ESTABLISHING RELATIONSHIPS WITH AN ATTRACTIVE MARKET: NORTHWEST RUSSIA

Case: FIS Nordic World Ski Championships 2017 Lahti, Finland

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ABSTRACT

The year 2017 has an important meaning for Finland and the City of Lahti. The Lahti community will host the World Ski Championships, one of the more significant celebrations for the Finnish independence anniversary. The City of Lahti is preparing to accommodate thousands of international sportspersons, media and spectators. The organization committee is ready to provide the best services for them so they can enjoy the Centenary Championships. This study was initiated to support the sales committee in achieving the target of 250,000 independent spectators in the World Championships 2017.

The research project is focused on the target market selected by the analysis of opportunities for introducing the World Championships. The region of Northwest Russia is seen as an attractive market and as a possible tourism business partner for Finland. For this reason, the study is concentrated on establishing long-term relationships between the two neighbouring countries. In the thesis the qualitative and quantitative methods were applied. The information was gathered through various sources. Secondary data was collected from books, articles and trusted web sites. An online survey and interviews helped to produce primary data for the study. The respondents were chosen from the target groups of the organizing committee, spectators of the Pre-World Championships, Lahti Ski Games 2016. Based on the conclusions of the survey and interviews as well as on the literature review, the thesis produced a development plan. The recommendations and suggestions that are presented in the plan were generated after the market environment analysis, SWOT analysis, and by applying the principles of integrated communication and targeting.

The study results show that the target market can be seen as an attractive possibility to extend the flow of international visitors to the championships. The study presents the overview of the opportunities and points out the barriers for the relationships. By starting a new communication channel, developing partner relations and increasing information flow the organization committee can influence the target audience experience of the event as well as the interest of Russian tourists towards Finland.

Key Words: Sport event, tourism, Finland, Russia, relationships, targeting, integrated communication, development plan
ACKNOWLEDGEMENTS

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1. INTRODUCTION

This part gives an overview of the fundamentals and principles of the thesis that were applied throughout the whole research process. The first chapter introduces the thesis topic and background of the study as well as shows a personal intention of the author to explore a precise question. Moreover, the introduction discloses the objectives, study questions and limitations. In addition, this part provides a review of the theoretical framework, data collection methods and research approaches. The chapter finishes with a summary of the thesis structure.

1.1 Background

The sport event industry has seen a serious growth since the beginning of the 20's. With an increasing number of spectators and participants, the events bring about their own economic impact. It influences a vast development and investment flow to the local host community and, in addition, it supports global economy by encouraging consumer spending. (ATKearney 2014, 1.)

Sport events are highly affected by local cultures. Cross-cultural differences can be experienced with how an event is organized and valued. In addition, there are many traditional locations for different types of sport; what brings fame and popularity to a place of an event. (Getz 2007, 20.) The City of Lahti can be introduced as a suitable example of a local community that hosts international sport events traditionally. Year 2017 brings to Lahti the seventh Nordic World Ski Championships. FIS Nordic World Ski Championships is going to become the Centenary Championships. The event will take place in Lahti (Päijät Hämé region) from the 22th of February, 2017 to the 5th of March, 2017. (Lahti2017 2016a.)

The City of Lahti has developed experience in organizing sport events on such a large scale and popularity. For example, the World Ski Championships took place in Lahti many times since the year 1926 and then in the years 1938, 1958, 1979, 1989 and 2001. (The City of Lahti 2016a.) The tradition of hosting the
Championships is returning back to Lahti. The International Ski Committee determined the place for the event by three rounds of voting and Lahti had outpaced Slovenian Planica with 12 votes in general results (Sports 2014). More than that, the World Championships are incorporated with Finland's centenary independence anniversary. The 100-year anniversary celebrations become the key feature of the event. In addition, FIS World Nordic Ski Championships will be the most important sport event of the centennial year. In order to meet the expectations, significant updates have been completed in technical and construction areas. (International Ski Federation 2014.) The exact location for the Championships is the same place as in previous years - the ski jumping hills at the Lahti Sport Center (The City of Lahti 2016b).

The event program includes competitions in cross-country skiing, ski jumping and Nordic combined competitions. About 700 sportspersons from 60 different countries have registered as participants for the FIS Nordic World Ski Championships. (Lahti2017 2016b.) The organizing committee of Lahti2017 Championships is working on the program in order to introduce a once-in-a-lifetime event, which will bring together and combine experience of world championships with entertainment for high quality leisure time (Lahti2017 2016a).

The fact that the organizing committee Lahti2017 welcomes an initiative for networking with potential markets has made this research possible. As a consequence, this study provides suggestions for establishing relationships with the neighboring area of Northwest Russia. The region of Northwest Russia was not chosen accidently. This region plays a key role for the tourism business sector in Finland (Utti 2007). Firstly, the significance of Northwest Russia is proved by its geographical location. Russia is one of the three countries (Sweden, Russia, Norway) that have land frontier with Finland. Well-developed infrastructure gives the second reason for the tourists to choose Finland as a travelling destination. A high-speed train connection, cross-border bus routes and availability of customs services make access to the country easy and time-friendly. (Utti 2007.) The given statement could be tested and proved by statistical research. Table 1 provides an overview of statistics on tourist arrivals to Päijät-Häme region from Russia in the
years 2013, 2014 and 2015 in comparison to visitor flow from other countries in the same period of time. (Statistics Finland 2016.)

TABLE 1. Visitor Arrivals in All Accommodation Establishments by Whole Year (2013 - 2015) to Päijät Hämä Region (Finland) from Foreign Countries and Russia (Statistics Finland 2016).

<table>
<thead>
<tr>
<th></th>
<th>Arrivals</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Päijät Hämä</td>
</tr>
<tr>
<td>Whole year</td>
<td>2013</td>
</tr>
<tr>
<td></td>
<td>2014</td>
</tr>
<tr>
<td></td>
<td>2015</td>
</tr>
</tbody>
</table>

In year 2013 the number of travelers from Russia, who stayed at least one night in any kind of accommodation establishments in Päijät-Hämä region, crossed the line of 44% (16,850 visitors against 37,549) from the total amount of other international visitors. It is important to notice a rapid decline in figures provided in year 2015, when the flow of Russian tourists decreased by 50% compared to year 2014 and earlier. This tendency is seen on the country-level as well. (Statistics Finland 2016.) Table 2 gives an overview of statistics where the research takes into account the entire country for the same three years.
TABLE 2. Visitor Arrivals in All Accommodation Establishments by Whole Year (2013 - 2015) to Whole Country (Finland) from Foreign Countries and Russia (Statistics Finland 2016).

<table>
<thead>
<tr>
<th>Whole year</th>
<th>Whole country</th>
<th>Foreign countries</th>
<th>Russia</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>2,796,839</td>
<td>778,574</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>2,731,200</td>
<td>615,116</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>2,389,786</td>
<td>324,336</td>
<td></td>
</tr>
</tbody>
</table>

According to Table 2, and at country-level, the leading positions were also taken by Russian tourists and in year 2013 the participation rate accounted for 27.8% (778,574 visitors against 2,796,839) from the total number of foreign arrivals. However, a decline in interest in Finland as a travelling destination is distinct when comparing rates of years 2014 and 2015. (Statistics Finland 2016.)

To summarize, these two tables give basic knowledge concerning the value of Russian travelers in comparison with travelers from other countries which arrived to Finland and to Päijät-Häme region in the years 2013, 2014 and 2015. Russia takes a considerable position in the international tourism sector of Finland. From the other point, the downward tendency is clearly seen comparing the arrival data from year 2013 and year 2015. (Statistics Finland 2016.)

The topic is considered important for the organizing committee due to the aim of attracting about 250,000 independent spectators to an event, not including sportspersons and media groups (Sales Committee 2016). Moreover, the championships can become an opportunity to stop the declining tourist flow and encourage interest in the country and the Lahti region. Furthermore, taking into account that the thesis was written in Finland and with a purpose of establishing
relationships with Northwest Russian area, the experience and key findings of the research can be further implemented to similar marketing campaigns.

### 1.2 Research Objectives, Research Questions and Limitations

The key objective of the study is to conduct a research on the topic of relationships with potential markets and to understand how many of the persons interested in Finland are intent on joining the World Ski Championships. In addition, the thesis is to determine the factors and issues affecting the strong establishment of such relationships. More than that, the thesis is to introduce the FIS Nordic World Ski Championships to the selected market area, share the concept and renewed vision of the sport event by using different communication channels. It is also important to collect and interpret feedback from the spectators and participants of the Pre-World Championships 2016 for generating correct solutions related to event marketing management. One of the most valuable objectives is to report and support Lahti2017 organizing committee with information about the findings and interview results and suggest solutions for the issues discovered with the research.

In order to make sure that the listed objectives match academic research requirements, it is recommended to examine them with the SMART criteria (Saunders, Lewis & Thornhill 2009, 35). Table 3 is provided for basic understanding of the SMART system.

TABLE 3. The SMART Test for Examination of Objectives (Saunders et al. 2009, 35).

<table>
<thead>
<tr>
<th>The SMART Test</th>
</tr>
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<tbody>
<tr>
<td>Specific</td>
</tr>
<tr>
<td>Precise result of the research to be reached</td>
</tr>
</tbody>
</table>
The test, shown in Table 3, suggests five basic points for building not only academically correct objectives, but for creating statements that will guide the research and lead to some successful conclusions. The first point of the SMART test is to specify the objectives and make them highly related to the chosen problem or issue. The statements of the thesis are specified in a way that the objectives represent an intention to introduce a precise event, the World Ski Championships, and to reach a market of Russia which is also narrowed to the Northwest region. The second point is to determine measurability of the project. The objectives of the study have a certain value and clear targets to achieve that can be easily imagined. The point is tightly connected to the third one from the SMART test. If there are measurable aims the set targets become achievable and the research will come to its conclusions. The objectives of the thesis suggest how the interesting market can be reached and how to collect opinions about the subject of the whole study. The fourth and fifth points are also connected to each other and are stating time frames for the research. The objectives provided before do not claim for very specific or innovative research methods. This means that they are realistic, as it is needed to pass the fourth stage of the test. Moreover, in accordance with the fifth point, the objectives match the overall schedule for this research project.

Perhaps the next most important and problematic task is to produce good research questions, which will guide the study strongly. For this purpose, statements of different classifications should be utilized. Concepts of issue questions, evaluative and topical information questions are applied in this research. (Stake 1995.) The following questions have been raised:

*How can the seventh Nordic World Ski Championships gain interest of spectators from Northwest Russia region and make them come to the sport event?*

In order to simplify the research process, the following additional questions are introduced:

1) What are the barriers for building long-lasting relationships with the selected market area?
2) How does the selected group of participants feel about the event organization and services provided for them during the Lahti Ski Games 2016 and what would they like to experience or improve?

3) What are the effective ways of establishing the relationships with the possible market area?

The research is completed with certain limitations. Firstly, the case study form gives poor possibilities for making generalizations (Stake 1995). The thesis concentrates on the selected market area and uses a case of a specific event, which makes the research results challenging to be applied straight to the other cases. However, some ideas can be implemented to similar occasions with resembling variables. What is more, one part of the study contains interviews with the spectators of the Pre-World Championships 2016. Due to different individual attitudes, some of the respondents may provide subjective opinions. On the other hand, interpretation is seemed as a major part for the research, which includes interviews and observations. There have been no adequate guidelines for accurate transformation of the respondents' ideas into clear assertions for the study yet. (Stake 1995.) This gives an opportunity to argue and dispute the conclusions of the research. Last but not least, availability of individual resources and time of one person should be considered as the reason for limited impact on the subject of the research. In addition, the thesis should be completed within tight time frames which do not allow the researcher to conduct interviews or apply other research methods during the year 2017, when the Championships take place.

1.3 Theoretical Framework

This part gives a quick overview of the thesis base and helps to systemize and control the study. The theoretical framework of the thesis is presented below in a graphical view.
Figure 1 represents the framework as a pyramid, where the foundation is given to festival and event management including theories of service management and marketing. This part of the theoretical framework covers the basic concepts of event management and service marketing. It introduces different views on definition of "time" whereby time becomes a commodity to be sold. The framework continues with basics of international marketing and the stages of segmentation, positioning and targeting. This part of the pyramid is closely related to studies of the target area in a context of international event marketing. The last part of the theoretical framework leads to the central issue of the thesis, marketing communications and networking with selected market. It introduces the ways of event marketing support and opportunities to effectively deliver the message to the target market area. Overall, the presented framework is to organize the study logically and to generate strong theoretical background.

1.4 Research Methodology and Data Collection Methods

Before continuing with the research methodology of the study, it is necessary to explain the Research Onion principle. The Research Onion was developed to guide a research of any type through the compulsory stages. (Saunders et al.
The research onion usually consists of five levels to be passed when striving to reach the sixth complete level (Saunders et al. 2009).

The thesis applies the principles of this Research Onion partly. What was left out are philosophical stances (positivism, realism, interpretivism, objectivism, constructivism and pragmatism) and frameworks (epistemology, ontology and axiology) (Saunders et al. 2009). The parts of the Research Onion, which is used in the research, are presented in Figure 2 below.

