Identifying and reaching Japanese tourists coming to Finland.

Case: Forenom Oy

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Finland is booming in Asia. In 2015, the number of nights spent by Asian visitors in almost exceeded the number of nights spent by Russian tourists, who have been the biggest customer group for companies in tourism industry in Finland. Therefore, marketing to Asian tourists is becoming more and more important. This thesis will focus on Japanese tourists, who are the seventh biggest target group for Finland in terms of the number of nights spent.

The main objectives of this study are to define the target market and find the best marketing channels to reach and attract them for the commissioning company, Forenom Oy, a leading temporary accommodation provider of the Nordics, founded in 2001 in Helsinki, Finland.

The knowledge base of the thesis covers literature reviews, theories and models related to services marketing, market segmentation, market targeting and buyer personas. The knowledge was gathered from books, articles, reports and online sources.

The research includes two main phases, based on primary and secondary research. A quantitative research method was used for the primary research. The author conducted a survey among Japanese tourists in Finland for four months starting in October 2016. The secondary research sources, statistical information on tourism originating from Finland and Japan, were gathered next. By analyzing the results of primary and secondary research, the author presented the key findings on Japanese tourists in Finland.

As outcomes of the study, the characteristics of trips by Japanese tourists, the most typical customer type among Japanese tourists visiting Finland and the preferred marketing channels for the most typical customer type were defined.

The favorite seasons of Japanese tourists visiting Finland are summer and winter. The length of their trip is usually less than a week, however, a majority of them travel to multiple cities in Finland during the stay. Many Japanese tourists reserve their accommodation through travel agencies, but young generations also use online travel agencies as well.

The recommendations for the commissioning company are presented at the end of this thesis based on the research analysis. Forenom Oy should start marketing to Asia as soon as possible. Japanese tourists are not familiar with serviced apartments’ concept yet, however, there are many female travelers who would like to travel like a local. Therefore, Forenom Oy could have a strong position in the market because of its outstanding knowledge of consumer demand in the niche by providing serviced apartments.
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1 Introduction

For companies in tourism industry in Finland, marketing to Japanese tourists is becoming more and more important. This chapter will provide the readers with basic information on the thesis: background information and the need for the study, several key concepts related to the research questions, and brief introduction to the case company, Forenom Oy, what the case company and their stakeholders will benefit from this thesis study, and risks in the research.

1.1 Background

Finland has been more and more popular among Japanese tourists in the past decade. In 2015, a total of 108,106 Japanese tourists arrived and spent 203,411 nights in Finland. (Visit Finland Statistics Service Rudolf 2016, Visit Finland 2016a)

As stated by Good news from Finland, “Japanese tourists are particularly keen on getting to know the capital: almost two-thirds of the overnight stays by travelers from Japan were in Helsinki” (Good news from Finland 2017).

According to the research of Statistics Finland, the number of nights spent by the tourists from overseas has stayed around 5,500,000 to 5,800,000 in the past 5 years. (Visit Finland 2016a) As it is shown in Figure 1, the number of the nights spent by Russian tourists has been decreasing dramatically since 2014. On the other hand, the number of the nights spent by the tourists from foreign countries excluding Russia has been increasing.

![Figure 1. Nights spent by tourists from Russia and other foreign countries. (Visit Finland 2016a)](image)
Looking into the details of the number of the nights spent by regions, as shown in Figure 2, it is revealed that the number of the nights spent by Asian tourists has grown dramatically while by other regions have been decreasing. In 2015, the number of the nights spent by Asian tourists is almost exceeding the number of nights spent by Russian tourists.

In addition, in 2016, “most foreign visitors came from Germany, Sweden, the US, Russia, the UK, Japan, and China. The number grew most among US tourists, followed by Japan, China, Spain and Sweden” (Good news from Finland 2017)

![Figure 2. The number of nights spent by region 2011-2015 (Visit Finland 2016a)](image)

The biggest foreign customer has been Russian tourists for accommodation providers, however, the number of the nights spent by them has decreased to half of its peak in 2015. (See the appendix 1) On the other hand, as it is mentioned in the previous paragraph, the number of nights spent by Asian tourists is growing fast and is almost as much as the one by Russian tourists.

In Finland, hotels usually charge the accommodation fee per room, therefore, for the companies providing accommodation service like Forenom Oy, the number of the nights spent is much more valuable than the number of the tourists visiting. Since Asian tourists are taking over Russian tourists’ place, marketing to Asian tourists will be the key to growth in the near future.
The number of nights spent by Japanese tourists has grown year by year, and has stayed stably high (See appendix 1). For Forenom Oy, it will surely be very beneficial to define who to, how to and when to market to Japanese tourists.

This bachelor thesis is a compilation of my studies in international business. This will support my further development as a marketer in the future. To develop my competences in market research through this thesis, I will put much effort into this final project of my business student life.

1.2 Research Question

This thesis aims to find the most effective ways to market to Japanese tourists to attract more of them, which will result in a big future development opportunity for Forenom Oy.

The research question can be worded as:

How can Forenom Oy market to Japanese tourists effectively?

It is divided into investigative questions (IQ) as follows:
IQ 1. What are the characteristics of the travel of Japanese tourists?
IQ 2. What is the most typical customer type visiting Finland?
IQ 3. What are the preferred marketing channels of the target customers?

Table 1 below presents the theoretical framework, research methods and the chapters of research results for each investigative question. The answers for the questions will be provided in chapter 4.3.

Table 1. Overlay matrix

<table>
<thead>
<tr>
<th>Investigative question</th>
<th>Knowledge base</th>
<th>Research Methods</th>
<th>Results (chapter)</th>
</tr>
</thead>
<tbody>
<tr>
<td>IQ 1</td>
<td>Marketing research, service marketing, hospitality and tourism marketing, quantitative research, and target marketing.</td>
<td>Desktop study and survey.</td>
<td>4.1, 4.2</td>
</tr>
<tr>
<td>IQ 2</td>
<td>Quantitative research, target market, market research, marketing research, market segmentation, and market targeting.</td>
<td>Survey.</td>
<td>4.2</td>
</tr>
<tr>
<td>IQ 3</td>
<td>Marketing research, service marketing, hospitality and tourism marketing, target marketing, and marketing tools.</td>
<td>Survey.</td>
<td>4.2</td>
</tr>
</tbody>
</table>
1.3 Demarcation

This thesis will focus on market research of Japanese tourists and define:

- Target market
- Customer profile
- Their needs for accommodation
- Their traveling habits
  - Purpose of the trip
  - Length of the trip
  - Timing of the trip
  - Budget for accommodation
- Marketing channels used by them when finding accommodation

Based on the defined target market and most used marketing channels, I will give Forenom Oy a recommendation how to, who to, when to, what to market to them.

Figure 3 below shows the demarcation of the market and marketing study covered in this study. Both of them will be briefly explained in the key concepts, section 1.6.

![Diagram of Market and Marketing Study](image)

1.4 International Aspect

Forenom Oy operates not only in Finland, but also in other Nordic countries. This thesis will be done for a company which already has internationalized, and furthermore, the research will be used to market to Japanese tourists, to expand their customer base to Asia. With this topic, it will perfectly fulfill the international aspect.
1.5 Benefits

Forenom Oy will be provided with a recommendation with detailed potential customer profile, target group, their needs and habits, and which marketing channels should be used. Based on the research result, Forenom Oy will be able to start creating a marketing plan to attract more Japanese and Asian customers who will lead Forenom to construct a strong, new customer base and to grow their sales which will benefit also their stakeholders.

The result of the survey also might reveal new potential partners of Forenom Oy in Japan, such as travel agencies and corporate customers having offices in Finland.

Also, for myself, this thesis is a great opportunity to demonstrate and develop my competencies in market research. By a successful completion of the thesis, this project may result in a creation of marketing plan and put the plan into practice, which could be my task in the future in Forenom Oy.

1.6 Key Concepts

"Marketing research is the process of designing, gathering, analyzing, and reporting information that may be used to solve a marketing problem such as pricing or identifying the most efficient marketing media and tools" (Burns, Veeck & Bush 2017, 37).

Market research is “a process used to define the size, location, and/or makeup of the market for a product or service” (Burns & al. 2017, 37).

Quantitative market research is a research method which is conducted to a large number of answerers with a set of structured questions with response options planned in advance (Burns & al. 2017, 143).

Services marketing is a kind of marketing style used for service products, which is intangible, inseparable, variable and perishable (Kotler & Armstrong 2012, 260-270).

Market segmentation is to divide a market into smaller segments by its needs, characteristics, or behavior that might require different marketing strategies or mixes (Kotler & Armstrong 2012, 214).
Market targeting is “the process of evaluating each market segment’s attractiveness and selecting one or more segments to enter” (Kotler & Armstrong 2012, 214).

“Buyer personas are research-based archetypal (modeled) representations of who buyers are, what they are trying to accomplish, what goals drive their behavior, how they think, how they buy, and why they make buying decisions” (Tony Zambito 2013).

