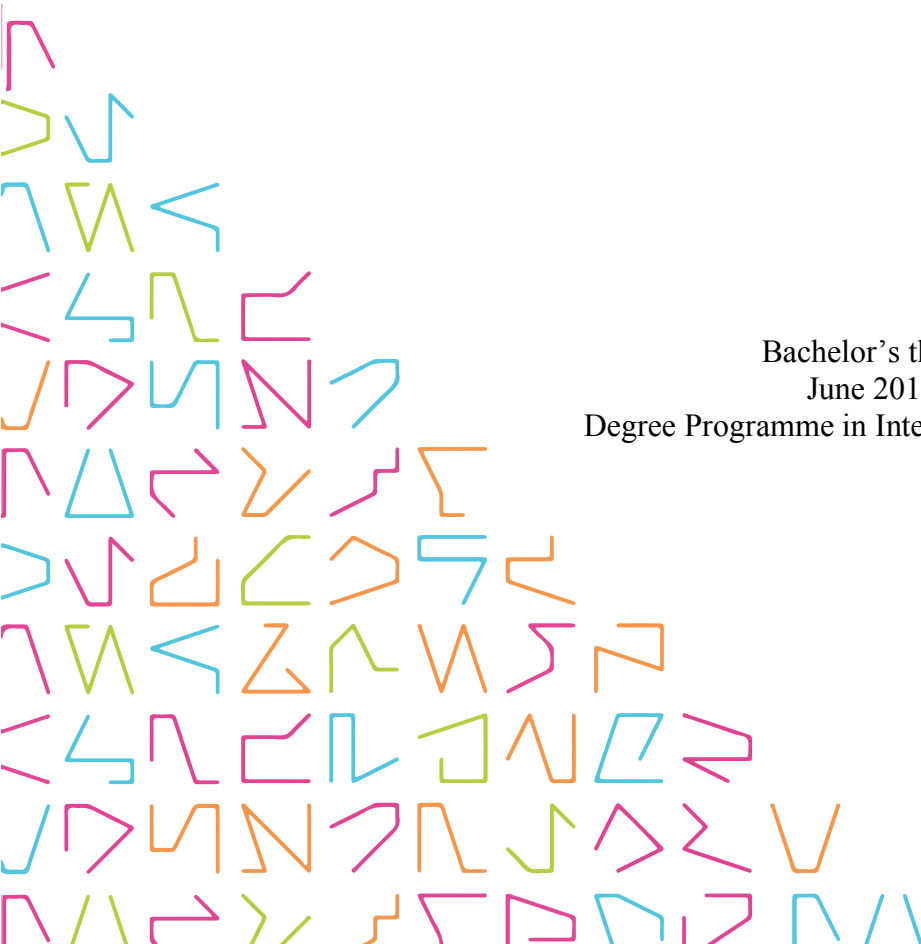


MARKETING COMMUNICATION PLAN

For OnniBus.com

Jenni Ojanen

Bachelor's thesis
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ABSTRACT

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This thesis examines the theoretical framework for marketing communications, applicable to the public transportation industry and to the case company OnniBus.com. The thesis also gives an overview of the Finnish public transportation markets and legislation. A high level marketing communication plan is developed for the five target segments of OnniBus.com: students, work commuters, seniors, event visitors and tourists. For each segment, the marketing communication plan lists the goals, the marketing mix, customer buying behaviour patterns, competitive differentiator issues, and methods to measure the success of the communications. The developed marketing communication plan template is also applicable for any other business or segment, current or future.

Keywords: Marketing communication, segmentation, transport industry, promotional mix

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1 INTRODUCTION

The purpose of an effective marketing communication plan is to help and guide the customer through the purchase and decision-making process on the whole customer journey – from identification of the need to post-purchase service. Marketing communication should be considered as a meaningful dialog with the customer, and it can only be done when you know your customer well. The objective is to create a tool, which helps in planning marketing communication for each chosen segment, and to examine the marketing communication theories in order to create an theoretical framework applicable to the public transportation industry. This thesis starts from exploring the marketing communication theories including communication process, segmentation, targeting, positioning, and the communications tools, or the marketing mix. Customer behavior and the customer buying process are also reviewed. Also applicable legislation and regulations of transport industry is presented to give an overview of how it is affecting the business environment in transportation industry. The theoretical framework is applied to the case company, OnniBus.com, a domestic long-distance bus carrier which was the first to introduce a low priced bus tickets in Finland, due to dismantling of Finnish Public Transport Regulation. At the end is presented the marketing communication plan for each chosen key customer segments.

2 THEORETICAL FRAMEWORK

2.1 The role of marketing communications

Communication is an inevitable part of living, and we are constantly communicating in our daily life with words, expressions, gestures and body language both consciously and unconsciously. Communication is part of every business regardless of whether the company has a communication plan or not. Companies communicate through, for instance, their visual design, distribution channels, products and pricing. Businesses need to consider what kind of an image and what kinds of messages they send to the environment and with what impact. Businesses also need to consciously consider what kind of communication they should carry out and plan to make the available information and corporate image not be random and totally uncontrolled. (*Vuokko 2003, 10-11*)

Marketing communication is a subfield of marketing, which involves communication tools, also known as promotional mix, such as advertising, direct marketing, personal selling, communication, promotion, sponsorship and public relations. Marketing communication is an important aspect of marketing mix, which in service-based business is used widely as Booms & Bitner's 7P's (1981): Product, Price, Place, Promotion, People, Physical evidence and Processes. (Kotler, Marketing communication aims to create consensus among stakeholders about matters that the business considers to be meaningful in order to influence the thoughts and behavior towards the company. It varies depending on the stakeholder and the essential thing is to know the target segment that business is communicating to. Marketing communication can establish dialogue and build relationships with customers and other stakeholders. Marketing communication should be considered as a two-way street so that the purpose is not just to convince the target audience about the company's superiority but to also collect information regarding the customers' needs and opinions about the product or service, and utilize that information in the R&D. (*Vuokko 2003, 14-18*)

2.2 The communication process

Communication process is well described with Laswell's model of communication (Laswell & Bryson 1948, 117) as "Who says What in Which Channel to Whom with What Effect." The basis of this model is the flow of a message, formulated by the source business to be transmitted through selected channels to receivers constituting the target audience. The effectiveness of the message is measured in terms of the feedback communicating the receiver's reaction to the message back to the source. However, in developing a marketing communication plan, flow of this model is approached in reverse; that is, the receiver and the desired impact are the starting point since the success of marketing communication is affected by the nature of the consumers who receive the message. Accordingly, the three key decisions that determine the flow of marketing communication are (1) communication goals (2) message strategy and (3) message distribution. The purpose of marketing communication is to realize the organization's desired impact, and the senders' ability and motivation to formulate the message to receivers play a vital role. In the end, the way the receiver decodes the message determines the results of the communication. (Vuokko 2003, 26-29.)

2.3 Marketing communication as a part of the value creation process

Product-oriented approach to marketing communication sees marketing and production as a separate fields, where production makes the product and marketing sells it. Consumer-oriented approach to marketing communication ties value creation process into marketing communication plan. The aim is to create customer perceived value, and this is a strategic decision which goes through all business operations. Value creation process is described in the following figure:

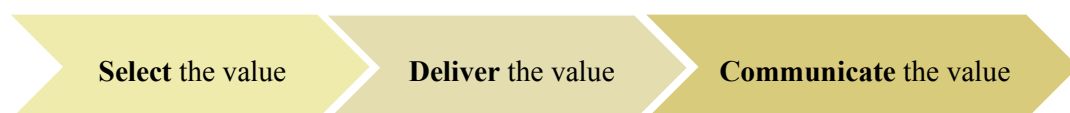


Figure 1: Value creation process (Vuokko, 2004, 24).

As an example, value selection can be the offering of high quality service and fast transportation with high class coaches at an affordable price. The purpose of marketing communication is to communicate the value, but it does not mean that planning starts at the

third phase. Value creation process highlights that all phases are linked to each other and the same value creation mindset is applied in all business decisions and operations. From the marketing perspective, selecting the value in this process is part of strategic marketing decisions, whereas delivering and communicating belong to the domain of tactical marketing decisions. Marketing strategy sets up plans to reach the marketing goals, and tactics are the actions taken to carry out the plan. In the first phase, strategic marketing communication decisions need to be made in three essential areas:

1. Market segmentation, or identifying potential target groups: what kind of groups and/or markets can be identified?
2. Focusing, i.e. evaluating different segments and choosing target groups: which target groups/ markets to focus on?
3. Positioning, or evaluating and selecting the best practices and concepts to different segments: how do we differ from competition and what creates our differentiation and uniqueness?

Strategic marketing decisions comprise essential parts of marketing communication plan defining to which segments and target groups to communicate and what. (Smith & Taylor 2004, 89-97.)

2.4 Segmentation, Targeting and Positioning

Segmentation, Targeting and Positioning (STP) model is one of the most widely-used strategic approaches in marketing. Market segmentation includes identification of the basis for segmentation and determining the important characteristics of each market segment. It is possible to identify, for example, niches with specific needs or mature markets to find new customers, and segmentation is used to determine the best manners to reach customers and assess their behavior. Market segmentation may identify, for example, a particular age group, such as Baby Boomers (born between 1946-1964) or Millennials (born 1980-2000), that have certain related buying patterns and characteristics. It is possible to segment the market by using any variable, but well-known ways include, for example, demographics and psychographics. The former gives information who the buyer is through any combination of e.g. age, gender, income, education, ethnicity, marital status, household size, location, and profession. Demographics give information who the buyer is, and allows companies also to specify the size of a potential market. The use of demographics helps define whether the products and services are being targeted to the most important consumers. Psychographics answers to why a certain person is buying a

certain product by linking personality and behavior-based emotions to purchase choices. Psychographical variables include e.g. attitude, hobbies and personality traits such as risk aversion. (Kotler & Keller 2012, 236-241.)

Segmentation is followed by market targeting where the potential commercial attractiveness of each segment is evaluated, and one or more deemed most valuable are selected for targeting. The market should not be too small for segmenting and there should be measurable differences existing between segments. Anticipated profits must exceed the costs of additional targeted marketing plans. Businesses need to then develop detailed product positioning and develop a marketing mix for each selected segment. By using the STP model it is easier to deliver focused and effective marketing communication. (Smart Insights. 12.5.2018.)