![Research Onion Diagram](image)

**FIGURE 2.** The Research Onion (Saunders et al. 2009).

The given figure consists of three layers and each of the layers are fulfilled with method options. Layer 1 is to present two research approaches: deductive and inductive. Deductive approach is to develop a theoretical framework, which subsequently is tested by using data. Inductive approach starts by collecting the necessary specific data and then turning it into larger ideas and theories. (Saunders et al 2009, 124.) Figure 3 represents both research approaches, deductive and inductive.
The study follows the deductive approach when building an empirical part of the thesis. However, the study of a concrete case of the Championships has become a point where the principles of deductive approach cannot be applied and the inductive approach is used for conducting the research. Layer 2 represents many strategies that are applied in the study. All of them are highly related to the nature of the research and should be chosen in accordance with work specifics (Stake 1995). Among the strategies there is the Case Study. This suits the study best when taking into account that the research is based on the precise case of the FIS Nordic World Championships 2017.

When the research approach and strategy are defined, Layer 3 of the Research Onion gives different choices of methods to achieve informative and suitable data. The thesis is based on primary and secondary data sources. In order to gather data from these sources three main collection methods were applied: desk research (literature review and databases), field research (surveys) and interview. (Saunders et al. 2009, 138.) Both principles of qualitative and quantitative research methods were followed in the thesis. The quantitative method aims to achieve knowledge using numerical data through the implementation of different
scientific procedures such as running a survey, questionnaires and analyzing data in order to receive more numerical data (Davies 2007, 53). And, the qualitative method is used to collect non-numerical data through interviews and including interpretive practices (Davies 2007, 151). In order to receive full knowledge related to the topic, both methods were utilized. During the research process a survey and interviews were conducted to serve the needs of the study. Finally, Table 4 summarizes the main aspects of research methodology used in the study.

TABLE 4. Research Methodology

<table>
<thead>
<tr>
<th>Research Approach</th>
<th>Research Strategy</th>
<th>Data Sources</th>
<th>Research Methods</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deductive &amp; Inductive</td>
<td>Case Study</td>
<td>Primary &amp; Secondary Data; Desk and Field Research, Interviews</td>
<td>Qualitative Quantitative</td>
</tr>
</tbody>
</table>

To make a conclusion, Table 4 gives a brief overview of the research methodology. The study applies both deductive and inductive approaches. The Case Study was selected as a suitable strategy to bring the research to its targets and conclusions. More than that, the thesis does not discard any data sources and it accesses secondary and primary data. The research applies both qualitative and quantitative methods and data collection was supported by an online survey and interviews.

1.5 Thesis Structure

This part is to introduce the structure of the thesis body. Figure 4 below visualizes the thesis structure and explains the main stages of the study.

In a purpose of making the structure reader-friendly, the study is organized in three main parts. They are theoretical basis, empirical part and conclusions. From Figure 4 it can be seen that the first chapter of the thesis gives an introduction to the main topic of the study by stating the background information as well as the research framework. The second and third chapters cover all the theories that were applied to the thesis. It includes information about event management and marketing of services. What is more, it introduces the topics of international marketing and communication practices. Chapter 4 presents the study of the World Ski Championships hosted by the City of Lahti and explains the meaning of the event to the hosting community. The fifth and sixth chapters explain the process of conducting the survey and interviews that took place during the Pre-Championships and delivers important data. The last three chapters, seventh, eighth and ninth, bring the thesis to the discussion and decision making process in order to build up useful recommendations as well as summarizing the whole project.
2. EVENTS IN A WORLD OF MARKETING

This chapter provides the theoretical framework carried out in order to discover marketing concepts and theories in a sphere of festival and event management. Firstly, the chapter represents key definitions, idea of selling time as a commodity and how the idea is developed in marketing of services. It accumulates basic knowledge of event marketing and important issues when dealing with specific business area. Secondly, as it was mentioned before, the study focuses on a precise market sector. It also finds its reflection in the theoretical part. The chapter covers marketing concepts of the STDP process which relates to segmentation, targeting and positioning. The last part provides theory of marketing communications and achieving target consumer area.

2.1 Concept of Time and Experience

Time, as an intangible piece of existence to be measured in minutes, hours or years and/or considered as an entire process, becomes a difficult concept to explain (Cambridge Dictionary 2016). Difficulties appear because of its nature. Different people have uncommon experience of time. Usually time is a point of high value and is treated as an irretrievable resource. In some cases, time is interpreted as a cycle or number of changes. It highly affects peoples’ habits and the way they organize their being. This interpretation is marked by annual celebrations, changes of climate or by differences in the rhythms of social life. (Getz 2007, 179)

This is not only one way of understanding time. It is essential to consider time as a certain amount, mechanically counted in hours and minutes. People usually feel the pressure of time because the resource is limited due to different circumstances. Such irretrievability makes a society be selective on how to spend "amounts" of this resource and what deserves to be spent on. That is why time can be easily wasted because people do not exchange it for some activity. In this way, the premium value is given to the quality of spent time. These conclusions go deeply into the area of psychological and behavioral studies of our society. The professor of tourism and hospitality, Don Getz, names this as the commodity concept. The
given concept can be used as an explanation for the boom of service and entertainment industries, in other words the 'experience economy', which serves human needs of exchanging time on valuable experience. (Getz 2007, 172.)

There are many goods or commodities circling in a world of trade. By definition, as suggested by Cambridge Dictionary (2016), commodity is traded, sold or purchased substances or products. The given concept identifies that a usual understanding of commodity cannot be accepted in terms of "time". The statement above shows the main qualities of the "commodity". It refers to a tangible thing or liquid to be exchanged. In contrast, the commodity concept introduces time as an intangible value which could be traded and exchanged or wasted, but cannot be bought or returned back to the owner. The importance and usefulness of the idea is shown in matching the understanding of time with the definition of a commodity of full value on the market. This view is widely developed in event studies and service marketing principles which makes this concept a key issue when studying event management. (Getz 2007, 19.) Table 5 clarifies and summarizes the concept of time as a commodity.

TABLE 5. Time as a Commodity (Getz 2007).

<table>
<thead>
<tr>
<th>Time</th>
<th>Commodity</th>
<th>Time as Commodity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intangible, measured in hours/minutes and etc. peace of existence</td>
<td>Physical, with established market value</td>
<td>Intangible but with value on market</td>
</tr>
<tr>
<td>No trade activities with time</td>
<td>Can be sold, purchased or resold and returned</td>
<td>Can be exchanged on service or experience but no returning and re-selling of time</td>
</tr>
</tbody>
</table>
Table 5 makes visible the achievement of understanding the "exchanging time on service or experience" concept. Festival and event studies mostly focus and emphasize on the experience the participants of the occurrence receive for the time they exchanged. To be more precise, event management gives answers to the question of how to build and manage such experiences effectively with high level of consumer reaction. (Getz 2007.)

### 2.2 Essentials of Service Marketing

An event requires an application of management program where one of the most important components is service marketing (Desbordes & Richelieu 2012). Basic marketing can be defined as a set of activities and strategies in order to create the value and reach the target consumers, establish long-term relationships and to capture own value in return (Armstrong & Kotler 2015, 33). The traditional definition presented above implies the principles of product marketing, whereby physical goods are the key object of all activities. However, if the actual tangible good is excluded from the problem, marketing activities should be changed as well (Grönroos 2007, 71).

When developing the idea of service marketing it is highly important to understand the characteristics and specialties of services. To begin with, there are many definitions given for one term which significantly adds more complexity in discovering the right idea. The solution of this problem is seen in applying a very traditional definition that was formulated in the 1960's. Marketed services are defined as a transaction of a firm or individual entrepreneur but where the transaction totally differs from the case of the tangible commodity. There are several important positions to be mentioned concerning the marketed services. (Grönroos 2007, 27.) Figure 5 summarizes these characteristics and gives an overview of each of them.
FIGURE 5. Essential Characteristics of Services (Grönroos 2007, 27).

Figure 5 effectively illustrates the three main features of services. The first and dominant characteristic is the intangibility and lack of trial experience before the conclusion of purchase (Grönroos 2007, 27). It is impossible to try an event before a consumer pays for the tickets and agrees to participate. On the other hand, producers actively fight this issue by implementing marketing campaigns intend to make consumers familiar with the service and ensure them high quality. (Allen, O’toole, Harris & McDonnell 2011, 259.) It can be often noticed with how the services are advertised and what is included into the advertisement. Consumers, also from their side, learn to evaluate the service providers with their own criteria. (Getz 2007, 33.) For example, choosing an entertainment park because of popularity or positive feedback.

The second essential feature describes inability to separate service from its original producer. Service is always unique. What is especially related to the entertainment industry is that a producer or a group of producers sell their own creativity or talent to the audience. Both sides are inseparable from each other. It means that an event cannot be performed and loses its meaning if the original producer leaves. In this case, event service becomes a perishable commodity in a
way that, for example, empty seats for an afternoon concert cannot be resold in tomorrow's evening concert. (Allen et al. 2012, 261.) However, some business areas require customer interaction to perform a service. Delivery service is a simple example. A business that offers transportation of goods or liquids can work well if there is only something tangible to be carried from a producer (or a warehouse) to a customer. (Grönroos 2007, 27.)

Finally, the last characteristics returns the study to the main definition of service. It states the lack of ownership transference whereby the buyer does not own any tangible product as is the usual case (Grönroos 2007, 28). By applying the statement to the previous examples it could be easily seen that there is nothing "to own" after experiencing a service. When paying for a ticket to go to a theater or cinema a consumer understands that the time of attending the show is the only exchange. (Allen et al. 2011, 258.)

Unique nature of services shows the importance of managing demand and supply as well as considering marketing specifics. However, service marketing does not discard any analysis tools that are commonly used by a marketer to lead the decision-making process. All tools that can be implemented require thinking in terms of services and having the ability to change the established formula for some new criteria. (Allen at al. 2011, 259.)

2.3 Discovering and Analyzing Event Environment

In order to proceed to the empirical part of the study it was necessary to select suitable marketing tools and adapt them to the needs of service marketing. Among the common tools that are applied in marketing the SWOT and PESTel analyses can be highlighted.
These tools were chosen because of their understandable structures which allow to focus on finding suitable content for fulfilling the matrices. Both SWOT and PESTel analyses are hiding the key components of the tool in their name. Firstly, SWOT analysis refers to discovering the Strengths, Weaknesses, Opportunities and Threats of a business or for an entire company. The tool was introduced by Albert Humphrey in 1960 after his study of the top American companies and after collecting data about their strategic planning methods. (Tuckwell 2007, 47.) Figure 6 represents the SWOT analysis and briefly introduces the main components of the tool.

![Figure 6. Structure of SWOT Analysis (Tuckwell 2007, 47).](image)

As Figure 6 shows, the SWOT analysis considers internal and external environments whereby the strengths and weaknesses are related to inside management but the opportunities as well as threats concern outward environment. The capabilities, positively influencing factors and resources are taken into account as business strengths and as issues that help to achieve the marketing targets. On the other hand, the weaknesses present negative factors which limit ability of a business to effectively perform on the market. An analysis of the opportunities helps to define the trends or influencing factors that may positively affect business development. In contrast, defining the threats is to
consider negative and harmful environments in order to be protected from unexpected challenges. Overall, the major goal of the SWOT analysis is to balance these four components by considering an attractiveness of the opportunities with the threats to be minimal and understanding a business’s strong and weak aspects. (Armstrong & Kotler 2015, 83.)

The second analysis, the tool PESTel relates to discovering the environment where a business or service is organized. The tool consequently assesses the opportunities and challenges in from the points of politics, economics, social nature as well as technological environment. In order to apply this analysis, it is necessary to add more components which will help to discover the sphere of event management. It is suggested to study an entertainment aspect. The entertainment characteristic covers the balance of old and new, unfamiliar experience, which consumers receive during the event, or the innovative attitude to the selection of an event place, time or marketing strategies. (Allen et al. 2011, 271.) Moreover, looking ahead the legal environment is also considered as influential on international marketing which is why it is important to add the legal aspect to the original structure of the analysis (Business Environmental Analysis 2012). Table 6 presents the final structure of the PESTel analysis which will be applied in the research project.

TABLE 6. PESTel Analysis (Allen et al. 2011, 271).

<table>
<thead>
<tr>
<th>Letter</th>
<th>Meaning</th>
<th>Relates to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>P</td>
<td>Political</td>
<td>role of politics in event management</td>
</tr>
<tr>
<td>E</td>
<td>Economic</td>
<td>economy strength, exchange rates, average household income</td>
</tr>
<tr>
<td>S</td>
<td>Social</td>
<td>cultural variety, demography, demand preferences</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>T</th>
<th>Technological</th>
<th>technology development, e-marketing, information availability</th>
</tr>
</thead>
<tbody>
<tr>
<td>e</td>
<td>entertainment</td>
<td>experience, innovation, current trends</td>
</tr>
<tr>
<td>l</td>
<td>legal</td>
<td>documentation, international policies, travelling permits</td>
</tr>
</tbody>
</table>

As it can be seen from Table 6, the PESTel analysis discovers the role of politics and its influence on event management. Economic aspects that can be studied in terms of this tool are the strength of a country's economy, current exchange rates and the ability of consumers to spend money on entertainment needs. Social environment covers a variety of cultures and behavior habits as well as democracy and consumers' preferences. The PESTel analysis continues with the study of technological aspects, role of IT development and opportunities brought by the technology rise. Entertainment environment, as mentioned earlier, is added because of the research specifics similar to legal issues which also affect event management and customer interest. (Allen et al. 2011, 271.)

