G. 2004. *Principles of marketing*. Tenth edition. United States. Pearson education Inc.

Kotler, P. & Armstrong, G. 2010. *Principles of Marketing*. 13th edition. London: Pearson Education Ltd.

Kotler, P. 1996. *Marketing management; analysis, planning, implementation and control*. Ninth edition. New York: Prentice-Hall.

Kotler, P., Bowen, J. & Makens, J. 1996. *Marketing for hospitality and tourism*. New York: Prentice Hall.

Liu, B.S., Sudharshan, D. & Hamer, L.O. 2000. After-service response in service quality assessment: a real-time updating model approach. *Journal of Service Marketing* 14 (2), pp.160-177.

Mangold, W.G. & Faulds, D.J. 2009. Social media: the new hybrid element of the promotion mix. *Business Horizons* 52 (4), pp. 357-65.

Martelo,S., Barroso C. & Cepeda, G. 2013. The use of organizational capabilities to increase customer value. *Journal of Business Research* 66, pp. 2042–2050.

Masterman, G. & Wood, E. 2006. Innovative marketing communications, strategies for the events industry. Oxford: Elsevier Butterworth-Heinemann.

NetMBA. Marketing segmentation.
<http://www.netmba.com/marketing/market/segmentation/> (Accessed on 14 December 2013)

Nierop, J.E.M., Leeflang, P.S.H., Teerling, M.L. & Huizingh, K.R.E. 2011. The impact of the introduction and use of an informational website on offline customer buying behavior. *Intern. J. of Research in Marketing* 28, pp. 155–165.

Puustinen, A. & Rouhiainen, U.-M. 2007. *Matkailumarkkinoinnin teorioita ja työkaluja*. Helsinki: Edita Prima Oy.

Richards, G. 1999. Vacation and the quality of life: patterns and structures. *Journal of Business Research* 44, pp. 189-98.

Rope, T. 2005. *Suuri Markkinointikirja*. 2nd edition. Jyväskylä: Gummerus Kirjapaino Oy.

Safko, L. & Brake, D. K. 2009. *The Social Media Bible. Tactics, Tools and Strategies for business Success*. John Wiley and Sons. Hoboken, NJ, USA.

Singh, H. & Singh, B.P. 2011. CRM: An ultimate tool in marketing management. *VSRD International Journal of Business & Management Research* 1 (3), pp. 138-153.

Smith, P. & Taylor, J. 2004. *Marketing communications: an integrated approach*. 4th edition. London: Kogan Page Limited.

Solatie, J. 2001. *Focusryhmät. Kvalitatiiviset ryhmäkeskustelut strategisen markkinointitutkimuksen apuna*. Helsinki: Mainostajien liitto.

Vollmer, C. & Precourt, G. 2008. *Always on: Advertising, marketing, and media in an era of consumer control*. New York: McGraw-Hill.

Walle, A.H. 1997. Quantitative versus qualitative tourism research. *Annals of Tourism Research* 24 (3), pp. 524-536.

Weber, L. 2009. Marketing to the Social Web. How digital customer communities build your business. John Wiley and Sons. Hoboken, NJ, USA.

Weinberg, T. 2009. The new Community Rules: Marketing on the Social Web. O'Reilly Media Inc. Sebastopol, CA, USA.

Wood, M. 2003. The Marketing Plan. A Handbook. Pearson Education Inc. Upper Saddle River, New Jersey. United States of America.

Xavier university library. Qualitative versus quantitative research. 2012. http://www.xavier.edu/library/students/documents/qualitative_quantitative.pdf (Accessed on 10 November 2013)

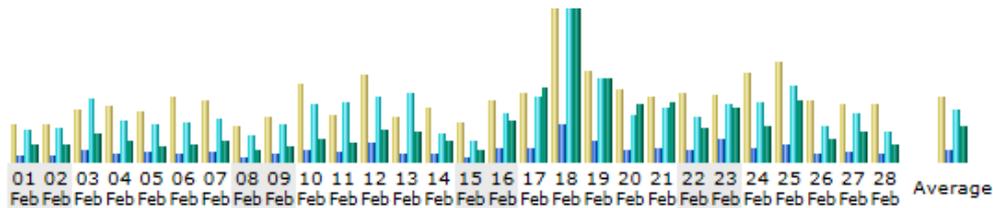
6 APPENDICIES

Appendix 1. Questionnaire on Russian

Appendix 2. Questionnaire on Finnish

Appendix 3. Results of questionnaire

Appendix 4. Influence of Groupon campaign on website's visitor number



Day	Number of visits	Monthly history	
01 Feb 2014	42		
02 Feb 2014	43		
03 Feb 2014	59		
04 Feb 2014	63		
05 Feb 2014	57		
06 Feb 2014	72		
07 Feb 2014	68		
08 Feb 2014	41		
09 Feb 2014	51		
10 Feb 2014	88		
11 Feb 2014	53		
12 Feb 2014	97		
13 Feb 2014	50		
14 Feb 2014	61		
15 Feb 2014	44		
16 Feb 2014	69		
17 Feb 2014	77		
18 Feb 2014	178		
19 Feb 2014	101		
20 Feb 2014	82		
21 Feb 2014	72		
22 Feb 2014	77		
23 Feb 2014	74		
24 Feb 2014	99		
25 Feb 2014	111		
26 Feb 2014	68		
27 Feb 2014	64		
28 Feb 2014	65		
Average	72		