Market targeting also includes competitive positioning through competitive analysis tools. Competitive landscape is one such tool which identifies direct or indirect competitors and, at the same time, covers their mission, vision, core values, chosen markets, strengths and weaknesses. Based on the volatile nature of the business world, where companies compete against each other, this analysis helps establish a new mindset for creating and identifying of strategic competitive advantages. Competitive landscape profile includes a comparative analysis of products and services of key players, helping understand their respective strengths and weaknesses. In order to evaluate each competitor, there should exist a strategic division according to their level of competitiveness. (Bettis, R. Hitt. M. 1995, p.13-17)

2.5 Buying behaviour

One of the most important aspects affecting the marketing communication strategy is to identify, analyse and ultimately understand the buying behaviour of the target market. The behaviour of a single individual is not very predictable, thus it is important to consider the customers as larger groups i.e. segments. On the segment level three key questions that affect the purchase decision are:

1. Who is the buyer? (Target market and decision making units)
2. Why do they buy a particular product or brand?
3. How, when and where do they buy?

The second question is the most difficult to answer because there is a need for both qualitative and quantitative data. There are many factors affecting the reasons behind the purchase. It can be, for example, convenience; buying a particular product can save time to do something else. The amount of time and effort that the buyer is willing to put into any particular purchase depends on the level of expenditure, the frequency of a purchase and the perceived risk involved. The buyer can also be already familiar with the product or brand and it has already gained some level of trust. The choice can also be simply affected by the location of the product; it is sold in the right place, at the right time and with the right price. It is crucial to know why the customers are buying the products and what motivates them. (Smith & Taylor 2004, 92-93.)

2.6 The buying process

Purchase usually aims to solve some problem – to remove hunger, to provide a more efficient tool, to make a person feel good about him/herself, or to travel from A to B. Some reasons can be more important to a particular segment than to others. Some reasons are more rational and some more emotional. Within Abraham Maslow's hierarchy of needs model, transport industry can be seen to fall into self-actualization category, the highest level after physiological needs, safety, belongingness and ego needs are fulfilled. Still, for example, 'Safety' is an important factor that can affect decision making particularly in the transport industry. Purchase process can be divided into three phases: before, during and after purchase. The following figure shows a simple model of the buying process. (Smith & Taylor 2004, 94-96.)

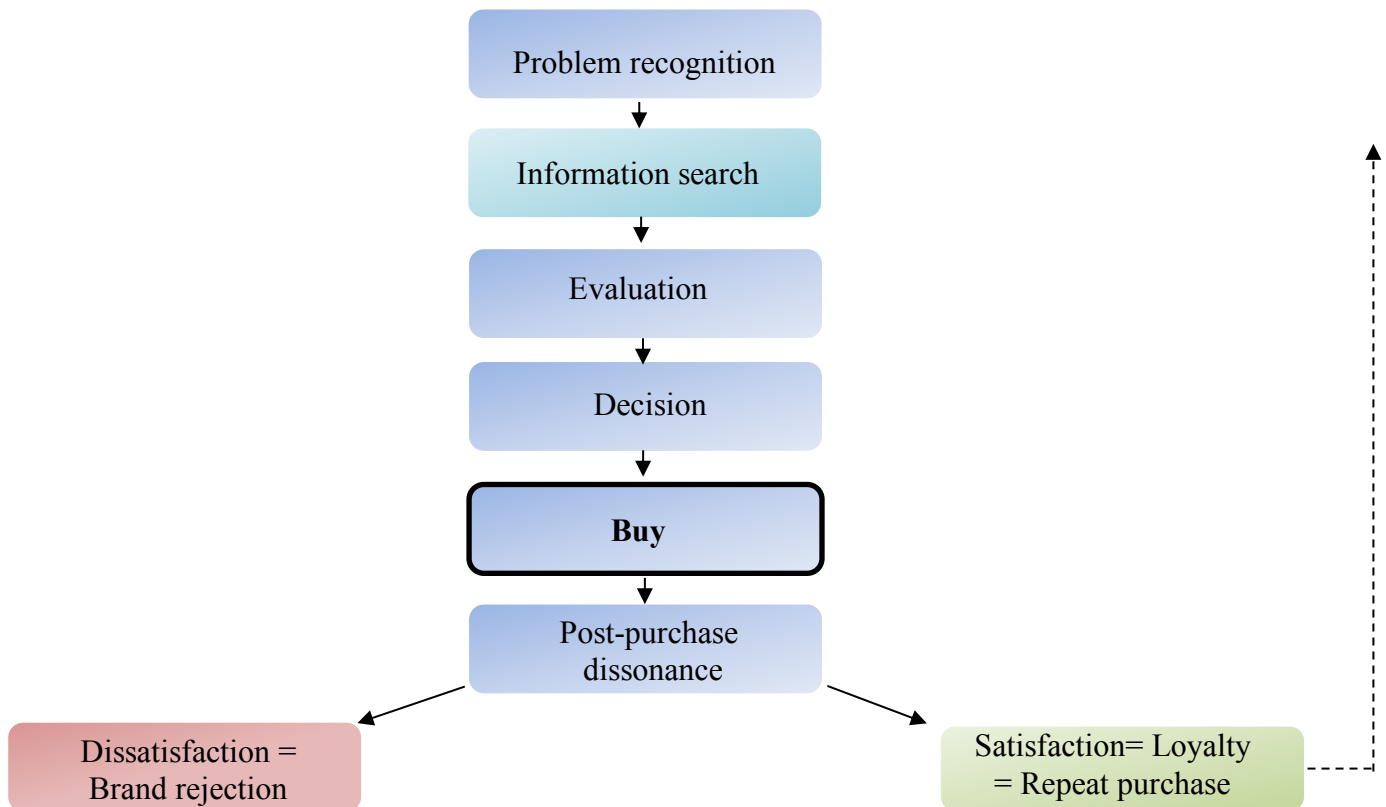


Figure 2: A simple model of the buying process (Smith & Taylor 2004, 97).

The movements from one phase to the next in the buying process model present possible communication actions with the customer. The simple model of the buying process starts with problem recognition – for example, a person needs to travel from A to B. Information search, highlighted in figure 2, is the most crucial part in the buying process from the communication perspective. In this phase, the customer is actively looking for information about different options from e.g. the Internet, leaflets, magazines or through discussions with friends. The level of investment and the type of purchase affect the amount of time and effort put into the buying process. Relatively larger investment with a higher risk warrants usually greater deliberation during the search and evaluation phases. This is called ‘extensive problem solving’ (EPS), where the buyer has a high involvement. When the buyer is already familiar with the brand or a product and has some level of trust towards it, and investment and risk are relatively lower, the term ‘limited problem solving’ (LPS) is used. LPS is further differentiated from habitual product purchases, where brand loyalty is strong and involvement low. This is called ‘routinized response behaviour’

(RRB). In the evaluation phase, the customer weighs the options and the associated values. For example, in the transport industry these could be cheap price or faster travel time, pick up point located in the city centre or in the suburb, direct route or a connected journey, exact departure or arrival time etc. Finally, the decision is made, but the buying process does not end there. Ultimately, using transport industry again as an example, after the customer has travelled on a bought journey, a final evaluation is made based on how the product matched the promise that included, for example, punctuality, quality of service, accessibility etc. If the overall experience is positive and customer is satisfied, that will probably lead to both repeat business and good word-of-mouth referrals over the long run. (Smith& Taylor 2004, 97-99.)

2.7 Marketing communication tools

2.7.1 Advertising

Advertising is an audio or visual form of marketing communication that aims to promote or sell a product, service or idea, and it is openly known to be sponsored. Advertising is usually a message distributed to a mass audience. Sponsors of advertising are typically businesses or non-profit organizations wishing to promote their products or services. Advertising is differentiated from public relations in that the advertiser's message is distributed via paid channels, and all in a relatively controlled environment. Advertising is communicated through various mass media, including traditional media such as newspapers, magazines, television, radio, outdoor advertising or direct mail; and new media such as search results, blogs, social media, websites or text messages. It can very quickly help brands raise the awareness and nurture relationships. The advertising planning process incorporates situation analysis, clear objectives of communication and advertising, and the strategy to reach the set objectives. Situation analysis states the current sales trends, market trends, and market share trends. Knowing the consumer's buying behavior and decision making process is also crucial. The strategy summarizes broadly the message and its execution, tone or creative strategy, target audience and media choice, strategy, timing and budget. Objectives should be specific, measurable, actionable, realistic and time-specific (SMART). (Smith & Taylor 2004,. 312-318)

2.7.2 Sales Promotion

Sales promotion is driven forward by several factors, including rewarding existing customers (relationship marketing), the growth of incentives via direct mail and newsletters, and the emergence of the group of customers that are promotion-literate and are expecting value-for-money promotions. Powerful retailers favor suppliers that have certain loss leaders, which means products that are sold in an attractive price in order to pull the customers interest towards the product/brand. In addition, more expensive advertising tools can encourage businesses to look for tools that are more cost effective. Sales promotions, premiums and incentives are used for both products and services in all customer, business-to-business and industrial markets. These can be grouped into three main categories:

1. Customer promotions (premiums, low-price promotions, gifts, prizes and competitions)
2. Trade promotions (special terms, point-of-sale materials and free gadgets such as pens)
3. Salesforce promotions (incentive and motivation schemes)

Whether sales promotions take the form of competitions, price reductions, free gifts, coupons, samples or special demonstrations, consumer sales promotions tend to serve as triggering actions in the later stage of the buying process resulting in, for example, increased usage of a particular brand. In comparison, advertising is trying to affect the earlier stages such as brand awareness, interest and desire. Sales promotions are more action oriented, and usually the effectiveness and return on investment can be calculated sooner. Well carried-out and correctly targeted sales promotions can deliver real customer value and strengthen the brand. The ultimate objectives can vary depending on the sales promotions, but usually the aim is to increase sales by, for example, rewarding existing customers, acquiring new customers that are unfamiliar with the brand, increasing awareness, and repositioning or demonstrating new features/modifications of the product/service. Depending on the business, sales promotions can also help e.g. generate leads, build customer database, move excess stock, build relationships with retailers, block or match competition, and generate publicity. (Smith & Taylor 2004, 356-360)

