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DEVELOPMENT OF MARKETING STRATEGY FOR BUSINESS CUSTOMERS OF ENTERPRISE X LTD

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The purpose of this Master’s thesis was to produce a marketing strategy for Enterprise X Ltd, which is a Finnish tour operator with French expertise. Enterprise X aims to attract a new customer segment and that is why the focus of the new marketing strategy was on existing and potential business customers of Enterprise X represented by small and medium-sized enterprises (SMEs) and association customers.

The theoretical part of the thesis consisted of concepts of marketing strategy and MICE-tourism. Both quantitative and qualitative research methods were utilized. The main data was collected through a semi-structured email interview with the representative of Enterprise X and with nine business customers. In addition, a focus group interview was carried out with the personnel of Enterprise X. Supporting data was collected through Webropol questionnaires for existing and potential business customers of Enterprise X. The main data was analysed by using the content analysis method.

The main goal of this Master’s thesis was that the marketing strategy was formulated based on the theory and collected data. The competitor and customer analyses and several strategic planning tools will allow the commissioner to implement strategic planning of the customer value-driven marketing in the future. The study showed that the vision of Enterprise X is good and they should continue their chosen path of specializing in trips to France. It can be concluded that the business customers of Enterprise X expect to find all the travel services in one place and the trip should feature a combination of business and leisure elements.

**Keywords**

marketing strategy, MICE-tourism, competitor analysis, Customer Insight Mapping
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INTRODUCTION

1.1 Background for the Research

Marketing is all about creating customer value by engaging customers and building a strong customer relationship that in return enables the company gain on value from the customers. A strategy is a long-term plan that is broad in scope and defines the overall guidelines for the operations of the organization. The customer value – driven marketing strategy focuses on directing the organization’s resources to the needs of the customer. In order to understand customer’s needs, it is necessary to analyze the market, understand how competitors act, be aware of the governmental actions and the global business environment as well as understand the changes in technology and environment. The strategy should be flexible in case there are sudden changes in business and social environment. For example, in case of a crisis, the organization must be prepared to adapt its strategy to the situation. For a customer-orientated organization it is also very important to take account of the ethical and ecological implications of the organization’s actions. (Kotler & Armstrong 2018, 29, 34; Middleton et al. 2009, 181-182.)

According to World’s Tourism Organization in 2017 the world’s third largest export category was tourism, and business and professional reasons covered 13% of the purposes of visits. The MICE-tourism, that is meetings, incentives, conferences and events, is mainly business oriented, but it can also include a leisure component. Europe is a vast MICE-tourism market and France is one of the top of the MICE destinations as well as the number one in World’s Top Tourism Destinations respectively. Reasons for this are its connectivity and dynamism in technology, economy, industry as well as in infrastructure (MICE OFFER: How France renews its Offer? no date). MICE buyers in Europe appreciate unique experiences and they expect a good value for money. Flexibility, professionalism, quality and capacity are considered important as well. (UNWTO Tourism Highlights 2018; What are the opportunities for MICE tourism from Europe? 2016.)

The process of this thesis began in the fall 2018 when the author began to search for a commissioner and a topic for the thesis. The aim was to find a company whose business is somehow related to France, as the author has
tremendous interest in the language and culture of the country. The author has completed a bachelor’s degree programme in Tourism, consequently tourism is one of her interests as well. Through a French-Finnish Chamber of Commerce the author found a Finnish Tour Operator called Enterprise X Ltd. Enterprise X was willing to cooperate and was interested to find out more about their existing and potential business customers, since their wish was to focus on this customer segment in question. Enterprise X did not have a marketing strategy before therefore it seemed like a useful topic for the thesis.

1.2 Enterprise X Ltd

Enterprise X Ltd is a Finnish Tour Operator which is a private-owned company established in 2004. The company specializes in organizing personalized trips especially to France but offers trips to Italy and Spain as well. The office is located in Espoo and the company employs three people. The aim of Enterprise X is to offer a unique travel experience by customizing the trips individually for the needs of the customer. Customers are groups, individuals and Finnish Travel Agencies. Enterprise X offers also trips related to concept called MICE, that means meetings, incentives, conferences and events. (Pamplemousse Ranskan matkat 2019b-c.)

Enterprise X have divided their products into five sections. **Leisure, hobby and education** trips can include language courses, wine and food trips or painting courses for instance. **Active holidays** are related to sports, such as biking, hiking, skiing and golf. **Authentic France** includes regional trips to a city (Paris, Lyon, etc.) or area (Normandie, Alsace, etc.) **Travelling in a group** are tours for business and leisure travelers and those trips can contain different kind of leisure activities according to wishes of a customer as well as seminars and corporate services. **Consulting and teaching** concerns travel business. The company has a contact network in France, and it co-operates mostly with local private companies. (Pamplemousse Ranskan matkat 2019a.)

Enterprise X can be considered as a reliable company to work with because of the certificates it has obtained. In 2018 the company has achieved Bisnode’s highest AAA class in Creditworthiness and Bisnode’s Dun & Bradstreet lowest
Credit risk. In addition to these, it has earned the Strongest in Finland AA certificate in 2017 by Suomen asiakastieto. (Pamplemousse 2019a.)

1.3 Aim and Objective

The aim of the thesis is to produce a marketing strategy that focuses on existing and potential business customers of Enterprise X Ltd, that are small and medium-sized enterprises (SMEs) and association customers. In order to achieve this aim, the objectives are to study elements of a marketing strategy, to define profiles of the customer groups in question and to study the practical aspects of implementation of the marketing strategy based on the theory and collected data.

1.4 Research and Development questions

The following questions will be answered to achieve the aim and objectives of the research:

The main research question is:

• What are the requirements, aspirations and resources for MICE-travel for current and potential SME and association customers of Enterprise X?

The supporting question is:

• How could Enterprise X improve its travel services and marketing to attract more SME and association customers travelling to France?

1.5 Research structure and Limitations

The research consists of five chapters and the structure is described in figure 1.
The main theoretical concepts of this thesis are:

1. Marketing strategy
2. MICE – tourism (meetings, incentives, congresses and events)

The marketing strategy and its key stages are described in following figure 2.

Segmentation is excluded from this marketing strategy, as commissioner’s wish is to focus specifically on its current and potential SME and association customers. These groups are still less known for the commissioner than, for example, leisure travelers, and it is therefore important to identify the needs of
these groups in question. Branding is another subject that is not included to this marketing strategy as the commissioner is going to have another research about the subject.

The concept of MICE means the following – meetings, incentives, congresses and events. Enterprise X is specialized in incentive and leisure travel, but the company can also include meetings, congresses and events into their service products.

2 MARKETING STRATEGY AND MICE - TOURISM

To build a successful and sustainable strategy, it must be unique and distinctive. It should be a different strategy from that of your competitors and impossible to be easily copied. Unique strategy does not cling to problems and old patterns but sees opportunities and looks to the future. It is a synthesis of features, such as service, quality, design, and cost. (Kotler 2003, 171-174.) In the following chapters 2.2 – 2.5 the key stages of marketing strategy (figure 2) are described in detail. These include vision and mission, analysis of the macro- and micro-environment, goals and objectives of the marketing strategy, tools for strategic planning of marketing as well as implementation, tactics and control of marketing. Chapter 2.6 exposes the meaning of the concept of MICE-tourism.

2.1 Vision and Mission

A well-designed marketing strategy is based on the organization’s mission and values. Figure 3. the Ashridge Model illustrates the main features that forms the mission or values of an organization.
The main features of this model are **purpose**, **values**, **behavior standards** and **strategy**. **Purpose** answers the question “Why the company exists” and **values** “What the company believes in”? **Behaviour standards** means the policies and behavior patterns that support the company’s distinctive competence and value system. For example, the way company’s personnel interact with customers. **Strategy** means the competitive position and distinctive competence, that includes the competences in which the company aims to specialize. (Middleton et al. 2009, 185-186.)

Companies often use a Mission Statement, which is a formal publication of the purpose of a company and its business, that communicates to all public, especially employees, stakeholders and shareholders. It shows the company’s vision and sets guidelines for strategic planning. The Mission Statement densify the company’s reason for existence (raison d’être) and illustrates what the company represents. (Middleton et al. 2009, 186.) In the mission statement it is good to have a market-oriented business definition because it is more far-sighted in scope than product-oriented business definition. For example, Ritz-Carlton Hotels & Resorts have both business definitions. Their product-oriented definition is simply: *We rent rooms*. Their market-oriented definition is: *We create “The Ritz-Carlton experience” – a memorable stay that far exceeds guests’ already-high expectations.* (Kotler & Armstrong 2018, 65.)
2.2 Analysis of the Macro-environment and the Micro-environment

Planning a marketing strategy includes a careful analysis of the factors in the external environment, more precisely in the macro-environment as well as in the micro-environment (Middleton et al. 2009, 186). Macro-environment factors have a direct and often long-lasting impact on the company's operations, which it cannot influence itself (What is Pestle analysis? no date). However, the company should strive to manage its macro-environment in a way it will make the most of it. Because the micro-environment consists of internal factors, the company is better able to control it and it has a direct impact on the company's business and success. (The Macro-Environment. 2019.)

PESTLE Analysis is a common way to analyze the macro-environment. PESTLE is an acronym which in its expanded form denotes P for Political, E for Economic, S for Social, T for Technological, L for Legal and E for Environmental. When analysing these above-mentioned factors, it should be considered how these factors affect the company and its markets. (Middleton et al. 2009, 186-187.)

Political factors in the business environment mean functions that the government influences. Those functions include for instance government policy, political stability or instability, tax policy, labour law, foreign trade policy and infrastructure. Economic factors are related to the economy of a certain region and how organizations are doing business there and how profitable it is. Factors can include inter alia economic growth, interest rates, inflation rates, unemployment rates and disposable income of consumers. Social factors are related to the demographic characteristics as well as attitudes and shared believes of population. These factors can include population growth, age distribution, income distribution, safety emphasis, career attitudes, lifestyle attitudes and cultural barriers. Technological factors are related to changes in technology, that is to say, innovations, research and development (R&D) and automation for example. Legal factors indicate what is legal. These factors include such areas as health and safety, equal opportunities, consumer rights and laws and advertising standards. Environmental factors are related to surrounding ecological and environmental aspects. These
factors include for example subsequent areas: geographical location, climate, weather, climate change and environmental offsets. (Marketing theories – PESTEL Analysis no date; Scanning the Environment: PESTEL Analysis 2016.)

Micro-environment is often analyzed by market analysis. Market analysis includes analyzing the trends in demand for the company's products (customer analysis) as well as the actions of direct and indirect competitors (competitor analysis). (Middleton et al. 2009, 187.) In this research the micro-environment is analyzed through competitor analysis and customer analysis.

### 2.2.1 Competitor analysis

Understanding the competitive environment is important for business for a variety of reasons. Competition has changed more intense and a substantial reason for that is the internet. Because of the internet, competition has become more global and aggressive. New competitors are constantly emerging as the costs of entry and operating are lower. Price competition is harsh, and innovations are developed at a faster pace. (Gilligan & Wilson 2009, 251-252.)

Conducting a competitor analysis will help the company understand its competitive advantages or disadvantages in relation to its competitors. It allows the company to generate an overview of its competitor's past, present, and potential strategy. At its best, competitor analysis serves as a basis for developing a future strategy for the company to maintain or create a competitive edge over a competitor. According to Kelly: “competitor analysis is not a luxury but a necessity in order to survive, handle slow growth, cope with change, exploit opportunities, uncover key factors, reinforce intuition, improve the quality of decisions, stay competitive and avoid surprises”. (Kelly 1987 via Gilligan & Wilson 2009, 252-254.)

The competitor analysis should point out competitor's strengths and weaknesses through exploring its objectives, resources, capabilities and marketing plan for instance. It is important to analyse each competitor
separately. To understand who the competitors are and how they compete, the company should answer to the following questions:

1. Against whom are we competing?
2. What strengths and weaknesses do they possess?
3. What are their objectives?
4. What strategies are they pursuing and how successful are they?
5. How are they likely to behave and, in particular, how are they likely to react to offensive moves?