1.7 Case Company

Forenom Oy is a small and medium-sized enterprise which specializes in temporary accommodation solutions and relocation services mainly for corporate customers, however, the number of private customers has been growing very fast in the past years. (Forenom 2016c)

Forenom Oy was founded in 2001 in Helsinki, Finland. The headquarters are located in Helsinki. The company operates in four countries, Finland, Sweden, Denmark, and Norway. Forenom has 17 offices in total as shown in Figure 4. They have around 250 employees in those countries. (Forenom 2016c)

Figure 4. Location of Forenom Oy’s offices (Forenom 2017)
Their turnover was 40.3 million euros in 2015, and growth rate compared to the previous year was 36.8%. They have grown constantly as in the figure 5. (Packalen 2016)

![Figure 5. Turnover of Forenom Oy 2012-2015 (Packalen 2016)](image)

Forenom Oy’s service can be divided into three parts:

1. Accommodation service
2. Relocation service
3. Financial and property service

(Forenom 2016c)

Forenom Oy’s accommodation offering covers wide variety of options from very basic hostels to luxury houses, detached houses and penthouses. There are four different categories of accommodation options as described in Table 2.

Table 2. Forenom Oy’s accommodation solutions. (Forenom 2016a; Forenom 2016b; Forenom 2016d)

<table>
<thead>
<tr>
<th>Room type</th>
<th>Description</th>
<th>Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apartments</td>
<td>– For long to medium term accommodation.</td>
<td>– Self service.</td>
</tr>
<tr>
<td></td>
<td>– Rating varies from one to four stars.</td>
<td>– Fully furnished apartment with equipped kitchen and bathroom.</td>
</tr>
<tr>
<td>Aparthotels</td>
<td>– For short and medium term accommodation.</td>
<td>– Receptionist called “host” is placed.</td>
</tr>
<tr>
<td></td>
<td>– Rating varies from two to three stars.</td>
<td>– Self service check in and -out with key code.</td>
</tr>
<tr>
<td></td>
<td>– Located in city centers.</td>
<td>– Fully furnished room with own bathroom.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>– Shared kitchen and laundry machines are available.</td>
</tr>
<tr>
<td>Room type</td>
<td>Description</td>
<td>Service</td>
</tr>
<tr>
<td>------------------</td>
<td>-----------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Hostels</td>
<td>– For from short to long term accommodation.</td>
<td>– Self service check in and -out with key code.</td>
</tr>
<tr>
<td></td>
<td>– Rating varies from two to three stars.</td>
<td>– Individual and furnished locked rooms.</td>
</tr>
<tr>
<td></td>
<td>– Low priced.</td>
<td>– Shared bathrooms, kitchens and laundry machines are available.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Premium</td>
<td>– For from short to long term accommodation.</td>
<td>– Self service check in and -out.</td>
</tr>
<tr>
<td>Apartments</td>
<td>– Rating varies from three to four stars.</td>
<td>– Fully furnished high quality apartments.</td>
</tr>
<tr>
<td></td>
<td>– Located in city centers.</td>
<td></td>
</tr>
</tbody>
</table>

Relocation service is provided for the corporate customers and their employees to move to Finland and start their life smoothly. The service includes:

- Applying for the residence permits
- Residency registration
- Tax card application
- Applying for Identification card
- Opening bank accounts
- Finding accommodation
- Pre-visit service of the city and apartment in advance of moving
- Guidance on local services and culture
- Family assistance with finding school and daycare

(Forenom 2016e)

Financial and property service is provided for apartment owners who wish to rent their properties to Forenom. The service ensures the owners an income without hustle and worry-free apartment ownership. (Forenom 2016c)

Target customer group of this research is Japanese tourists. Hence, in this research, only the accommodation service will be targeted to be marketed.
2 Knowledge base for target marketing in service industry

This chapter will introduce the knowledge base and concepts applied to carry out the market research on Japanese tourist for Forenom Oy.

2.1 Services marketing

Services marketing requires a different perspective from product marketing, as what service providers delivering are something that is intangible, inseparable, variable and perishable. Therefore, they might face special difficulty in marketing without it.

When a company designs a marketing plan, these four special service characteristics in figure 6 must be taken into consideration (Kotler & Armstrong 2012, 261.)

![Figure 6. Four service characteristics (Kotler & Armstrong 2012, 261)](image)

**Services intangibility** means that services cannot be visible, tasted, felt, heard, or smelled before they are purchased (Kotler & Armstrong 2012, 262.) For example, you cannot taste the food before actually visiting the restaurant and ordering it.

As stated by Kotler and Armstrong (2012, 161), **Service insurability** denotes “services are produced and consumed at the same time and cannot be separated from their providers”. For instance, when a customer goes to get a massage, the masseuse provides the service, massage, and at the same time, the customer is consuming the service by getting a massage.

“**Service variability** means that the quality of service depends on who provides them as well as when, where and how they are provided” (Kotler & Armstrong 2012, 262). An example of this can be seen at hair salons. Depending on the hair dresser’s skills, moods and the way of communication, the impression customers get varies.
**Service perishability** is that the services are unable to be stored to be sold and used later (Kotler & Armstrong 2012, 262.) Kotler and Armstrong (2012, 262) give an example; “Some doctors charge patients for missed appointments because the service value existed only at that point and disappeared when the patient did not show up”.

### 2.1.1 Destination marketing

“Events and attractions are the two primary strategies used by tourist destinations to attract visitors” (Kotler and al. 2014, 541).

Attractions can be natural like Grand Canyon or man-made such as the Louvre. Events gather people. For example, sports events such as the Olympics have a great impact on visitors in the time to the particular area. In tourism marketing, the timing of marketing and the collaboration with events and attractions in the destination may affect the result a lot. (Kotler and al. 2014, 539-543.)

### 2.1.2 Three types of Service Marketing

Service marketing needs both internal and interactive marketing in addition to the traditional external marketing as shown in figure 7 (Kotler & al. 2014, 44).

![Figure 7. Three types of Service Marketing (Kotler & al. 2014, 44)](image)

**Internal marketing** is to guide and encourage the employees who contact their customers and support service people to work in teams to provide customer satisfaction. This is important for the marketing representatives to make sure that the employees are custom-
er centered. Ideally, internal marketing should come before external marketing. (Kotler & Armstrong 2012, 264.)

According to Kotler & Armstrong (2012, 264), interactive marketing can be defined as "training service employees in the fine art of interacting with customers to satisfy their needs". This is very important because the service quality greatly relies on the quality of the interaction between the consumer and service provider. (Kotler & al. 2014, 45).

### 2.1.3 Service marketing mix

As shown in figure 8, “the service marketing mix is also known as an extended marketing mix and is an integral part of a service blueprint design. The service marketing mix consists of 7 P’s as compared to the 4 P’s of a product marketing mix”. In addition to the 4Ps: Product, Pricing, Promotion and Place, the new 3Ps: People, Process and Physical evidence are very important to optimize service delivery. (Bhasin 31 March 2017.)

![Services Marketing Mix](image)

**Figure 8. Services Marketing Mix.** (Bhasin 31 March 2017)

**Product** is the combination of the goods-and-services the provider offers to the target market (Kotler & Armstrong 2012, 75).

**Pricing** shows the value of the product, amount of money consumers need to pay to have the service or product (Kotler & Armstrong 2012, 76).

"**Promotion** plays a role in the perception the possible target audience may have about your service" (Kar 2 April 2010).
**Place** means where the product or the service is offered and how it is delivered to the customers (Kar 3 March 2011).

**People** are crucial for business. No companies can exist without people who run the firm. It is important to hire right people since they are as much a part of the business offering as the products or services companies are providing. (Professional Academy 2017.)

**Process** is how the product or service is delivered to the customer. “Processes are important to deliver a quality service” (Kar 2 April 2010).

**Physical evidence** takes a great role in customer’s satisfaction especially in service offerings because service is intangible. (Professional Academy 2017.)

![Figure 9. The 7 Ps of service marketing. (Marketing mix 2017)](image)

As shown in figure 9, what service providers should aim for is providing a right product in the right place at the right time with the right price, and to attract and satisfy their customers, they should have the right promotion, people, and physical evidence/environment.
2.2 Market segmentation and market targeting

Companies nowadays know that it is impossible to appeal to all the customers in the marketplace in the same way, because customers are too numerous and scattered too widely, and their purchasing process and needs are too different. Therefore, many companies have shifted from mass marketing to target marketing. (Kotler & al. 2014, 221.)

Kotler and Armstrong (2012, 214) has defined target marketing as “identifying market segments, selecting one or more of them, and developing products and marketing programs tailored to each”.

Figure 10 illustrates the steps in segmentation, targeting and positioning to plan a customer-driven marketing strategy.