To summarize, the sub-chapter introduced the main analysis tools for the thesis. Among them are the SWOT and PESTel analyses. It is important to notice that the PESTel analysis was adapted to the needs of event marketing. An opportunity to use these tools makes a research structured and well-organized in the most important aspects.

2.4 General Marketing Framework & Principles of Customer-Driven Marketing

To begin with, the marketing process has an established model to follow. It starts with understanding a market and the customer, considering the needs,
opportunities and influencing environments. The chapter above introduced the main tools to discover the market and consumer. Continuing with the marketing process, the next essential step is to build a strategy and relationship program in a way that both of them will result in unique superior value. The satisfaction of a customer from the value s/he receives creates long-lasting relationships and experience to be shared with others. (Armstrong & Kotler 2015, 21.) Figure 7 visualizes the key idea of basic marketing thinking.


The basic marketing concept defines the essential parts of the marketing model. It consists of a business that produces a product or service, market environment where a firm performs and also where customers stay and, finally, a customer who is in search of needs satisfaction. The principles of Customer-Driven Marketing which are applied in the project are not separated from the basic idea. Overall, the orientation on a customer transfers the stress from the value to careful market selection, delivering the value to the target consumers and receiving the benefits. (Armstrong & Kotler 2015, 192.)

Figure 8 introduces the Customer-Driven Marketing process and identifies the need in each step.

Taking into account the importance of the entire process of defining the target group it is necessary to give reasonable arguments in support of every segment option as well as to reach, analyze and organize efficiently the market knowledge. The segmentation, targeting, differentiation and positioning steps are to manage the thinking process in order to achieve the objectives of Customer-driven Marketing. (Armstrong & Kotler 2015, 192.)

The four-step approach is highly valuable for event management. Considering different marketing strategies, for example, for the entertainment services, the producer should understand the audience which can be attracted and the requirements it propounds. The uniqueness of the event and entertainment industry can be seen in the dependence on individual experience and satisfaction from a service. In many cases, not every spectator can be satisfied. The deep consideration of the visitor groups and differentiation in accordance with the audience's major needs is a good start for a creation of a marketing strategy that can lead to success. (Allen et al. 2011, 276 -278.)
2.4.1 Segmentation & Targeting

The following chapters review the parts of the process by giving the definitions and examples as well as theories of the target marketing strategy.

Segmentation is the first step in achieving a clear vision of the target market. By dividing the whole possible trade area into smaller units, a producer of goods or services can manage supply, pricing and other marketing strategies more effectively. Not only a profit growth is promised by the smart division. (Almgren 2014.) On the other hand, consumers are expected to appreciate the targeting approach. Targeting allows them to choose a more suitable option or package. Leaving a mass market and turning it into smart filtering represents an effective business management tactic. (Armstrong & Kotler 2015, 193.)

An identification of smaller market units is a key problem of segmentation. It is always considered better to be a big fish swimming in a small pond rather than a small fish in a huge pond. To suit the concept, the following important criteria should be met: a segment is measurable and size-wise, accessible and actionable. Firstly, the measurability of a unit refers to the measurement of the segment. For example, the group can be easily identified by age range, gender or social status. Secondly, the unit should meet the size standards. The segmentation makes sense when groups are big enough to build a separate product or service and should be worth spending business resources on development activities. On the other hand, size of a unit should not exceed frames considering an importance of rational thinking. Thirdly, accessibility defines a success of marketing campaign. In case of inability to perform communication with the target segment, an entire process becomes irrational. The last characteristic, being an actionable segment, refers to the capability of managing a marketing budget and directing other resources to build different value to the selected group. (McMillan 2013, 3.)

Actual segmentation is based on geographic, demographic, psychographic or behavioral differences and combining them when defining a preferable unit. Even if the process of dividing the market seems simple on first sight, mistakes in the beginning can ruin the overall strategy. Product information which is delivered to
the wrong group of customers causes failures in marketing performance. (Almgren 2014, 72.)

The Geographic segmentation is based on a customers or business partners’ place of origin. For example, some events and festivals attract mostly local residents of the host community. As a result, locals become a target segment to receive marketing messages. Rarely the events on a big scale can succeed in attracting visitors from all over the world. It can be seen on the examples of the Olympic Games, World Championships and World Cups. (Allen et al. 2011, 278.)

The demographic segmentation focuses on individuals and their age, occupation, social status or stage of lifecycle as well as income or education level. It is crucial to realize the demographic differences in order to learn needs of the target segment. (Armstrong & Kotler 2015, 194.) As an example, VIP services are delivered to the consumer group with a certain level of individual income. The market offer is usually considered to be of premium quality and flexibility. (Sorensen & Lucas 2014.)

Psychographic and behavioral variables refer to lifestyle and habits of individuals (Chadee 2011). It can be clearly seen with the following cases. In the first case, Nike sportswear company sends its target marketing messages to the customers of an active lifestyle. It helps the company to share the philosophy and create long-term relationships. (Nike 2016.) On the other hand, a customer may have own preferences or certain occasions that happen annually. For example, M&M's changes the package color and design in accordance with the holidays such as New Year or Easter. The company also introduces different advertisements with the particular event themes. (Armstrong & Kotler 2015, 198.) Clearly, the psychographic aspect plays more important role in terms of event management. Lifestyle and interest force people to participate in an event and to bring their family, friends and followers. (Getz 2007, 281.)

Market segmentation discovers obvious and hidden opportunities. No matter which segment to choose the decision should be argument-based. In order to select the correct option, the targeting step intends to assist a business in decision making. If the market segment seems to be attractive for the business activities, a
company should consider and examine all related factors before spending its resources on segment development. More than that, consideration of possible difficulties of differentiated marketing strategy is an essential part. Differentiated marketing refers to a decision of serving several segments and designing offers to satisfy needs of every unit. Creating marketing solutions for the different customer groups is an intensive activity in terms of spending money, time and other values. Business strategic planning is required which means doing environment research, analysis of sales and forecast. (Armstrong & Kotler 2015, 203; 308.)

For this simple reason some companies decide to concentrate on the very customized offerings within a specific market. The practice of concentration on individual customer needs refers to micromarketing. As a strategy, micromarketing can be separated into two branches - localizing and individualizing, where the last sub-strategy deals with the most unique cases of customer preferences. In contrast to individual marketing, localizing promises wider demand because of a more extended customer range. Implementation of these strategies builds better environments for effective service or product positioning because of the high ability to satisfy a customer unit. (Armstrong & Kotler 2015, 204-206.)

2.4.2 Differentiation & Positioning

When the decision to serve one market differently is made, the producer of a good or service should strongly clarify competitive advantages of the offer (Armstrong & Kotler 2015, 210). Nowadays, consumers are more than ever concerned about business value system. Sometimes it causes a lack of trust in relationships between them and creates a conflict of interest of two parties of the deal. It is important to inform the potential market about the reasons why the exchange leads to the common benefits. (Alessandri & Aleo 2015, 19.) To avoid an interest in conflict, the differentiation and positioning can be presented as the strategies to truly satisfy the target group and start a profitable marketing campaign (Armstrong & Kotler 2015, 210).
The competitive advantage is seen as a synonym to the "valuable difference". When building a marketing strategy there are questions to be answered concerning the competitive advantage. Essentially, what range or amount of differences should be introduced and then sold is the first problem. Even if only some of the real advantages are selected out of possible others, it is still a question which of the ones left should be promoted to the target market segment. (Armstrong & Kotler 2015, 214.) To find solutions to these problems the following criteria are presented. Table 7 describes the ideal marketing offer.

**TABLE 7. Criteria for Selection of Differences to Introduce (Armstrong & Kotler 2015, 214).**

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Important</strong></td>
<td>Delivers real value to the segment</td>
</tr>
<tr>
<td><strong>Distinctive</strong></td>
<td>Has no substitute, unique</td>
</tr>
<tr>
<td><strong>Superior</strong></td>
<td>Is worth for customer to make exchange</td>
</tr>
<tr>
<td><strong>Communicable</strong></td>
<td>Can be explain and understood</td>
</tr>
<tr>
<td><strong>Preemptive</strong></td>
<td>Stays unique offer for long</td>
</tr>
<tr>
<td><strong>Affordable</strong></td>
<td>Can be bought by an average target consumer</td>
</tr>
<tr>
<td><strong>Profitable</strong></td>
<td>Increases profit margins or/and cover all costs</td>
</tr>
</tbody>
</table>

The Table 7 is presented to describe the main qualities of the competitive advantage. The differentiation strategy demands uniqueness of an offer. For this reason, an offer should be important and distinctive to the customer group. The value of the offer should be equal to the value collected from the consumers. The consumers are not expected to find a substitute. The offer should be worth spending customers’ resources on it. In case of the competitive advantage, communication plays an important role, as well. If the advantages are not clearly stated a customer will not appreciate the offer. The competitiveness may be also
lost in case of copying the ideas and that is why it is necessary to stand out in a line of similar producers and keep the knowledge away from the industry competitors. Affordability is related to the price and ability to spend money of an average participant of the target group. On the other hand, a producer should also receive its business benefits from the deal. (Armstrong & Kotler 2015, 216.)

Overall, the result of the STDP (segmentation, targeting, differentiating and positioning) process is a positioning statement. The formula of the statements represents the marketing message. The parts of the message are the target segment who is the recipient of the message, the business and brand who produce an offer and, finally, the differences and superior value that a customer will receive in the end. Generally, it can be presented in the following way: To (stating the target segment & need), our (getting familiar with brand) is (explaining the concepts), that (expressing competitive advantage, differences). (Armstrong & Kotler 2015, 214.)

This statement finalizes the STDP process from the beginning until the end.
Firstly, it names the target recipient and purpose of the message to make sure that the statement will be received by the right group. Secondly, the formula continues with presenting a producer to a narrow group of the customers. Thirdly, the component of the statement explains the overall benefit concept by answering how a new offer can satisfy the needs of consumers. And finally, the last part of the formula is to state the differences that create uniqueness of the offer for the target segment in a way that customers will consider it as the best option. If the positioning statement is based on the clear value, the message reaches the target customers with success and forces to build business relationships. It can be said that each step of the STDP approach was made in correspondence to market environment and needs of the target segment. (Armstrong & Kotler 2015, 216.)

2.5 Basics of Integrated Communication

Benefits of strong communication can be clearly seen from the daily business practice. However, an effective interaction with the customers is still a very difficult technique to use. Many of the hidden but important sides of
communication are not considered by marketers. For example, there are the unplanned messages delivered by a company to the target market. (Grönroos 2007, 304.) In a purpose of clarifying this position in marketing, systemizing the theory and understanding the power of integrated communication the following chapters are introduced.

Delivering a right message is considered as the crucial part for marketing of services and especially of the events. As it was discussed before, intangibility relies the stress on the ability to explain what the service is. In order to use all messaging channels efficiently, it is necessary to understand the sources, needs and key elements of integrated communication. (Allen et al. 2011, 313.)

2.5.1 An Offer System

There is a significant point in communication management discovered by two sales ethics experts A. Alessandri and A.Aleo in year 2015. The researchers raised a problem of selling an offer where a salesperson presents it as the material or tangible item rather than a value package. A solution was found by answering the questions how and why producers sell their offers. It resulted in the Offer System Diagram. (Alessandri & Aleo 2015, 23.) Figure 9 represents this approach.

![Offer System Diagram](image_url)
The presented above Figure 9 consists of the five layers. The layers represent the structure of an integrated business offer. The central part is given to the product. Product is a term given to introduce as good as service to be sold to the customer. The second layer is intent to show importance of sales and additional services. The position of communication is on the third circle. After the interaction with the firm's sales representatives the consumers are likely to start looking for truth what makes them check additional information sources. The layer four shares the company's values and represents the brand. This element is based on information from the trust-worthy sources. Layer five cannot be achieved if a company fails to manage some step of the system. (Alessandri & Aleo 2015, 24-25.)

The Offer System visualizes the importance of communication. The process of giving a right message becomes the central part of the diagram and Product - Service approach. More than that, the system is seen as a marketing growth from a single good to the real offer which will be the customer's choice. (Alessandri & Aleo 2015, 25.)

2.5.2 ICM or Integrated Communication Messages

In order to run communication management with success, it is crucial to focus on the strong integration of all activities. For this reason, companies consider the system of Integrated Communication Messages (ICM) as a key to manage information flows. The idea of ICM is in arrangement of communication activities in a way that all sources of the messages are considered. (Grönroos 2007, 304-305.)