Answering these questions, gives a clear understanding of the competitive environment but besides it is important to observe competitor’s future moves and vulnerability spots as well as own vulnerabilities and how to avoid them. (Gilligan & Wilson 2009, 254-258, 272.)

Competitors can be identified at four different levels. First are the companies, who offer similar products or services to the same customers with alike prices (e.g. the Ritz-Carlton luxury hotels competing with the Four Seasons, another luxury hotel group). Second are all the companies with the same product or service category (e.g. the Ritz-Carlton competing with all other hotels). Third are all the companies who make products that deliver the same service (e.g. the Ritz-Carlton competing with any company who supplies rooms for travellers). And fourth are all the companies who compete for the same spending power, that is to say money of the consumer (e.g. the Ritz-Carlton competing with companies delivering travel and leisure products and services from cruises and summer cottages to holidays abroad). (Gilligan & Wilson 2009, 260; Kotler & Armstrong 2018, 542-543.)

Competitors can be divided into different strategic groups based on the similarity or diversity of their strategy in an industry. The more similar strategy the companies have, the more they compete. In addition to defining a strategic group, it is necessary to determine the strengths and position of each competitor in the market. This information can be used to consider what kind of competitive advantage exists. (Gilligan & Wilson 2009, 272; Kotler & Armstrong 2018, 545.)

Identifying competitors’ strengths and weaknesses include gathering information about competitors’ financial statement, organizational culture,
products and their quality, marketing and selling capabilities, distribution channels, human resources and so on. Some of this information might be difficult to obtain if published data is not easily accessible. Ways to gather information can be through personal experience or word of mouth, benchmarking and marketing research with customers, dealers and suppliers as well as observing competitors’ online and social media sites. Determining competitors’ objectives and their importance is important for estimating how a competitor will react to competitive thrust. Typical objectives include profit maximization, market share growth, cash flow, service leadership or technological leadership. For example, if competitor’s objective is to increase the market share, it is likely to react strongly and aggressively to a competitor’s price cut. (Gilligan & Wilson 2009, 265-266, 276; Kotler & Armstrong 2018, 545-546.)

2.2.2 Customer analysis

The markets are mainly demand-based, and customer decides does she buy or not. Because of that producers and sellers are not in control, customer is. The concept “customer” generally means the buyer, whereas “consumer” is the end user of the product or service. Twenty-first century consumers differ greatly from those of the past. Demographics are changing as the number of older people is increasing. Family relationships, in other words male/female/family dynamics are changing and this affects who makes the buying decisions in the family. The reasons for this change are, for instance, democracy and individualism, career-oriented and more economically independent women and even more brand-conscious children. People who has more money, but less time are increasing. People are also demanding greater value for their money and therefore appreciate more quality than low prices. Buying ethical and healthier products has become more common as well as pampering and self-rewarding. (Gilligan & Wilson 2009, 197-198, 244-249.)

To understand the needs of the customer it is essential to explore a buyer behavior of the customer or the consumer. According to Gilligan & Wilson (2009), the buyer behavior includes the following questions:
1. Who is in the market and what is the extent of their power with regard to the organization?
2. What do they buy?
3. Why do they buy?
4. Who is involved in the buying?
5. How do they buy?
6. When do they buy?
7. Where do they buy?
8. What are the customers’ “hot” and “cold” spots?

By answering these questions, it is easier to understand the ways in which buyers are receptive to marketing incentives. If the company makes a good use of these answers, it can also gain a competitive edge. (Gilligan & Wilson 2009, 198-199.)

The stimulus–response model (figure 4) helps to perceive the process of the buying behaviour. There are three main components in this model, which are external stimuli, the buyer’s black box and the buyer’s buying decision. Briefly explained, the external factors enter the buyer’s black box, where those factors have an influence on buyer’s characteristics and decision-making process. As a result, the buyer decides does she make a purchase or not. (Gilligan & Wilson 2009, 199-200.)

Figure 4. A Stimulus-response model of buyer behaviour (Gilligan & Wilson 2009, 199)

The external stimuli contain environmental factors, which are described more accurately in the chapter 2.2 (Analysis of the Macro-environment and the
Micro-environment). External stimuli also contain marketing factors which in other words are the elements of the marketing mix. (Gilligan & Wilson 2009, 199-200.)

In the buyer’s black box there are four important factors that influence the buyer behaviour. These are cultural, social, personal and psychological factors. Cultural factors include culture of the society (family, friends, school, clubs etc.), sub-culture (nationality groups, religious groups, racial groups and geographical areas) and social class (determined by occupation, education, income and values). Social factors are formed of reference groups, family, social role and status. These reference groups are primary membership groups (family, neighbours, friends and colleagues), secondary membership groups (religious groups, trade unions and professional societies), aspirational groups (to these groups an individual would like to belong) and dissociative groups (whose behaviour and values an individual disputes). Personal factors include personal characteristics, such as lifestyle, personality, age and economic circumstances. Psychological factors are related to motivation, learning, perception, beliefs and attitudes of an individual. (Gilligan & Wilson 2009, 202-206.)

The buyer’s black box also contains the buyer decision process. The process goes as follows: the buyer recognizes a problem or a desire, she searches information, evaluates the options, makes the decision and after buying she evaluates the post-purchase experience. Sometimes the buying decision requires the participation of several people with different roles. The initiator is the first one to propose buying a product or a service. The comments of an influencer affects the decision. The decider is the one who makes the buying decision. The buyer makes the purchase. Finally, the user consumes the product or the service. Furthermore, the buyer decision process is affected by the type of buying behaviour. There are four of these types:

1. habitual buying (e.g. instant coffee)
2. variety seeking behaviour (e.g. chocolate bars)
3. dissonance reducing behaviour (e.g. furniture)
4. complex buying (e.g. computers).
Based on this information gathered through external and internal factors, the buyer makes decisions about what to buy (product, brand, quality), where to buy (dealer) and how many and how often (purchasing timing). (Gilligan & Wilson 2009, 199, 211-213; Middleton et al. 2009, 78.)

In addition to the consumer buying behavior it is important to deal with the concept of an organizational buying behavior. Organizational buying behavior has many similarities with the consumer buying behavior but there are some differentiating factors as well. In general, organizations have some goal why to buy goods or services. This can be related to profit making, cost reducing, meeting needs of the employees, social needs or legal obligations. Organizational buyers must comply with the purchasing policies, constraints and requirements. Purchases are often preceded by including request for quotations, proposals and purchase contracts. As consumer buying decision might sometimes involve several people and different buying roles, organizational buying decision often involves number of people with different roles. According to Webster and Wind (1972) there are six roles in organizational buying process:

1. **Users of the product or service**, who in many cases initiate the buying process and help in defining the purchase specifications
2. **Influencers**, who again help to define the specification, but who also provide an input to the process of evaluating the alternatives available
3. **Deciders**, who have the responsibility for deciding on product requirements and suppliers
4. **Approvers**, who give the authorization for the proposals of deciders and buyers
5. **Buyers**, who have the formal authority for selecting suppliers and negotiating purchase terms
6. **Gatekeepers**, who are able to stop sellers from reaching individuals in the buying centre – these can range from purchasing agents through to receptionists and telephone switchboard operators.

(Webster & Wind 1972 via Gilligan & Wilson 2009, 223-224.)

According to Hill (1972) organizational buying process is based on functional units. Those units are:

1. **Control units** (responsible for the buying decisions, might set certain constraints
2. *Information units* (responsible for the information related to the purchase)
3. *The buying unit* (responsible for negotiating the terms of the contract)
4. *User units* (any member of the organization who uses the purchased product or service)
5. *The decision-making unit* (responsible for making the buying decision)

Nevertheless, Hill believes that the buying unit and the user unit does not have concrete influence on buying decision. (Hill 1972 via Gilligan & Wilson 2009, 224-225.)

Furthermore, there are still many distinguish factors in organizational buying process. For example, it is important that a selling company has a good reputation and a salesperson is trusted. Only formal information is taken into consideration and product reliability as well as technical and sales service backup is important. Price is not necessarily a determining factor. To have a long-term relationship between a seller and a buyer it is significant to manage the relationship well. Especially after the sale has been made, the post-purchase dissonance of the buyer can be reduced by keeping in contact and assuring the buyer of the right buying decision. In this way, it is likely that the buyer makes a repurchase in the future. (Gilligan & Wilson 2009, 225-229.)

### 2.2.3 SWOT analysis

SWOT (strengths, weaknesses, opportunities and threats) analysis is a frequently used tool within strategic marketing planning process which evaluates the situation of a company (Grant 2019). In figure 5 the SWOT is in visual form.
Organization’s strengths are recognizable factors that can include internal capabilities and resources where organization is better or more unique than its competitors. Strengths are commonly part of organizations chosen values and branding, which can be developed and improved continuously. Organization’s weaknesses are characteristics, which can include internal limitations and negative situational factors that should be removed or diminish their impact through management action. The facts of strengths and weaknesses are best observed through a consumer research, otherwise they may remain at level of assumption. Opportunities for organizations are favourable factors, that might arise from external or internal environment. From external environment those can be for example a deregulation or an event that can open new opportunities. From internal environment opportunities can arise within the organization itself and its elements such as a specific product or process, or special skills of the personnel. Threats for organizations are unfavourable factors that can also arise from external or internal environment. External threats can be for example acts of international terrorism, advances in oil prices or exchange rate changes. Internal threats can be deficient actions of management for instance. (Kotler & Armstrong 2018, 80; Middleton et al. 2009, 209-212.)

2.3 Goals and Objectives of the Marketing strategy

The company should turn its broad mission into specific goals and objectives. In general, the main goal for companies is to earn more than the cost of
capital. It is often the primary goal for the company to achieve economic value added. (Kotler 2003, 68.) After defining the goals, the company needs to develop specific and measurable objectives. These objectives often include target segments, profitability, market share, product range, innovativeness and risk containment. Objectives are often set for the long term as part of the strategy or for the short term, where objectives are part of tactics. (Gilligan & Wilson 2009, 317-318; Kotler & Armstrong 2018, 66; Middleton et al. 2009, 195.)

According to Gilligan and Wilson (2009, 318) there are some important guidelines in setting the objectives. Those should be hierarchical, meaning that objectives should be set from the most important to least important. Objectives should be quantitative, in other words, company should set objectives, which are precise in magnitude and timescale. For example, “How many percent our market share will increase in the next 12 months”? The objectives should also be realistic, which means that they are not based on wishful thinking, but they are based on careful analysis of corporate capability and competitive strengths for instance. It is also unrealistic to aspire incompatible objectives, for example simultaneously aim for rapid growth and risk avoidance, hence objectives should be consistent.

As previously stated, the primary goal or objective for companies is usually to maximize profit (eilomical objective). There are also secondary objectives, which are not inferior to the primary objectives, but are important for future development of companies. Those can include social and ecological objectives. (Gilligan & Wilson 2009, 318-319.) Elkington (1994) created a phrase “triple bottom line” which is based on the idea that a company can be managed in a way that it improves people’s lives and the planet, not only earns financial profits (Kenton 2019). Triple Bottom Line (TBL) states that the company should have three bottom lines instead of one. Those are: “profit, people and the planet”. This is important because consumers are demanding companies to be transparent about their practices and take responsibility for social and environmental issues. Consumers are increasingly willing to pay more for products if those are made in a sustainable way - in a way that ensures a living wage for employees and environmental aspects considered in production. TBL can be used as a tool for reporting company’s sustainability
goals. Measuring financial value of the social and environmental bottom lines thought is a challenge whereas profit is easy to measure, because it is quantitative inherently. (Kenton 2019.)

2.4 Tools for Strategic planning of Marketing

The process of strategic planning requires the company to analyse its current and future services and products, which is called the business portfolio analysis. Business portfolio analysis is a process where the management of the company first evaluates which are their key products or services, called strategic business units (SBUs) and then decides which SBUs are worth investing and which should be phased out. (Kotler & Armstrong 2018, 66-67; Masterson et al. 2017, 244.)