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Figure 10. Steps in segmentation, targeting, and positioning (Kotler & al. 2014, 221).
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In this thesis, I will focus on market segmentation and market targeting.

2.2.1 Market segmentation

Market segmentation is to divide a market into smaller segments with specific demands, characteristics, or behavior which may need different marketing strategies or mixes (Kotler & Armstrong 2012, 214).

“There is no single way to segment a market.”, Kotler and Armstrong (2012,215) say. They proposed four major variables in segmenting a market.

**Geographic segmentation**

In geographic segmentation, a market is divided into various geographical factors such as nations, states, regions, countries, cities and sometimes even neighborhoods. Lots of companies are trying to localize their products and services, promotion, sales and adver-
tising to meet the needs of the area. Knowing geographic customer preferences lets companies modify their offerings. (Kotler & Armstrong 2012, 215; Kotler & al. 2014, 221-223.)

![Geographic segmentation diagram]

Figure 11. Geographic segmentation (Kotler & Armstrong 2012, 215; Kotler & al. 2014, 221-223.)

**Demographic segmentation**

As stated by Kotler and al. (2014, 223), “demographic segmentation consists of dividing the marketing into groups based on demographic variables such as age, life cycle, gender, income, occupation, education, religion, race, and nationality”.

Companies change their offerings according to customers' age, life process, gender, financial situation, occupation, educational background, religion, race, nationalities, etc. however they can categorize them because the needs of the customers vary with what kind of person they are.
Demographic factors are the most favored bases for segmenting customers mainly for the following reasons:
- Customer needs and usage frequency are usually affected by demographic variables.
- It is relatively easier to measure and analyze demographic factors than many other variable types.


Psychographic segmentation
Psychographic segmentation divides buyers into different segments based on social class, lifestyle, or personality characteristics" (Kotler & Armstrong 2012, 218). This segmentation goes very closely with demographical segmentation.

However, customers are different individuals, so they can be very different from each other even they are in the same demographic groups (Kotler & Armstrong 2012, 218; Kotler & al. 2014, 226.)

People’s preferences are greatly affected by the social class they belong to. There are many companies have products or services aimed for a particular social class. Life style of
customers is also a big impact to the companies. For example, many trendy bars are designed for young single people looking for dates. Personality is often used for experiential products or services, for instance, cruise ships target those people who like adventures. (Kotler & Armstrong 2012, 218-220; Kotler & al. 2014, 226-227.)

**Behavioristic segmentation**
Dividing customers into segments based on their behavior, such as awareness, reaction, and use or response is called behavioral segmentation (Kotler and Armstrong 2012, 221).

There are mainly five different factors in behavioral segmentation as described in figure 13 below (Kotler & Armstrong 2012, 220-221; Kotler & al. 2014, 227-230):

![Figure 13. Behavioral segmentation](Kotler & Armstrong 2012, 220-221; Kotler & al. 2014, 227-230)

- **Occasions**: When the customer gets the idea of purchasing and using the product or service?
- **Benefits sought**: What kind of benefit are the customers looking for from the product or service?
- **User status**: What kind of users are they; non-user, former user, regular user, potential user or the user who is trying the product for the first time?
- **User rate**: Are they; a light user, a medium user or a heavy user?
- **Loyalty status**: How much are they loyal to the products (services), brands, stores or companies?

**2.2.2 International markets**

When it comes to segmenting international markets, there are some more factors that companies may use in segmentation. Countries, even those countries are next to each other, can be very different in many ways such as economic situations, culture, language, and politics. Therefore, it is recommended to have a combination of several factors when segmenting the market. (Kotler & Armstrong 2012, 223.)
**Economic factors**
Countries may be categorized by population income levels or by their overall economic development level, such as GDP. The need for a product or a service is shaped by the country’s economic structure and population, therefore, the economy of the target market will indeed affect the marketing opportunities. (Kotler & Armstrong 2012, 233.)

**Political and legal factors**
Kotler and Armstrong (2012, 233) expound that political and legal variables like the type of the government and how stable it is, financial regulations, receptivity to foreign companies, and the level of bureaucracy.

**Cultural factors**
Main cultural factors which may be utilized when grouping markets are common languages, values and attitudes, customs, religions, and patterns of behaviors (Kotler & Armstrong 2012, 223).

### 2.2.3 Market targeting
As a result of market segmentation, various markets are proposed for the companies, and one of the main tasks in market targeting is to evaluate and select which market to target. (Kotler & al. 2014, 231.)

**Evaluating**
Companies must focus on following three factors in the evaluation of different market segments to take a further step to the selection of the target marketing.

1. **Segment size and growth**
   Companies should collect data on current sales growth rates and expected profit of many different segments and analyze them. What is important here is to select markets which have the “right size and growth” that fits with the company’s operation, growth rate and sales. (Kotler & Armstrong 2012, 225; Kotler & al. 2014, 231.)

2. **Segment structural attractiveness**
   Attractive profit the segment brings and the size and growth of the segment do not always correspond to each other. Companies should test some main structural variables that may affect long term segment attractiveness, such as competition, buyer power, suppliers and substitute products and services. For instance, if there are big competitors, they might not get profit as they plan. (Kotler & Armstrong 2012,225; Kotler & al. 2014, 231-232.)

3. **Company objectives and resources**
   Companies should take into consideration whether its goals, value, and resources meet the segment. If the segment meets what the company is aiming for, then the next step is to see if the company and its resources are capable of doing the work.
Company’s and the employees’ skills should meet the requirements to maximize the profit. (Kotler & Armstrong 2012, 225; Kotler & al. 2012, 232.)

**Selecting**

Companies have to determine which and how many segments to operate in. This step is called target market selection. (Kotler & Armstrong 2012, 225; Kotler & al. 2014, 232.)

“A target market consists of a set of buyers who share common needs or characteristics that the company decides to serve” (Kotler & Armstrong 2012, 225; Kotler & al. 2014, 232).

According to Kotler and Armstrong (2012, 225), market targeting may be performed at some different levels as illustrated in figure 14.

![Figure 14. Market targeting strategies (Kotler & Armstrong 2012, 225-231)](image)

**Undifferentiated marketing** can be referred to as mass marketing strategy. It means that a company does not take market segment differences into consideration, and target the whole market with the same condition. This strategy focuses more on the common needs of the markets than differences. (Kotler & Armstrong 2012, 225; Kotler & al. 2014, 233.)

In **differentiated marketing** strategy, as known as segmented marketing, companies target several market segments and plan different offers for each segment. Commonly, companies get more sales with differentiated marketing strategy than with undifferentiated marketing strategy. (Kotler & Armstrong 2012, 225; Kotler & al. 2014, 233.)
Concentrated marketing or niche marketing strategy means “instead of going after a small share of a large market, a firm goes after a large share of one or a few smaller segments or niches” (Kotler & Armstrong 2012, 226-227). This strategy is good for companies which have limited resources. Companies could have a strong position in the market thanks to its outstanding knowledge of consumer demand in the niche it services and great reputation they get. (Kotler & Armstrong 2012, 226-227; Kotler & al. 2014, 233-234.)

Kotler and Armstrong (2012, 228) define micromarketing as “tailoring products and marketing programs to the needs and wants of specific individuals and local customer segments; it includes local marketing and individual marketing”. Local marketing means companies provide brands and promotions to the demand of local customer groups, for example, customers in the city, village, town, and even specific shops. Individual marketing is to provide a tailored product or service and promotion to individual customers. It is also known as one-to-one marketing. With using this strategy, companies will be required to communicate with customers a lot to provide the customized and personalized products or services. (Kotler & Armstrong 2012, 228-229.)

2.3 Buyer personas

Buyer personas, also referred to as customer personas or customer profiles, are fictional and generalized representations of typical customer types of a product or a service. (Vaughan 28 May 2015; experienceux 2017.) It is “based on real data and some select educated speculation about customer demographics, behavior patterns, motivations, and goals” (Hubspot 2014, 3).

Hubspot (2014, 3-4) points out common misunderstanding of buyer persona as described in table 3.

Table 3. What is buyer personas? (Hubspot 2014, 3-4).

<table>
<thead>
<tr>
<th>Buyer personas are…</th>
<th>not…</th>
</tr>
</thead>
<tbody>
<tr>
<td>Typical customers with</td>
<td>Target markets</td>
</tr>
<tr>
<td>– Common patterns of behaviors</td>
<td>– Job titles, roles or occupations</td>
</tr>
<tr>
<td>– Shared professional and personal pain points</td>
<td>– Dependent on specific tools or technology</td>
</tr>
<tr>
<td>– Common goals, wishes and dreams</td>
<td>– Specific real people</td>
</tr>
<tr>
<td>– Shared general demographic and biographic information</td>
<td></td>
</tr>
</tbody>
</table>

19
2.3.1 Why buyer personas are important

The purpose of creating buyer personas is to gain a deeper understanding of customers and their purchasing behaviors (Tony Zambito 2013). Revella (2015, 11) claims that “the Buyer Profile creates a sense of the human connection with people whom we have never face-to-face”. Via buyer personas, companies may adjust their product or service, promotion, and customer communication to meet the customers’ needs.