The statements which give evaluation to a product or service can originate from four main sources. By the source of origin, the communication messages are divided into the categories. (Grönroos 2007, 305.) To begin with, the first source of planned messages is media and its forms such as television, printed material, Internet network and others. The problem of planned messages relates to consumer stereotype that with these channels producers only persuade the potential customer but not provide objective information about the offer. (Grönroos 2007, 305.) Although a marketing campaign usually results in return
value (Armstrong & Kotler 2015, 33). It is not the only source that should be treated with attention. The product itself and related services as well as technologies also produce the messages. Finally, the most trust-worthy are the unplanned messages. The source is considered independent from a producer. Messages of an unplanned type are sent by satisfied or unsatisfied consumers who already have purchased the product. On the other hand, traditional media can serve as a source of unplanned messages. For example, nowadays, people use magazines or TV shows to share an experience or to read the arguments not to accept an offer. (Grönroos 2007, 305.)

To visualize the classification stated above the following Figure 10 is presented.

FIGURE 10. Trust-Worthiness of Sources of Communication Messages (Grönroos 2007, 305).

As Figure 10 shows, communication messages have different power. It depends on the source of origin of the messages. The upward arrow introduces a rise of customer trust from low to high. The unplanned messages are considered as high power and the planned messages as low power. Statements from a product and service are in the middle of the figure because of the central position in the Offer System Diagram. Absence of communication expresses the situation when there is no information available. In case of a lack of information, the customers also show low trust to the producer. (Grönroos 2007, 306.)

The dominant reason to organize message flows of different sources is the feelings of a confused customer who is bombarded by conflicting information.
The integrated marketing communications is a strategy to predict the touch points of interaction with the customers. The integrated approach is intent to clarify the messages in a way that all communication channels spread similar ideas. (Armstrong & Kotler 2015, 387 – 389.) Returning to the uniqueness of service marketing, IMC is an important component in customer relationships as well (Grönroos 2007, 151-153). To summarize the presented theories of integrated communication, Figure 11 visualizes the main elements of the integrated approach.

![Integrated Communication Triangle](image)


Finally, integrated marketing communications refer to management of the touch points with the customers. The nature and source of the messages are the important factors. (Armstrong & Kotler 2015, 387 – 389.) The integrated communication triangle introduces the linkages between the information sources. The strategy is universal to be applied to service and product marketing. In addition, it is considered as an essential part of a marketing campaign. (Grönroos 2007, 303.)

### 2.5.3 Key Elements of IMC and Event Communication

Importantly, the IMC mix teaches to apply different marketing tools to reach customers. To achieve the objectives of integrated communication it is necessary
to ensure that every source delivers communication messages equally to the original producer’s idea. (Allen et al. 2011, 313.)

To begin with, advertising is considered as the non-personal promotion through television, Internet, newspapers and other. In case of event management, cooperation with media channels is important. Advertising has own specialties when applying it into practice. With the example of event marketing, the potential issues of service advertising can be quickly discovered. Firstly, it necessary to fight the intangible nature of a service by advertising the real values. Usually the marketers use famous people in action or logos to introduce the subject of an advertisement. Secondly, it is advised to create the recognizable signs or symbols that potential customers may notice. An effective advertisement should lead to realistic expectations among the spectators. Otherwise high expectations will cause disappointment. Last but not least, a feeling of belonging to the target group of spectators can improve advertising of services. For example, it can be the target representatives enjoying the football game or music concert. (Allen et al. 2011, 316.)

The next technique refers to public relationships with investors and famous consumers. Events demonstrate an advantage in use of the tool because the event portfolio can increase interest of public people and media. While other marketing activities require money spending and budgeting, public relations can provide many benefits such as free space for the concert, gifts for game winners and additional entertainments. (Allen et al. 2011, 317.)

The third element of the integrated strategy is based on changing the offers in a way that they become more valuable to the potential buyers. Sales promotion includes the discounts, offering family or similar ticket packages or giving additional value for the same price, for example, a meal voucher or gift. Information about these offers can be delivered through direct marketing that involves the channels such as mail, email and phone. Modern technologies allow to accumulate information about the users by analyzing their Internet searches, club memberships and newspaper subscriptions. Generally, the rise of information services made possible to lead direct marketing which is also applicable in the integrated approach. Continuing with a technological boom, Internet development
opens the huge opportunities for communication and marketing. Nowadays, being present online gives a possibility to lower promotion costs and effectively interact with the target audience. (Allen et al. 2011, 318.)

These chapters introduced the important concepts that increase interest in events and reduce the amount of inefficient activities. Earlier, the essential tools were presented to recognize and analyze the service environment. Marketing of services has differences in comparison to the products. Through these chapters the specialties of services and related marketing activities were discovered.
3. CASE STUDY: FIS NORDIC WORLD SKI CHAMPIONSHIPS 2017

The event that was chosen for observations has an outstanding meaning for the hosting community. As was mentioned in the introduction, FIS Nordic World Ski Championships 2017 become an international celebration, not just a sport event. With the case study the basic information concerning the championships organization is discovered. More than that, the analysis of the strengths and weaknesses as well as the opportunities and threats (SWOT) is presented to create a full overview of the event. A case study strategy makes possible to apply target marketing concepts in a real situation. Based on the marketing analyses (SWOT & PESTel) important conclusions are also provided in the chapter.

3.1 Event Background

FIS Nordic World Ski Championships are related to the type of planned sport event with an emphasis on celebrations and entertainment (Lahti2017 2016). For this reason, the championships may also be considered as a sport festival (Getz 2007, 43). The size and meaning of the world competition causes international attention to the event organization (International Ski Federation 2014). Intensive preparations for the championships have already started and the City of Lahti, the host community, is expecting about 700 sportspersons from 60 different countries to come for the World Ski Championships and more than 500 million people as TV audience. (Sales Committee 2016.)

The City of Lahti is hosting the championships for the seventh time. The organization committee applies the best traditions and experience but still relies on modern demand. The vision statement that was built for the event is "Something for Everyone". The sport festival intends to satisfy the visitors of different ages, social status, preferences and to let them find something that they would like to enjoy. The event program consists of twelve days. Each day differs by the competitions and activities at the venue. Some days are partly reserved for other activities, for example, the ceremonies. The competition types presented in
the program are cross-country, ski jumping from normal and large hills and Nordic combined competitions. (Organization Committee 2016.)

The official ticket sale has started on February, 2016. In the beginning of February only group purchases and bookings were available. (Sales Committee 2016.) Now Lahti2017 presents eleven different ticket packages. The offers differ by the total amount of days and what dates are included in the package. The price range is between EUR 66.50 for the smallest, two-day package and EUR 882.50 for the whole period of the event. Discounts and special prices are also provided to children, pensioners and unemployed people. The tickets can be purchased on the online system Ticketmaster, by phone or in person from the Tourist Information point in Lahti. In addition to the mentioned packages, visitors can order a Souvenir ticket made from plastic for a long memory about the "once in a lifetime event". (Lahti2017 2016c.)

During the event VIP services are also provided to those spectators who are willing to enjoy the games with premium conditions. The VIP tickets vary from EUR 125 to EUR 285 without value added tax. More than that, there are offers such as Salppuri's Salon and Salppuri Cottage. The customers who chose these packages can watch the games in a special atmosphere. The VIP tickets are available by an individual or group inquiry to the sales team of Lahti2017. (Sales Committee 2016.)

Returning to the figures, the stands are expected to be filled with about 250,000 international spectators (Sales Committee 2016). This target gives broad opportunities for marketing activities.

3.2 Analyzing Internal and External Environment

The analysis of the Strengths, Weaknesses, Opportunities and Threats (SWOT) is seen as a helpful marketing tool in discovering internal and external environments. The structure of the SWOT analysis was presented earlier in the chapter that describes all tools applied in this work. The result of the analysis should be a matrix filled with the relevant information about the event position.
To begin with the strengths of the event, a status of the world championships and world-known name can advertise itself and bring fans of sports regardless of the boundaries. Famous sportspersons who are coming to participate and the impressive content of the event give additional marketing value to the championships. (Communication Committee 2016.) Then, the host city has a comfortable environment for the spectators, participants and media groups because of easy transportation inside Lahti, strong bus and train connections with the capital city and the airport. The facilities of the Lahti Sport Center are located close to each other and to the city center. For example, the distance between the Sport Center and railway station does not exceed two kilometers. (Lahti2017 2016 d.) Importantly, the Sport Center - the place of the competitions including jumping hills, ski trails and stands are developed in accordance with the requirements of the International Ski Federation (International Ski Federation 2014). The event is supported by the local and international sponsors such as the presenting sponsor Storaenso, Viessmann, OneWay, the international sponsor Intersport and timing sponsor Polar (Communication Committee 2016).

Despite the strengths, there are a few weak points of the event. An event of every type and scale may have their own weaknesses (Allen et al. 2011, 544). Firstly, even if the event organization is supported by the FIS committee and international sponsors (Communication Committee 2016) the major costs should be covered by the host organization and community (Allen et al. 2011, 192). In addition, the host community has limited accommodation possibilities. The fact that some of the facilities are already fully booked for the competition participants and media (Lahti2017 2016 e) creates problems for the rest of the spectators and forces them to look for different accommodation options that may not satisfy them in accommodation similar to those in Lahti.

The strengths and weaknesses of the FIS Nordic World Ski Championships open many opportunities and also issues to work on. The target of attracting 250,000 independent spectators is the first great opportunity. The host community has built strong experience throughout organizing six World Ski Championships before the year 2017 (Sales Committee 2016). The celebrations create a general interest to the country of the championships and additional investment and tourist flow on a
local and worldwide level. Studying major events has indicated the higher rates of export and overall trade before, during and after the sport event. (Rose & Shpiegel 2011, 4.) Moreover, positive effect on the local community is estimated to be long-term (Solberg & Preuss 2007). For these reasons, the success of the championships can influence popularity of the country as a travelling destination.

On the opposite side there are the threats that should be considered before the event begins. There are only some reasons why the spectators may not attend. Firstly, the spectators will prefer to watch the games on TV or online thanks to technologies and media services. As it was mentioned, 500 million people are expected to watch the World Championships on television and to not experience the event in real life (Sales Committee 2016). Secondly, the accommodation problem can cause a decrease in visitor flow. To live far means additional transport expenses and makes the spectators be transport dependent. All issues that appear during the trip planning should lead to the opportunity to ask for help or additional information. For this reason, the last possible threat is a lack of communication with the possible markets (Sales Committee 2016).

Figure 12 presented below summarizes the SWOT analysis conclusions in a matrix.
FIGURE 12. SWOT Analysis of FIS Nordic World Ski Championships 2017

Figure 12 represents the main conclusions of the SWOT analysis. As it can be seen on the matrix, the championships have dominant strong points as well as opportunities. It highlights reasons why the event will be introduced with success. On the other hand, the weak points and threats may stop the organization committee from achieving their goals. Importantly, the analysis has not identified any weakness that can ruin overall performance but, in contrast, the weak points are seen as manageable.

3.3 Applying Principles of Target Marketing

Northwest Russia was chosen as the case target market. The reasons were partly introduced in the research background. Overall, the participation statistics showed the value of Russia in the Finnish tourism sector. However, it is not enough for a strong argument to apply differentiated marketing to the area. In order to present the attractiveness of the segment and analyze the region the PESTel analysis will be conducted.
3.3.1 Northwest Russia

Northwest is the only part of Russia that borders with the European Union countries. The neighboring position increases the rates of foreign trade organized through the region. So, Northwest Russia has a role of an import-export "gateway" thanks to its location. (Dudarev, Boltramovich, Filippov & Hernesniemi 2004, 8.) More than that, Northwest represents a market of 13.8 million people (2015) and 11 republics of Russia with the regional center in Saint Petersburg (Federal Service of Government Statistics Rosstat 2015, 57). The region map is introduced in Figure 13 to create geographical understanding about the target region.

![FIGURE 13. Position of Northwest Russia Region (Geography of Russia. 2016).](image)

For the study the target geographical segment was limited to the closest neighboring territories only. As it can be seen from the map above, the Leningradskaya oblast', Republic of Karelia and Murmanskaya oblast' border with Finland. (Geography of Russia. 2016.) These areas are considered to be the case target market. The regional capital cities are Saint Petersburg, Petrozavodsk and Murmansk (Geography of Russia. 2016). The cities are seen as key locations for introducing the championships. Even if the target market was narrowed so that the three cities represent Northwest Russia, the segment is considered to be sizable and actionable. For example, population of Saint Petersburg is counted for 5.2 million people (Federal Service of Government Statistics Rosstat 2015, 5). The amount suits the segmentation criteria perfectly.
3.3.2 Factors Affecting Relationships Between Finland and Russian Northwest

The influencing factors will be discovered with the help of the PESTel analysis tool. Firstly, the political issues have an impact. Nowadays, Russia is in tough relationships with some European Union countries because of Russian external politics and targets (Kuchins 2011). Despite the dissention between the leaders of Russia and EU people may continue travel and participate in the events of their interest. In addition, the celebration of the Finland's 100th anniversary may cause a reaction in the Russian society. The fact of a common history between two neighboring countries has always been a connecting factor with Russia and Finland (Utti 2007).

In contrast, the economic factors do not affect the relationship positively at the moment. The high exchange rates of Euro and Ruble currencies as well as the instability of the internal economy in Russia and dependence on oil prices create barriers for business (Scotiabank 2016). For this reason, the flow of tourists traveling to Finland is declining (Statistics Finland 2016) and the most rapid decrease is seen in year 2015 when the exchange rates reached its peak points (Forex Bank 2016).