2.7.3 Direct marketing

Direct marketing brings the information, products or services directly into the home or office of an individual buyer, instead of the buyer actively searching for information. It is a form of advertising where businesses communicate directly with buyers through a variety of media tools, including text messaging, email, websites, online adverts, database marketing, flyers, catalog distribution, promotional letters and localized targeted television, newspaper and magazine advertisements as well as outdoor advertising. It is also known as direct response marketing, since various direct marketing techniques can be used to move the buyer through several stages of the buying process, e.g. having the buyer learn about the product range, finding out the latest information and establishing a contact with her/him. Direct marketing should not be used solely as a tactical tool, but rather as a part of strategic planning by integrating it with other marketing communication tools. Nowadays in the more digitalized environment, text messages and newsletters are popular as these tools are both powerful and low cost. The advantages of direct marketing include, for example;

1. Targeting - communicate directly to a tight, well-defined target audience (for example, people who travel between Tampere and Helsinki)
2. Cost-effectiveness – lower cost than when communicating to a mass audience
3. Opportunity to test – and retest – any variables, such as price, timing, promotions and content
4. Opportunity to build a contact and lead database – for example, with coupons
5. Personalized messages – customers with different needs and different level of loyalty can receive separate messages e.g. tailored to brand-loyals vs. brand-switchers
6. Long-term relationship – an opportunity to establish a long-term relationship with the customer through the database (Smith & Taylor 2004, 385-392)

2.7.4 Publicity and public relations

Public relations (often referred to as PR) is very often related just to press releases or media relations, but it actually covers the development and maintenance of good relationships with different target groups. These groups vary depending on the business, ranging from employees, investors, suppliers, customers, distributors, and legislators/regulators/governments, to the community, the media and even competition. Public relations

should be considered as planned and sustained effort to establish and maintain goodwill and mutual understanding between an organization and its public. PR also analyses trends, predicts their consequences, consults the organization leaders, and implements the planned programs that serve both the organization and the public interest. Public relations is a complement and a collaborative effort to the marketing approach, and product PR and corporate PR can be distinguished from each other. Publicity objectives vary from promoting a product to promoting the company among employees, customers, investor, the community etc. Marketing tends to be sales oriented, while public relations vary from promoting a product to promoting corporate strategy and its long-term affections, such as the choice of markets, products, factory locations, product processes etc. External groups are becoming more wanting to know more about, for example, corporate social responsibility and ethics. Public relations has no media cost unlike advertising, as the coverage is not bought, but rather, earned. The message has also higher credibility, but there is no control over the final appearance in the press. (Smith & Taylor 2004, 443-458.)

2.7.5 Word-of-Mouth

People talk to each other about companies and products, and exchange information, experiences and recommendations. Of all the elements of the communication mix, word of mouth (WOM) is by far the most potent in both industrial and consumer markets. Research shows that 30-50 per cent of all brand switching is due to recommendations by a friend, a colleague or an influencer, compared to 20 per cent being due to advertising. Nowadays influencer marketing is growing its popularity, and companies are investing large amounts of money to get a key opinion leader to recommend their product or service. The benefits of word-of-mouth communications are reputation, referrals and recommendations, but it can be difficult to find the right communication tools that generate good WOM. These tools can, for example, be influencer marketing, highly creative publicity stunts, challenging advertising campaigns and virals, but in the end, fundamental core to all WOM is the actual product and service experience. In addition, the way the company responds and handles complaints can turn the experience into negative or positive WOM. That is the reason why holistic customer experience management is combining product, service and also “feel-good-factors” at all customer touch points. The actual customer experience is based on customer expectations set by brand promotion, word-of-mouth communication and reputation, previous experience with the company, as well as with other companies. (Smith & Taylor 2004, 589-600.)

2.7.6 e-Marketing

e-Marketing simply covers all marketing online, which utilizes the analysis of customer behavioral data to identify, anticipate and satisfy the customer needs. e-Marketing opens an opportunity for dynamic dialogue with the customer by utilizing all the data in the CRM system, enabling businesses to communicate with the customer with the right message, in the right place, and at the right time. For example, if a customer is noticed to be looking at one page for unusually long, a “how can I help you” chat message can pop up. Marketing automation or automating the sending of the marketing messages, should be implemented to cover the whole customer journey to keep the relationship tight. One increasingly important aspect is search engine marketing (SEM), which helps bring the customers to the website and establish stronger online presence by identifying the right keywords for the business and by marketing them online. Google AdWords is the primary tool to achieve this. Websites should be built as search engine optimized, frequently incorporating important keywords in the pages and meta text fields, and specific landing pages should be built for the most important products or services. It can be assumed that the more website traffic can be generated, the more conversions and sales result as well. (Smith & Taylor 2004, 619-628)

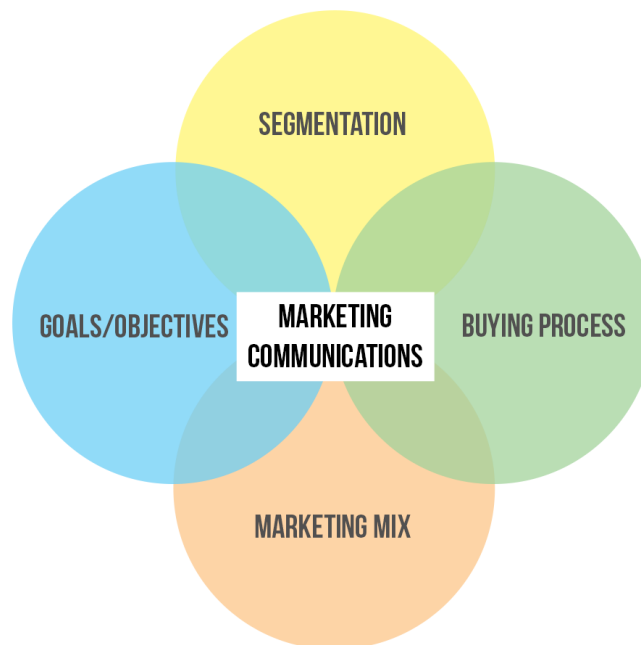


Figure 3: Marketing communications framework

In this thesis the purpose is to tie presented theories together as shown in figure 3. The

set goals and objectives are tied with segmentation and marketing mix; as each segment should have an own set of goals and objectives as well retailed marketing mix. Each segments' buying process should also be viewed in order to make decisions on which buying process phase it is the most important to communicate and through what channel.

3 PUBLIC TRANSPORTATION IN FINLAND

3.1 Public transportation markets in Finland

The Finnish Transport Agency publishes every second year Public Transport Performance Statistics, and the latest results from 2015 were published in July 2017. As shown in table 2, in 2015 there were 23.5 million domestic long-distance transport passengers, with railway transport holding a 52 per cent share, coach transport a 37 per cent share, and air transport having a 10.5 percent slice of the market. In long-distance travel the train passenger numbers decreased by 1.4% (1.3 million passengers) from 2013, as shown in table 1, coach transport passenger numbers increased by 0.4% (1.9 million passengers). In 2015, its first full operative year, OnniBus.com carried over 2.5 million customers. Therefore, the increase in passenger numbers in coach transport between 2013 and 2015 can be attributed largely to OnniBus.com. Occupancy rates increased in all long-distance transport forms, which indicates improvements in efficiency and cuts on unprofitable routes. The two tables below give more details of the market in 2013 and 2015.

Table 1: Public transport performance in 2013

Domestic passenger traffic in Finland 1. PUBLIC TRANSPORT PERFORMANCE 2013

| 2013 | Supply, million km | | | | | Demand, million | | | | Occupancy rate | |
|--------------------------------|--------------------|--------------|-----------------|-----------------|--------------|-----------------|--------------|----------------|--------------|----------------|-------------|
| | Vehicle | Share | Seat | Place | Share | Passengers | Share | Pass. km | Share | Seat | Place |
| COLLECTIVE TRANSPORT | 705,2 | 48,2% | 31 845,4 | 39 135,9 | 83,7% | 541,7 | 90,0% | 9 727,6 | 83,2% | 31 % | 25 % |
| Long-distance transport | 245,8 | 16,8% | 14 675,2 | 15 111,6 | 32,3% | 22,8 | 3,8% | 5 036,3 | 43,1% | 34 % | 33 % |
| Railway 1) 2) | 164,0 | 11,2% | 9 439,2 | 9 875,7 | 21,1% | 13,6 | 2,3% | 3 153,0 | 27,0% | 33 % | 32 % |
| Coach | 62,9 | 4,3% | 3 207,5 | 3 207,5 | 6,9% | 6,8 | 1,1% | 623,3 | 5,3% | 19 % | 19 % |
| Air 3) | 18,8 | 1,3% | 2 028,5 | 2 028,5 | 4,3% | 2,4 | 0,4% | 1 260,1 | 10,8% | 62 % | 62 % |

Statistics from Ministry of Transport and Communications.

Table 2: Public transport performance in 2015

Domestic passenger traffic in Finland 1. PUBLIC TRANSPORT PERFORMANCE IN 2015

| 2015 | Supply, million km | | | | | Demand, million | | | | Occupancy rate | |
|--------------------------------|--------------------|--------------|-----------------|-----------------|--------------|-----------------|--------------|----------------|--------------|----------------|-------------|
| | Vehicle | Share | Seat | Place | Share | Passengers | Share | Pass. km | Share | Seat | Place |
| COLLECTIVE TRANSPORT | 684,7 | 48,9% | 31 538,0 | 39 056,3 | 84,9% | 541,7 | 90,4% | 9 877,6 | 84,5% | 31 % | 25 % |
| Long-distance transport | 215,5 | 15,4% | 13 491,3 | 13 854,2 | 30,1% | 23,5 | 3,9% | 5 229,5 | 44,7% | 39 % | 38 % |
| Railway 1) 2) | 131,8 | 9,4% | 7 944,7 | 8 307,7 | 18,1% | 12,3 | 2,1% | 2 927,0 | 25,0% | 37 % | 35 % |
| Coach | 67,9 | 4,9% | 3 698,3 | 3 698,3 | 8,0% | 8,7 | 1,5% | 946,7 | 8,1% | 26 % | 26 % |
| Air 3) | 15,8 | 1,1% | 1 848,2 | 1 848,2 | 4,0% | 2,5 | 0,4% | 1 355,8 | 11,6% | 73 % | 73 % |

Statistics from Ministry of Transport and Communications.