Zambito (20 October 2014) explains six reasons why buyer personas are important today:

- **They inform marketing and sales strategies.**
  Many B2B organizations are struggling with how to understand the new buying behaviors of today. And, how to keep up with how fast they are changing. When researched adequately, buyer personas can illuminate who buyers are, the situations they are faced with, how they have changed, and most important – what goals they are attempting to accomplish.

- **Develop a common language about buyers.**
  Understanding of buyers can vary among different silos. Alignment still plagues many organizations. Buyer personas provide a common language and communications platform about buyers. Helping to overcome silo barriers and create the focus where it should be – on helping buyers and customers fulfill their goals.

- **Inform market and customer strategies.**
  Decision-making relative to go-to-market strategies, marketing, and sales can amount to a guessing game. Buying behaviors are changing every month. Best practicing executive teams seek qualitative understanding of buyers as well as quantitative.

- **Design thinking is more prominent.**
  Personas are ideally suited to address design issues – including design thinking. The design of marketing and sales will become more prominent in the next two years. At this date, technologies used by B2B companies are focused on what to say. Giving inadequate amount of focus to the user-friendliness of the delivery.

- **Better performance results expected.**
  According to several studies, B2B companies who have implemented best practices on becoming customer and buyer focused have consistently outperformed their competitors. In their efforts, buyer personas were a crucial component of an overall plan to guide their enterprise towards customer centricity.

- **Globalization is now a must for all organizations.**
  When buyer personas were first introduced in 2002, globalization was a strategy reserved for large enterprises. Much has changed with the introduction of technologies making barriers of entries fall like the Berlin Wall. Companies are entering new markets with little knowledge of regional buying behaviors and little room for errors.

2.3.2 How to create buyer personas

Hubspot (2014, 15) gives three points to note when creating buying personas:

1. It is critical to take a thorough look at details about the ideal customers.
2. Start with the existing information. There is no need to have an answer for every question in advance.
3. Personas do not have to be finished. What important is to continue to tweak and iterate on them as needed.
Marketers should start researching and building the buyer personas based on following criteria: demographic, psychographic and behavior to reveal who they are. Table 4 describes detailed factors of those criteria.

Table 4. The three factors of customer personas (Kotler & Armstrong 2012, 215-222; Kotler & al. 223-227; The Whole Brain Group 19 April 2016.)

<table>
<thead>
<tr>
<th>Demographic</th>
<th>Psychographic</th>
<th>Behavior</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers’ Age</td>
<td>Customers’ Personality</td>
<td>Customers’ Likes</td>
</tr>
<tr>
<td>Customers’ Gender</td>
<td>Customers’ Preferences</td>
<td>Customers’ Dislikes</td>
</tr>
<tr>
<td>Customers’ Income</td>
<td>Customers’ Social class</td>
<td>Customers’ Interests</td>
</tr>
<tr>
<td>Customers’ Nationality</td>
<td>Customers’ Values</td>
<td>Customers’ Hobbies</td>
</tr>
<tr>
<td>Customers’ Occupation</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Next step is to find out where they are and attracted to. To reach more potential customers, it is necessary to know where and how to find them. Following questions may be used, according to The Whole Grain Group (19 April 2016):

- Where do the customers hang out? (A physical location or an online space)
- What do they read, both online and physical materials?
- What do they search for on the internet?

The following step is to research the typical customers of the company. Hubspot (2014, 22) suggests four methods as follows: interviewing existing customers, conduct a survey, using tools, for instance, hubspot lead intelligence, and interviewing colleagues who communicate with customers.

The last step is to build up a buyer persona. Gathering all the information collected in the research, marketers create a profile of a typical customer of the company. What creators must keep on their mind is as follows:

- **Focus on motives behind behaviors:**
  Pay attention to figure out why they are doing something, not only what they are doing. For instance, what solution they are looking for, and why it is happening.
- **Keep personas fictional, but still realistic.**
  No one is the same but people share many factors. Do not make the persona too specific that refers to a person. See the example in figure 15.
Choose one primary persona
It is important to focus on the most common customer type first, and continue to less common ones.

Tell your persona's story
A story provides deep understanding and context of the person, customer(s), so it tells more than just a list of their characteristics.

In this thesis, I will focus on the buyer personas of Japanese travelers who come to Finland to define typical Japanese traveler types. Therefore, the buyer persona will not completely meet the commissioning company's customers.
3 Research Methods

The research includes two main phases, primary research and secondary research. Figure 16 describes how the research is processed. Secondary research is colored in green and primary research is colored in blue.

As introduced in Chapter 1.2, the research question and the investigative questions are as follows:

Research question
How can Forenom Oy market to Japanese tourists effectively?

Investigative questions (IQ)
IQ 1. What are the characteristics of the travel of Japanese tourists?
IQ 2. What is the most typical customer type visiting Finland?
IQ 3. What are the preferred marketing channels of the target customers?

IQ 1 will be researched based on the secondary data about statistical information of tourism of Finland and responses of the survey which will be carried out for Japanese tourists in Helsinki-Vantaa airport, the followers of Aitoloma’s Facebook page, and customers of travel agencies. The purpose of the survey is to define the target market, their needs and characteristics, popular marketing channels used by them and the customer profile. For IQ 2 and 3, the source of the research will be the primary research, survey.
Statistical information of tourism of Finland and Japan, such as nights spent, visited area and number of the arrival will be researched and analyzed from secondary research. The statistical information will be collected mainly from Statistics Finland and Visit Finland.

3.1 Marketing research

Before starting marketing, it is necessary to research who to and how to market. The very first step of marketing is to research the market.

According to Burns and al. (2017, 37), marketing research consists of four key elements: designing, collecting, analyzing, and reporting information that can be used to solve a specific marketing problem.

“Marketing research is a process that identifies and defines marketing opportunities and problems, monitors and evaluates marketing actions and performance, and communicates the findings and implications to management.” (Kotler, Bowen & Makens 2014, 137)

Marketing research is needed to persuade managers why and how to start marketing to the market and let them realize what the company will get by doing it.

3.1.1 The function of marketing research

As stated by Burns and al. (2017,37), “The function of marketing research is to link the consumer to the marketer by providing information that can be used in marketing decisions”.

Burn and Bush advocates that having the connection with the customer by marketing research is becoming more important today than ever, and it is crucial if companies are to provide them with the value they expect in the marketplace. Due to the fact that now customers have more choice, more information, and more power to speak others in the market than it used to be because of globalization, online shopping, and social media. (Burns & al. 2017, 38.)

To define what the demand of the customers is and what the company can provide at the moment and what is still needed, and it is also crucial to plan the company’s development in the future as well.
3.1.2 Elements of marketing research

What are usually researched in marketing research? According to Burns and al. (2017, 38), “marketing research can also be used to generate, refine and evaluate a potential marketing action”. Burns and al. provided four elements to conduct the research:

Figure 17. Elements of marketing research (Burns & al. 38-40)

**Target market selection** can be reworded as “who to market”. According to the selection of the target market, companies should plan “what to sell/market” and “how much it should be”. These are set up by the result of **product research** and **pricing research**. It is required what people in the target market need and what the value of the product is. To sell the product or service, companies must promote it. **Promotion research** is to figure out “how to promote the product or the service”, for example, what kind of marketing channels would be the most effective to reach the target market. It is also important to find the best channels to deliver the product or service to the customers, and how to evaluate the performance to keep developing in the target market. (Burns & al. 2017, 39-40.)

3.1.3 The marketing research process

Burns and al. (2017, 68-74) identified the 11 steps in the marketing research as below:

1. **Establish the need for marketing research**
   The need for marketing research comes up when managers must make decisions, however, the information they have is imperfect. Marketing research takes time and costs money, therefore, managers should consider carefully whether or not they should invest in market research.
2. Define the problem
As a result of this stage, a problem statement which summarizes the problem briefly should be developed. Bush and al. consider this is the most important step since all the upcoming steps will be meaningless if the problem is wrongly defined.

3. Establish research objectives
Research objectives illustrates what information must be collected and analyzed for managers to make a decision to find solutions to solve the problem.

4. Determine research design
The main task of this stage is to select which research approach to take to meet the research objectives, for example, there are three well known research designs: exploratory, descriptive and casual research. Exploratory research is a form of informal research used to obtain more knowledge about the research problems, or identify research priorities. In descriptive research, the description of the phenomena of interest is researched. Often, many surveys are undertaken. Casual research is archived by experiments. It is usually used to define the factors that cause events.

5. Identify information types and sources
Researchers must choose which types of source of information they use. Primary source is the information gathered for the problem by the researcher. On the other hand, secondary source is the information that is already gathered.