One of the best-known methods for business portfolio analysis is the BCG growth-share matrix developed by the Boston Consulting Group (figure 6). In this model all the company’s SBUs are categorised according to the growth-share matrix, which is formed by two axes: market growth rate and relative market share. Market growth rate is a level of market attractiveness, which takes into account the whole market. Relative market share measures the success of the SBUs compared to the market leader in the same line of business. (Kotler & Armstrong 2018, 67-69; Masterson et al. 2017, 244-245.)
There are four types of SBUs in the **BCG growth-rate matrix**:

1. **Stars**. Stars are SBUs with high relative market share and high market growth rate. They are profitable and good investments and they also need to be invested in order to maintain a competitive edge. Eventually their market's growth rate decelerates, and stars will become cash cows.
2. **Cash cows**. Cash cows are SBUs with high relative market share with low market growth rate. The profits of cash cows can be used to supporting other SBUs. Cash cows need less investment, but it is important to maintain their position to maximize the return on investment (ROI).
3. **Question marks**. Question marks are SBUs with low relative market share but high market growth rate. If management wishes to turn question marks into stars, heavy investments are required. Without any investments question marks turn into dogs.
4. **Dogs**. Dogs are SBUs with low relative market share and low market growth rate. They do not generate much profits, but enough to maintain themselves. Sometimes dogs act as a barrier to market entry by competitors. They can also be sold to another company or phase out.

When the company has categorised its SBUs according to BCG growth-rate matrix, it should decide which role each SBUs play in the future. In any case, the positions change eventually when SBUs become older. Therefore, the
Another business portfolio-planning tool is **product/market expansion grid** (figure 7), which is originally devised by Ansoff in 1957 (Kotler & Armstrong 2018, 70-71). This tool helps companies to identify growth opportunities to achieve profitable growth.

![Figure 7. The Product/Market Expansion Grid (Kotler & Armstrong 2018, 71)](image)

**Market penetration** means that the company seeks growth by increasing sales of current products in existing markets without changing the product. This can be done through marketing mix improvements, like advertising, pricing, distribution efforts or adjustments to its product design. For example, a hotel group might grow its current products sales through aggressive marketing campaigns targeted to existing customer segments. In **market development** company tries to achieve growth with its current products but taking them to new demographic or geographical markets. For example, a Dutch holiday village company whose clients are continental Europeans, markets its existing holiday villages for UK market segment and thus increase its sales. In **product development** company seeks growth by offering new or modified products by staying in current markets. For example, a tour operator offering European
destinations expands its offerings to Asia destinations for existing customer segments. *Diversification* means that the company tries to achieve growth by starting up or buying businesses outside of its current markets and products. For example, an airline company buys and brands a railway operating company and if this diversification succeeds the company may achieve profitable growth. (Kotler & Armstrong 2018, 70-71; Middleton et al. 2009, 195-197.)

Strategic planning is focused mainly on increasing the sales of the company, but it is important to plan also downsizing strategies, in order to renounce unprofitable products or services. The reasons for downsizing can be due to difficult economic times, change in market environment, company’s too fast growth or product aging. To create customer value and accomplishing strategic objectives requires marketers to co-operate with each department of the company as well as with other members of the supply chain. (Kotler & Armstrong 2018, 72.)

The Business Model Canvas is an entrepreneurial tool for strategic management invented by Alexander Osterwalder. It is a tool for organizations to describe and design their business model and how they can create, deliver and capture value. (Osterwalder & Pigneur 2010, 14; Strategyzer 2019.)

The business model consists of nine building blocks (figure 8):

1. Customer Segments
2. Value Propositions
3. Channels
4. Customer Relationships
5. Revenue Streams
6. Key Resources
7. Key Activities
8. Key Partnerships
9. Cost Structure
Figure 8. The Business Model Canvas (Osterwalder & Pigneur 2010)

The customer segment Building Block includes the different customer groups that the company has or is willing to have. These customers can be divided into different groups based on different needs, behavior or profitability. For example, a mass market segment commonly has the same needs and problems, therefore the offer is same for all. A niche market segment requires specific and tailored offers and it is common in supplier-buyer relationships. Multi-sided markets have two or more interdependent customer groups. For example, a free newspaper requires two customer segments - readers and advertisers, to be profitable. By segmenting different customer groups, the company should decide which customers are worth serving and which should be ignored in the productivity point of view. (Osterwalder & Pigneur 2010, 20-21.)

The Value Proposition Building Block consists of codification of products or services that brings value for the customers. The Value Propositions is the answer to the need or problem of the different customer segments. Values can be increased by improving or tailoring the products or services or by bringing new products or services into the market. Qualitative features like customer experience, design or brand and quantitative features like price, speed of service and accessibility are features that creates value for the customer. (Osterwalder & Pigneur 2010, 22-25.)
The channel Building Block is about how a company reaches and communicates with its customers to bring them value. Channels have different functions, that are divided into five phases: 1) Raising awareness about products and services of the company 2) Helping customers in evaluating the value proposition of the company 3) Enable customers to purchase company’s products and services 4) Delivering customers a value proposition 5) Providing after-sales support for the customers. Channels can be direct and own (e.g. in-house sales force or a web site) or indirect partner channels (e.g. retail stores or wholesale distribution). Owned channels often lead to higher margins, but through partner channels it is easier to expand the reach. To maximize revenues the balance should be found between own and partner channels. (Osterwalder & Pigneur 2010, 26-27.)

The Building Block of customer relationships consists of the types of relationships the company has with its customers. Personal assistance is a relationship based on human interaction, where a customer communicates with a sales representative at the point of sale or by e-mail for instance. Dedicated personal assistance is more deep relationship and it is common for example between bankers and high net worth individuals or between key account manager and its most important customers. When the company provides all the requisite means, but customers are supposed to help themselves the type of relationship is called self-service. When a customer makes a personal online profile, she generally receives customized services or recommendations, it is called automated services. Companies can build online communities, where customers can share knowledge and solve each other’s problems. At the same time companies can also learn to understand their customers better. Co-creation is type of customer relationship, where the company engages customers to create content online, for example writing reviews or assisting with the design of new and innovative products. The reasons why the company maintains these relationships are customer acquisition, customer retention and boosting sales. (Osterwalder & Pigneur 2010, 28-29.)

The Building Block of the Revenue Streams contains the money that the company receives from its Customer Segments. The revenues can come from one-time payments (transaction revenues) or ongoing payments (recurring
revenues). There are many different Revenue Streams. *Asset Sale* means selling the ownership rights of the physical product. *Usage fee* means that the revenue comes from the use of a specific service. For example, a customer pays by the number of nights she stays at the hotel. When a company sells continuous access to a service, it is called *subscription fee*. This is common for example in the gyms (monthly subscription payments in exchange for access to gym’s facilities) or online games (e.g. World of Warcraft). *Lending, renting and leasing* are revenue streams that generates money by granting someone right to use a specific asset for a specific time in exchange for a fee. *Licensing* means that the revenue comes from giving a permission to customers to use company’s protected intellectual property in return for licensing fees. *Brokerage fees* are revenue streams that are common in real estate and credit card business for instance. Real estate agents receive a commission payment of every successful sale they transmit between buyer and seller, while credit card providers take a percentage of every sales transaction between credit card merchants and customers. *Advertising* of products, services and brands are common revenue stream for the media industry and event organizers as well as for the software sector. (Osterwalder & Pigneur 2010, 30-32.)

There can be different pricing mechanisms for each revenue streams. Pricing can be based on predefined pricing which is called fixed menu pricing. In this type of pricing mechanism, the price can be determined by the quantity (volume dependent) or quality of Value Proposition features (product feature dependent). Sometimes the price is determined on the type of a customer segment. List price is a fixed price for different kind of products and services. Pricing can also be based on market conditions which is called dynamic pricing. In this type of pricing the price can change based on supply and demand (real-time market), time of purchase (yield management), price can be negotiated or there can be an auction. (Osterwalder & Pigneur 2010, 33.)

The *Key Resources Building Block* represents the most significant assets that the company has in order to make a business model work. The company can own its key resources, or it can lease them or acquire from key partners. *Physical resources* include buildings, machines, point places of sales and distribution networks for instance. *Intellectual resources* consist of brands,
patents and copyrights, proprietary knowledge, partnerships and customer databases. Human resources are needed in every company, but people are extremely important in creative and knowledge-intensive industries. Financial resources consist of cash, credit and stock-options. (Osterwalder & Pigneur 2010, 34-35.)

The Key Activities Building Block consist of the most essential affairs that the company implements in order for making its business model work. Key activities can be categorized in three sections: production, problem solving and platform/network. Production activities include designing, making and delivering products, that is typical for manufacturing companies. Problem solving activities require knowledge management and constant training in order to find new solutions to problems of the customers. Problem solving is common in consultancy, hospital and other service sectors. Platform or network activities include maintaining different kind of networks, matchmaking platforms, software and brands. For example, eBay’s key activities include maintaining its website eBay.com. Visa’s key activity is to maintain its transaction platform that serves merchants, customers and banks. (Osterwalder & Pigneur 2010, 36-37.)

The Building Block of Key Partnerships represents the network of suppliers and partners of the company. Partnerships can be categorized into four different types:

1. Strategic alliances between non-competitors
2. Coopetition: strategic partnerships between competitors
3. Joint Ventures to develop new businesses
4. Buyer-supplier relationships to assure reliable supplies

Creating partnerships is very important for the company for variety of reasons. It is useful to optimize the allocation of resources for example by sharing infrastructure and knowledge, acquire licenses and outsource. This is because optimizing cuts down costs and can reduce risks. (Osterwalder & Pigneur 2010, 38-39.)

The Cost Structure Building Block includes all the main costs the company has. Business models can have a cost-driven or value-driven cost structure or
something between them. Cost driven structure means that the company aims at minimizing costs as much as possible. An example of this is “no frills” airlines, such as Ryanair and easyJet. For companies that have a value-driven cost structure, value is more important than costs. For example, luxury hotels implement this kind of cost structure. Cost structure have different characteristics. Fixed costs like salaries and rents, remains the same even the volume of production changes. Whereas variable costs are determined by the volume of production. When company’s output expands and cost per unit falls, the company benefits of cost advantage called economies of scale. The other example of cost advantage is called economies of scope, where the company expands the scope of its operations. For example, multiple products can be supported by the same distribution channels or marketing activities. (Osterwalder & Pigneur 2010, 40-41.)

Designing a good business model should include a deep understanding of customer perspective. Understanding customer's daily routines, aspirations, concerns and environment can lead to successful innovations. It is important to identify which are the key customers, customers of the future and which customers to ignore. There are often social scientists and anthropologies working with this subject in successful companies aiming to develop better products, services and business models. (Osterwalder & Pigneur 2010, 128.)

A visual thinking company called XPLANE has developed a tool for customer profiling called the Empathy Map (figure 9). With this tool companies can draw a better understanding of customers, which can help in building a stronger business model and customer relationship and design better Value Propositions. (Osterwalder & Pigneur 2010, 131.)
The company can make the Empathy Map for each of the customer segments it wishes to serve. Making the Empathy Map starts by giving a name for the customer segment and adding some demographic characteristics, such as marital status and income. Next there are six areas that needs to be answered. The first question is: *What does she see?* In this area the company should describe what does the environment look like by customer’s eyes, her friends, the market offers she is exposed to and problems she faces. The second question is: *What does she hear?* The company should find out what kind of impact the environment has towards the customer – who influences her (friends, family, media) and how? The third question is: *What does she really think and feel?* The company should imagine customer’s emotions, what is truly important to her, her dreams and aspirations. The fourth question is: *What does she say and do?* Here the company should find out what is the attitude of the customer, how she behaves in public and what she really thinks or feels. The fifth question is: *What is the customer’s pain?* In this area the company should describe what are the customer’s biggest fears and frustrations, risks she is afraid of and obstacles that stands on her way. The sixth question is: *What does the customer gain?* Here the company should imagine what the customer would like to achieve, does she have some
strategies for achieving the goals and does she measure success and how. (Osterwalder & Pigneur 2010, 131.)