3.2 Legislation and regulation of public transport

The current public transport markets are controlled by the EU Service Agreement and the national Public Transport Act, which entered into force in 2009. The law stipulates that for a company to transport people for a fee, a public transport licence is required. The Public Transport Act also states that the responsibility to organize public transport rests with authorities, i.e. 26 municipal authorities and nine Centres for Economic Development, Transport and Environment (ELY Centres). Services can be market-based, or, in case this does not result in sufficient level of offering, then public funding is used to subsidize such part of the transport network, and the authorities determine the ticket prices. For a fully market-based transport operations, the operators may set the ticket prices freely by themselves. (The role of the Finnish Transport Agency in Finnish public transport. 12.2.2018)

The Public Transport Act will be replaced by the Act on Transport Services, which will enter into force in three stages starting on July 1st, 2018. The new set of laws aims to renew (and partly alleviate) the regulations and the legislation to enable transport digitalization, the adoption of new business models for passenger transport services, and an easier entry for new companies. Digitalization will allow combining of different services, such as taxis, local buses or long-haul express traffic, into travel chains. This can be achieved through linking of transport service data, such as routes, schedules and payment systems, of different players. In fact, the part of the Act on Transport Services that mandates the service providers to provide open interfaces for their ticket and payment systems, was already taken into use at the start of 2018. According to the Act, all essential data should be stored in the NAP service opened by the Finnish Transport Agency. The second stage of the Act will cater air, maritime and rail transport markets.

The table below summarizes the key changes between the old Public Transport Act and the new Act on Transport Services:

Table 3: Comparison of the old and the new legislation

| | Public Transport Act | Act on Transport Services | Impact |
|---|--|--|---|
| <i>Route permits</i> | In addition to Public Transport Licence a route-specific permit is needed in market-based transportation, and entrepreneur training is mandatory | The Public Transport Licence will be replaced by a Passenger Transport Licence, valid for 10 years. Route permits and entrepreneur training are no longer required | Easier market entry, and service providers can easily expand and modify their routes as well as diversify into new businesses |
| <i>Traffic information, ticket and payment system</i> | Route, stop and timetable information must be handed over to the authorities | Essential travel and timetable data are provided through open interfaces, and ticket and payment systems are made interoperable | Interoperability enables travel chains, and third party companies such as MaaS operators can sell other providers' tickets |
| <i>EU's Service Agreement Regulation</i> | Authorities can subsidize public transport and impose exclusive rights. Route permits have protected organized transport. | Route permits are discontinued, and any exclusive rights are confirmed by administrative decisions. Service providers need to notify the Finnish Transport Agency about e.g. change of operation 60 earlier. | Easier market entry, easier route changes and reduced administrative burden |

Highly digitalized transport services could also allow for full servitisation of mobility, when passengers are offered smooth travel chains from door to door with only a single ticket and fare. In such a system, seamless data interoperability and data flow are offered, and journey details could be changed also during the trip. Such a state of servitisation is also called Mobility as a Service (MaaS). The Finnish government has set a top target to develop Finland into a forerunner in transport digitalization and mobility servitisation, with an aim to reduce the use of private cars and thus, carbon emissions. This would, in effect, mean an increase of the public transport annual passenger numbers from the current 530 million to 730 million by 2022. (Mobility as a Service. www.liikennevirasto.fi)

4 THE CASE COMPANY – ONNIBUS.COM

4.1 Corporate background

The company OnniBus.com was founded as Onnibus by Lauri Helke and Pekka Möttö in 2011. Its operation is based on the dismantling of Finnish Public Transport Regulation, after which the company was the first to introduce low-priced bus tickets to the market. In May 2014, Onnibus announced the expansion of operations when Brian Souter, the Scottish public transport investor, joined the company. Souter Investments became the major shareholder, and the company, now renamed OnniBus.com, acquired 13 new double-decker buses to start the operation with. The business concept is based on demand-based pricing and fast intercity routes across Finland. The ticket sales are mainly happening online on the OnniBus.com website and through its mobile application, which was released in November 2017. The double-decker buses offer 89 seats with free WiFi, electric sockets in every seat, air conditioning and limited mobility access. In January 2018, the company had a fleet of 72 buses with 68 Astro Mega -models with 89 passenger seats and 4 Altano -models with 72 seats. Both buses are much bigger than the competitors' fleets, enabling cost-efficiency together with the fast and direct connections.

Efficiency is the key term of OnniBus.com operations, as 99.1% of the sales are made online. OnniBus.com has no physical sales points, which contributes to keeping the costs low. Customers can contact the customer service department via email, Facebook or phone with any queries. One of the key differentiators from other bus companies is that OnniBus.com does not carry any freight but relies only on passenger transportation.

4.2 Route network

At the end of 2017 the company operated 21 routes across Finland. OnniBus.com is the largest transport operator in Helsinki Kamppi's long-haul terminal, measured in terms of the number of passengers and the 175 daily departures. Every year approximately 3.5 million passengers travel with OnniBus.com, and in December 2017, the company had carried a total of over 10 million passengers since its introduction. The company's network covers all the major cities in Finland and the routes are listed below and illustrated in figure 3:

- F1: Helsinki – Turku – Naantali
- F2: Helsinki – Forssa – Pori – Vaasa

- F3 Helsinki – Tampere – Seinäjoki – Vaasa
- F3: Helsinki – Hämeenlinna – Tampere
- F4: Helsinki – Jyväskylä – Oulu – Rovaniemi
- F5: Helsinki – Mikkeli – Kuopio
- F6: Helsinki – Kouvola – Lappeenranta – Joensuu
- F7: Helsinki – Porvoo – Kotka
- F8: Helsinki – Turku – Pori – Vaasa – Oulu
- F9: Turku – Tampere – Jyväskylä – Kuopio – Kajaani
- F11: Tampere – Pori – Rauma
- F12: Tampere – Lahti – Kouvola – Lappeenranta
- F13: Helsinki – Jyväskylä – Kokkola
- F14: Helsinki – Mikkeli – Savonlinna
- F18: Jyväskylä – Seinäjoki
- F23: Helsinki – Mikkeli – Joensuu
- F77: Helsinki – Porvoo – Kevätkumpu

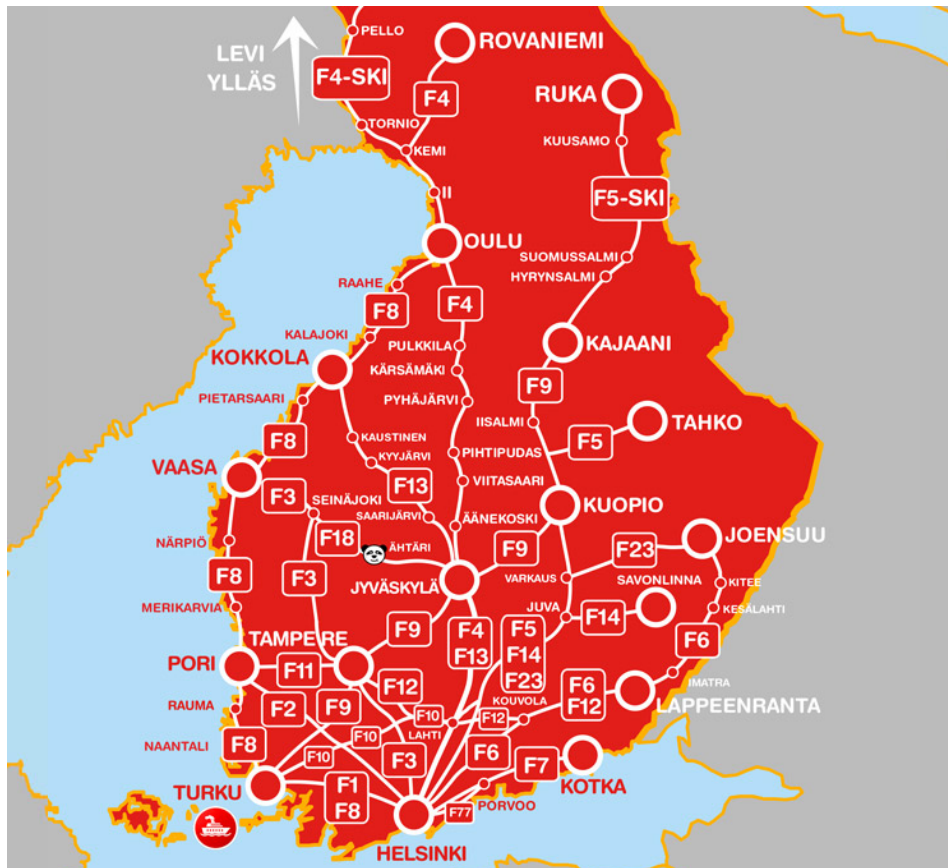


Figure 3: OnniBus.com route network

The most popular routes, measured by the passenger numbers and the number of daily departures, are routes F1 and F8 Helsinki-Turku, F3 Helsinki-Tampere, and F4 Helsinki-Jyväskylä.

The following routes are operated only during winter periods:

- F4-SKI: Helsinki – Jyväskylä – Oulu – Ylläs – Levi
- F5-SKI: Helsinki – Mikkeli – Kuopio – Kuusamo – Ruka
- F5-SKI Helsinki - Mikkeli - Kuopio - Siilinjärvi – Tahko

In 2016, the company started the expansion of its ticket sales also for other operators such as Töysän Liikenne Ltd and Vuorelan liikenne Ltd. In 2017, the company opened the ticket sales for its key routes, such as the Tampere-Helsinki, Tampere-Turku and the Turku-Tampere routes, also in the Matkahuolto sales points, which extended the payment methods to also include cash. In April 2018, the collaboration was expanded for all routes as well as to the Matkahuolto website, as enabled by the new Act on Transport Services. This established a new channel for acquiring new customers – those that are currently using Matkahuolto website as the main channel when purchasing bus tickets. Because of the legislative and regulatory changes in Finland and the mandatory opening of ticket sales via an open interface for any operator, OnniBus.com has a strategic goal to become the number one online seller for transportation tickets – not just of its own tickets but of those of other operators as well.