6. Determine methods of accessing data
Secondary data are easier to get compared to primary data. In many cases, multiple methods are used in this phase.

7. Design data collection forms
There are mainly two forms of data collection; questionnaire and focus group guide. In questionnaire, the researchers communicate with respondents. In focus group guide, the researchers ask questions in a focus group, the people chosen by certain criteria for the problem. In either case, the designing of the form should be done with great care.

8. Determine sample plan and size
Before gathering the data, researchers should test the data collection. This is called sampling. As a result of the sampling, the researchers will be able to define which type of samples can represent the population.

9. Collect data
The researchers gather data. In data collection, it is highly possible to have errors intentionally and unintentionally, therefore, researchers should be able to know where the error can occur and control to minimize its risk.

10. Analyze data
The data gathered in step 9 will be analyzed.

11. Prepare and present the final research report
After analysis, the researcher will report the result of the research.

3.1.4 Qualitative and Quantitative market research
As Burns & al. (2017, 143) states, “quantitative research is defined as research involving the administration of a set of structured questions with predetermined response options to a large number of respondents”. This method is also known as a survey. The analysis of this method is usually systematic.

On the other hand, Burns & al. (2017, 144) define qualitative research as “qualitative research involves collecting, analyzing, interpreting data by observing what people do and
say”. In qualitative analysis, it is highly possible that researcher’s personal interpretation can affect the result.

In this thesis, both primary and secondary data are conducted and analyzed by using quantitative research method.

### 3.1.5 International marketing research

The steps the international marketing researchers should follow in the research are the same as what domestic researchers do, however, international researchers often tend to face more and a variety of problems. (Kotler and al. 2014, 156)

First, Kotler and Armstrong (2012, 147) say:

> Whereas domestic researchers deal with fairly homogeneous markets within a single country, international researchers deal with diverse markets in many different countries. These markets often vary greatly in their levels of economic development, cultures and customs, and buying patterns.

Second, international marketing researchers often face a challenge finding adequate and suitable data in many foreign markets. Due to the lack of good secondary data, international researchers have to gather their own primary data in many cases. (Kotler & Armstrong 2012, 147.)

Third, in collecting data phase, reaching the respondents can be very challenging in other parts of the world. In some countries, not so many people have phones or internet. In Brazil, only about 70% of mail is delivered correctly. Moreover, in many developing countries, reaching certain areas is very challenging due to the bad condition of roads and poor transportation system, and it is very expensive to visit those places. (Kotler & Armstrong 2012, 147.)

Fourth, the cultural difference can affect the research much.

> For example, in some places, it would be unacceptable for women to conduct personal interviews with men, or vice versa. Another challenge is that during religious holidays, like Ramadan for Muslims, research must be suspended. Cultural taboos, like revealing your wealth to one another in certain parts of Africa, can stop the data gathering process. (Research Optimus 21 Mar 2013.)
Fifth, in conducting research in foreign countries, it is highly recommended to translate the questionnaire into the language spoken in the country to avoid unintentional errors of respondents. Translating a questionnaire to another language is challenging. Lots of points can be lost because idioms, phrases, and statements can be interpreted differently in different culture. (Kotler & al. 2014, 156.)

In this thesis, since the target group is Japanese tourists, the survey is carried out only in Japanese and all the communication with respondents are also in Japanese.

3.2 Questionnaire design

Designing the questionnaire started with defining questions which may answer the investigative questions and reveal respondents’ profile, for example, gender and age.

As the target of the survey is strictly limited, there was no need of setting a screening question such as “Are you a Japanese traveler coming to Finland?”. To save the respondents’ trouble and time, open questions were avoided.

The questionnaire was made in Surveypal, and translated version with the answer options are attached as appendix 3.

Question 1 and question 2 are designed to reveal respondents’ demographic characteristics. Questions 3 to 8 specifically about their trip to Finland. In the last two questions, their general behavior in traveling will be figured out.

Table 5 shows which question corresponds to which investigative questions and answer types. MO stands for multiple choice with one answer and MM is multiple choice with multiple answers.

Table 5. Questions and IQs

<table>
<thead>
<tr>
<th>Question number</th>
<th>Question</th>
<th>Question type</th>
<th>Investigative question</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Gender?</td>
<td>MO</td>
<td>IQ 1, 2</td>
</tr>
<tr>
<td>2</td>
<td>Age?</td>
<td>MO</td>
<td>IQ 1, 2</td>
</tr>
<tr>
<td>3</td>
<td>What is the purpose of your travel?</td>
<td>MO</td>
<td>IQ 1, 2</td>
</tr>
<tr>
<td>4</td>
<td>How long will you stay in Finland?</td>
<td>MO</td>
<td>IQ 1, 2</td>
</tr>
<tr>
<td>5</td>
<td>Where in Finland will you stay?</td>
<td>MM</td>
<td>IQ 1, 2</td>
</tr>
<tr>
<td>Question number</td>
<td>Question</td>
<td>Question type</td>
<td>Investigative question</td>
</tr>
<tr>
<td>-----------------</td>
<td>--------------------------------------------------------------------------</td>
<td>---------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>6</td>
<td>What is your accommodation type?</td>
<td>MO</td>
<td>IQ 1, 2</td>
</tr>
<tr>
<td>7</td>
<td>How did you find your accommodation?</td>
<td>MO</td>
<td>IQ 2,3</td>
</tr>
<tr>
<td>8</td>
<td>What is your budget for your accommodation per night?</td>
<td>MO</td>
<td>IQ 1,2</td>
</tr>
<tr>
<td>9</td>
<td>How do you find information of your travel destination?</td>
<td>MM</td>
<td>IQ 3</td>
</tr>
<tr>
<td>10</td>
<td>What is the most important factor when deciding your accommodation?</td>
<td>MO</td>
<td>IQ 1, 2</td>
</tr>
</tbody>
</table>

### 3.3 Data collection analysis

In this study, two different kinds of data are collected and analyzed. One is the primary data that I am collecting and another one is the secondary data which I could find online.

#### 3.3.1 Primary data

As for the primary data, survey data collection method was taken. The target of the survey is Japanese tourists in Finland, in other words, Japanese tourists who have visited, is coming to, and in Finland when the survey is conducted. The data collection started on 26 December 2016 and ended on 26 April 2017. A total of 71 responses were gathered.

The survey was conducted to three different targets:
1. Japanese tourist at Helsinki-Vantaa airport
2. The followers of Aitoloma’s Facebook page
3. Customers of travel agencies or coordinators

Most of the Japanese tourists coming to Finland arrive at Helsinki-Vantaa airport. And, at the airport, at least two flights depart to Japan and two arrive every day. Since an airport is a general place where every traveler come, the risk of choosing certain types of respondents can be decreased. Hence, I made a judgment that that is the best place to conduct a face to face survey.

At the airport, I handed out a piece of a paper with a QR code (see figure 18) to the respondents, and asked them to answer the questionnaire online. There are two reasons I chose face to face but online questionnaire at the airport. One is that the travelers have a lot of luggage and I thought it would be hard to keep them in safe if they are writing some-
thing on paper somewhere. Another reason is I found it difficult to find a good place to fill in the paper form because the airport can get very crowded.

![QR code](https://via.placeholder.com/150)

Figure 18. QR code for the survey.

For The followers of Aitoloma's Facebook page and the customers of travel agencies or coordinators, the online survey was carried out. Aitoloma is a small Finnish company which offers tour guide and coordinate service for Japanese tourists. Its Facebook page has 758 followers, and Ms. Uehara, the owner of the company was very nice to help this study with sharing the questionnaire on the Facebook page. I contacted many travel agencies both in Japan and Finland, only one company replied and accepted to help the study.

I faced a few major challenges in data collection process.

First, travelers are often pressed for time, so many potential respondents denied to answer the questionnaire because of lack of time. Some travelers told that they will do after checking into their accommodation or arriving in Japan, however, it was impossible to know if they completed the questionnaire.

Second, the flight schedules were between 14:00 to 17:00, for both departures and arrivals, so it was hard to be there when travelers are still in the common area where I could go due to work and school. Therefore, the survey at the airport was mostly carried out on weekends.

Third, travel agencies were not cooperative for the research. It probably because in Japan, bachelor theses are usually desktop research based, therefore, companies are not used to working with students for their research and are not willing to waste their time for it.
All the answers from the respondents are collected and stored automatically in Surveypal, an online survey platform. It also creates a report with numbers and graphs. Based on the report, I will generate a new report in excel by entering the results manually and it will be used in the analysis.

### 3.3.2 Secondary data

As mentioned in the previous section, the secondary data that are used in this thesis is the statistical background information of Finland’s and Japan’s tourism. These secondary data were collected from online pages providing statistical data such as Statistics Finland (Tilastokeskus) and Visit Finland. Collecting secondary data is crucial for the study to understand the overview of the Japanese and Finnish market in tourism.