Ian Brodie is an English consultant who teaches other consultants, coaches and professionals to persuade and gain optimal customers and helping them to become experts in their field. He has adjusted previously mentioned Empathy Map (figure 9) into more suitable process for marketing purposes, which he calls The Customer Insight Mapping (figure 10). The purpose of the Customer Insight Mapping is to build a deep understanding of an ideal customer and draw its picture with detailed information, that will help the company to improve its marketing. (Brodie 2019b.)

![Customer Insight Mapping Diagram](image)

Figure 10. The Customer Insight Mapping (Brodie 2012)

There are two phases in this process. The first phase is: “Do Your Homework”. It means that the company collects the data of the present or potential customers. Companies usually have some previous personal experience of the customers. The knowledge can be extended by doing “short surveys” and “in-depth Interviews”. It is also useful to “immerse” into customer’s life, for example as Brodie (2012) says: read what they read and go to the places that they go. It is even possible to shadow the customer at work if the permission is first asked. The shadowing gives an opportunity to
see what the daily life is for the customer. By shadowing the customer, the company can find out for instance what actuates the customer, what their customers expects from them and what kind of problems and pressures they have. Hence by interviewing customer's customers can help the company in building a new understanding of its customer. (Brodie 2012.)

The second phase is to draw a map of an ideal customer. The purpose is that the company makes such a map for each customer segment individually but visualizes one average individual that represents the group the best. The map has four sections. The first section is called *Who They Are*. In this section the company gives a name for the imagined person and evaluates things such as customer’s marital status, number of children, age, education, occupation, their interests, influencers and their backstory. The second section is *External Pressures*. This section includes issues that affects the customer from the outside. For example, requirements of the boss, business goals, changes in the industry, competitor moves, new demands of the customers and new regulations. The third section is called *Internal Challenges and Issues*, that includes visualizing what is going on in customer’s mind. It can include customers long term goals, such as what they would like to achieve in their private and in business life? Or what are they afraid of and what challenges they face, what are their daily problems and issues? And what are the reasons and motivations for the above-mentioned issues? The purpose is to narrow down issues that concerns the field of the company, not all the challenges and problems the customers face. The fourth section is called *Know and Feel*. In this section the company should imagine what customers must know and feel before they are ready to use its services or products. What are the aspirations and goals the company helps them to achieve and problems the company helps them to solve? What kind of impact does it make in their business and personal life? The company should figure out what customers need in order to be confident about the company and themselves. For example, customers might be curious to know the track record of the company or they might doubt their own capabilities to make required changes. The company should also list the risks that the customer worries about, for example is the company too big or small to work with a customer or does the company have experience from the field of the customers business? What are the reasons why the customer might fear of using the services or products of the company?
Later Brodie has included one more section called *Values and Beliefs*. He says that: “It’s increasingly important to work with clients who you feel an affinity with. So, by explicitly thinking about the values and beliefs your best clients typically have, you can see which ones you share and be open about those in your communications.” (Brodie 2019a.)

### 2.5 Implementation, Tactics and Control of Marketing strategy

To achieve the objectives of a marketing strategy successfully requires a proper implementation as well. To turn marketing plans into marketing actions is a process called marketing implementation. In the process of implementation, the following questions should be answered: who, where, when, and how? Implementation is usually more difficult than planning a strategy. That is why it is important that all the people working with marketing in the company are committed to implementing the strategy. The concept of marketing mix (4Ps) is commonly used marketing tool to implement the marketing plan, which originally was proposed by Jerome E. McCarthy in 1960 (Masterson et al. 2017, 24). Marketing mix consists of four Ps – product, price, place and promotion. Because the 4Ps are producer orientated Kotler (1999) redefined the Ps to Cs – customer value, cost, convenience and communication, to add a consumer orientated perspective. (Middleton et al. 2009, 138-139.) In figure 11 marketing mix is in visual form.

<table>
<thead>
<tr>
<th>Four Ps</th>
<th>Four Cs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product</td>
<td>Customer value</td>
</tr>
<tr>
<td>Price</td>
<td>Cost</td>
</tr>
<tr>
<td>Place</td>
<td>Convenience</td>
</tr>
<tr>
<td>Promotion</td>
<td>Communication</td>
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</tbody>
</table>

Figure 11. The four Ps and four Cs adapted from Middleton et al. (2009, 138-139)
According to Middleton et al. (2009, 139-141) the four Ps and Cs can be explained as follows:

*Product – customer value;* the shape or form of the product or service offered to potential customers based on the needs and desires of the customer. This can include offer's basic design, style, ambiance and branding. Furthermore, the service element is important, for example how the front of house staff delivers the product or service to the consumer.

*Price – cost;* From the producer perspective price is the amount of money that producer expects to receive of the exchange transaction for a product based on the revenue and sales volume objectives. From the customer perspective cost is the amount of money that the customer is willing to pay of the product compared to alternative products.

*Place – Convenience;* a location of the point of sale or a channel of distribution convenient for a customer’s point of view. For a tourism product a place can be a travel agency or a web-based booking system.

*Promotion – communication;* include all kinds of promotional techniques (e.g. advertising, sales promotion, internet communication and public relations) that are designed to stimulate demand and make customers aware of the products.

It is important to evaluate and measure the results of marketing strategies and plans. This is called marketing control. If it is noticed that the objectives have not been achieved, corrective action can be taken. The marketing management of the company should constantly practice marketing control, which includes four steps:

1. Setting the specific marketing objectives
2. Measuring the performance of the objectives in the marketplace
3. Assessing the reasons for differences between actual and expected performance
4. Taking corrective actions to ensure that the objectives will be achieved (or change action programs or objectives if needed)

(Marketing Control Process 2013)
2.6 MICE - Meetings, Incentives, Conferences and Exhibitions

The concept of MICE (figure 12) in the context of travel means meetings, incentives, conferences, and exhibitions (or alternatively events). The MICE is very strongly associated with group tourism (What is MICE? How MICE is an industry, tourism and travel 2019). According to the International Association of Professional Congress Organizers meetings can be defined as “groups of at least 10 people from corporate organisations come together in one place” (What are the opportunities for MICE tourism from Europe? 2016) “for a particular activity, which can be a one-time event or recur regularly” (Association of Professional Congress Organisers via Figueroa, 2019).

Internal meetings gather people for example from organizations, companies and associations and external meetings gather distributors, dealers and clients for instance (What is MICE? How MICE is an industry, tourism and travel 2019). Examples of these are annual meetings, sales meetings, trainings and product launches. Incentives refers to a non-business vacation without a distinct educational or business component. Incentives are trips sponsored by companies for employees, distributors or clients as a reward to keep and raise motivation of work performance and create company loyalty. Conferences are events where hundreds or thousands of people attend with the same interest from the field of work or industry, culture, religion or hobby. Conferences have a specific objective and exchange of information and those are organised often by industry or trade associations. Exhibitions are professional events, often organised by associations, where companies are presenting their products and services to acquire new customers. (Figueroa 2019.) Exhibitors often attend in groups when they are from the same organization as well as customers can also come in groups for example if they are business visitors. Alternative definition for exhibition is event which refers more to leisure events, such as Formula 1 or the Olympics. (Figueroa 2019; What are the opportunities for MICE tourism from Europe? 2016; What is MICE? How MICE is an industry, tourism and travel 2019.)
What is MICE Travel?

**M** Meeting Travel – groups of at least 10 people from corporate organisations come together in one place for a particular activity, which can be a one-time event or recur regularly.

**I** Incentive Travel – Typically given to employees as a Reward. A non-business vacation with the aim of continued motivation for performance.

**C** Conference Travel – Have specific objectives and exchanges of information. Organizing itineraries, meetings, and events for people from the same profession or field.

**E** Exhibition Travel – Products or services are displayed, and are the primary focus of the event.

Figure 12. What is MICE Travel? Adapted from Figueroa (2019); What are the opportunities for MICE tourism from Europe? (2016)

The MICE-tourism is mainly business oriented, but it can also include a leisure component. There are some distinct differences in leisure tourism and MICE tourism. For example, they have a different audience and participants. For leisure tourism audience is consumers and participants are leisure travelers whereas for MICE tourism audience is corporations and associations and participants are business travelers. Motivators are also different. For leisure tourism motivator can be self-actualization, amusement and destination appeal. For MICE tourism professional development, infrastructure and capacity acts as a motivator. (Gaining Edge consultants, UNWTO and Globally Cool via What are the opportunities for MICE tourism from Europe? 2016.)

The MICE market is a niche of group tourism, but it brings a lot of money to the tourism industry. There are many businesses and personnel involved in MICE tourism. Among these are professional trade organizations, tourism boards, tourism trade associations, travel-selling professionals, private tour operators and transfer companies, incentive houses as well as corporate meeting planners, meetings and convention departments of hotels,
conference centers or cruise ships, food and beverage managers and logistics firms. (Figueroa 2019.)

According to CBI Ministry of Foreign Affairs there are some important product requirements for European MICE buyers which influences on the decision of the MICE destination and venue. Location is one requirement that can include factors like distance and connectivity, destination image, climate and safety. European buyers of MICE appreciate high quality for instance in customer service, transport, accommodation and meeting facilities and they expect value for money – unique experiences at reasonable cost. They also appreciate proactivity and experienced ground handlers which means that they prefer using one supplier instead of many, who is able to work with fast schedules. Sustainability is also considerable requirement for many European MICE buyers. Many companies have their own guidelines for Corporate Social Responsibility, and it might obligate to do business only with travel companies that have a sustainability label. (What are the opportunities for MICE tourism from Europe? 2016.)

MICE tourism can take advantage of today’s technology by combining physical event with online participation and online presentations. This is how people with strong disabilities or for example with geographical or political limitations are able to participate. Technological trends like QR codes, event apps, video conferencing and 360-degree content recording can be useful in MICE industry. Social media platforms can be utilized for interaction and knowledge sharing before, during and after the event. MICE event of today often differ from the traditional boardroom style event. MICE event can be for example an outdoor or sporting event, or the venue can be a museum or aquarium for example. It is increasingly desirable to link the experiences and well-being elements of incentive travel to business travel as well. However, companies often prefer events that involve an official meeting component, as companies may receive corporate tax benefit. This kind of event can also be combined with training, networking and teamwork. (What are the opportunities for MICE tourism from Europe? 2016.)

It is economically beneficial for destinations to market themselves as MICE locations. The MICE travelers can make a significant impact on host location
economy as they usually spend more money in a shorter time than leisure travelers. The MICE travelers often prolong their stay or return to destination with their family or friends. MICE tourism can be offered all year round; hence it will bring relief to the low tourism seasons. (What are the opportunities for MICE tourism from Europe? 2016.)

According to World Tourism Organization (UNWTO) in 2017 the world’s third largest export category is tourism. Total international tourist arrivals grew 7% and total international tourism receipts grew 5%. Business and professional reasons covered 13% of the purposes of visits. France was the number one in World’s Top Tourism Destinations with 86.9 million of international tourist arrivals. International tourism receipts were USD 60.7 billion that ranks France number 3 in the world. (UNWTO Tourism Highlights 2018.)

3 RESEARCH METHODOLOGY

3.1 Methodological approach

This research is based on mixed method research, that integrates quantitative and qualitative research strategies. In the scientific world, these methods often compete, which one is the right or better way to make a research. However, the research question or problem determines the best research method. By using quantitative and qualitative methods it is possible to obtain more diverse information. The scope of the research comes through quantitative methods and depth through qualitative methods. The aim of the quantitative research strategy is quantification of the collected and analyzed data. Quantitative research questions are related to numbers and percentages as “What” “How much” “Where” “Why” and “How often”. According to Heikkilä (2014), quantitative research in general can be used to map the existing situation, but it is not possible to adequately identify the causes. The aim of the qualitative research strategy is to emphasize words and images and to understand the subject of the research, for example, the company. Qualitative research answers questions like “Why” and “How”. It therefore seeks to identify causes of the behavior and decisions of the subject. (Bell et al. 2019, 35; Heikkilä 2014.)
In this research the sequence will follow the type of mixed methods design called *explanatory sequential design* (figure 13) by Creswell and Plano Clark (2011). It means that the collected and analyzed quantitative data will be followed by the collection and analysis of qualitative data in order to explain and elaborate the quantitative findings. In practice the quantitative data will be collected through Webropol surveys and those will be analyzed. To make this data more comprehensible, qualitative research methods, such as semi-structured interviews and a focus group will be employed. (Bell et al. 2019, 573-574; Kananen 2014a, 142-143.)