4.3 Competitive landscape

The main factors that are taken into consideration when evaluating the competitive landscape are service (route) offering, sales channels, prices, travel time and onboard amenities. In long-distance transportation OnniBus.com has eight main competitors, of whom 7 are other bus operators: Koiviston auto (a group of carriers), Länsilinjat, Väinö Paunu, Pohjolan Liikenne, Pohjolan Matka, Savonlinja and Vainion Liikenne. By far the strongest competitor is the national railway company, VR, which has a monopoly position in passenger rail transport at least until 2024. VR published its 2017 financial results with €1.25 revenue (up 5.5% from 2016) and the record-breaking profit of €110 million (€43 million in 2016). The number of passengers grew by 8%, mostly due to reduced prices, to the total of 12.5 million trips, so VR has gained market share. VR has introduced additional scheduled trains for 2018, realized partly thanks to government subsidies, serving

mostly on routes in Eastern and Central Finland. In the future, VR may be an even stronger competitor – there are talks about a third set of rails between Tampere and Helsinki, as well as a faster passenger train connection between Tampere and Lahti, utilizing the newly finished track bypassing Riihimäki.

The following table lists the key competitors, their Facebook and Twitter followers, booking channels and special discounts. Information gathered on Facebook, Twitter and carriers' website.

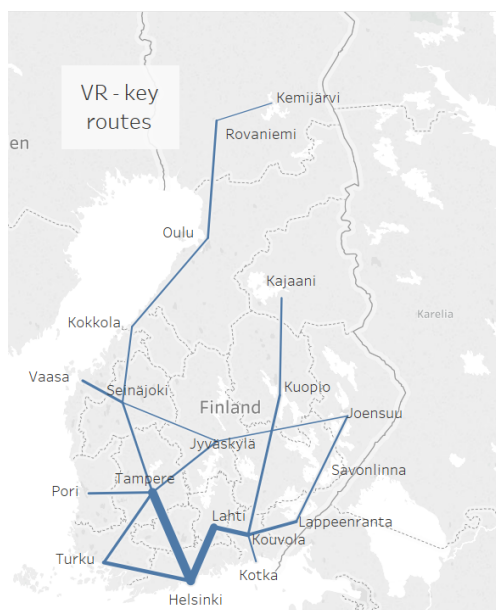
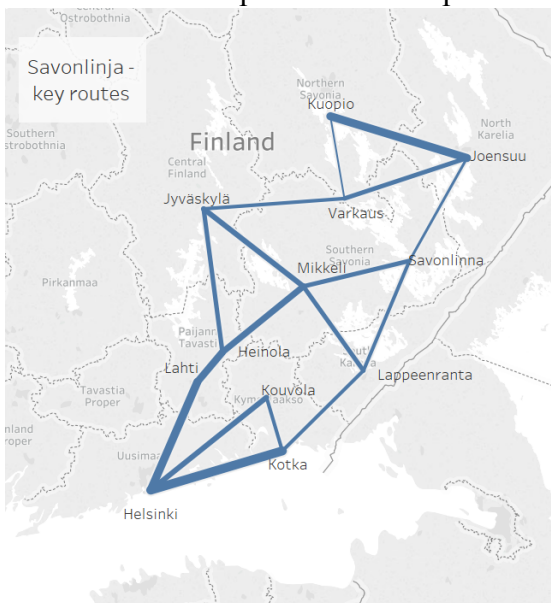
Table 4: OnniBus.com and the key competitors' overview

| Operator | Facebook | Twitter | Booking channels | Special Discounts |
|--|----------|---------|-------------------|--|
| J Vainion Liikenne Oy | 1305 | N/A | Matkahuolto | Juniors, students, seniors |
| Koiviston Auto Group (includes Gold Line, Jyväskylän Liikenne, Kuopion Liikenne and Satakunnan Liikenne) | 6615 | N/A | Matkahuolto | Discounts for children, juniors, students, pensioners, conscripts |
| Länsilinjat Oy | 894 | N/A | Matkahuolto | Children, juniors, students, seniors, conscripts, groups, return tickets |
| Onnibus.com Oy | 128000 | 4000 | Matkahuolto & own | Promotions |
| Pohjolan Liikenne | 28,077 | N/A | Matkahuolto & own | Children, juniors, students, seniors, conscripts |
| Pohjolan Matka | 7,740 | N/A | Matkahuolto | 25% discount for children, juniors, students, pensioners and conscripts |
| Savonlinja | 31,550 | 326 | Own | Children, juniors, students, seniors, conscripts, return tickets |
| VR | 116,131 | 13,600 | Own | Juniors, students, seniors, conscripts |
| Väinö Paunu Oy (Express bus) | 5100 | N/A | Matkahuolto | Children, juniors, students, seniors |

Most of the bus companies are strong on certain regional areas and/or specific routes. For example, Paunu has a strong offering and competitive pricing on the Tampere-Helsinki and the Tampere-Turku-Jyväskylä routes. Länsilinjat is focused on the Seinäjoki-Tampere-Helsinki route, Vainion Liikenne operates mainly between Helsinki and Turku, and Savonlinja serves South-Eastern Finland. The regionality of the competitors should be taken into consideration for marketing campaigns targeted for specific routes or geographical areas.

Savonlinja discontinued Western Finland and some Eastern Finland long distance scheduled bus trips at the end of 2017, citing unprofitability as the reason. Among the discontinued are selected trips between Joensuu and Mikkeli, between Joensuu and Jyväskylä, and between Joensuu and Kuopio. In addition, all the trips between Turku and Kuopio (including Jyväskylä and Kuopio) and between Tampere and Jyväskylä have been discontinued. The company intends to return to the Western Finland, but only after they collect customer feedback on the additional services wanted – including, possibly, catering and entertainment options onboard.

The following figure shows the key routes for each of the eight competitors. The line thicknesses represent the average number of daily departures. The data is gathered from Matkakeisari and presented in maps forms.



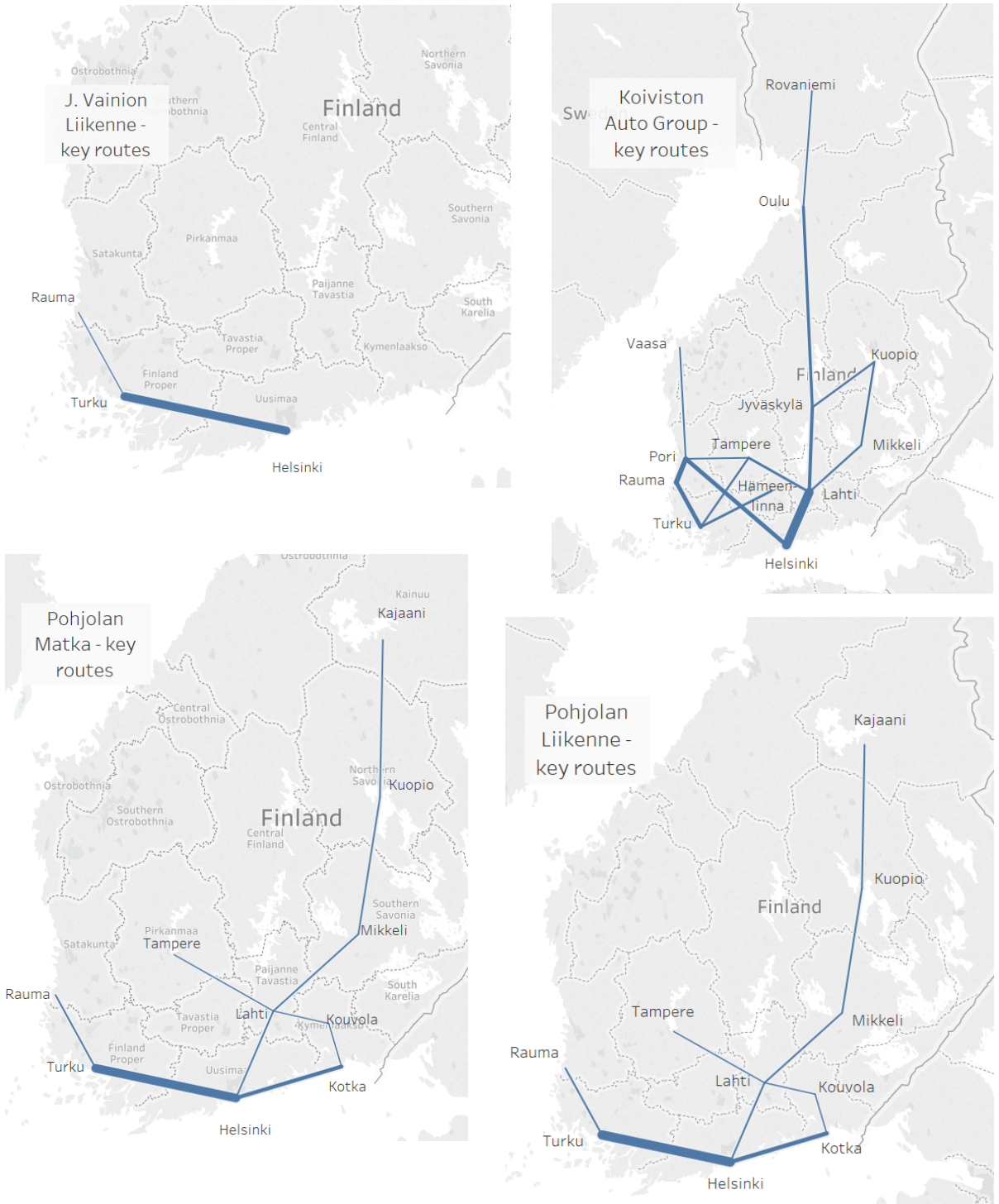


Figure 4: Key competitor route maps

The following table summarizes the amenities and other key attributes of the competition. Information gathered on carriers website.

Table 5: Amenities and other attributes of OnniBus.com and competitors

| Operator | WC | Wi-Fi | Power outlets | Refreshments | Wheelchair spot | Pets allowed | Mobile App | International trips |
|------------------------------|-----|-------|---------------|--------------|-----------------|--------------|-------------|---------------------|
| J Vainion Liikenne Oy | Yes | No | No | No | No | Yes | Matkahuolto | No |
| Koiviston Auto Group | Yes | Yes | No | No | No | Yes | Matkaan app | No |
| Länsilinjat Oy | Yes | Yes | No | No | No | Yes | Matkahuolto | No |
| Onnibus.com Oy | Yes | Yes | Yes | No | Yes | No | Yes | No |
| Pohjolan Liikenne | Yes | Yes | Yes | Yes | No | Yes | Matkahuolto | Russia |
| Pohjolan Matka | Yes | No | Yes | No | No | Yes | Matkahuolto | No |
| Savonlinja | Yes | Yes | Yes | No | No | Yes | Linjalla | Russia |
| VR | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Russia |
| Väinö Paunu Oy (Express bus) | Yes | Yes | Yes | No | No | Yes | Matkahuolto | Russia |

The strengths of VR are definitely the fast connections and more spacious seating, restaurant cars and different product types such as extra class, specific workstation seats, pet compartments, sleeper cars, Wi-Fi, limited mobility access, high capacity, and onboard activities for children. In addition, the railway stations are located mainly in the city centres. A weakness for VR is the track width, which Finland shares with Russia and which is unique in Europe. It is very hard and expensive to find locomotives and train cars for this track width, and it is also impossible to connect straight with the international routes using different track width. For example, there have been plans to build a railway tunnel from Helsinki to Tallinn, and the railway network, if built, would most likely utilize the European Intercity standard track width. The Finnish rail tracks have been built in the 1800s, and expanding the existing rail network is slow and requires expensive investment. Major changes are only profitable on the most used connections and between the most populated cities.