Secondary data will be analyzed by the given numbers and graphs on the data in the chapter 4.1. Some of the data will also be analyzed by generating a report in excel based on the provided numbers.
4 Results and key findings

In this chapter, the outcomes and key findings of the research are presented. The research was carried out based on two different data: the secondary data and the primary data.

Table 6 describes the content and analyzed data for each subchapter.

Table 6. Content of each subchapter

<table>
<thead>
<tr>
<th>Subchapter</th>
<th>Content</th>
<th>Data used</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1</td>
<td>Overview of the market: Japan and Finland</td>
<td>Secondary</td>
</tr>
<tr>
<td>4.2</td>
<td>Results of the survey</td>
<td>Primary</td>
</tr>
</tbody>
</table>

4.1 Japanese travelers and Finnish market

Figure 19 illustrates the change in overnight stays from 2015 to 2016. Compared to 2015, the total of nights spent in Finland grew by 3%. Nights spent by foreign resident grew by 5%, as well as by Japanese travelers. As mentioned in Chapter 1.1, the number of nights spent by Japanese tourists has grown year by year until 2015 (See appendix 1), and still growing continuously. The biggest growth was recorded by Chinese, which was plus 27%. (Statistics Finland 2017a)

Figure 19. Change in overnight stays 2016 / 2015, %. (Statistics Finland 2017a)
Figure 20. Number of nights spent by Japanese visitors and share of foreign overnights (Visit Finland 2016b, 4).

Figure 20 describes the number of nights spent by Japanese visitors and share of foreign overnights. Including same day visitors, 454,000 people visited Finland from Japan in 2015. A total of 203,400 nights were spent by Japanese visitors, and it covers 4% of total nights spent by foreign residents in Finland in 2016. That makes Japan is the 7th biggest market for Finland by the number of overnights. (Visit Finland 2016b, 4-5.)

Figure 21. Japanese overnight, summer and winter 2015. (Visit Finland 2016b, 6)

The number of overnight by Japanese visitors from 2006 to 2015 is shown in figure 21. In 2015, 60% of total nights spent by Japanese travelers were registered in summer, and 40% were registered in winter. The number of overnight in summer is growing again from 2012, and in 2015, the growth was plus 15% compared to 2014. As for the winter season,
the number of the nights spent was constantly growing from 2006 to 2012, but it started decreasing from 2013. In 2015, it declined by 11% from what it was in 2014. (Visit Finland 2016b, 6.)

Figure 22. Nights spent of Japanese travelers by month 2014 and 2015 (Visit Finland 2016b, 7)

The most visited month is August, followed by September and July in 2015 (see figure 22). The growth of autumn was significant. (Visit Finland 2016,7.) This supports the idea that Finnish autumn season is getting popular among Japanese tourists.

In 2015, approximately 450 000 trips were made from Japan to Finland, and 90% was from Kantō, Chūbu and Kinki regions. The three biggest cities in Japan, Tokyo, Osaka, and Nagoya are located in those areas. (Visit Finland 2016b, 14.)
Figure 23 illustrates overnights by region in summer and winter season from Japan. Almost 70% of visitors from Japan stayed in Helsinki throughout the year in 2015. In summer, the difference between the overnight of Uusimaa and Lapland was tremendous, however, they did not look very different in winter. (Visit Finland 2016b, 10.)

Figure 24 shows the 10 cities which had the biggest growth rates in the night spent in 2016. The number of nights spent by Japanese in Helsinki grew by 5.3% and in Rovaniemi increased by 13.7% from 2015 to 2016 along with the growth of overnight stay in the whole country (See appendix 2). Figure 22 below provides the 10 best cities in terms of the nights spent growth rate. The biggest change was Jyväskylä, which recorded 94.8%. Even though the number of visitors decreased in Lapland in 2016, 13.7% more tourists are visiting Rovaniemi compared to 2015.
Figure 25. What is interesting about and what was experienced in Finland (Visit Finland 2016b, 17)

Figure 25 illustrates the interest of Japanese tourists to the travel to Finland and what they actually experienced during the trip. This graph shows that the visitors are having difficulties to find the opportunities to experience them. Sauna is the second most interested activity and a relatively easy to find and experience, however, less than one in ten travelers experienced. (Visit Finland 2016b, 17.)

Noro (2015, 6) points out four growth possibilities for Finnish tourism market by Japanese tourists:

− Increase of solo female travelers with LIVE LIKE LOCALS theme will continue to grow mainly in Helsinki area. And this trend will affect on package tours for senior people gradually in slightly different style such as home visit.
− Due to popularity of Baltic countries and recovery of St. Petersburg, the combination with Baltic countries and Russia will bring additional overnights in Finland.
− As new products, Mikkeli and Savonlinna are being introduced gradually in the summer package tours.
− Also new segment, school excursion is considered within tour operators.

Noro (2015, 7-9) also introduces marketing opportunities for Finnish tourism industry to Japanese market.

1. Stopover Finland and FinRelax
2. Tourism Expo Japan
3. Social media
4. Rakuten travel

Stopover Finland is a project to develop Finland as a stopover location for Asian tourists traveling via Helsinki-Vantaa Airport by providing attractive tour packages from five hours transfer to five days stopover. The main targets of this promotion are individual travelers
from Japan, China, and South Korea who have transits at Helsinki-Vantaa airport to reach their travel destination in other European countries. (Visit Finland 2017a)

**FinRelax** is a promotion project targeted to travelers from Japan, Russia and Germany to make Finland the leading well-being travel nation. Unlike Stopover Finland, FinRelax’s “is aimed at companies, whose travel products are well-suited or which have a readiness to develop well-being travel products for international travellers” (Visit Finland 2017b).

**Tourism Expo Japan** is the biggest travel fair in Asia today. In this event, workshop sessions for consumer promotion opportunity is held, therefore, it is highly recommended for companies having or hoping to have many Japanese clients. (Noro 2015, 7.)

As for **social media**, LINE and Instagram are very effective to approach younger generations. To attract senior people, Facebook promotion is recommended (Noro 2015, 7.)

**Rakuten Travel**, one of the subordinate companies of Rakuten, Inc., is the biggest online travel agency in Japan. They have a very systematic and complicated logistic chain, however, it seems that the way of cooperation with suppliers and tourism organization they have is out of date. Therefore, it could be better to propose a new promotion to them. (Noro 2015, 9.)

### 4.2 Discovery from the survey

The survey was conducted face to face and online from 26 December 2016 to 26 April 2017. A total of 187 people opened the questionnaire, however, I could collect 71 responses. The completion rate was 38%.

![Figure 26. Response rate of the survey (n=187)](image-url)
The number of valid response for question 1 was 68. As shown in figure 27, 82% of the respondents were female. This implies that women are more interested in traveling to Finland than men in Japan.

A total of 68 valid answers were collected for this question. 72% of the respondents were 20 to 39 years old. Finland seems to be popular especially among people in their 30’s. In this survey, no answers were collected from travelers who are over 60 years old (see figure 28).
Figure 29 shows the responses to question 3, which allowed respondents to select multiple answers. There were 71 respondents answered to this question and the total response was 77. Putting individual and tour tourists together, 67 of respondents, answered that the purpose of their trip is sightseeing. Individual travelers constitute about 90% of them. The respondents who visited Finland with a tour package were mostly 50 to 59 years old. All the business travelers also selected individual sightseeing.

There were 6 comments that say the purpose of their travel was to visit the Moomin world in Naantali.

Figure 30 presents the length of their stay in Finland. There were 68 valid responses for this question. 71% of the respondents answered that the length of their stay in Finland is less than a week.
71 respondents answered and a total 131 responses were gathered for this question. This implies that many of visitors from Japan visit multiple cities during the trip. 67 of 71 respondents, which is 94% of them answered that they are staying in Helsinki metropolitan area. A total of 9 answers collected to “other”, and 6 of them commented Inari or Kemi, which are in Lapland (see figure 31).

![Figure 31. Cities the respondents stayed (n=71)](image)

Figure 31 describes the type of accommodation the respondents chose. 71% of 69 valid responses collected for this question were for Hotel. This also showed that Japanese travelers are not so familiar with the concept of serviced apartments which Forenom Oy provides. However, there are 13% of respondents who selected either serviced apartments or apartments rented out by individuals, and most of them were female in their 20s.

![Figure 32. The type of accommodation (n=69)](image)
69 valid responses were gathered for this question. As shown in figure 33, 41% of the answerers said that they found their accommodation via travel agency. In Japan, many travel agencies provide a travel package called “free plan tour”, that allows travelers to select the length of the stay, flights, and hotels from several choices but there are no travel guiding services in the destination. This result reflects the special characteristics of purchasing behavior of Japanese travelers. On the other hand, 35% of the respondents said they reserved their accommodation through online travel agencies, such as booking.com and Expedia. It seems that younger travelers prefer to travel independently, by selecting flights and accommodation of their choices.
The number of valid answer for this question was 70. A total of 31 respondents budgeted 5000 to 10000 yen which is about 40 to 80 euro per night, and 24 of them did 80 to 120 euro (see figure 34).