![Figure 13. Explanatory sequential design adapted from the Four basic mixed methods designs by Creswell and Plano Clark 2011 (Bell et al. 2019, 573)](image)

This research also takes into consideration the concept of triangulation. Originally this concept of triangulation was introduced in 1966 by Webb et al. (via Bell et al. 2019, 364-365) *as an approach to the development of measures of concepts, whereby more than one method would be employed in the development of measures, resulting in greater confidence in findings.* According to Deacon et al. in 1998 (via Bell et al. 2019, 364-365) *triangulation is used to refer to a process of cross-checking findings deriving from both quantitative and qualitative research.* Using quantitative and qualitative methods makes research more reliable, because it can minimize the drawbacks associated with using only one method (Kananen 2014a, 143).

### 3.2 Data collection, Analysis, Validity, Reliability and Trustworthiness

The data collection of this research was conducted by using primary and secondary data. Primary data collection can include for example interviews, surveys, observation and blogs that are collected by a researcher with the research in mind. Secondary data already exists, and it is written by someone else. It can include different kinds of documents, such as books, studies, statistics and network documents. (Kananen 2014b, 66-67; Primary data & Secondary Data: Definition and Example 2018.)
Research contained two quantitative Webropol surveys. The respondent was able to choose the language, either Finnish or English. The questionnaires started with a cover letter explaining background, topic and goals of the thesis. It also mentioned the possibility to participate in a prize draw winning two tickets to Matka2020 travel fair by answering the questionnaire. This incentive was provided because it was thought to increase the response rate.

Questionnaires like Webropol can easily reach many respondents and ask many questions. As a method, the questionnaire is efficient, but also quick and cost-effective to implement and the collected data can be quantified. The first Webropol survey was sent to potential customers of Enterprise X. These potential customers were SMEs that are members of the associations and trade unions of which the commissioner is interested in. The other Webropol survey was sent to existing SME customers of Enterprise X. The above-mentioned groups formed a set of population of the research, from which a subset (sample) was selected upon consideration. The sample must be large enough and representative for quantitative research. The questions were carefully prepared, because those must be relevant and based on the theoretical framework of the thesis. (Heikkilä 2014; KvantiMOTV no date; Tuomi & Sarajärvi 2018, 87.)

The Webropol survey included open questions, multiple-choice questions and scale-based questions types. The answer options in scale-based questions were from 1-5, where 1 means very bad, 2 means quite bad, 3 means not good, not bad, 4 means quite good and 5 means very good. It is important that the questionnaire is carefully prepared, and it is not too long. Hence, respondents are more likely to answer all the questions in the questionnaire and understand the correct meaning of the questions. (Hirsjärvi et al. 2009, 195-200.) The results of the Webropol surveys were to be analyzed by using statistical methods. The Webropol automatically reports the results, which can be analyzed by exploiting Webropol Analytics. The purpose of qualitative research is to observe the behavior of the researched groups. In order to observe the groups, the results should be summarized for example by using frequency tables and diagrams. The results of the multiple-choice questions and scale-based questions can be analyzed with the help of Webropol Professional Statistics, which translates statistical analyzes into visual form.
The results of the open questions can be analyzed with the help of Webropol Text Mining, which gives an overview of the answers and allows to compare its content. (Automaattinen kyselytutkimusten raportointi 2019; Bell et al. 2019, 318-319; Kananen 2014a, 286-288.)

The questionnaire for the existing customers of Enterprise X consisted of a total of 51 questions and the questionnaire for the potential customers of Enterprise X consisted of a total of 54 questions. There were less questions if the customer answered negatively to certain questions. Even there were so many questions, those were carefully prepared and related to the theory of this thesis. Before sending the questionnaire, the author tested the questionnaires with a few people and made improvements based on the comments. Also, it was tested that the questionnaires took approximately 10-15 minutes to answer. All questions were voluntary; hence it was not obligatory to answer them. Both questionnaires included open questions, multiple-choice questions and scale-based questions types. It was possible to select more than one answer option in certain questions. At the end of the questionnaires, the customer had a possibility to include their contact information if they gave permission to contact them in case of follow-up interview or if they would like to participate in a prize draw. The draw was carried out on October 29, 2019 by using the Internet’s draw machine. The draw participants were placed in excel and the draw was carried out on the line number, hence the anonymity of attendant was secured, and the draw machine was not able to get any information about the respondent, email address or name for example. The questionnaires are found in appendix 1, 2 and 3.

The first five questions in the questionnaire for the existing customers of Enterprise X were demographic background questions asking about the customer’s education, age, name of the company/association and location of the company/association. Questions 6-31 included questions concerning the trips that were made through Enterprise X. The following questions determined whether the customer could use services of Enterprise X in the future and which were the strengths and the weaknesses of the company (questions 32-35). Next there were questions that aimed to clear how often the company/association makes trips related to MICE-tourism, issues that are
considered important when choosing a tour operator and destination, France as a destination and what kind of themes interest the customer (questions 36-42). Questions 43-48 were related to the possible future trip and its procurement, duration, participants, price, services and information source.

Questions can also be categorized based on theory as follows:

- Questions 9-10 and 36-40 MICE-tourism
- Questions 6-8, 11-22, 25-33 and 41-48 customer analysis
- Questions 23-24 competitor analysis
- Questions 34-35 SWOT analysis
- Question 49 possible follow-up interview
- Question 50 prize draw
- Question 51 other comments

Also, in the questionnaire for the potential customers of Enterprise X the first five questions were demographic background questions (customer’s education, age, name of the company/association and location of the company/association). Questions 6-30 included questions asking if the company/association had made trips related to MICE-tourism and issues related to that trip for example destination, price, duration, participants, procurement and information sources. Next questions included question if the company/association would be interested to make a MICE-tourism trip in the future and issues related to that trip (questions 31-41; 48-51). Questions 42-44 were related to Enterprise X and France.

Questions can also be categorized based on theory as follows:

- Questions 6, 11, 30-33 and 45-46 MICE-tourism
- Questions 7-10, 12-21, 24-29, 34-43 and 47-51 customer analysis
- Questions 22-23 competitor analysis
- Question 44 SWOT analysis
- Question 52 possible follow-up interview
- Question 53 price draw
- Question 54 other comments

In most of the cases, the material from the questionnaire is considered superficial (Hirsjärvi et al. 2009, 195), therefore in this research it was intended to deepen the information obtained from the answers of the Webropol surveys with a few semi-structured interviews or email interviews. There is no need to have plenty of semi-structured email interviews, because according to Heikkilä (2014) qualitative research is usually limited to a small
number of subjects. Email interview is a dialogue without personal contact. In the process of email interview, the interviewer sends the discussion theme or questions for interviewee who answers these. Then the interviewer asks more clarifying questions from the interviewee. The benefits of the email interviews are that the dialogue is always in documented format and the interviewee can answer the questions regardless of time and place. At the end of the surveys the permission was asked from the company or association to contact them in case of possible follow-up interview. After the surveys were done, those companies who gave permission to contact them, were approached for answering on the semi-structured email interview.

All the interviews were analysed by using the content analysis method. The goal was to create a condensed description that connects the results to a wider context of the phenomenon and other research findings on the subject. The content analysis focuses on the meaning of the text. The processing of qualitative data is based on interpretation and logical deduction. In this process the data is initially broken down, conceptualized and reassembled into a new logical entity. (Tuomi & Sarajärvi 2002, 105; Tuomi & Sarajärvi 2018, 117, 122.) Secondary data was collected via the internet, since it provides a fast, easy and reliable way to collect up-to-date information. The use of secondary data was justified because, for example, the data for the PESTLE already exists and need only be compiled for this research.

After analysing the results of Webropol surveys, semi-structured email interviews and secondary data, the results were presented for the personnel of Enterprise X in a personal meeting. After the presentation there were a focus group interview for the representatives of the commissioner, which is an interview with various people on a certain topic. The author of this thesis run the focus group and acted as a facilitator. The audio-visual equipment was used in the interview. Focus group was a suitable method because the personnel of Enterprise X could be interviewed about the results of the thesis at the same time. It was possible to explore how they discussed as members of a group about specific issue and they all were familiar with the topic. (Bell et al. 2019, 462-481.) The results of the focus group interviews were analysed by using content analysis method as with other interviews. By using the focus group method, the author of the thesis obtained a broader view of the
commissioner’s perspective and opinions about the marketing strategy process.

Validity of the research means that the research is valid if it provides reliable answers to the research questions (Heikkilä 2004, 29.) According to Bell et al. (2019) measurement validity is concerned with whether a measure captures the phenomenon which it is intended to capture. External validity refers to question of whether the results of a study can be generalized beyond the specific research context, meaning it is crucial how participants are selected for the research. (Bell et al. 2019, 46-47.) Questions of the survey must be unambiguous; they measure the right matters and they provide answers to the research questions. The population should be clearly defined, and representative sample of the population selected by a suitable sampling method. The response rate of the survey should also be high. (Heikkilä 2014.)

Reliability refers to the consistency of research results. Reliable research must be reproducible and stable (Bell et al. 2019, 46). In order for the results to be reliable, the sample must be large enough and as similar as possible to the population. It is important to be careful when collecting information, entering and processing results, and avoiding mistakes. (Heikkilä 2014.) In the quantitative part of the thesis, i.e. the survey, a large number of respondents can be reached if the response rate is high. In the qualitative part of the thesis, the number of interviewees were smaller than the number of survey respondents, but with the help of interviews it was possible to ask those questions that arise from the results of the survey.

Trustworthiness of qualitative study can be described through four concepts, which are credibility, transferability, confirmability and dependability. Credibility describes the confidence of the researcher about the findings of the research study. Transferability refers to the way in which a qualitative researcher demonstrates that results can be applied to other contexts. The transferability of the results to another context depends on how similar the environments are (Huttunen no date). Confirmability means the degree of neutrality in the research study’s findings. Dependability means that how well the study could be replicated by other researcher and how consistent the findings are. (What is Trustworthiness in Qualitative Research 2019.)
4 RESULTS OF THE RESEARCH

The data of this research was collected through questionnaires, email interviews and the internet. PESTLE analyses of Finland and France (appendix 8) were performed in order to compare them. Enterprise X is a Finnish company that operates in Finland and sells trips to France; hence it is important to have the knowledge of both countries. The data for PESTLE was collected through internet because it was the easiest way to find up-to-date information. Questionnaires and email interviews were sent to existing and potential customers of Enterprise X. Email interview was made for the commissioner as well. As the questionnaires did not bring satisfactory response rates, the emphasis is on the email interviews and secondary data. However, the results of the questionnaires are presented in general level. After results there is data analysis section, that outlines marketing strategy tools based on results.

4.1 PESTLE Analysis – Finland

Political Factors – Finland

Finland is a parliamentary republic country and a member of the European Union since 1995 (The European Union and Countries in the EU 2018). Political stability is very good in Finland, because Finland has functioning state bureaucracy, an effective rule of law and various personal freedoms and civil liberties. According to The Fund for Peace (FFP) Finland was ranked the most stable country in the world for the 7th time in 2017, based on political, social and economic indicators. The level of corruption is very low. Conducted by the surveys and studies of Transparency International, Finland has ranked among the least corrupt nations consistently, number third in 2018. In the index zero means highly corrupted and 100 very clean. The score of Finland was 85 in 2018. (Best Business Environments in The World 2019; Corruption Perceptions Index 2018 2019.)