VR has tried to improve its reputation in punctuality by making it more transparent for everyone by showing the real-time situation on the website, but despite this, the lack of punctuality has still been seen as the number one customer concern. Track work along the main track between Tampere and Helsinki has increased travel times. Poor track quality is also delaying trains in Eastern Finland, particularly between Helsinki and Joensuu. The Finnish weather conditions are challenging, which makes track maintenance even harder. One of the most visible marketing efforts by VR was their reality TV show, “Radalla”, from life behind the scene at VR, which debuted on Jan 30th and aimed to polish VR’s public image.

In terms of marketing messaging, Savonlinja emphasizes their campaigns as well as promotes their mobile application. Mobile app is also key to the Koiviston Auto marketing messaging, but otherwise, the company is doing the usual sales promotions. The same is true for many other bus competitors, like Pohjolan Liikenne, Väinö Paunu and Vainion Liikenne, which all employ rather traditional marketing messaging.

4.4 Competitors' sales channels and average prices

Digitalization is also changing the ticket sales. VR has reduced the amount of ticket sales points and replaced human labor with ticket machines, directing purchases online. This has had a negative impact on the customer experience. In contrast, OnniBus.com established online-only sales as a starting point, so when the company expanded the ticket sales to Matkahuolto sales points across Finland, this was seen as a service improvement. Other bus companies mainly rely on sales on the Matkahuolto website, and only Savonlinja has its own channels serving as the main sales channel. The following graphs show the average daily prices (including possible booking fees) during spring 2018 for selected, most competed routes between Helsinki and Tampere, Helsinki and Jyväskylä, and Helsinki and Turku. Information gathered on Matkakeisari on May 2015.

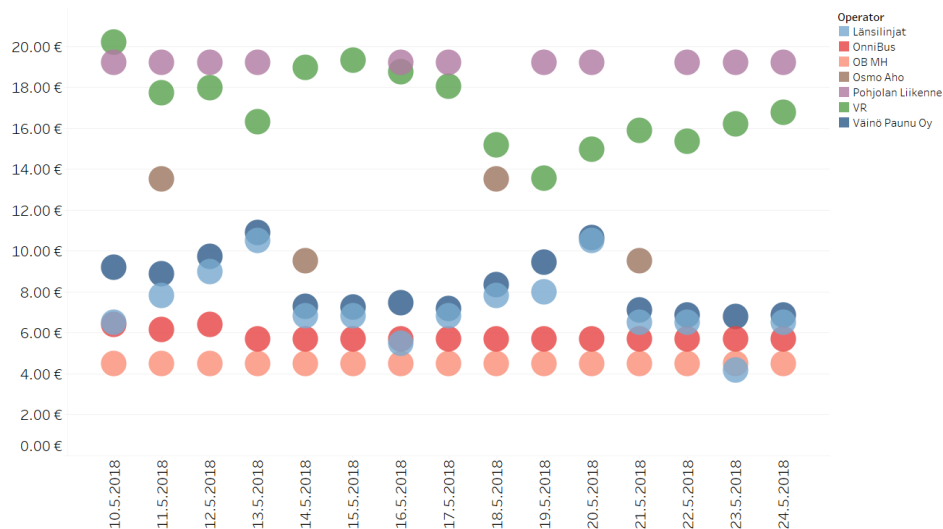


Figure 5: Average daily prices on the Helsinki-Tampere -route in May 2018

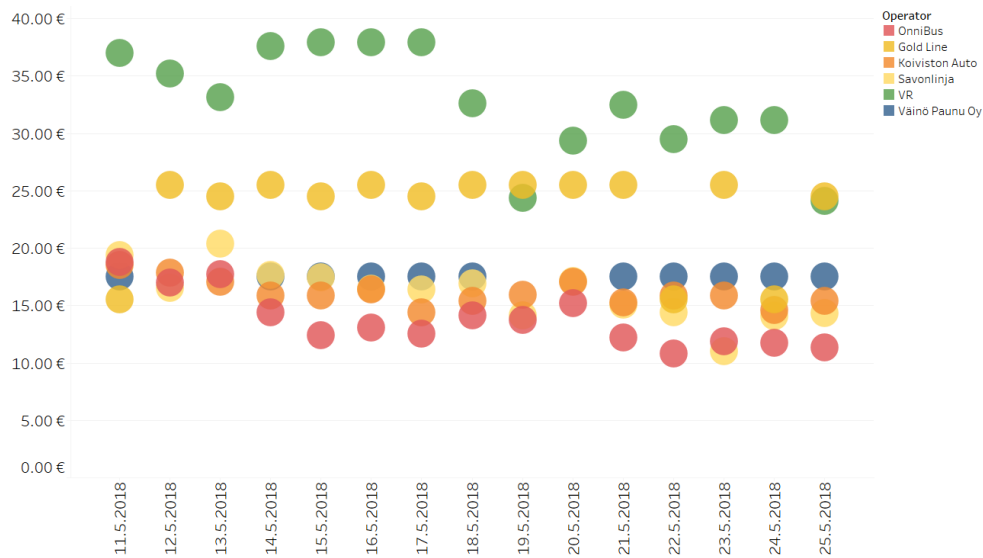


Figure 6: Average daily prices on the Helsinki-Jyväskylä -route in May 2018

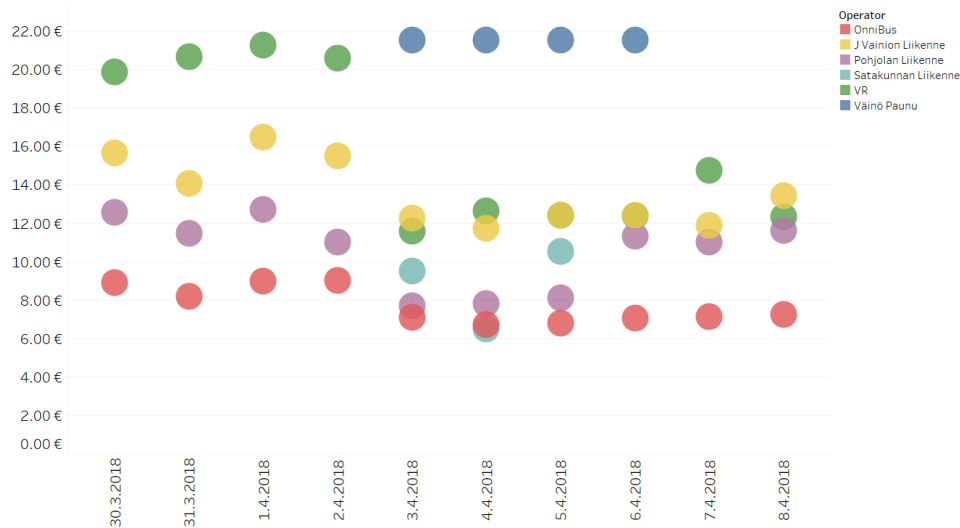


Figure 7: Average daily prices on the Helsinki-Turku -route in April 2018

Paunu and Länsilinjat are matching the prices on the Tampere-Helsinki routes, Koiviston Auto and Savonlinjat on the Jyväskylä-Helsinki routes, and Pohjolan Liikenne and Satakunnan Liikenne (part of Koiviston Auto) on the Helsinki-Turku routes.

4.5 Customer segmentation

In order to fully understand OnniBus.com's target markets, segmentation can be started by analysing the existing data about the current users on the website, since at the moment there are no qualitative psychographical data available. Analysing the existing customer database does not give comprehensive information about the market potential, but

rather more information about the existing customers, such as where they live and where they usually travel to. Google Analytics provides some demographical data, and the figure below shows the overall gender division, age distribution, and locations of the users.