A study of the social factors showed that the typical Russian tourist group is a middle class family with an average monthly income about of 2,000 EUR (Helsingin Sanomat 2010). What is more, the Russian language, the official language of Russian Federation, is an important issue when dealing with the target society. Considering that the local language is also significant in terms of the advertising law in Russia, which will be represented within the legal factors.

Reviewing the technological aspects, it is necessary to understand the importance of e-commerce, e-marketing and social networks. Russians are active internet users. For example, the dominant Russian social platform VK.com has 81,000,000 users daily on average (VK 2016). The social network consists of personal profiles and communities by interest where the target customers can be found (VK 2016). Thanks to technology development people can not only enjoy high speed internet connections but also travel for long distances quicker. The Allegro train
connects Saint Petersburg and Helsinki by only a three-hour trip time-wise (VR 2016).

The most common reason why tourists choose Finland as a travel destination is high quality leisure time (Andreeva & Kuzmina 2013). Russians show an interest in the cultural programs (museums, art galleries, zoos and others) as well as tax-free shopping which is considered money-saving (Global Blue 2016). The preferences form the entertainment factor that also influences the relationships between Finland and the Northwest region of Russia.

Legal issues can be considered as dominant thinking of the border-crossing procedure. For travelling an average Russian tourist should get a visa or residence permit, travel insurance and pay service fees. The Finnish Schengen visa costs 60 EUR for adults and the payment is made at the Russian central bank in rubles in accordance to the current currency rate. (Finnish Embassy in Russia 2016.)

Moreover, the target market has legal issues, too. When dealing with advertising, it is necessary to translate the advertisements into the Russian language including logos or trademarks. The law intends to protect the development of the language culture in Russia and the right to use the official language. (Federal Law About the Official Language of Russian Federation N53-ФЗ 2005.) To summarize the mentioned factors, the PESTel analysis is presented on Table 8.

TABLE 8. PESTel Analysis of Northwest Russia as Target Market.

<table>
<thead>
<tr>
<th>Letter</th>
<th>Meaning</th>
<th>Relates to:</th>
</tr>
</thead>
</table>
| P      | political | ✓ tough relationships with EU affect badly \  
|        |          | touristic environment \  
|        |          | ✓ common history and interest towards \  
|        |          | anniversary celebrations in Finland |
| E      | economic | ✓ high and unstable currency exchange rates \  
|        |          | ✓ instability of Russian economy |
| S      | social  | ✓ middle class family with 2,000 EUR month \  
|        |          | income in average \  
|        |          | ✓ importance of Russian language |
TABLE 8. PESTel Analysis of Northwest Russia as Target Market. Continuing

| T     | technological                                      | ✓ active Internet users |
|       |                                                  | ✓ the largest social network VK.com with 81,000 thousand active user daily |
| e     | entertainment                                    | ✓ the purpose of travelling is leisure time, cultural experience and tax-free shopping |
| l     | legal                                            | ✓ visa procedure and additional costs (visa and special insurance) |
|       |                                                  | ✓ language law in Russia for advertising |

The PESTel analysis of the market environment represents the overview of the Finnish and Russian cross-border relationships. As it can be seen on the table above, Finland is a well-known destination for Russians and they are willing to continue to travel. On the other hand, the current economic situation is the real threat for business and partnership. The negative influence of economic and political instability may stop tourists going abroad.

### 3.4 Case Summary

To conclude, the event of the case study has to survive in an uneasy environment. The Northwest region can be seen as an opportunity thanks to large segment size and experience that has been developed throughout the years of relationships. In addition, the FIS Nordic World Ski Championships 2017 has significance and meaning to the host community. The event deserves attention from the spectators of sport festivals and has all the chances to become a truly international celebration. The following chapters will introduce the results of a survey and interviews that helped to improve the study.
4. EMPIRICAL PART

The empirical part of the thesis consists of three important chapters. The chapters introduce the online survey, workshop and personal interviews.

4.1 Online Survey

The reason why an online survey was started is to study travelling habits of Russians to Finland and discover how many of them are interested in joining the Lahti Ski Games and FIS Nordic World Ski Championships 2017. The survey was initiated at the end of January, 2016 and closed in the middle of March, 2016. The time period was not chosen accidently. The online platform SurveyMonkey is a resource for creation surveys and questionnaires with limited free access to its services (Survey Monkey 2016). Unfortunately, the free plan allows to have only 100 first answers. When the amount of responses reached 100, the survey was automatically closed. Other limitations created by the service platform did not affect the study. Figure 14 represents the line chart for the responses received to the online survey.

![Number of Responses Received](image)

FIGURE 14. Number of Responses Received from Online Survey.

Overall, the online survey has collected 118 responses and only one hundred of them is visible to the analysis due to the free user plan. A peak of activity was
when the survey was launched. It can be explained by an active promotion in the
first stage. The rapid decline can be seen on the figure during the end of February.
Finally, the second peak was reached during the first week of March when one
more target community agreed to spread the information about the research
project.

The target respondents were found in the largest Russian social network VK.com.
The link to the survey was posted in the communities related to Finland, studying
in Finland, travelling and ski sports groups. The search for the target communities
was made through own internal search system of the VK.com by using the key
words "Finland", "tours to Finland", "Finnish holidays" and "Skiing". The text of
the survey was presented in Russian and English languages to decrease a
probability of leaving the project.

The target group of respondents was asked to go through seven questions. Six
positions included multiple choice and rating scale questions but the seventh one
was open to state the location of the respondent by marking a city and country of
origin. The following topics were included in the survey: how often respondents
travel to Finland, for what purpose and what factors affect the decision to travel to
Finland. In addition, the respondents were asked to tell their plans concerning the
participation in the sport events of Lahti. The last multiple choice question was
about the source of information. (Appendix 1.)

The analysis of 100 available responses, taking into account mentioned structure
of the online survey, produced the following results. The majority of Russian
people who travel to Finland do it constantly. It is counted for 38.38 % of the
respondents. Number of tourists who visit Finland often or rarely represent
22.22% of total. 17.17% respondents mark that they sometimes choose Finland as
their travel destination. One respondent left the question without an answer. Table
9 provides the summary of the first survey question.
TABLE 9. How Often Do You Travel to Finland?

<table>
<thead>
<tr>
<th>Label</th>
<th>Rarely</th>
<th>Sometimes</th>
<th>Often</th>
<th>Constantly</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weight</td>
<td>22.2 %</td>
<td>17.2 %</td>
<td>22.2 %</td>
<td>38.4 %</td>
<td>99 responses</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>99 % of total</td>
</tr>
</tbody>
</table>

From the table the different measure in calculation of weight for each label can be seen. To clarify this point, it is necessary to mention that the actual total amount of respondents (99 people) was taken for 100 percent. By adding the value of four positions 100% can be calculated.

The second question discovered the main traveling purposes. Figure 15 visualizes the analysis conclusions.

FIGURE 15. In What Purpose Respondents Usually Travel to Finland

The options were shopping and tourism, sport or/and music and other events, studying or permanent residence in Finland. In addition, the users had an opportunity to leave own comments and state other reasons. The responses were allocated in the following way. The most active group that proceeded through the survey were students - 52.63% of the total amount. The next big group (36%) was the respondents who mentioned shopping and tourism. Some of the respondents
participate in the events organized in Finland (8.42%) and about 3% of the replies were related to permanent living in the country. The comments to the question state that the survey respondents also travel because of their family members or friends who are already staying in Finland.

The third question of the online survey discovered the factors influencing the respondents’ decision to travel to Finland. To represent the factors and the answers of the respondents Figure 16 is provided.

![Diagram showing factors affecting the decision to travel to Finland]

**FIGURE 16. Factors Affecting the Decision to Travel to Finland.**

The decision was expected to be affected by currency exchange rates, visa procedure, accommodation and transport prices and availability and lack of information. The question allowed users to choose several options. Most of the respondents marked currency exchange rates as a key reason to refrain from going to Finland (74.73%). Accommodation availability and prices have similar importance to the tourists comparing to visa requirements and application process, 34.07% and 31.87% relatively. About 15 percent of the respondents care a lot about transport prices and traveling possibilities. The smallest attention was paid to the information factor where lack of such sources was a problem for 7.7%. In the comments to the third question the respondents mentioned that they still enjoy the country and unique lifestyle of Finnish residents. Despite the negative factors,
they like Finland because of the closeness to Russia and education opportunities. It forces them to continue relationships, as the respondents wrote in the comments.

The purpose of the fourth question was to understand how well the respondents are informed about the World Ski Championships and Lahti Ski Games. Figure 17 introduces the results of the fourth question of the survey.

![Figure 17](image)

**FIGURE 17.** Events that Respondents Are Familiar with.

The Lahti Ski Games were included to the question because they happen annually. The tourists may be more familiar with them than with the championships. More than half of the survey participants marked that they are familiar with the events, the 62 of respondents against 38 who left both choices unmarked. The Lahti Ski Games are known to about 70% of the respondents but only half of them is concerned about the World Ski Championships 2017. In the question it is was possible to choose several options and mark both or one or none of the suggested events. In the fifth question the respondents were divided into groups by their choice on how they want to participate in the listed events. This correlation is introduced on the pie chart on the Figure 18.
In accordance to the survey results, 20% of the respondents would like to take part in at least one of the events as spectators. In addition, 11% of the respondents prefer to become volunteers. The majority of the respondents chose the "not interested" option (about 58%). They explained the position in the comments that they are just not involved in the ski sport or the event. About 13% marked that the participation is not possible for other reasons, for example, because of inability to travel abroad. Finally, about half of the research participants showed interest to the sport events in Finland such as the Lahti Ski Games or FIS Nordic World Ski Championships 2017.

With the last multiple choice questions the survey was intent to study the sources where information about the events is available. The online survey showed that 23 percent of the survey participants reached data from the official web site of the event. Twenty-seven percent of the respondents mentioned the importance of sport or study communities in spreading the information. About 42% of the respondents learnt about the Lahti Ski Games and/or the Championships from their friends or family members. Among the other sources (20% of the total amount) were street advertisements, news feed of the International Ski Federation, online sport communities and magazines. The majority of the respondents answered that they learn about the events from the survey for the first time.
As the geographic analysis showed, the respondents were mainly the residents of Russia and the different regions. However, some of the participants were originally from Ukraine, Belorussia or even Kazakhstan. Among Russians who answered the questions the majority represented the republic of Karelia and Saint Petersburg. Moscow and the Moskovskaya oblast' were also frequently participating groups of the respondents.

4.2 Workshop & Volunteering Experience

The workshop Visit Finland was organized on 19th of February as a part of a business trip of the Russian tour operator representatives who were willing to know more about Finnish travelling opportunities. The main idea of the event was to create networks between the local service providers and tour operators, to discuss current problems of tourism and cross-border relationships. The workshop Visit Finland took place in the famous Sibelius Hall in Lahti.

The participation in the event has a clear study purpose and impact on the thesis process. Time of the workshop was used for communication with the Russian representatives to introduce to them the coming event in Lahti. The participants of the workshop were travel and media managers from Saint Petersburg and Moscow. The discussion of business issues led to an opportunity to interview them. In this way more than ten managers of Russian travelling companies were interviewed as well as five journalists who represented the Saint Petersburg's newspapers and magazines.

More than that, volunteering experience made possible to conduct the rest of the interviews and reach the Russian spectators during the Lahti Ski Games 2016. The purpose of becoming a volunteer was in exploring the event organization from inside especially the communication and sales committees. The other reason to volunteer for the Lahti Ski Games 2016 was to understand the internal values and work habits of the Lahti2017 team what is seen important for building a marketing message for the customers. The volunteering shifts were performed before and during the Lahti Ski Games starting on 18th of February and until 21st of February. The main task was to do translations of the existing materials for the
communication committee, to update information on the Russian version of the official web site of Lahti2017 and to produce video comments as well in the Russian language.

4.3 Interview

During the workshop it was possible to make several interviews with the service providers and customers. The interview process was divided into two main parts because of its complexity and the schedule of the Lahti Ski Games event. Table 10 presented below compares these interview parts by the reason, participants and the key questions that were asked during the interviews. The table gives an overview of the whole process.

TABLE 10. The Interview Process.

<table>
<thead>
<tr>
<th></th>
<th>PART 1</th>
<th>PART 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reason</td>
<td>business interest, cooperation, business issues, needs and wants of the participants</td>
<td>feedback from the actual customers, service satisfaction, needs of target market area</td>
</tr>
<tr>
<td>Participants</td>
<td>Russian tour managers; Finnish travelling service providers; Russian media representatives;</td>
<td>Six different Russian families; (family = mother, father, child or children, grandparents if they were present)</td>
</tr>
</tbody>
</table>
TABLE 10. The Interview Process. Continuing

<table>
<thead>
<tr>
<th>Questions</th>
<th>Section 1</th>
</tr>
</thead>
</table>
| 1) Are you interested in selling World Championships for your tourists?  
2) What kind of cooperation would you prefer?  
3) Could you state what information or/and support do you need? | 1.1. Where did you come from?  
1.2 Age and gender  
1.3 Did you come with friends, family or alone?  
1.4 Why did you choose this event? |

Section 1.
1.1. Where did you come from?  
1.2 Age and gender  
1.3 Did you come with friends, family or alone?  
1.4 Why did you choose this event?