Labour legislation in Finland is based on a tripartite system where the Ministry of Economic Affairs and Employment formulates and evolves the legislation in collaboration with labour organisations and employer’s organisations. Various acts comprise the legislation, such as the Employment Contracts Act, Working
Foreign trade plays an important role for Finland, which is a small open economy. In 2018 the ratio of exports to GDP was 39% and the ratio of imports to GDP 38.5%. The most important trading partners for Finland are Germany, Sweden and Russia. Finland exports for example chemical, forest and metal industry products. Approximately 30% of total export earnings comes from services, most of which are IT services and technical services requiring engineering expertise. The most imported products to Finland are products of chemical industry, electrical and electronic products and mining and quarrying products. (Kauppa 2019; Määkkylä 2018; Ulkomaankauppa 2019.)

Income tax in Finland depends on the legal form of corporate entity. For the limited companies and the cooperative societies income tax rate is 20%. For the self-employed professional individual, a self-employed business entrepreneur, or a general or limited partnership the incomes are divided between a capital-income portion (30%/34%) and an earned-income portion, which is assessed using the progressive scale. (Income taxation – companies and organisations 2016.) The general VAT rate is 24%, which applies on most services and goods. There are reduced VAT rates for example for groceries, restaurant and catering services (10%) and for accommodation services and passenger transport (14%) for instance. (Rates of VAT 2018.)

Finland’s infrastructure is functional. The efficient road and rail network as well as various ports and airports provides easy connections all around the world. The level of telecommunication systems and internet connectivity is very high. In 2018, 92% of Finnish households had internet access (Schmid 2019). The main energy sources for electricity producing are nuclear power (33.7% in 2015), hydropower, coal, natural gas and wood fuels. (Electricity generation 2019; Finland – Infrastructure, power, and communications 2019.)
Economic Factors – Finland

According to Ministry of Finance the economic growth in Finland in 2019-2021 will stay moderate compared to previous years. In 2018 the economy in Finland grew only 1.7% from the previous year. It is estimated that in 2019 the growth will remain between 1.0% and 1.5%. (Suomen pankki 2019; Valtiovarainministeriö 2019, 11.) In July 2019 the employment rate was 72.6%, the unemployment rate was 6.6% and Finland’s average long-term interest rate was 2.82%. Disposable income of consumers will grow by almost 3% because of the higher earnings and improved employment. The inflation rate forecast is 1.2% in July 2019. (Valtiovarainministeriö 2019, 13; Ycharts 2019.)

Social Factors – Finland

At the end of 2018 the population of Finland was 5 517 919. Population growth was 4 789 persons which was smallest since 1970. (Findicator 2019.) There were under 15-year olds 882 234, 15-64-year olds were 3 430 848 and over 65-year olds were 1 204 837. Age dependency ratio was 60,8, which is the number of people aged under 15 and over 65 per 100 working age population. (Findikaattori 2019.) According to OECD Better Life Index in 2017 the average household net adjusted disposable income per capita was USD 29 943 a year in Finland (Income 2019). Low income threshold was 14 750 euros which comprised 12,1% of the population. (Tilastokeskus 2019.) According to report of the World Economic Forum Finland was the safest country in the world in 2017 (World Economic Forum 2017, 35).

Finland in general has European manners and customs. Attitudes are liberal and behaviour quite relaxed. (Alho 2002.) In Finland democracy and freedom of speech prevail. According to Sustainable Governance Indicators Finland’s quality of democracy is ranked number 2 in international comparison in 2018 (Quality of Democracy 2018). Finnish people value equality and fairness, privacy, individualism, honesty and punctuality (Finnish Customs 2019). In the Finnish work culture, respect for schedules, reliability and initiative are valued. Discrimination is prohibited by law and it is the employer’s responsibility to ensure equality of the employees. (Suomalainen työkulttuuri 2019.)
Technological Factors – Finland

Finland’s research & development expenditure has dropped in recent years but compared to EU countries it is still higher than their average expenditure. For example, in 2017 Finland’s R&D expenditure was 2.76% of the GDP share while in 2009 it was even 3.76 per cent. Whereas EU’s average R&D expenditure was 2.06 per cent of the GDP share in 2017 and 1.93 per cent in 2009. (Eurostat 2019.) Of the Finland’s R&D expenditure 65% is spent by the business sector, 9% by the government sector and 25% by the higher education sector in 2017. (Research and development 2017 2018.)

Legal Factors – Finland

Occupational safety and health in Finland are guided by the Ministry of Social Affairs and Health. Legislation is based mostly on EU directives. (Occupational safety and health 2019.) The purpose of occupational health care is to promote safe working conditions and a healthy working environment for the employees. The employer is responsible for arranging and paying occupational health services to each employee, regardless of the nature or duration of the employment relationship. (Occupational health care 2017.)

The Finnish Constitution guarantees equal treatment of all people as in civil as in working life. The Equality Act and Employment Contracts Act regulate equality issues in working life. They include equal treatment of employees in terms of employment, working conditions, staff training and career development. (Equality and equal opportunities in working life 2019.)

Finland’s Consumer Protection Act protects consumer rights and regulates consumer marketing. Its purpose is, inter alia, to prevent inappropriate marketing to consumers as well as to oblige entrepreneurs to provide consumers with correct and relevant information to support their choices. (Legislation and rights 2018; Markkinointi ja mainonta 2019.)
Environmental Factors – Finland

Finland is located in Northern Europe. Its neighbouring countries are Russia in east, Sweden in west, Norway in north and Estonia in south. The surface area is 338,432 sq km and population is 5.5 million, that makes Finland one of the most sparsely populated country in Europe with 16 persons/km2. (European Countries By Population Density 2019; Suomi lyhyesti 2014.)

Finland has intermediate climate, that combines a maritime and a continental climate characteristic. Finland has four seasons: winter, spring, summer and autumn and weather varies substantially in different seasons. Also, wind direction and weather disturbances affects the weather. The annual mean temperature ranges from a couple of degrees below zero in Northern Lapland to a +5 degrees in southwestern Finland. Finland’s annual amount of precipitation range is between 500 and 650 millimetres. (Finnish Climate 2019; Present Climate – 30 year mean values no date.) It has been found that climate in Finland has become warmer 2.3 degrees since 1850. Temperatures will continue rising in future as well as precipitation will increase. The rise in sea level will overcome land uplift in the Gulf of Finland. (Finland’s changing climate no date.)

Finland’s current climate and energy policy aims to reduce greenhouse gas emissions, increase the share of renewable energy sources in final energy consumption, improve energy efficiency and promote adaptation to climate change. Most of Finland’s greenhouse gas emissions come from energy production and consumption. Reasons for this are the cold climate, long distances and energy-intensive industries. In recent years Finland’s greenhouse gas emissions have started to fall in line with targets. (Suomen ilmastopoliitikalla pyritään vähentämään kasvihuonekaasupäästöjä 2015; Suomen kasvihuonekaasujen päästöt ovat laskussa 2019.)

4.2 PESTLE Analysis – France

Political Factors – France
France is a semi-presidential republic and since 1958 a member of European Union (The European Union and Countries in the EU 2018). Political stability can be evaluated by the index of Political Stability and Absence of Violence/Terrorism that measures perceptions of the likelihood that the government will be destabilized or overthrown by unconstitutional or violent means, including politically motivated violence and terrorism (figure 14).

![Political stability index](image)

Figure 14. Political stability index (France Political Stability 2019)

In the index -2,5 is considered weak and 2,5 strong. France’s index has been fluctuated between -0,1 and 0,93 in the 21\textsuperscript{st} century. (France Political Stability 2019). One reason for this is that there has been tens of terrorist’s attacks in France in 2015-2019 (List of terrorist incidents in France 2019). The level of corruption is low, because it is controlled by a strong legal framework. According to surveys and studies of Transparency International, France has ranked number 21\textsuperscript{st} in 2018. In the index zero means highly corrupted and 100 very clean. The score of France was 72 in 2018. (Corruption Perceptions Index 2018 2019; France Corruption Report 2017.)

The labour law in France is based on many different sources, but the most important are the Constitution, EU law, the European Convention for the Protection of Human Rights and Fundamental Freedoms and the Labour code. (Employment Law overview France 2019-2020 2019,1.) Exports and imports play an important role for France. France is the world’s 6\textsuperscript{th} largest
export economy and 7th largest import economy. The exports and imports in France are currently on the rise. The ratio of exports of goods and services to GDP was 28.12% in 2008 whereas 31.34% in 2018. The ratio of imports to GDP was 29.28% in 2018 whereas 32.11% in 2018. (Exports of goods and services % of GDP 2019; France: Imports, percent of GDP 2019.) The most important export products are planes, helicopters and spacecraft, packaged medicaments, cars, vehicle parts and wine. The main import products are cars and crude petroleum. The main trading partners for France are Germany, Belgium-Luxembourg, Italy and Spain. In addition, France exports a lot to the USA and imports from China. (AJG Simoes 2011.)

Corporate tax in France is dependent on the capital structure and turnover of the business. All companies pay 28% the standard CIT rate on taxable income up to €500,000 and 31% when taxable income is more than €500,000. However limited companies under sole ownership can choose between corporate taxation and personal income tax system as well as limited companies in joint ownership if the business is small (for the first five years of business). A sole trader is generally taxed under the personal income tax system. (Corporate taxes in France and French corporate tax rates 2019.) The general VAT rate is 20%. Reduced VAT rates are for example for hotels, restaurants and public transport (10%), food and books (5.5%) and newspapers (2.1%). (A guide to taxes in France 2019.)

Due to heavy investments by the French government, the French infrastructure is very comprehensive, consisting of a network of air, land and rail transport. (France – Infrastructure, power and communications 2019.) 99% of French households has internet access but only half of them has a very high bandwidth, because there is a low-population density outside urban areas. (Broadband Internet Plans in France 2018.) The main energy sources in France for electricity producing are nuclear power (72% in 2016), hydropower, gas and coal. French government plans to reduce the share of nuclear to 50% by 2035. (Nuclear Power in France 2019.)
Economic Factors – France

According to OECD economic growth in France is slowing down. A forecast for GDP growth is 1,3% in 2019-2020. In 2018 the GDP growth was 1,6%. (OECD Economic Surveys. France 2019, 12.) In August 2019 the employment rate was 66,0 % compared to previous year 65,8% and the unemployment rate was 8,5% compared to previous year 9,1% (France Employment Rate 2019; France Unemployment Rate 2019.) In August 2019 France’s average long-term interest rate was -0,34 % compared to previous year 0,77 % (France Long Term Interest Rate 2019). Disposable income of consumers has grown 1 % from 364 943 Million euros (Q1 2019) to 365 896 Million euros (Q2 2019) because of the higher earnings, improved employment, lower taxes and oil prices (France Households Disposable Income 2019; OECD Economic Surveys. France 2019, 12). The inflation rate was 1,0% in August 2019 (Ranska – Inflaatio 2019).

Social Factors – France

The population of France is 65 164 749 (September 2019). In 2018 population growth was 148 002 persons which was smallest in the period between 1955-2018. There were under 15-year olds 11 523 162, 15-64-year olds were 40 203 840 and over 65-year olds were 13 546 510. Age dependency ratio was 62,4, which is the number of people aged under 15 and over 65 per 100 working age population. (Findikaattori 2019; France Population 2019.) According to OECD Better Life Index in 2017 the average household net adjusted disposable income per capita was USD 31 304 a year in France. (Income 2019.) In 2017 8,8 million people lived below the poverty line in France, which means living on an income of less or considerably less than €1,026 a month (Burrows-Taylor 2018). According to report of the World Economic Forum France ranked number 67 in safety and security index in 2017 (World Economic Forum 2017, 35).