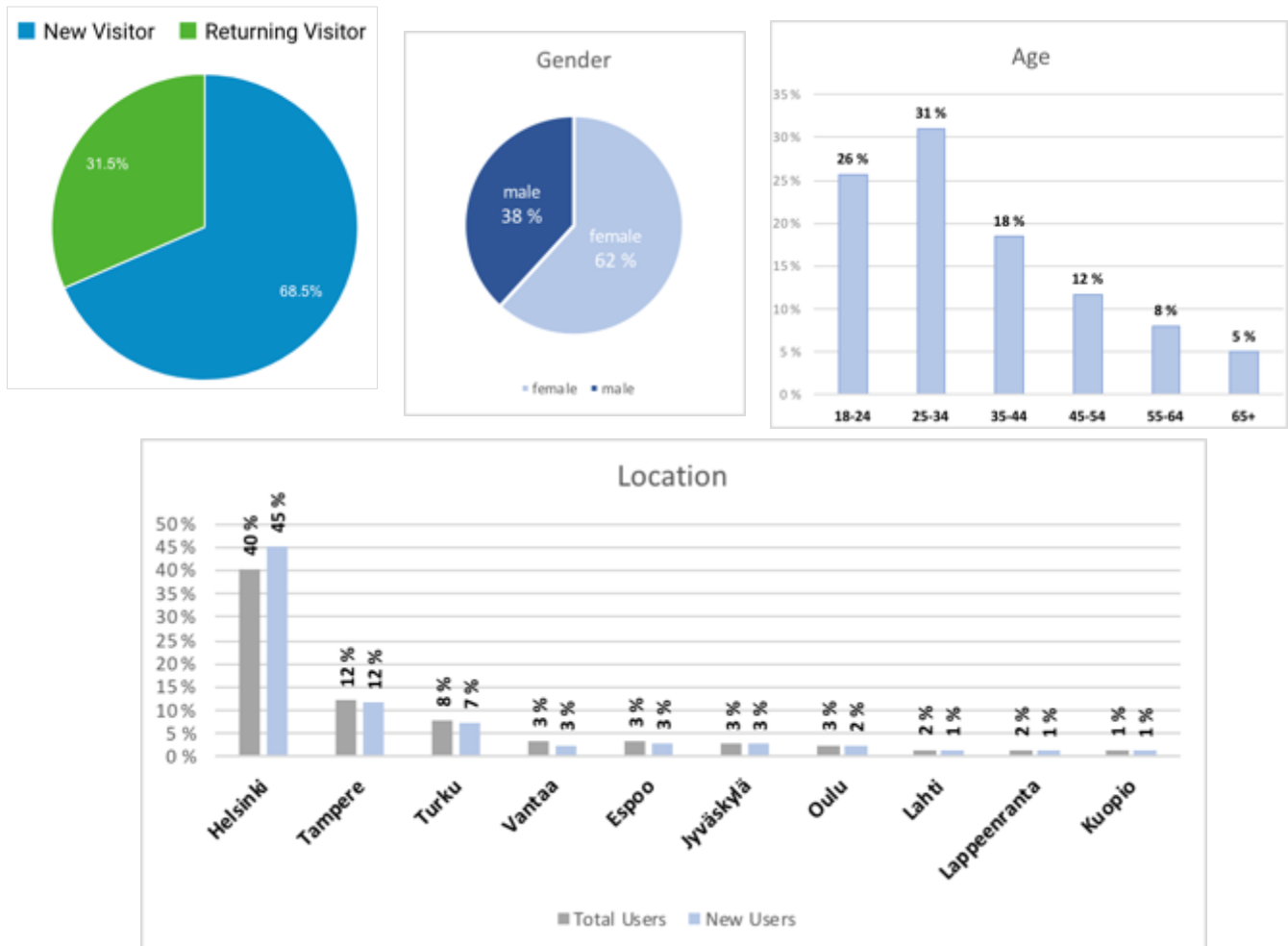


Figure 8: Demographics of the OnniBus.com website visitors

(Google Analytics. Data from 1.3.2017-1.3.2018. Imported on 3.3.2018.)

From the data it can be concluded that a typical customer is a 25-34 year-old female living in Helsinki. Based on the sales data it can be assumed that the customer is originally from some other city in Finland. The age distribution suggests the majority of the users are likely students or in the early stages of their careers. The 10 most important cities account for 77% of total users, and it can be concluded that customers usually travel between Helsinki and those other cities. The occupancy rates are usually high during weekends when people tend to travel the most, but there is potential for growth on weekdays when the occupancy rates are lower. The customers who travel on weekdays include, for exam-

ple, commuters and seniors. Tourist and event visitors also form important, distinct customer groups. The five key segments for OnniBus.com marketing communication activities have been summarized in the table below according to internal discussions.

Table 6: The most important customer segments for OnniBus.com marketing communication

| Segment | Age | Gender | Location/Targeting |
|-------------------------|--------------|-----------------|---|
| 1 Students | 18-25 | Female and Male | University cities: Helsinki, Espoo, Tampere, Turku, Jyväskylä, Lappeenranta, Oulu, Kuopio |
| 2 Work commuters | 25-34 | Female and Male | Helsinki, Espoo, Tampere, Turku, Jyväskylä, Pori, Lahti, Hämeenlinna |
| 3 Seniors | 65+ | Female | Helsinki, Turku, Tampere, Kotka, Lappeenranta, Mik- keli, Kuopio, Lahti |
| 4 Event visitors | 25-44 | Female and Male | All the big events around Fin- land and active event-going people |
| 5 Tourists | 25-44 | Female and Male | Tourists travelling for a short out of Helsinki -holidays |

4.6 Buying behaviour

The OnniBus.com ticket prices are generally higher for longer routes, and thanks to the dynamic pricing, they are generally cheaper the earlier they are booked. The booking trend of OnniBus.com, illustrated in the figure below, shows that the major share, even up to almost 50 percent of the tickets are booked during the last 3 days prior to travel date.

Travel delay in days from booking, All

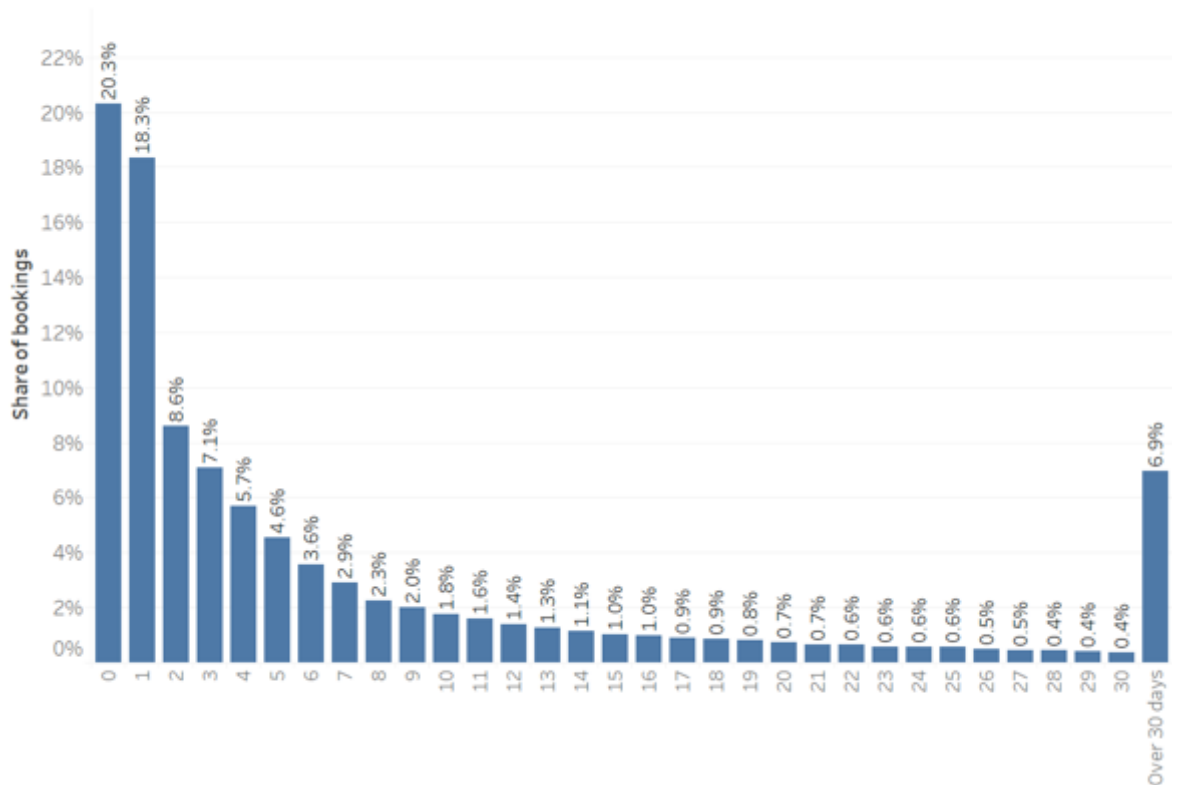


Figure 9 Booking behaviour of OnniBus.com customers - The share of sold tickets in 1Q 2018 per days prior to departure

It can be concluded that the customers booking late are more spontaneous and are not too price sensitive. This should be taken into account when planning the marketing communications and information should be included, for example, about events in the cities that customers travel to the most. The more frequent and competed a connection is between cities, the harder it is to win customers solely by price, because there is so much offering for the customer to choose from. Booking behaviour data also shows that the weekend trips are more likely to be booked on Wednesdays, which should be the time to send out the communication. Any tickets booked more than 7 days ahead of the travel date are booked by the more price sensitive customers, who account for about 30 percent of the total customer base. For these passengers, sales promotions are an attractive way to get attention and to establish a purchase for the future. In such promotions, the travel time can be set farther in the future to help to increase advance bookings. About 70 percent of the bookings are made at most a week before the travel date. For these customer groups, price is not the decisive factor but rather issues like journey duration, departure or arrival times, or the location of the pick-up or end points.

In sum, it can be concluded that OnniBus.com services are used the most often by an under 34 year-old female or male, who does not own a car and who lives in other city compared to where he/she is originally from. Other factors such as travel duration, departure frequency, locations of the pick-up or end points, timetable and service quality, matter as well.

5 ONNIBUS.COM MARKETING COMMUNICATION PLAN

5.1 Target segments

As shown in chapter 4.5, the chosen OnniBus.com target segments are students, work commuters, seniors, event visitors and tourists. Marketing communication plan for each of these segments is presented below.

5.2 Students

Goals/objectives: Profitable customer promotions. Increase the amount of students travelling with OnniBus.com by 30% during the second half of 2018.

Particular buying process steps to focus on: Evaluation phase (ensuring the cheapest price)

Booking behavior considerations: Students generally book very close to the departure

Competitive differentiators: As most of the competitor have implemented a permanent student discount, OnniBus.com should consider doing the same

Marketing mix:

- **Advertising**
 - Channels: Digital channels, such as social media, student magazines, student events, the chosen mass media, outdoor advertisements in campus areas
 - Tone & creative: Humor, emphasis on cheap tickets and value for money
 - Timing: Semesters
- **Sales promotion:**
 - Customer promotions: Establishing student discount for the whole network (students are particularly promotion-literate)
 - Competitions: Rewarding frequent travelers
- **Direct marketing:**
 - Not so relevant for student segment
- **Public relations (if applicable):** PR efforts if permanent student discount is introduced

- **Ensuring good word of mouth**
 - Influencer marketing: Collaboration with student unions and other student associations
 - Creative publicity stunts: Campus visits at universities
- **e-Marketing**
 - SEM/SEO actions: student discount used as keywords in addition to frequently used routes to/from university cities
 - Marketing automation actions: Student travel newsletter with event information, customer testimonials

Measuring success: Using data-analytics to track the number of students. Calculating the return on investment of customer promotions using an excel template. The investment cost is the total discount and the revenue is provided by the new and returning customers who have not purchased an OnniBus.com journey in the past six months. An example of ROI calculation is shown below.