![Figure 34: Information sources for travel destination (n=71)](image)

Figure 35. Information sources for travel destination (n=71)

A total of 198 responses were provided by 71 respondents. As described in figure 35, the most preferred information source among Japanese tourist was travel guidebooks which 80% of them answered they use them. For young generations, Instagram is very popular as Noro (2015, 7) stated in his research as well. The comments collected for other online sites were very interesting. 14 comments out of 29 mentioned that they read blogs to get the information of the destinations, and those blogs were written by Japanese residents in Finland, not by travelers. This supports the idea that Japanese travelers are interested in “live like local” theme trip.

![Figure 36: The first criteria choosing accommodation (n=71)](image)

Figure 36. The first criteria choosing accommodation (n=71)
There were 71 valid responses to this question. Figure 36 illustrates what criteria is the most important for Japanese travelers when choosing where to stay. 68% of the respondents answered that location is the most important factor, followed by price. The length of their trip tends to be very short, so this may affect the accommodation selection to be located in a convenient area in terms of transportation to save their time.
5 Conclusions

In this chapter, I will conclude my thesis project by answering to the investigative questions, presenting my recommendation how Forenom Oy can market to Japanese tourists effectively, and evaluating the study.

5.1 Answers to the investigative questions

The purpose of this research is to find answers to the research and investigation questions of the thesis. In this chapter, I will provide my answers to the questions which were discovered by analyzing the research results.

5.1.1 What are the characteristics of the travel of Japanese tourists?

The favorite seasons of Japanese tourists visiting Finland are summer and winter. The most visited season is summer, and popular months are August, September, and July. In summer, most of the visitors travel to Helsinki, but not to northern Finland. However, in winter, their favorite destination changes to Lapland. The number of visitors in autumn is also growing year by year. Throughout a year, most of the travelers coming to Finland stay in Helsinki area, therefore, it can be said that Helsinki is the most popular city in Finland among them.

The length of their trip is usually less than a week, however, a majority of them travel to multiple cities in Finland during the stay. The typical combination is Helsinki and Rovaniemi in winter time.

Their purpose of travel is sightseeing, and young generations prefer to travel individually, but older generations prefer guided tours. Most of them stay in Hotels, but younger generations started to use serviced apartments. The budget for accommodation is around 80 euro. They attach importance to the location when selecting where to stay.

5.1.2 What is the most typical customer type visiting Finland?

As a result of the research and the analysis, a buyer persona is generated. The buyer persona is created according to the criteria below, that are also explained in chapter 2.3.2:

- Focus on motives behind behaviors:
- Keep personas fictional, but still realistic.
- Choose one primary persona
Tell your persona’s story
(Hubspot 2014, 35-40.)

Figure 37 is the most typical Japanese tourist in Finland.

<table>
<thead>
<tr>
<th>Name</th>
<th>Yuki Araki</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>32</td>
</tr>
<tr>
<td>From</td>
<td>Tokyo, Japan</td>
</tr>
</tbody>
</table>

Yuki is interested in Finnish culture and design. She is working in central
of Tokyo, so she would like to relax in Finnish nature. She is traveling to
Finland alone in August, and will visit Helsinki and Naantali to meet her
favorite character, Moomin. The length of her travel is 6 days. She wants
to experience Finnish sauna, but she does not know where to find one.
She is looking for a hotel via travel agencies, and her budget for the ac-
commodation is 85 euro per night. She reads blogs of Japanese people
living in Finland, and dreams to travel like a local.

Figure 37. Buyer persona of Japanese tourists in Finland

Yuki covers most of the “typical” factors revealed by the research. The story in the perso-
na describes about her in more details.

5.1.3 What are the preferred marketing channels of the target customers?

For looking for accommodation, the most favorite channel of Japanese travelers is travel
agencies, since many of them find accommodation through their “free plan tour” packag-
es. However, online travel agencies are as popular as traditional travel agencies nowa-
days.

Most of the travelers coming to Finland search information from travel guidebooks. Even
though they usually do not use it for finding accommodation, however, this channel could
have the best effect on spreading visibility in the target market.

Social media is also very popular among young generations. For many female tourists
who would like to travel like a local, blogs in Japanese are the strongest channel to attract
them since they want to know more about the real life in Finland.
At last, the word of mouth is always effective in marketing, both in good and bad ways. Therefore, providing a great service is also a very important and the most basic factor in marketing.

5.2 Recommendation

Here are my recommendations to Forenom Oy.

5.2.1 Start promotions to Asia now

As an outcome of this thesis project, I would like to recommend Forenom Oy to start marketing to Asia, especially Japan and China as soon as possible. I focused on the Japanese market in this thesis, however, the growth rate of overall of Asian tourists in the travel industry in Finland is enormous.

Japanese people have difficulties of having long vacations due to working culture of Japan, therefore, they plan their trip many months in advance. The typical holidays they travel are in early May, middle of August, middle of September and Christmas to the New Years. If Forenom Oy could start marketing already now, they may be able to catch the biggest holiday season in August.

Japanese tourists are not familiar with serviced apartments’ concept yet, however, there are many female travelers who would like to travel like a local. Forenom Oy could be a pioneer in the Japanese market by reacting to the demand of their “live like a local” themed trips. Forenom Oy could have a strong position in the market because of its outstanding knowledge of consumer demand in the niche that they want to travel like a local. (Kotler & Armstrong 2012, 226-227; Kotler & al. 2014, 233-234.)

“Events and attractions are the two primary strategies used by tourist destinations to attract visitors", Kotler and al. say (2014, 541). Many Japanese tourists want to experience Finnish sauna, however, they do not have many opportunities during their stay in Finland. Forenom can fulfill their demand by promoting their apartments with sauna.

Since Forenom Oy has many properties all over Finland, making a campaign, for example, providing 10% of discount for the second accommodation in other cities in Finland, for the travelers who visits multiple cities would be appreciated.
5.2.2 Cooperate with organizations

Finnish organizations are already working on getting more Asian tourists by creating projects such as Stopover Finland and FinRelax. Fortunately, Japan is included in both projects as one of the main target markets. Cooperating with them could bring us a great brand image and visibility among Japanese tourists who are traveling not only to Finland but also to Europe.

Cooperating with Japanese travel agencies, both traditional ones and online ones, may be the most effective way of marketing. Many Japanese travelers make reservations through them, therefore, listing Forenom properties there would bring us a great impact. Often, Japanese travel agencies organize business trips as well, therefore, there is also a great chance to find cooperate customers through them. There are many companies in Finland that have offices in Japan, and vice versa. This also is a great opportunity for Forenom to be a pioneer in the market that provides accommodation and relocation solutions for their workers by fulfilling the consumer demand in the niche. (Kotler & Armstrong 2012, 226-227; Kotler & al. 2014, 233-234.)

Considering most of the Japanese uses guidebooks when looking for information, Forenom Oy should put an advertisement on travel guidebooks to get more visibility. Cooperating and planning a tour with travel guidebook publishers would be fantastic.

To widen the possibility of finding cooperation partners, it may be a great opportunity to attend the Tourism Expo Japan 2017 which will be held in September. As this is the biggest travel fair in Asia, Forenom Oy can benefit a lot not only from Japanese companies but also other Asian companies in the tourism industry.

5.2.3 Marketing in Japanese

Many solo female travelers to Finland want to know more about Finnish style of living and its culture, so they read blogs of Japanese residents living in Finland. They appreciate the contents of the blogs. Forenom Oy could provide them local news from different offices in Finland to let them know real Finland. There are still many Japanese who are not comfortable with English, marketing should be done in Japanese.

If it is difficult to create a content in Japanese, Forenom Oy could invite some of the Japanese bloggers who has many followers or readers for marketing events or as test sleepers and cooperate with them.
5.3 Evaluation and my learnings through this project

My personal goal for this thesis was to gain a deeper understanding of Japanese tourism market and find possibilities to develop Forenom Oy’s business in the area.

I faced the biggest difficulties in finding respondents for the survey. Since this survey took a quantitative research method, I aimed for getting a total of 100 respondents, however, I could only get 71 responses and it took for four months. The target for the survey was travelers, so many of them were pressed in time and could not complete the survey. I was hoping to get some help from Japanese travel agencies, but as mentioned earlier in this thesis, Japanese companies are not used to working with students for the thesis, so many of them denied.

Even though it was very challenging to reach many respondents, I think the survey result came out reliable. There were many similar points with the secondary source which I collected from the biggest Finnish statistics researcher, Statistics Finland and the official tourism promoter, Visit Finland. I was very relieved to find my research results correspond to their reports. The secondary data was easy to find, and the sources provided me great information in Japanese tourism market and Japanese tourists in Finland.