French people see their history, culture, language and cuisine as an art. People are often addressed as Monsieur, Madame or Mademoiselle. Kissing both cheeks are common in greeting family and friends. In business culture French people value professionalism, formality and conservatism. (Cultural
Etiquette France 2016.) In France working hours are 35 per week according to legislation. Despite short week hours French workers seem to make longer days than other Europeans – they start and finish later but they might have two-hour lunch break. Working overtime is not very common. (Work-life balance 2019.) Discrimination of employees is forbidden according to the French Labour Code. France’s electoral process is fair and free, and independence of media is legally guaranteed. However, relations with the political and business elite and the mainstream media have caused difficulties as well as there have been some issues in campaign-funding. According to Sustainable Governance Indicators France’s quality of democracy is ranked number 24 in international comparison (Quality of Democracy 2018).

**Technological Factors – France**

Research & development expenditure in France has remained quite stable over the last 10 years and is slightly above the average expenditure of EU countries. For example, in 2017 France’s R&D expenditure was 2.19% of the GDP share while in 2009 it was 2.21%. EU’s average R&D expenditure was 2.06% per cent of the GDP share in 2017 and 1.93 per cent in 2009. (Eurostat 2019.) In 2017 64% of the France’s R&D expenditure is spent by the business sector, 13% by the government sector and 22% by the higher education sector. (Eurostat Newsrelease 5/2019 – 10 January 2019.)

**Legal Factors – France**

Human rights are French Republic’s fundamental principles. According to French law it is considered criminal if corporations infringe people’s rights, equality laws, environmental laws or social, health and safety laws. Corporate social responsibility policy is implemented by the “United Nations Guiding Principles on Business and Human Rights”. (Business and human rights 2019.)

In France occupational safety and health are guided by the Ministry of Labour, that formulates and implements the policy in question. The social security bodies are involved in the prevention of employment risks in the field of industrial accidents and occupational diseases. The French Agency for Food,
Environmental and Occupational Health & Safety responsibility is to raise awareness of occupational risks. The National Agency for the Improvement of Working Conditions give counselling for companies to prevent occupational risks. The officers of occupational health priority are to ensure that the health of employees is not deteriorated by their work. (France 2019.)

In France the legal guarantee and commercial warranties are the regimes that protect the consumer rights. In the legal guarantee the seller must offer a guarantee by the law, but in commercial warranties there is no legal status. (Lesage no date.) Misleading, deceptive and comparative advertising is covered in the Consumer Code. Trademarks and copyrights are covered in the Intellectual Property Code. Individuals’ images and privacy is protected by the article 9 of the Civil Code. (Advertising & Marketing 2019.)

**Environmental Factors – France**

France is situated in Western Europe. Its neighbouring countries are Belgium, Luxemburg and Germany in the north, Switzerland, Italy and Monaco in the east and Spain and Andorra in the south. (Where is France located 2019.) The surface area is 547,557 sq. km and population is 65,2 million. The population density is 119 per sq. km. (France population 2019.) France has also overseas regions and territories that are called DOM-TOMs (départements d’outre-mer and territoires d’outre-mer). These include French Guyana, Guadeloupe, Martinique, Saint-Barthélemy, Saint-Martin, the islands of Réunion, French Polynesia, New Caledonia, Wallis and Futuna. With the DOM-TOMs France total land area is 675,417 sq. km. (Geography and climate 2019.)

France has a temperate climate, but four separate climate areas. In western France there are oceanic climate, which means average rainfall and modest variations in annual temperatures. Continental climate prevails in central and eastern France, that is hot summers and cold winters. Mediterranean climate means dry and hot summers, substantial sunshine all year round and rainfall from October to April. Mountain climate prevails above 600-800 altitudes and
that means heavy rainfall and snow three to six months annually. (Geography and climate 2019.)

France has introduced legislation to reach net zero greenhouse gas emissions by 2050 and cut its greenhouse emissions. Most of France’s energy consumption comes from the housing sector and carbon emissions. In 2018 the carbon emissions fell 4,2% in France compared to previous year. (France sets 2050 carbon-neutral target with new law 2019; French carbon emissions fell 4,2% year-on-year in 2018 2019.)

4.3 The Questionnaire for the Existing Customers of Enterprise X

The questionnaire was sent to 40 existing customers of Enterprise X, who presented different companies and associations. Enterprise X does not have many business customers yet consequently that is why the sample was only 40. According to representative of Enterprise X (2019) they left only some customers outside the contact list that they have not contacted for years. In that regard the sample presents quite comprehensively commissioner’s existing business customers. However only nine existing customers answered, and the response rate was 22,5%. As the number of respondents is not high it is not possible to draw greater conclusions from the result. That is why the statistical methods have not been used in analyzing process and the results are described quite in general level. Respondents education varied from upper secondary education to master’s degree. Most respondents were over 50 years old. Eight of the respondents represented different associations, and one represented a company chain, that were located in southern and western Finland. Respondents position in the association/company were for example an expert, a secretary, a chairman, a restaurant activity director and a member.

Respondents had heard about Enterprise X Ltd mostly from the internet and through word-of-mouth – marketing. Many of the respondents had participated in two or three trips organized by Enterprise X. Most of them had participated in the trip of Enterprise X to France, to cities of Paris, Nice, Lyon, Bordeaux, Chamonix and the area of Alsace. Other mentioned countries were Italy, Croatia, Iceland and Poland. Respondents had participated most in congress
trips. The rest of the respondents had participated in the meeting, incentive, exhibition trip as well as leisure trip and trip for the members. The purpose of the trip was relaxation and training in most of the cases. Other mentioned purposes were motivation of the employees, improving profit and learning about the wines.

Most of the respondents had participated in a tour that Enterprise X had tailored to the needs of their association/company. Trips were made in 2017-2019. Usually the trip lasted 3-4 days and 10 or more representatives of their association/company participated in this trip. Flight tickets were included in the trip package for most of the respondents. The price without flight tickets was €401-800/person. The price was considered suitable or inexpensive from their business perspective. The procurement of the trip took 0-9 months. The person/source who suggested the trip was often a chairman, a board of directors or a member. The information was gathered by a secretary, a responsible of the trips or a member. The decision for purchasing the trip was made the most often by the board of directors. The request for quotations were made by a secretary, a responsible of the trips or a member. The participants for the trip were mostly members, that might include a chairman, board of directors, a secretary and association’s co-workers.

Email and telephone as well as offer request form of Enterprise X homepages were the most popular ways to contact Enterprise X. Every respondent answered that Enterprise X had contacted association/company after booking a trip but before the trip, often through telephone or email. Respondents were asked to rate their trip on a scale 1 (very bad) – 5 (very good). The score for the trip as a whole was 4,8, accommodation 4,4, travel excursions and other travel services 4,4 and the customer service of the tour operator 4,6. Some respondents did not consider any other tour operators than Enterprise X when purchasing the trip or when asking for request for quotations. Some considered or asked request for quotations from many tour operators or some similar tour operators than Enterprise X. The only mentioned tour operator was SMT (Suomen matkatoimisto, nowadays American Express Global Business Travel).
There was an open question about why the association/company chose to purchase the trip from Enterprise X tour operator and there were seven responses to this question (translated to English):

- **Good attitude for customer service, flexibility, reliability**
- **The knowledge of France convinced us**
- **There were good suggestions for the trip program and arrangements were made with commendable flexibility**
- **Knowledge of France, previous experience**
- **Good overall service**
- **Previous experience is good**
- **Well-known, reliable operator**

All the nine respondents answered that they could use the services of Enterprise X in the future. When asking justifications for that, the reasons were generally that Enterprise X is a good partner and they have a good customer service and interesting trips. According to respondents the strengths of Enterprise X are the knowledge of destination (France especially), good customer service and flexibility. When asking the weaknesses of Enterprise X some respondents did not answer at all or they answered that they do not know or that there are no weaknesses. The rest of the answers are translated in English as follows:

- **Sometimes it felt like the hurry dominated the service too much**
- **I don’t know, the prices could be cheaper of course**
- **Small resources in case of difficulties**

Six of the respondent’s associations/companies buys trips related to MICE-tourism once a year, other respondent’s associations/companies less frequently. When choosing a tour operator, the issues that are considered important were reliability, price of the trip and coverage of services, meaning everything can be gained from one place. Other mentioned matters were experience and able to work fast. The most important issue in choosing a tour operator were location (distance and connectivity) and price level. Other mentioned matters were the image of the destination, unique experiences, high-quality services, climate, safety, sustainability, events and places to visit.
In the next question respondents had to evaluate France from the perspective of their business in a scale 1 (very bad) – 5 (very good). France’s location (4,3), image of the destination (4,1) and climate (4,0) were evaluated the highest. Unique experiences (3,8), safety (3,7) and high-quality services (3,7) are also close to quite good results. Price level (3,1) and sustainability (3,0) are evaluated not good, not bad. The average of the previous figures is 3,7. In the questionnaire was listed some of the theme trips of Enterprise X and respondents had to choose which ones interests them. According to results the most interesting theme trip was Day in the Winery Kitchen in Provence. Cognac trip “Le Cognac” and Private Castle for rent were the second most interesting theme trips. Many responded none of the above and when asking what other theme might interest them the answers (translated to English) were trips related to wine, city breaks with interesting excursions and visiting industry-wide destinations.

The last questions were about a possible future trip. Generally, the respondents answered that the trip could last 3-4 days, over 10 persons could participate in the trip and the price could be €401-800 without flight tickets. Procurement time for the trip varied a lot from 0-9 months. All respondents answered that accommodation, breakfast and transportation should be included in the trip’s services. The most popular sources to get travel information for the association/company were email, tour operator website and telephone. One prefers to visit the office of the tour operator. Nobody chose tour operator social media sites or exhibitions/trade fair. Five respondents gave a permission to contact them in case of possible follow-up interview and six respondents were interested to attend in the prize draw.

4.4 The Questionnaire for the Potential Customers of Enterprise X

The questionnaire was sent to 115 persons and only 20 answered, hence the response rate was 17,4%. With such a small number of respondents it is not possible to draw greater conclusions from the results. That is why the statistical methods are not used in analyzing the results and the answers are described quite in general level. Respondents education varied from upper secondary education to doctoral degree. Most respondents were 40-59 years
old. 14 of the respondents represented different companies, five represented associations and one represented both. Companies and associations mostly located in Greater Helsinki. Respondents position in the company/association were for example a Chief Executive Officer, a chairman or a consult.

12 of the respondents had made trips related to MICE-tourism and five had not. Rest of the respondents answered they had made some other trip (a leisure trip) or they did not answer. Destinations were mostly European cities, but also USA and Asia were mentioned. Trips were made during 2015-2019. Many respondents organized the trip themselves, but some Finnish tour operators and shipping companies were mentioned. Suitable price and previous good experience of the company were reasons to choose the trips organizer. The most popular purposes for the trip was motivation of the employees and improving business relationships. In most cases the trip was tailored tour to the needs of respondent’s business. Most often the trip lasted 1-2 days or 3-4 days, over 10 persons participated in this trip and trip costed €401-800/person. According to answers the chief executive officer (CEO) was involved the most often in every step of the travel procurement process. Prices were considered suitable. Tour operators were contacted through email, booking system or telephone.

Respondents were asked to rate their trip on a scale 1 (very bad) – 5 (very good). The score for the trip as a whole was 4,4, accommodation 4,3, travel excursions and other travel services 3,8 and the customer service of the tour operator 3,8. Generally, the procurement lasted 0-3 months. 12 respondents answered that their company/association purchases this kind of trips once a year.

16 of the respondents were interested in making trips related to MICE-tourism and rest of the respondents were interested to participate in leisure trips or pro bono trips in the future. Location, price level and unique experiences were the most important factors that influenced to the decision of the destination. 18 of the respondents preferred that the trip should be tailored to the needs of their business. Europe was mentioned as a destination the most often. Generally, the respondents answered that the trip could last 3-4 days, price could be €401-800/person, over 10 persons could participate in the trip and
procurement could take 0-3 months. Accommodation, breakfast and transportation were the most important services that could be included in the trip. Excursions were considered important as well. When choosing a tour operator, the issues that were considered most important were reliability, price of the trip and coverage of services, meaning everything can be gained from one place. Other mentioned matters were experience, able to work fast, quality and flexibility. Eight of the respondents answered that flight tickets should be included in the trip and two answered that those could be purchased separately. 10 respondents answered that both options are fine for their company/association. The most important thing in choosing the tour operator was reliability. The most popular source to get travel information for the association/company was the website of the tour operator.