Section 2.
2.1 Did you have any problems with the ticket purchase process?  
2.2 A) Did you have enough information related to Lahti Ski Games 2016? B) Would you like to have more information available in the Russian language?  
2.3 Are you satisfied with the entertainment services?  
2.4 Would you like to have more family entertainment services?  
2.5 Would you like to participate in the Championships 2017?

Firstly, the Russian tour operators and Finnish service providers were asked to answer the questions. The structure of the interview was built to discover a business interest to the championships and the cooperation. In this part the media representatives also participated and their opinions were included to the analysis. Secondly, the other part of the process represents the interviews which were done during the Lahti Ski Games 2016 with the Russian spectators of the event. The reason to have these interviews is to gain feedback from the actual customers, listen to their wants and discover a need for improvement. As it can be seen from the table above this sub-chapter introduces the results of the whole process.
During the interviews, the Russian tour managers were asked several questions related to the host community, coming sport event and opportunities with the Russian market. The first question "Are you interested in selling World Championships to your tourists?" was aimed to define general attitude to the event and business relationships with Finland. In the second one, “What kind of cooperation would you prefer?” it was important to hear the suggestions for networking with the sales committee Lahti2017. Finally, the last question "Could you state what information or/and support do you need?" was intent to find out what type of information the Russian providers require in order to sell tours to Finland and including the World Ski Championships in the travelling program.

The results of the interviews can be presented in the following way. More than 75 percent of the interviewed workshop participants showed high interest to the event and its content. During the event the managers spoke to Lahti2017 representatives and took the Championships brochure. The most frequent question they asked in return was who the Lahti2017 representatives are - the original producer or sales partner. Being a service producer meant for the tour managers opportunities for building business networks and valuable deals. When these issues were clarified the second question was asked to the interviewees.

As the interviews showed, more than a half of the interviewees were interested in buying large amounts of tickets for re-sale with business discount. A key feature of the possible agreement was that the ticket price will not differ in the travelling service package comparing to the original price but the company still receives its profit with ticket sale. On the other hand, some travelling agency representatives were interested in receiving a sales commission and performing ticket supply in Russia. They also mentioned that their customers are interested in the "full package" or "all-included" services. By a full pack the managers meant a two-way transportation, accommodation for the whole period of the trip and tickets in the amount that customers would like to buy.

The Russian media representatives showed an interest to communication cooperation. All the media managers mentioned that they would like to receive the information support in Russian language to tell their audience then about the championships. This aspect was also mentioned in the answers to the last
question. Both tour and media managers were highly interested in the practical advices from Finnish side to prepare their customers. More than that, the travel companies showed preparedness for strong communication and networking. They said that it is easier for them to use the Russian language for business. As an additional comment the most of the workshop participants stated that they would like to have more brochures in the Russian language to give them for customer information.

On the other hand, during the interview some Finnish service providers highlighted a rapid decline in the Russian tourist flow. In the conversation few of them told that they need to focus now on other regions, for example, such as Central Europe or China and Viet Nam. The service providers were introducing Helsinki region, Lahti, Tampere and Lapland. They said that they are working on building the new offers or service packages in accordance to the preferences of the new target markets.

The rest of the interviews were completed during the two other days of the Lahti Ski Games. In the second part of the interview process it was possible to reach six Russian families that came to the event as the real spectators. The target group was identified by language they speak, Russian car registration numbers or by seeing Russian flags waving in the crowd of ski fans. All the respondents considered the interview with pleasure and responsibility when they were told that their answers will affect the development of communication. The interviews could not be completed without the help of the team of three volunteers. During the Games the team started to work separately but then in order to increase an efficiency the volunteers worked together. All volunteers were concerned about research objectives and targets as well as about aims of interviewing target spectators.

The first section of the interview was created to discover who are the Ski Games spectators and their motivation to come to the event. The questions included to the section were "Where did you come from?", "Age and Gender", "Did you come with friends, family or alone?" and finally, "Why did you choose this event?" As the interviews showed, the majority of the families was originally from Saint Petersburg (4 families). The minority came from Republic of Karelia (1) and one
family was permanently staying in Finland. In their opinion, the participation in the Lahti Ski Games was the obvious choice because of high interest towards skiing and ski championships. All of them were attracted by an opportunity to spend time together with the family members and watch the Games.

The second section explored the service satisfaction and wants of the spectators. The first question was "Did you have any problems with ticket purchase process?" and the interview showed that none of the respondents had such problems related to the transaction. Despite the overall impression, one family was surprised by this question and by following explanation that participation is not free of charge. The family stated that they came freely from outside without a ticket.

The question number two was divided into two sub-questions where the position A was "Did you have enough information related to Lahti Ski Games 2016?" and discovered general satisfaction from info support. The position B "Would you like to have more information available in Russian language?" aimed to narrow the response to the main issue of the research. Concerning the first sub-question, the majority said that they are satisfied with information received from the organization committee about the event and they do not claim for any additional services. On the other hand, three from six families mentioned that friends of their family or work colleagues who are also interested in similar sport events did not know about this event at all. In relation to the next sub-question two families stated that they understand Finnish language well. In addition to this, the four families said that they can manage with English but they would like to see Russian versions of brochures, web-pages and magazines or other information materials. The respondents explained this position with the argument that Finland has already years of relationships with neighbor country of Russia and to attract more visitors Finnish service providers "should start to speak Russian language".

The last question "Are you satisfied with the entertainment services?" discovered high level of the service and entertainment satisfaction among all families. However, with the following sub-question "Would you like to have more exactly family entertainment services?" three of the interviewed families agreed that they would like to see development of the children zone. Despite this, all the
respondents answer positively to the question "Would you like to participate in the championships 2017?" and were invited to the event.

To summarize, the online survey and interviews were made with the target group and tourist service providers. The interviews reached all the representatives of the target segment from the business and media partners to the actual spectators of the sport event. The audience of the online survey was also targeted but less narrowed comparing to the interview respondents. In addition, the participation in the workshop organized to familiarize the Russian companies with Finnish travelling services and volunteering during the Lahti Ski Games 2016 had own influence on the flow of the research.
5. DISCUSSION

The main aim of the interviews and survey presented previously was to gain an understanding of the market environment and business position of the World Ski Championships 2017. The Pre-World Championships or Lahti Ski Games 2016 and the Visit Finland workshop can be seen as two key events that allowed to collect data related to the research project. Such focus has brought some advantages and disadvantages to the thesis process. On the one hand, during three days of the Lahti Ski Games 2016, all the target customers, service providers and Lahti2017 committee managers could be met and interviewed. It was easy to find them, catch their reaction or see the actual performance. They were all in one place and it benefited the thesis schedule. More than that, recording many opinions from the different sides of the business and no time gap between the interviews created a discussion-kind approach. The discussion attitude, in opinion of the thesis author, gives a better base for analysis and for developing valuable conclusions in relation to the subject of the research. On the other hand, three days is a limited period of time and it cannot become a real advantage for the research process. An intensiveness and information overload may have own impact to the empirical research.

As it could be seen from the previous chapters, the online survey and on site interviews have separate targets and intend to discover different information. The empirical part produced the qualitative and quantitative conclusions that can determine the influence of the market environment on the championships.

5.1 Effectiveness of Online Communication and Networking

In the survey and interviews the biggest attention was paid to online communication. It can be clearly seen on the example of the championships. The Internet gives wide opportunities for communication on the international level. One social network, resources of which were applied in the survey process, allowed to collect responses from more than 100 representatives of all key areas and, what is more, to attract many other regions of Russia and few neighboring countries. The role of online communication can be seen in fast information
spreading. For example, as some participants mentioned, they could learn about the sport event through the online survey. Then, they were told to ask their friends and family members to support the research and in this way the information about the championships were introduced from person to person. What is even more valuable is that the Internet becomes more targeted than ever. For this reason, the target communities can be easily defined through the social networks. Within a short period of time the online survey was delivered to the interested groups in VK.com. Delivering information through the groups seems similar to the organizing contact workshops but in the first case a wider audience is influenced. In support of the point, only 23% of respondents stated that they received information from the official web site of the event. This figure is a reason for improving the online services in a way that everyone who is looking for information can use the web-pages with success.

On the other hand, the online survey showed that it is not necessary to rely on the Internet as on primary communication route. For example, despite the fact that the message was delivered to the target community, 58% of respondents still said that they are not much interested in these events. Online advertising did not play more significant role than world of mouth presented by their family and friends or news and street ads. What is more, people who are interested in some sport type can be not motivated to go and explore some new countries. The survey showed that 38.4% from the total amount travel to Finland constantly. Analysis of the responses given for the next question discovered that about half of respondents travel because of studying but not enjoying the festivals. In this way, even if the target audience seems to be achievable, online communication still hides many important and often unpleasant issues.

Overall, the online survey showed that the respondents have a high concern in the sport events of Lahti - 62% marked they know at least one of the winter championships. The Lahti Ski Games that are included in the annual calendar have achieved better performance and are more familiar to the target customers. This point proves the need in development of integrated communication.

In contrast, the interviews with the service providers and event participants showed a significance of the personal connections and, in some cases, business to
business activities. Clearly, the workshop itself can be seen as an act of advertising and representing key services. As a result, a half of the interviewed Russian tour operators mentioned that they are interested in the business cooperation to re-sale tickets in order to grow interest among the tourists to this destination.

The interview analysis showed some issues when dealing with the Russian tourism market. Firstly, the managers stated that for successful sales more information is required. Similar to the media representatives the travel companies have a need in the practical advices and printed material preferably in Russian language. It proves that they wish to do business effectively and send well prepared tourists. In addition, the managers showed trust to the original service producer, the committee Lahti2017. One more reason for network establishment is to keep ticket price low or on their original price. This fact became clear when the interviewees said that they want to work for a sale commission or with business purchase discounts.

Considering the interview process, the language skills were not an issue. The most of the Russian and Finnish managers were able to speak English at least on the basic level. However, when language support was suggested, the Russian representatives were glad to change the language for their own comfort. They were interested in continuing communication using the Russian language. Surprisingly, the media managers stated as well that translations will be appreciated by them. For this reason, the Russian language can be seen as an important point for making business connections. From the other hand, a Finnish side showed high preparedness for organizing the comfortable business environment. Most of the companies had a representative who could speak Russian fluently as the workshop showed.

5.2 Barriers and Positively Influencing Factors

One of the key objectives of the project is to find out the factors that influence the most cross-border relationships. To satisfy this need, some survey questions were to determine the power of the factors and gave opportunity to express a personal
opinion. It is possible to say that the results could be predicted by analyzing the economic, political and social environment. Despite this fact, it was very important to hear opinions of the target group respondents and check if they have similar views on the current situation. The figure below is to systemize the results.

**Five Factors**

<table>
<thead>
<tr>
<th>high impact</th>
<th>POSITIVE FACTORS (from survey respondents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Currency Exchange Rate</td>
<td>+ student life</td>
</tr>
<tr>
<td>Accommodation</td>
<td>+ border closeness</td>
</tr>
<tr>
<td>Visa Procedure</td>
<td>+ beautiful nature</td>
</tr>
<tr>
<td>Information</td>
<td>+ unique lifestyle</td>
</tr>
<tr>
<td>Transport</td>
<td></td>
</tr>
</tbody>
</table>

low impact

FIGURE 19. Barriers and Positive Factors Based on the Online Survey Results.

The online survey presented five factors. The figure above introduced the factors from a high impact to low. Currency exchange rates were marked as the most influencing factor for the Russian travelers. The problem for a family with an estimated average income in rubles is seen to be of high significance. It was also expectable that the respondents mark accommodation availability and prices as the second factor because overall costs depend on the currency rates. Finnish visa became more expensive for Russian tourists as the tariffs are also given in the Euro currency. In this case, a wide difference between the currencies can be considered as the biggest threat to the target market.

From another point of view, the respondents showed optimism and desire to travel to Finland. The right side of the figure introduces the factors that positively affect the decision. To begin with, more than a half of the survey participants study in Finland. This figure was received within the analysis of travel purposes. It may
result that their family members, relatives and friends can also be invited to visit Finland. Overall, the respondents said that the studying process and, as they said, "free European education" factor will create additional visitor flow. The closeness of Finland is seen as an advantage for many people who answered the survey questions. The desire creates tourist flow that will be not affected by the negative factors. People are expected to continue to travel to Finland to see friends or family members, do shopping or enjoy "the unique nature and lifestyle", as the respondents commented.

The online survey did not show a need in additional information sources. Less than ten percent chose lack of information as one of the influencing factors. In contrast, business persons stated that an increase in information supply can attract more customers to the event. In this case, it is preferable to believe the opinion of the professional tourism managers who are able to affect ticket sales by introducing tours to the customer. The fact that all spectators and their families who were interviewed during the Lahti Ski Games 2016 showed intention to participate in the World Championships 2017 can be an additional reason to continue working with the target market area.