Month	Unique visitors	Number of visits
Jan 2014	1,187	1,611
Feb 2014	1,395	2,026
Mar 2014	477	684
Apr 2014	0	0
May 2014	0	0
Jun 2014	0	0
Jul 2014	0	0
Aug 2014	0	0
Sep 2014	0	0
Oct 2014	0	0
Nov 2014	0	0
Dec 2014	0	0
Total	3,059	4,321

Appendix 5. Results of Groupon campaign

#a0YC00000XNUpGMAX 2 yötä kuudelle 1 Sold 1 Redeemed Download List	Market	Launched	Expiration	Sold	Redeemed	Status
	Travel	2/25/14	4/13/14	-	-	● not tipped
	Travel	2/21/14	4/13/14	1	1	● closed
	Kuopio	2/20/14	4/13/14	-	-	● not tipped
	Travel	2/18/14	4/13/14	-	-	● not tipped
		<input type="checkbox"/> Show fewer deals				

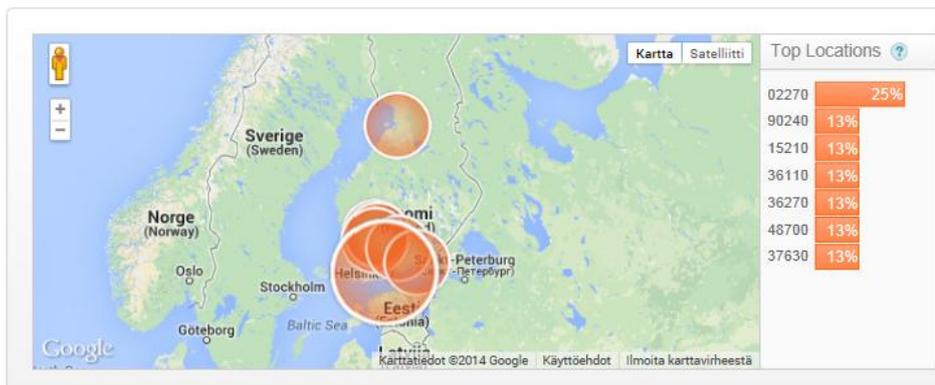
#a0YC00000XNUpuMAH 3 yötä kuudelle 4 Sold 4 Redeemed Download List	Market	Launched	Expiration	Sold	Redeemed	Status
	Travel	2/25/14	4/13/14	1	1	● closed
	Travel	2/21/14	4/13/14	1	1	● closed
	Kuopio	2/20/14	4/13/14	-	-	● not tipped
	Travel	2/18/14	4/13/14	2	2	● closed
		<input type="checkbox"/> Show fewer deals				

#a0YC00000XNUqdMAH 4 yötä kuudelle 2 Sold 2 Redeemed Download List	Market	Launched	Expiration	Sold	Redeemed	Status
	Travel	2/25/14	4/13/14	-	-	● not tipped
	Travel	2/21/14	4/13/14	-	-	● not tipped
	Kuopio	2/20/14	4/13/14	-	-	● not tipped
	Travel	2/18/14	4/13/14	2	2	● closed
		<input type="checkbox"/> Show fewer deals				

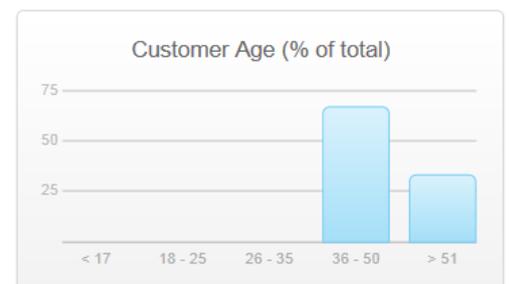
#a0YC00000XNUs2MAH 5 yötä kuudelle 0 Sold 0 Redeemed Download List	Market	Launched	Expiration	Sold	Redeemed	Status
	Travel	2/25/14	4/13/14	-	-	● not tipped
	Travel	2/21/14	4/13/14	-	-	● not tipped
	Kuopio	2/20/14	4/13/14	-	-	● not tipped
	Travel	2/18/14	4/13/14	-	-	● not tipped
		<input type="checkbox"/> Show fewer deals				

Where are your customers located?

All Deals



Who are your customers?



Appendix 6. List of interview questions

Tell about yourself

Name of company you are working in?

Your title and working experience in tourism sector?

Who is doing marketing in the company and how many people?

Does the company have a marketing plan?

For how many years?

How often it is updated?

What is emphasized in it?

Is marketing plan working?

Has company's income increased?

Who are company's customers / main target group?

What are marketing costs in %?

What marketing channels company has?

Who are the company's main partners?

Where to find clients?

How to reach Finnish clients?

Does direct marketing still work?

Which are the main travel seasons?

What do Finnish clients appreciate and value?

The company X

Where is company's potential?

What should we pay attention to?

How company's brand is working?

What you could recommend for the company X?

Marketing in general

What is your biggest mistake in marketing?

What is your biggest victory in marketing?

What would you recommend to read about marketing?

Appendix 7. Brochure for Finnish ski holidays

Appendix 8. Brochure for Women's Day