Best of all, I could learn by doing how to research a market and find the marketing opportunities. I am very grateful that I could try this thesis project. It was a wonderful learning opportunity and what is most, I kept going because I knew I could make mistakes and learn from them, which would not be very good in the real business world.

Lastly, I would like to thank all the respondents, companies, teachers, friends and my family for supporting me to complete this thesis project.
References


Appendices

Appendix 1. Nights spent by country of residence 2009-2015 (Visit Finland 2016)

<table>
<thead>
<tr>
<th>Nights spent by country of residence 2009-2015</th>
<th>WHOLE COUNTRY, FINLAND</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>1856733</td>
</tr>
<tr>
<td>Domestic</td>
<td>1367733</td>
</tr>
<tr>
<td>Foreign</td>
<td>4890006</td>
</tr>
<tr>
<td>Foreign excluding Russia</td>
<td>3910480</td>
</tr>
<tr>
<td>Europe</td>
<td>4033708</td>
</tr>
<tr>
<td>EU-28</td>
<td>2759468</td>
</tr>
<tr>
<td>Scandina-via</td>
<td>740278</td>
</tr>
<tr>
<td>Asia</td>
<td>375174</td>
</tr>
<tr>
<td>Oceania</td>
<td>43679</td>
</tr>
<tr>
<td>Africa</td>
<td>20226</td>
</tr>
<tr>
<td>America</td>
<td>228390</td>
</tr>
<tr>
<td>Russian Federation</td>
<td>979526</td>
</tr>
<tr>
<td>Sweden</td>
<td>494002</td>
</tr>
<tr>
<td>Germany</td>
<td>525880</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>464292</td>
</tr>
<tr>
<td>France</td>
<td>212887</td>
</tr>
<tr>
<td>China and Hong Kong</td>
<td>73701</td>
</tr>
<tr>
<td>Japan</td>
<td>134363</td>
</tr>
<tr>
<td>United States</td>
<td>166893</td>
</tr>
<tr>
<td>Estonia</td>
<td>167816</td>
</tr>
<tr>
<td>Norway</td>
<td>149279</td>
</tr>
<tr>
<td>Netherlands</td>
<td>169213</td>
</tr>
<tr>
<td>Switzerland</td>
<td>107621</td>
</tr>
<tr>
<td>Italy</td>
<td>151658</td>
</tr>
<tr>
<td>Spain</td>
<td>109240</td>
</tr>
</tbody>
</table>

Source: Statistics Finland / Accommodation statistics, Visit Finland 2016
Appendix 2. Nights spent by non-residents and annual change (%) in all establishments in 2016 (Statistics Finland 2017)

<table>
<thead>
<tr>
<th>Region</th>
<th>Japan</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whole country</td>
<td>214,495</td>
<td>5.4</td>
</tr>
<tr>
<td>Mainland Finland</td>
<td>214,367</td>
<td>5.5</td>
</tr>
<tr>
<td>Uusimaa</td>
<td>146,769</td>
<td>4.5</td>
</tr>
<tr>
<td>Espoo</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Helsinki</td>
<td>133,130</td>
<td>5.3</td>
</tr>
<tr>
<td>Vantaa</td>
<td>11,148</td>
<td>-7.6</td>
</tr>
<tr>
<td>Varsinais-Suomi</td>
<td>4,791</td>
<td>-7.3</td>
</tr>
<tr>
<td>Turku</td>
<td>2,218</td>
<td>18.4</td>
</tr>
<tr>
<td>Satakunta</td>
<td>675</td>
<td>35.8</td>
</tr>
<tr>
<td>Pori</td>
<td>281</td>
<td>62.4</td>
</tr>
<tr>
<td>Kanta-Häme</td>
<td>800</td>
<td>24.8</td>
</tr>
<tr>
<td>Hämeenlinna</td>
<td>781</td>
<td>26</td>
</tr>
<tr>
<td>Pirkkola</td>
<td>4,008</td>
<td>17.7</td>
</tr>
<tr>
<td>Tampere</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Päijät-Häme</td>
<td>939</td>
<td>-0.4</td>
</tr>
<tr>
<td>Lahti</td>
<td>509</td>
<td>-8.9</td>
</tr>
<tr>
<td>Kymenlaakso</td>
<td>181</td>
<td>-30.7</td>
</tr>
<tr>
<td>Kouvola</td>
<td>88</td>
<td>-17.8</td>
</tr>
<tr>
<td>South Karelia</td>
<td>257</td>
<td>2.8</td>
</tr>
<tr>
<td>Lappeenranta</td>
<td>223</td>
<td>15.5</td>
</tr>
<tr>
<td>Etelä-Savo</td>
<td>566</td>
<td>37</td>
</tr>
<tr>
<td>Mikkeli</td>
<td>277</td>
<td>48.1</td>
</tr>
<tr>
<td>Pohjois-Savo</td>
<td>562</td>
<td>5.8</td>
</tr>
<tr>
<td>Kuopio</td>
<td>471</td>
<td>14</td>
</tr>
<tr>
<td>North Karelia</td>
<td>639</td>
<td>-30.1</td>
</tr>
<tr>
<td>Joensuu</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Central Finland</td>
<td>2,366</td>
<td>101.5</td>
</tr>
<tr>
<td>Jyväskylä</td>
<td>2,152</td>
<td>94.8</td>
</tr>
<tr>
<td>South Ostrobothnia</td>
<td>494</td>
<td>7.9</td>
</tr>
<tr>
<td>Seinäjoki</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ostrobothnia</td>
<td>822</td>
<td>50.3</td>
</tr>
<tr>
<td>Vaasa</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Central Ostrobothnia</td>
<td>121</td>
<td>-33.1</td>
</tr>
<tr>
<td>Kokkola</td>
<td></td>
<td></td>
</tr>
<tr>
<td>North Ostrobothnia</td>
<td>3,893</td>
<td>32.9</td>
</tr>
<tr>
<td>Kuusamo</td>
<td>2,505</td>
<td>65.5</td>
</tr>
<tr>
<td>Oulu</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kainuu</td>
<td>1,122</td>
<td>10.3</td>
</tr>
<tr>
<td>Kajaani</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lapland</td>
<td>45,362</td>
<td>4.3</td>
</tr>
<tr>
<td>Rovaniemi</td>
<td>17,254</td>
<td>13.7</td>
</tr>
<tr>
<td>Åland</td>
<td>128</td>
<td>-28.9</td>
</tr>
<tr>
<td>Maarianhamina</td>
<td>110</td>
<td>-28.6</td>
</tr>
</tbody>
</table>
Appendix 3. The survey questionnaire (translated into English)

As a thesis project, I am researching on Japanese tourists in Finland. It would be grateful if you could help me with the research by answering questions below.

1 Gender? Please select one option.
   ○ Male
   ○ Female

2 Age? Please select one option.
   (Pull down)
   ○ Under 20 years old
   ○ 20 – 24 years old
   ○ 25 – 29 years old
   ○ 30 – 34 years old
   ○ 35 – 39 years old
   ○ 40 – 49 years old
   ○ 50 – 59 years old
   ○ Over 60 years old

3 What is the purpose of your trip? Please choose at least one option.
   □ Sightseeing (Individual)
   □ Study
   □ Business trip
   □ Sightseeing (Tour)
   □ Other, please specify.

4 How long are you staying in Finland? Please select one option.
   ○ Less than 3 days
   ○ 4 – 5 days
   ○ 6 – 7 days
   ○ 8 – 10 days
5 Where in Finland are you staying? Please select at least one option.
- Helsinki metropolitan area
- Turku
- Naantali
- Tampere
- Jyväskylä
- Rovaniemi
- Saariselkä
- Other, please specify.

6 What is your accommodation type? Please select one option.
- Hotel
- Hostel
- Serviced apartment
- Apartment rented out by individual
- Somebody's home
- Other, please specify.

7 How did you find your accommodation? Please select one option.
- Through a travel agency
- Through an online travel agency (i.e. booking.com, Expedia, etc.)
- Advertisement on a travel guidebook
- Airbnb
- Recommendation from people
- Other, please specify.
8 How much is your budget for the accommodation per night? Please select one option.

○ Less than 5000 yen (40 €)
○ 5000 yen (40 €) – 10000 yen (80 €)
○ 10000 yen (80 €) – 15000 yen (120 €)
○ 15000 yen (120 €) – 20000 yen (160 €)
○ 20000 yen (160 €) – 30000 yen (200 €)
○ More than 30000 yen (200 €)

9 Where do you find the information of your travel destination? Please select at least one option.

□ Travel guidebooks
□ Leaflets from travel agencies
□ Ask from people who has been there
□ Instagram
□ Facebook
□ Twitter
□ Other internet sites, please specify.

□ Other, please specify.

10 What is the most important factor when choosing your accommodation?
Please select one option.

○ Price
○ Location
○ Design
○ Facilities of the accommodation
○ Other, please specify.

Thank you very much for your cooperation!

Please click "submit" button and send your response.