5.3 Discussion Summary

The discussion of the empirical research produced two issues that have major meaning for the event organization. The figure presented below introduces the main conclusions of the analysis.
As it can be seen from the figure, communication is one of the most important issues discovered throughout the research. The analysis clearly showed that some barriers can prevent information from reaching its recipients and from establishing the connection. For this reason, it is seen important to concentrate on the most dangerous factors and develop a strategy based on the opportunities.

TABLE 11. PESTel Additional Comments

<table>
<thead>
<tr>
<th>Letter</th>
<th>Meaning</th>
<th>Relates to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>T</td>
<td>technological</td>
<td>the dominant role of online communication with its pros and cons</td>
</tr>
<tr>
<td></td>
<td></td>
<td>social networks (for example, VK.com) can help to reach larger market area for advertising</td>
</tr>
<tr>
<td>e</td>
<td>entertainment</td>
<td>information availability is seen as the key to success in attracting more visitors</td>
</tr>
</tbody>
</table>

In a conclusion of the communication study, the PESTel analysis can be now fulfilled with some new valuable aspects. Table 11 shows the sections of the
PESTel analysis where the changes were done. The technologies and online communication play a big role for Russian customers. A possibility to use the million user social network that connects the huge territory of Russian Federation and nearby countries is seen as a marketing advantage. What is more, availability of information is seen as significant for choosing a service especially in the entertainment area.

TABLE 12. Additional Strengths of FIS Nordic World Ski Championships 2017 as of Sport Event

<table>
<thead>
<tr>
<th>STRENGTH</th>
</tr>
</thead>
<tbody>
<tr>
<td>- the world-known event</td>
</tr>
<tr>
<td>- meaningful</td>
</tr>
<tr>
<td>- famous participants are invited</td>
</tr>
<tr>
<td>- impressive content is included</td>
</tr>
<tr>
<td>- travel-friendly host community</td>
</tr>
<tr>
<td>- experience &amp; skills to communicate and establish relationships with international visitors</td>
</tr>
</tbody>
</table>

More than that, the interview process showed more advantages of Lahti2017 which could be added to the SWOT analysis. The table above lists the advantages discovered in the case study. The last position of the “Strength” analysis stated that the host community of Lahti has built an experience in organizing sport events. In addition, during the workshop it was clearly seen that the host community has also developed skills to communicate and establish relationships with international visitors.

The empirical research helped to get closer to achieving key objectives of the project. Firstly, during the time given for the project the research on the topic of potential market relationships was conducted. The empirical research activities
helped to introduce the championships by spreading information through the
target Internet communities and in the workshop. In addition, key factors and
aspects of successful interaction were defined by working with the target market
representatives. The summary of the research results made possible to create
recommendations for the target market area. The following chapters will present
the solutions to provide a clear strategy instead of the separate conclusions for the
discovered issues.
6. DEVELOPMENT PLAN AND SUGGESTIONS

The previous parts of the project produced description of the case event and market area. Moreover, the empirical research, data analysis and discussion gained knowledge how to interact with the possible market and achieve as the business targets as service satisfaction of the customers. All of these steps had influence on a final development plan. Significance of the chapter is seen in the fact that the suggestions will be reported to the Lahti2017 committee as a result of the thesis process. For this reason, the development plan is organized in a way that, firstly, key issue is stated and then the solutions are listed. Each step is followed by comments which clarify the reason why it is in the plan. Finally, the chapter suggests implementation timeline in order to show what is right time for every action described in the development plan.

In accordance to the objectives of the research project, content of the development plan is focused on the target market area of Northwest Russia with its geographical limitation due to research needs. What is more, the solutions that will be included into the plan are intent to give a detailed answer to the research questions. Overall, the development plan generates a step-by-step program that can be applied to the case.

6.1 Introduction to the Plan and the Key Issues

As the case study showed the Russian Northwest market is in tight relationships with Finland and has the years of travelling experience. Finnish culture and lifestyle were the subjects of a high interest among the Russian tourists before economic decline and rapid rise of exchange rates. Despite the problems, Finland is still seen by them as a country worth visiting because of its comfortable geographic location, comfortable facilities and positive experience. The research showed that many Russian young people choose the country to get professional skills and higher education, also being attracted by Finland and its opportunities. There are relatives and friends as well who moved from Russian Federation to Finland and continue living there. All these facts prove connection established between the target region of Russia and Finland.
The decline in tourist flow tolls for attention to the market. Today, people are more likely to say no to some additional entertainment events or services because of tough economic situation. To overcome these barriers a product or service should have the outstanding competitive advantages to gain interest of the customers. At this point, the case event FIS Nordic World Ski Championships 2017 has proved its competence when the strengths and opportunities dominate among the weaknesses and threats in the SWOT analysis. The key issue is how to present these strong points so that the message will reach the segment. For this reason, it becomes necessary to make a plan that will help to introduce all the listed advantages of the championships.

The research analysis showed the barriers and then, opportunities for relationships establishment. Among the opportunities that can neutralize the negative points are online communication and networking. So, the development plan contains the two separate stages. The figure below represents body of the strategy.

**FIGURE 21.** The Content of the Development Plan.

Firstly, the development plan introduces power of online communication. The strategy includes promoting the event and its services through the most popular social network and linking it to the official web site in order to follow the principles of integrated marketing messaging. As it was discovered previously, integrated communication plays an important role in information delivering and makes the sources spread same ideas to the customers. The Russian social network is a new channel for Lahti2017 but its value can be treated similar to the event's web site.
Secondly, the plan suggests how to establish networks with the Russian service providers. Many tour operators and media representatives showed preparedness for cooperation and it can be used for the common benefit. This part of the development plan represents possible cooperation between two sides, Russian and Finnish. Becoming the partners is seen as a key to reach more spectators from abroad.

6.2 Solutions of the Development Plan

The following sub-chapters introduce solutions of the developments plan. The first part covers online communication and the second part suggests to establish partner relationships with the target market. Both steps include timelines for the solutions.

6.2.1 Adding a New Communication Channel

The first step of the development plan is intent to list activities that should be done to reach the target market area through the new social network. With this step the communication committee Lahti2017 does not only increase number of the messaging channels. The committee already has taken control over the online sources such as the event's official web site, Facebook, Instagram and Twitter (Communication Committee 2016). The development plan introduces the own online community of the target segment that is why this channel is so important.

Previously, in the case study and the survey analysis Vk.com was mentioned as a social network with the millions users. The survey experience showed that this source can be used for the research, finding target audience and promoting the events. The target communities of Vk.com are seen as the great opportunity for communicating and establishing relationships. For this reason, the event’s organization committee should join the social network and create a page for the FIS Nordic World Ski Championships 2017.
Only joining the community cannot bring the benefits which are expected from this step. The key issue is in being active and interacting with the audience. The most important part is given to inviting the participants and keeping the page up-to-date. The language of communication is chosen to be Russian and English in order to fight the language barrier. The principles of integrated communication messaging should be seen as the guidance. Information translated to Vk.com should bring same ideas as information presented on the pages of the official website.

Overall, the administrator who is in charge of managing Vk.com should create the informative community. The person should deeply understand the market environment and communication specialties of the target audience but also be highly aware of all issues related to travelling to Finland and the championships. The main tasks of the administrator include keeping, cleaning and managing the page. Firstly, it is necessary to highlight that this page is official and the users can believe to the presented information. Then, the brief description and contacts will link the community to the official service provider. It is significant to mention that the administrator and responsible person in the committee Lahti2017 are equally able to answer the questions of the customers and give comments related to the sport event. Thirdly, the Vk.com page is originally seen as "alive" community where news appear with same frequency as it is done on the official website and other social networks. In this way, by creating colorful and up-to-date information source the championships will appeal attention of the target customer segment.

The materials that will be posted should contain practical information related to the event and host community or travelling to Finland in general. The need in this kind of source was discovered through the interviews and online survey. The other important task of the page administrator is to answer the questions asked by the social network users and connect the sales committee with possible customers. Vk.com has a possibility to conduct conversations personally or in groups similarly to Facebook.

To gain more attention the community should run a contest or lottery with the prize of a ticket package, for example, for two persons and for one day of the championships which the winners can choose in their own preference. The idea of
this campaign is that for the success the users will have to join the community and re-post the message or invite their friends to the page. The contest participants are likely to start re-posting and so, spreading the information about the event.

Finally, to clarify the following sub-plan gives an overview of the steps that should be done in relation to the first issue. For the first action it is necessary to register a community account in the suggested social network. The front page gives necessary contacts and shares the most important information in order to let everyone understands what the community is about. The users who visit the page can become members and share with friends. (LAMK 2016.) Figure 22 represents the registered page of Lahti University of Applied Sciences.

![Figure 22](image)

**FIGURE 22. The Front Page of the Community (LAMK VK 2016)**

As an example, the page of Lahti University of Applied Sciences is presented with the figure above. The LAMK group was initiated by students to share practical information with current students, to attract more students and share important information related to work life in Finland. The LAMK community is open for everyone in the social network and has more than 500 members. The search engines such as Google, Yandex (Russian) and other also make the link visible and available in the search results. The members of the community are current
students of the university and people who have finished the studies or are willing to enter Lahti UAS. (LAMK VK 2016.)

After the administrator fills in the community with relevant information the next step is to find and join other target communities. Figure 23 presented below introduces a possible design of the discussion board and links.

FIGURE 23. Design of Discussion Board and Links (LAMK VK 2016)

The discussion and links are the optional services. They can be used if the administrator has a need for them. The reason to include the discussion board is to list topics of high frequency and make the users check this part before they send the messages directly to the sales or communication committees. The discussion should supply information concerning event background, program of the championships, accommodation issues and maybe the practical advices related to living in Finland. The links are also significant because of "online partnership" that they develop. The link to the official web site of the event can be added to this part as well.
When the page is ready for public use the target users of the social network can be invited to join the new community. As it was mentioned earlier, the group should be kept up-to-date and, for this purpose, the community wall can be activated. An example of the wall post is given on Figure 24.

![Image of the Wall Post Example](image_url)

**FIGURE 24. The Wall Post Example (LAMK VK 2016)**

It depends on the administrator how the community wall will be designed. The person can leave it open for everyone to post comments, questions and related information. However, practice of managing such communities showed that it is safer to keep the wall closed and make sure that only the administrator is allowed to add posts.

Finally, it is important to match the right activity with the right time for it. For this reason, Figure 25 represents a timeline which is created to visualize the time frames of the project.
On the timeline presented above there are steps that should be completed before and after the event with the Russian social network. The step number one and time from early May to June 2016 are reserved for creation of the entire page and organizing it in a viewer-friendly way. Then, as it can be seen from the timeline other summer months are free from messaging. This period is considered as a time of low activity. In spite of all, a key idea of the first step is to catch the target audience and prepare them for the following steps.

Messaging starts from the step number two. The timeline shows that from this point the gaps between one step to another are less long and, for example, the period of high activity lasts for four months. The third step continues with advertising and information spreading. In addition, additional campaigns (such as a lottery that was suggested earlier) may be implemented to increase popularity of the online community. February is reserved for the fourth step. February is a month of high pressure because of the event's start date closeness. For this reason,
the last opportunity to participate in the fabulous championships should be mentioned in the wall posts. During this period results of the campaigns should be received and, for example, the winners of a lottery should be contacted by the page administrator. Finally, as it is shown on the timeline, after the World Ski Championships it is important to share the experience from the event. If it is possible, the administrator can conduct some interviews, take pictures and post them with the consent obtained. The step number four is to complete all listed tasks and finish the active period by inviting the users to visit Finland.

To conclude, this is an example how the target audience can be reached via the social network Vk.com. This community has own specialties and for this reason the use of it was shown on the existing page initiated by Lahti UAS student group. The example is followed by the timeline with four steps that are necessary in order to achieve the targets of this solution. In a contrast to the presented part, the next suggestion is based on the value of personal relations and business networking.

6.2.2 Valuable Relationships

With the second part of the development plan the sales committee can reach the following targets: sell tickets to the representatives of the target market and outsource marketing activities to Russian travelling companies. In addition, with help of the Russian periodical issues (newspapers, magazines and online publications) the communication committee Lahti2017 can share the information about the coming event and satisfy needs of the readers in practical advices.

During the workshop it was possible to make contacts with the managers who represent the target group. Importance of cross-border relationships building was clearly understood by the participants of the workshop. For this reason, the contacts of the tour operators were given to the sales committee and the contacts of the journalists to the communication department with the comments what each representative would like to hear from the Lahti2017.
To increase interest towards Finland the committee Lahti2017 is suggested to discuss an opportunity of ticket supply through the Russian travelling companies. The step has its own specialties that should be considered. Firstly, the overall process of relationship establishment has to be started as earlier as it is possible to do. Secondly, even before contacting the Russian sales representatives the committee should apply own rules for this business and be ready to present and keep the point. Even though, the Lahti2017 team has built its own value system, it is seen significant to learn the partners’ conditions and come to the agreement. Finally, from the experience of the interviews and wish of the tour managers the printed material in Russian language is a necessary addition in order to sell the tickets in Russia. To summarize the second part of the development plan, the figure below is presented.