Table 7: Calculating the ROI for a customer promotion

| | Max tickets | Sold tickets | Mon-Thu | Average discount | Average discount % | Total discount | Current/ Loyal customers | New / returning customers | Share of new / returning | New customer gross revenue |
|-----------------|---------------|---------------|-------------|------------------|--------------------|-------------------|--------------------------|---------------------------|--------------------------|----------------------------|
| Route 1 | 2232 | 601 | 57 % | 0.90 € | 16.9 % | 573.26 € | 428 | 64 | 13 % | 435.24 € |
| Route 2 | 688 | 134 | 38 % | 1.20 € | 16.5 % | 178.34 € | 90 | 20 | 18 % | 192.09 € |
| Route 3 | 208 | 67 | 55 % | 1.57 € | 17.8 % | 116.50 € | 38 | 14 | 27 % | 158.84 € |
| Route 4 | 2756 | 690 | 50 % | 0.86 € | 16.6 % | 630.77 € | 463 | 111 | 19 % | 712.20 € |
| Route 5 | 416 | 177 | 50 % | 1.19 € | 16.4 % | 232.17 € | 116 | 26 | 18 % | 196.39 € |
| Route 6 | 1664 | 434 | 47 % | 1.44 € | 16.5 % | 673.97 € | 307 | 56 | 15 % | 685.30 € |
| Route 7 | 832 | 389 | 53 % | 2.06 € | 17.3 % | 862.74 € | 220 | 94 | 30 % | 1,388.42 € |
| Route 8 | 166 | 28 | 14 % | 0.93 € | 15.9 % | 28.30 € | 16 | 8 | 33 % | 51.92 € |
| Route 9 | 894 | 379 | 51 % | 1.86 € | 17.6 % | 792.16 € | 226 | 69 | 23 % | 1,086.50 € |
| Route 10 | 752 | 108 | 51 % | 1.00 € | 15.6 % | 115.55 € | 74 | 16 | 18 % | 139.82 € |
| Route 11 | 208 | 96 | 58 % | 1.76 € | 17.0 % | 180.89 € | 47 | 32 | 41 % | 382.11 € |
| Route 12 | 1032 | 178 | 42 % | 0.72 € | 16.9 % | 139.71 € | 105 | 33 | 24 % | 170.40 € |
| Route 13 | 1760 | 469 | 54 % | 0.86 € | 16.6 % | 433.87 € | 332 | 55 | 14 % | 374.43 € |
| Route 14 | 832 | 285 | 48 % | 0.94 € | 16.4 % | 296.13 € | 192 | 44 | 19 % | 302.90 € |
| Route 15 | 416 | 227 | 53 % | 1.29 € | 17.1 % | 309.41 € | 150 | 32 | 18 % | 314.93 € |
| ...etc | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| SUM | 19678 | 5256 | 50 % | 1.19 € | 16.7 % | 6,778.07 € | 3451 | 839 | 20 % | 8,010.33 € |
| % of MAX | | 26.7 % | | | | | | | | |
| ROI | 18.2 % | | | | | | | | | |

5.3 Work commuters

Goals/objectives: Improve the occupancy rates of the Monday to Thursday morning departures by 15% by the end of 2018 on selected routes (Tampere-Helsinki, Hämeenlinna-Helsinki, Turku-Helsinki and Lahti-Helsinki). Profitable customer promotions.

Particular buying process steps to focus on: Evaluation phase – making coach travel attractive for commuting. Keeping customer happy also post-purchase.

Booking behavior considerations: Outbound towards Helsinki generally the same departure, return might be purchased only an hour before departure.

Competitive differentiators: VR is a good example of offering serial tickets

- **Marketing mix:**

○ **Advertising**

- Channels: Digital channels, such as social media, localized TV and newspaper advertisements, the chosen mass media (traditional/new, e.g. social media ads)
- Tone & creative: Light but professional, emphasis on convenience and fast connections plus possibility to work during the journey
- Timing: Focus on weekdays & peak hours

○ **Sales promotion:**

- Customer promotions: Attracting repeat customers with serial ticket promotions. Campaign with free travels for certain period using competitors' tickets.
- Competitions: Rewarding frequent travelers

○ **Direct marketing:**

- Targeting: Passenger buying the same return trip often
- Personalization: Serial ticket offer, printed timetable for the used route mailed

○ **Public relations (if applicable):** PR efforts if serial ticket concept is introduced

○ **Ensuring good word of mouth**

- Influencer marketing: Collaboration with employee benefit managers such as Smartum Ltd.
- Creative publicity stunts: Visit key railway stations during peak hours

○ **e-Marketing**

- SEM/SEO actions: Commuter related keywords in addition to the key route specific keywords
- Marketing automation actions: Finding and targeting the frequent travelers for promotions. Maintaining tight relations for customer retention.

Measuring success: Using analytics to track occupancy rates. Promotion ROI calculated with the template shown in table 7.

5.4 Seniors

Goals/objectives: Increase the amount of seniors travelling with OnniBus.com by 15% during the second half of 2018. Profitable customer promotions.

Particular buying process steps to focus on: Seniors are more careful and leaning towards extensive problem solving than limited problem solving. Remarketing efforts between search, evaluation and decision phases.

Booking behavior considerations: Seniors book way in advance of the departure date.

Competitive differentiators: Several competitors offer senior discount

- **Marketing mix:**
 - **Advertising**
 - Channels: Traditional mass media channels preferred, ads in magazines targeted to seniors
 - Tone & creative: Assurance and safety. OnniBus.com as connecting people.
 - Timing: Consistently throughout the year
 - **Sales promotion:**
 - Customer promotions: Establishing senior discount for the whole network
 - Competitions: Quiz -type competitions with free trips as prizes
 - **Direct marketing:**
 - Targeting: less applicable initially as the customer database does not contain age information

- **Public relations (if applicable):** PR efforts if a permanent senior discount is introduced
- **Ensuring good word of mouth**
 - Influencer marketing: Customer testimonials by celebrity seniors and collaboration with chosen senior organizations
- **e-Marketing**
 - SEM/SEO actions: Senior discount keywords in addition to route specific keywords
 - Marketing automation actions: Start building the relationship and populating the customer database

Measuring success: Analytics to track the number of senior travelers. Promotion ROI calculated with the template shown in table 7.

5.5 Event visitors

Goals/objectives: Increase the amount of passengers travelling with OnniBus.com to selected major events by 20% during the second half of 2018. Profitable customer promotions.

Particular buying process steps to focus on: Information search

Booking behavior considerations: Trips are generally booked early

Competitive differentiators: Event specific trips are offered by some competitors. OnniBus.com could differentiate with specially created event specific content in messaging.

- **Marketing mix:**

- **Advertising**
 - Channels: Digital channels, such as social media, be part of the event marketing communication by the event organizers.
 - Tone & creative: Fun and light, emphasis on the convenience of travel with time to enjoy the event itself.
 - Timing: Focus on summer at least a month before each event
- **Sales promotion:**
 - Customer promotions: Event specific promo codes

- Competitions: Tickets to the event as a prize
- **Direct marketing:**
 - Targeting: Targeting passengers that have used event specific promo codes before.
 - Personalization: According to events visited.
- **Public relations (if applicable):** through the event organizers
- **Ensuring good word of mouth**
 - Influencer marketing: Collaboration with event organizers
 - Creative publicity stunts: Artist testimonials
- **e-Marketing**
 - SEM/SEO actions: Event specific keywords in addition to the route specific keywords
 - Marketing automation actions: Generic event newsletter and event specific newsletters

Measuring success: Measuring the usage of event specific promo codes. Promotion ROI calculated with the template shown in table 7.

5.6 Tourists

Goals/objectives: Increase the amount of foreign tourists travelling with OnniBus.com by 25% during the second half of 2018. Profitable customer promotions.

Particular buying process steps to focus on: Information search and buying phases.

Booking behavior considerations: Both tourists who buy their domestic journey well in advance and those who buy spontaneously when in Finland.

Competitive differentiators: OnniBus.com could differentiate with good quality English (and possibly other language) landing pages for destinations.

- **Marketing mix:**

- **Advertising**
 - Channels: Focus on digital channels, such as social media and SEM
 - Tone & creative: Emphasis on good customer experience due to wide network and high quality buses

- Timing: Focus on summer
- **Sales promotion:**
 - Customer promotions: Promotions to encourage tourists to leave Helsinki for a day trip to another city. Combined offerings with travel and accommodation.
 - Competitions: Admissions to attractions as prizes.
- **Direct marketing:** Not applicable.
- **Public relations (if applicable):** Not applicable.
- **Ensuring good word of mouth**
 - Influencer marketing: TripAdvisor, travel bloggers, Lonely Planet, tourist information sites & agencies.
 - Creative publicity stunts: Advertise OnniBus.com at Helsinki-Vantaa Airport (free transport to downtown Helsinki)
- **e-Marketing**
 - SEM/SEO actions: English keywords in addition to route specific keywords. City specific landing page with information about the attractions.
 - Marketing automation actions: Not applicable.

Measuring success: Analytics to track visitors and purchases from abroad. Promotion ROI calculated with the template shown in table 7.

6 DISCUSSION

In the competitive market place it is important to consciously consider and plan marketing communication to make the available information and the image customers perceive of the company purposeful as per the intentions of the business. The developed high level marketing communication plan for OnniBus.com's five target segments gives good guidelines on the issues to consider when the actual marketing communication messages are created. Although the key focus is on the information search part of the buying process, it is also important to remember the post-purchase communication, which can enhance the customer experience and create good word of mouth. As safety is an important aspect, it, also, should be woven into the communication. In all cases, the value creation mindset should be maintained, and, where applicable, competitive differentiators should also be highlighted. Particularly the longer OnniBus.com routes, which are more expensive, should be approached with clear value communication to convince the passengers involved in extensive problem solving stage.

At the moment, OnniBus.com customer booking behaviour patterns have been identified on a general level (i.e. almost 50% of trips are booked only a few days prior to departure), but in order to better time the segment specific marketing communications, it would be good to also know the booking pattern for that particular segment. Whether this kind of data is available, should be investigated.

The suggested marketing mix includes advertising, sales promotion, direct marketing, public relations, word of mouth, and e-Marketing tools.

The transportation legislation is being renewed and it is easier for OnniBus.com to change routes and add new ones to develop new business. The transport industry digitalization also means that the overall market is growing and there will be significantly more long distance travellers utilizing public transportation in the future. The marketing plan template presented in this thesis is also applicable to other than the five chosen target segments. The model to calculate return on investment for the customer promotions can also be utilized throughout all OnniBus.com operations.

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