<table>
<thead>
<tr>
<th>Step 2:</th>
<th>Step 3:</th>
<th>Step 4: March 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>September - November 2016</td>
<td>December 2016 - January 2017</td>
<td>analysis of the partnership results and thanking the partners</td>
</tr>
<tr>
<td>possible start of the active ticket sales and information spreading through media services</td>
<td>the ticket sales are coming to the end &amp; partnership and support continue</td>
<td></td>
</tr>
</tbody>
</table>

**Step 1: May - June 2016**
achieve target partnership by contacting the travelling companies in Russia (the participants of the workshop)

**FIS Nordic World Ski Championships**

**22.2 - 5.3.2017**

**FIGURE 26. Relationships Timeline**
The relationship timeline includes the four stages. As it can be seen from Figure 26, the step number one is recommended to be done before Summer starts because of the holiday time. So, May and June are reserved for building the relationships by contacting the firms and getting their interest. The second period opens the ticket sale and participation in media services. As the target customers receive the early information about the event they may check social networks and the official web site where they would find everything they need in the language they want to use, as in a perfect case. The last step should be done right after the actual event similar to the online communication timeline.

In contrast to the previous timeline, the steps from one to three are considered to be of high activity. Actually, the third stage means decline of the activity but still requires strong support of the sales partners and its customers. During this period some more spectators may also appear. Finally, the last step is reserved for the analysis and conclusions to be made in March 2017. Anyway, the partners should thank each other and see the experience as a good try to impact the tourism development.

To conclude, these two sub-chapters have presented the development suggestions based on the research, analysis and experience. The first part discovers the advantages of the online communication and how it can be implemented into the given case. Then, the other part is to state the practical meaning of the business partnership in terms of the event. The plan should be not considered as a strict set of rules for continuing relationships with the chosen market area but as the recommendations and ideas. The development plan touches the championships as well as the tourism in Finland in general. The FIS Nordic World Ski Championships are the great reason to visit the country and enjoy it.
7. CONCLUSION

This part gives an overview of the research findings by presenting the answers to the project questions. It discusses the validity and reliability and suggests further research ideas. This chapter intends to finalize the whole project and bring it to its logical ending.

7.1 Research Findings

The potential market of Northwest Russia is seen as a good opportunity for the case event. The thesis has discovered the target environment and customers' preferences in relation to the case destination. Moreover, the answers to the research questions were received. The results are presented on Table 13. The left part of the table introduces the research question and the right one gives a summarized answer.

The first sub-question is raised to discover the factors affecting the market environment. As it can be seen from the table above, the barriers of high and low influence were highlighted. Among the barriers of high impact there are the exchange rates between Euro and Ruble currencies, accommodation availability and prices, visa requirements and procedure. Low impact on the tourist flow was stated for information availability and transport availability and costs barriers. All these factors affect normal relationships in a negative way. Fortunately, positive factors were discovered during the research. Among them are student life spent in Finland, closeness of the border to Russian Northwest residents, beautiful Finnish nature and unique lifestyle. In accordance to these aspects the development plan was built.
TABLE 13. Answers to the Research Questions.

<table>
<thead>
<tr>
<th>Research Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>What are the barriers for building long-lasting relationships with the selected market area?</td>
<td>Negative: the exchange rates between Euro and Ruble currencies, accommodation availability and prices, visa requirements and procedure. Positive: student life spent in Finland, closeness of the border to Russian Northwest residents, beautiful Finnish nature and unique lifestyle.</td>
</tr>
<tr>
<td>How does the selected group of participants feel about the event organization and services provided for them during Lahti Ski Games 2016 and what would they like to experience or improve?</td>
<td>The participants of Lahti Ski Games 2016 interviewed by the volunteers stated that they experienced the service of a high quality. Improvement: the development of children playing zone and outside activities, Russian language. All respondents were glad to be invited to the sport event of the next year.</td>
</tr>
<tr>
<td>What are the effective ways of establishing the relationships with the possible market?</td>
<td>rise of information flow outside Finland to develop partner relations with Russian travelling companies</td>
</tr>
</tbody>
</table>
The second sub-question was aimed to receive feedback from the participants of the Pre-World Championships 2016 and learn about the quality of service. From the respondents’ point of view, the Games performed at the highest level. The participants of the Lahti Ski Games 2016 stated that they experienced service of a high quality. Moreover, in their opinion, the event organization and overall performance made them enjoy the Games. The families who participated in the interview mentioned that the only improvement they would like to see is the development of a children play-zone and outside activities. In addition, some of them stated that the Russian language should be used considering the tight connection between Russia and Finland. In their opinion, language skills can help to attract more visitors. In general, all respondents showed a positive attitude to the coming championships and were glad to be invited to the sport event next year.

Finally, the last additional question asked about solutions for widening the connection between the Russian and Finnish side. The answer is seen in increasing information flow and development of partnership. Firstly, the rise of information flow outside Finland is seen as the key activity in establishing the relationships. For this purpose, the case event should be presented in the social network of high popularity and be promoted there. Secondly, it is necessary to develop partner relations with travelling companies in Russia. Russian media services should be also involved with information spreading and marketing messaging. In some point of view, the World Championships can be seen as the opportunity to increase the tourist flow to Finland from Russia.

At this point, the main research question «How can the seventh Nordic World Ski Championships gain interest of spectators from North-West Russia region and make them come to the sport event» can be answered. The development plan where the solutions to the key issues were suggested intended to give a full answer to this question. In overall, to avoid the relationship barriers the organization committee Lahti2017 is recommended to increase the number of communication channels by adding the Vk.com to a list of the social networks in use. The step helps to share about the FIS Nordic World Ski Championships 2017
with the target audience and represent the hosting community as the place worth visiting.

7.2 Validity and Reliability

Validity refers to the truth of the research findings. A researcher should consider the validity threats to receive the results that correspond to the real situation. A lack of validity can be minimized by a specific research design and studying the factors that may affect. (Saundels et al. 2009, 157.) In respect of research validity of the thesis, the research results are considered as valid. For data gathering the different trusted sources were involved. The empirical part of the thesis is supported by the detailed explanations related to the survey and interview processes. Both, the online survey and interviews were conducted personally by the author.

Reliability is concerned with data collection methods and observation. It is also related to interpretations, biases and errors. (Saundels et al. 2009, 156.) The research results of the thesis are considered to be reliable. In terms of the validity and reliability, if the same online survey or interview are done the process is likely to give similar results. The reliability aspect was developed by recording the interviews properly. The survey and its results still appear online on the survey platform. Despite this, it is necessary to consider that the project was done with certain limitations because of its belonging to the case event and selected market segment. In addition, the survey platform allowed to collect only certain amount of the responses what resulted in smaller sample.

7.3 Suggestions for Further Research

By summarizing the project, the topics for the further research have appeared. For the success of the relationship development it is seen important to analyze the final performance after the World Championships 2017. On that point the new opportunities, positive and negative factors may appear and be used as valuable
experience. More than that, the study of the visitor flows and its dependence on the external environment as well as the economic, political issues and other can impact the tourism studies in Finland and internationally. In addition, the online survey may be sent to larger sample and using other survey platforms to discover deeply the topic of traveling preferences of the Russian tourists and how many of them are likely to join the Games and other sport events in Finland.
8. SUMMARY

The FIS Nordic World Ski Championships in Lahti, Finland are said to be the most important celebration of the year 2017. The City of Lahti has built traditions and has experience in organizing sport events. The World Ski Championships come to Lahti for the seventh time at the end of February, 2017. The sport event is chosen to be the central festival of the Finnish independence anniversary celebrations.

The focus of the thesis was to examine an attractive market and build solutions in order to increase participation in the World Ski Championships. To remember, the sales department has set the target of 250,000 spectators to an event, not including sportspersons, support teams and media groups. The target gives wide opportunities for marketing and communication strategy development. The project intended to study only one market segment which is seen as potentially attractive to marketing activities. The Northwest regions of Russia was chosen as the target market area to introduce the World Ski Championships.

The theoretical part of the thesis has discovered key service marketing concepts. The study relies on service marketing principles and targeted approach. A sport event as a marketed service requires different thinking that considers special issues of service marketing. For this reason, the thesis was also supported by analysis tools that were modified to suit the research targets. Targeted approach is applied throughout the whole work since the case of the FIS Nordic World Ski Championships was selected for the study. The STDP process is presented and discussed within the theoretical research of the thesis. The theoretical part is concluded by presenting an Offer System and stating importance of integrated marketing communication. Overall, the theoretical framework represents a pyramid where the basis is event marketing and management. It continues with target marketing and, finally, at the top is integrated communication concepts. The theories discovered throughout the theoretical research have found its realization in the case event analysis and development plan.

The Northwest Russia region was chosen due to closeness and already existing cross-border relationships. Nowadays, tourist flow from Russia to Finland is
declining. The championships are seen as an opportunity to increase interest among Russian tourists to Finland. The study of the target segment intended to discover main barriers and solutions to overcome them. The case study was also supported by the following empirical part. The empirical part included the online survey and interviews. The findings have indicated a need in additional marketing activities. So, the development plan focuses on online communication and partnership with the target segment. These two separate parts of the plan include the development steps and implementation timelines. Due to the research limitations the development plan cannot be considered as a universe set of rules for establishing relationships with a potential market. The recommendations are built to be applied to the case of the FIS Nordic World Ski Championships 2017 in the City of Lahti, Finland. However, they still can be applied by other companies or organization committees as a relevant example.

Overall, necessary data was collected from primary and secondary sources. Primary data was gathered from the mentioned online survey and interviews, secondary - from published materials (books and articles) and trusted web sites. Both types of data sources have played a significant role in the research process. The research has resulted in a marketing strategy that helps to attract the target spectators to the sport event. Finally, the answers to the research questions were found.

The case event will take place next year during the end of February and beginning of March. Additional research topics can be suggested to continue working under the case event. It would be very interesting to return to the project later, after the World Championships, track and analyze the results of the development plan. Moreover, the survey sample can be increased to get a wider understanding of the topic.
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**Interviews**

Sales Committee Lahti2017. 15.December 2015

Organization Committee Lahti2017. 15.December 2015
APPENDICES

APPENDIX 1. The Online Survey

Survey: Finland & Nordic World Ski Championships 2017

1. How often do you travel to Finland? (Как часто вы путешествуете в Финляндию?)
   - Rarely Очень редко
   - Sometimes Иногда
   - Often Часто
   - Constantly Постоянно

2. In what purpose do you usually travel to Finland? (C какой целью вы путешествуете в Финляндию?)
   - Other (state what) Другое (укажите)

3. Did any of the factors listed below affect on your decision to travel to Finland? (Оказали ли влияние нижеуказанные факторы на ваше решение путешествовать в Финляндию?)
   - Currency exchange rates (Курс обмена валют)
   - Visa requirements or application process (Процесс получения визы)
   - Accommodation availability or prices (Доступность или цены на размещение)
   - Transport availability or prices (Доступность или цены на транспорт)
   - Lack of information (Недостаток информации)
   - Other (state what) Другое (укажите)

4. Which of the events listed below are you familiar with? (Какое из приведенных ниже мероприятий вам знакомо?)
   - Lahti Ski Games 2016
   - FIS Nordic World Championships 2017 (Lahti2017)

5. Are you planning to participate in at least one of the events? (Вы планируете посетить хотя бы одно из мероприятий?)
   - Other reason Другая причина

6. From what sources did you learn about the events? (Как вы узнали об этих мероприятиях?)
   - Official web-page of the event (Официальная страница мероприятия)
   - Own sport or study community (Учебное заведение, спортивная организация, секция)
   - Friends or family (Друзья или семья)
   - Other (state) Другое (укажите)

7. Which country and region are you from? Из какой вы страны и региона?
APPENDIX 2. Structure of the Interview with the Representatives of Lahti2017 Sales and Communication Committee.

The interview done: 15/01/2016

- What are the targets the organization committee has set for the championships?
- When the ticket will be available for purchase? What kind of ticket packages does Lahti2017 offer?
- What are the strengths and weaknesses that may affect the spectator flow you see at the moment?
- How the organization process is supported on the international and local level?
- Does the committee have any ongoing marketing campaigns with the target markets?

APPENDIX 3. Structure of the Interview with the Lahti Ski Games Spectators.

Section 1. Personal Questions (with this section we discover who are the spectators of the event and their motivation to come to the event)

1. Where did you come from (region)? / Откуда вы приехали (регион)?

2. Gender, Age / Пол, Возраст

3. Did you come with friends, family or alone? / Вы приехали компанией, семьей или один(а)?

   Friends / Family / Support-team / Alone or other

4.a Why did you choose exactly this event? / Почему вы выбрали именно это мероприятие?

4.b What does attract you the most? / Что больше всего вас привлекает?

Section 2. Event Services (with this section we explore satisfaction and wants of the spectators)

1. Did you have any problems with ticket purchase? / Были ли у вас проблемы с приобретением билетов?
   - No
   - Yes, what
APPENDIX 4. Structure of the Interview with the Service Providers (Russian and Finnish)

Interview done: 19/02/2016

- Are you interested in selling World Championships to you tourists?
  *(for Russian service providers only)*

- What kind of cooperation would you prefer?

- Could you state what information or/and support do you need?
APPENDIX 5. Research Onion (In accordance to University of Derby 2009)

APPENDIX 5. Tourism and Income Flows to Finland (Visit Finland 2014)