All the respondents had heard about Enterprise X and they all had a positive impression of the company. Here are some respondent’s comments translated to English:

*Very positive! I have recommended to my friends and experiences have been superb!*

*Good customer service but relatively expensive operator.*

*A reliable expert who can tailor the trip to the specific needs of the customer.*

In the next question respondents had to evaluate France from the perspective of their business in a scale 1 (very bad) – 5 (very good). Image of the destination (4,6), location (4,4), climate (4,4), unique experiences (4,3) and high-quality services (4,0) were evaluated the highest. Safety (3,8) is also close to quite good results. Sustainability (3,3) and price level (3,2) are evaluated not good, not bad. The average of the previous figures is 4,0. In the questionnaire there were listed some of the theme trips of Enterprise X and respondents had to choose which ones interests them. According to results the most interesting theme trips were *Day in the Winery Kitchen in Provence, Work and recreation at a villa of Provence* and *Landscape hiking in the Alps.* Other generally themes mentioned were e.g. wine, champagne, food, music, sports and children-friendly program. 10 respondents gave a permission to contact them in case of possible follow-up interview and 18 respondents liked to attend in the price draw.
4.5 Commissioner’s Email Interview

Commissioner’s email interviewee was the travel designer and sales manager of Enterprise X. Themes for the semi-structured email interview of Enterprise X were:

1. Vision and mission
2. Competitor analysis
3. The goals and objectives of the marketing strategy
4. Tools for strategic planning of marketing

Questions can be found in appendix 4. Email interview was conducted in Finnish. It took several rounds and was made 25th of August- 30th of October 2019. According to representative of Enterprise X (2019) the vision of Enterprise X has been updated recently in 2019. Their vision is to be the most valued, authentic and only Finnish tour operator of organizing trips especially to France with a reliable service. They offer high quality without being ostentatious. They provide genuine and unique experiences for their Finnish customers who value the service but who can also participate in the planning of the trip themselves. (Representative of Enterprise X 2019.)

The purpose why Enterprise X exists is that they can make memorable trips easily and reliably, where the customer has ability to influence to the travel package itself. Enterprise X can facilitate the decisions of the customer in choosing the destination, accommodation or content. The trip can be an investment in the customer itself or the customer company. For example, during the trip people get to know each other better which might improve the team spirit of the company. Or a customer can educate herself on a cultural or culinary level. Enterprise X desires to be a bridge between Finland and France specifically in terms of tourism, language skills and knowledge of culture. (Representative of Enterprise X 2019.)

The values of Enterprise X are authenticity, localness, transparency, responsibility, as well as creativity and innovation in tourism. This means that Enterprise X acts openly towards its customers which they also expect from their customers. Enterprise X co-operates with local French companies, which they often contact by telephone. Responsibility means that the company’s employees and finance are doing well. Enterprise X offers distinctive and
appealing travel packages that strives creativity and innovation.
(Representative of Enterprise X 2019.)

The **behaviour standards** of Enterprise X are often related to personal contact, which means that there is at least a telephone conversation or a personal meeting about planning a trip. Enterprise X finds that personal contact increases the confidence in the company’s professional skills and ease customer’s purchasing decision of the trip. Enterprise X serves its customers in Finnish and in Swedish and the company are not using a paid telephone service. Telephone or travel expenses for meetings are not high.
(Representative of Enterprise X 2019.)

The **strategy** of Enterprise X in terms of distinctive competence is that all the employees have a great enthusiasm for France. For example, they all have personal experience and knowledge of France, they can speak French and are willing to continue learning about France and tourism and its trends in general. The personnel of Enterprise X keep its France knowledge up to date for example by making study, meeting and exhibition trips to France and by reading books, newsletters and local French newspapers. During the 15 years of existence, they have collected tacit knowledge into an electronic database.
(Representative of Enterprise X 2019.)

The representative of Enterprise X says the **competitors** of Enterprise X are small, flexible, specialized, high-quality tour operators like them, such as company a, company f and company g, with whom they also partly cooperate. Other competitors are for example summer cottages, sofas, renovation as well as investment companies. Reason for this is that these matters take money, time and mental effort as much as a holiday trip. The representative of Enterprise X does not see big charter tour operators as their competitors. She finds their competitor’s strengths are individual service and quality products. She sees multidisciplinary products as weaknesses as competitors offer trips all around the world and therefore, they have not a deep knowledge of the destinations they are selling. Many competitors are no longer wholly owned by Finns which she sees as weaknesses too. The representative of Enterprise X believes that competitor’s goals are business continuity at a basic level (smooth execution), high customer satisfaction and
then sales increase and potential business growth. Many companies use a
customer loyalty program as a strategy, but the competitor’s strategy of
Enterprise X is probably quality product and word-of-mouth -marketing that
works well. One competitor organizes annual customer events. The
representative of Enterprise X presumes that if there is a competitive situation
their competitors won’t be startled, and they are confident in what they are
doing. (Representative of Enterprise X 2019.)

The primary goal of Enterprise X is moderate economic growth. This means
that their business is profitable and there are enough customers. It is
important that the personnel of Enterprise X enjoy and know their work and
they wishes to be a humane tour operator for their customers. Enterprise X
co-operates with the local French companies, which are for example small
restaurants, family-owned hotels or bicycle rental shops. It is a bonus if these
companies have an eco-certificate or if they use local and organic food
ingredients, but it is not a primary selection criterion at the current moment.
Enterprise X encourages its customers to use environmentally friendly
transport in France, such as train, hiking, biking and group trips.
(Representative of Enterprise X 2019.)

Enterprise X aims to be the customer’s first choice when it comes to
purchasing a personalized trip to France. The long term objective of
Enterprise X as part of their strategy is to increase sales for company and
association customers, as these customer segments are the most profitable.
In addition, the trip’s cost structure has been drawn up in a sustainable
manner. Short- term objectives are set to support long-term objectives. The
company aims to stay innovative with trip content planning, but the product
range will be observed and reduced every six months. For example, if the
partner’s service quality in France does not meet the requirements, the co-
operation will not continue or if the product is not profitable, it will no longer be
sold. Seasonality is also an important factor. Certain theme trips are most
popular at certain times of the year, for example Champagne tours are very
popular in the fall. All this is measured through sales figures and customer
feedback. Enterprise X aims to grow networks in Finland by participating in
various industry forums. This helps the company stay up to date and they can
influence the industry themselves. It also helps to reduce the risks associated
with awareness and company’s decision making. Through forums, the company also seeks to find new niche segments to which it can offer their products and services. (Representative of Enterprise X 2019.)

According to representative of Enterprise X (2019) the **stars of Enterprise X** at the moment are round trips attended by group of friends or couples. These trips often have a theme and trips can include a couple of accommodations, good food and wine, activities that are specific to that area and personalized service. **Cash cows** are group trips that are attended by partner companies. These take time but are easy to produce and implement. Enterprise X is continuously modifying their travel packages and searching new partner companies. **Question marks** are company and association trips, because there seems to be demand and growth potential in this group. **Dogs** are educational trips (especially language courses) and city breaks. Educational trips are difficult to personalize, and city breaks are easy for customer to book without the help of a tour operator. (Representative of Enterprise X 2019.)

The representative of Enterprise X (2019) says that Enterprise X has considered selling trips to Finland for Finnish and French customers. Products are reviewed every six months for a profitability perspective and Enterprise X constantly seeks new partners in France. Enterprise X has private and business customers. Private customers’ segment includes alone travelers, families, couples and group of friends. Business customers’ segment include companies and associations as well as other tour operators. Enterprise X brings **value** for the customers by personalizing memorable trips to France. Their trips bring genuine and unique experiences. Enterprise X desires to offer high quality without being ostentatious. Their service is reliable and easy to get, and customer has ability to influence to the travel package itself. (Representative of Enterprise X 2019.)

Enterprise X reaches and **communicates** with its customers to bring them value via telephone, home pages, Facebook and Instagram. Usually the first contact from the customer comes via email but sometimes also via telephone. Enterprise X always calls back to the customer in order to get more information. When there is a bigger group or a business customer in question,
Enterprise X organizes a personal meeting. (Representative of Enterprise X 2019.)

The revenue streams of Enterprise X are one-time payments, which comes from profit margins, commission payments and service charges. Enterprise X does not own any real estate. Their physical resources consist mostly IT-devices, telephones and information folders (physical and electronical). Intellectual resources include customer database and long-time partnerships. Human resources are extremely important for the company. The representative of Enterprise X says: the company would not be the same without these personnel. Financial resources are in order because Enterprise X is profitable, debt-free and financially independent company. The key activities of Enterprise X are planning, making and delivering personalized trips to France. (Representative of Enterprise X 2019.)

Enterprise X has strategic alliances between non-competitors. They cooperate related to marketing and trips for example with company h, company I and company j. The strategic partnerships between competitors are for example with company a to whom they subcontract ancillary services in France. The company considers important to network and be involved in events of tourism industry. This is important because Finland is a small country and co-operation is always worthwhile, says representative of Enterprise X (2019). Buyer-supplier relationships include straight contacts to local French partners which assure reliable supplies. They are not having Joint Ventures currently. The cost structure of Enterprise X is mainly cost-driven but value-driven cost structure is taken into account as well. The company observes customer’s ability to buy and for which price as well as company’s own selling aspirations and prices. (Representative of Enterprise X 2019.)

4.6 Existing and Potential Customers’ Email Interview

Email interviews were made for the existing and potential customers, who gave permission in the questionnaire to contact them in case of the possible follow-up interview. The semi-structured email interview was sent to five existing customers and ten potential customers. Three existing customers (all
from associations) and six potential customers (three from associations and three from companies) answered to the email interview hence the total amount is nine interviewed customers. Questions can be found in appendix 5 and 6. First four questions for existing customers concerned the trip that was organized by Enterprise X. Rest of the questions were similar for both groups.

The first question for existing customers was why the association chose France (or other country) as their destination (concerned the trip organized by Enterprise X). According to first respondent France was chosen because *Bordeaux is a large and interesting wine area*. The other respondent answered that the purpose of their association is to contribute French language and culture of their area and that is why they are interested about France as a destination. The third respondent’s association had travelled to Poland because many people have not visited it yet, it is an interesting destination and it takes just a couple of hours to travel there. The second question was why Enterprise X was chosen as a tour operator. First respondent answered that a member of their association had good experience with the company. Another respondent wrote that according to written offer they got a reliable and flexible image of Enterprise X as a company. The third respondent answered that Enterprise X has expert services which are easy and fast to reach.

The following questions outlined what were particularly successful on the trip and what could have been better. The first respondent wrote that schedules, accommodation and transportation worked well. The second respondent answered that flights and excursions (e.g. to historical sites) were carefully planned. According to third respondent the attractions and accommodation in the countryside were successful and timetable was flexible. She goes on (translated to English):

*The three vineyards were all unique and different from one another. The Chateau Toumefeuile is unique, the host and hostess took good care of us. Also, the gourmet restaurant was nearby, and the dinner was excellent. And the journey was not too long from the airport, the transport was reliable.*
When asked what could have been better on the trip, one respondent wrote that there were some misunderstanding in restaurant reservations. Other respondent hoped more options to flight schedules and departure airports. Third interviewee told that giving information before the trip could have been better. The information had not come a week before the departure, and she had to request it. The respondent therefore suggests that the travel information should be three weeks before the trip, or at least tell when the final travel information will come.

Rest of the questions were mainly same for the existing and potential customers and the answers are treated as a one group. The next question was if the company/association made a trip to its employees/members, could the destination be France (possibly again) and why. Six respondents answered yes, two said maybe and one answered no. Two different reasons were clearly identified from the answers - attractions (4 answers) and wine & cuisine (3 answers). Sport events (2 answers), concerts (1 answer) and interesting fairs (1 answer) were also mentioned.

The following questions concerned what the trip’s benefits for the company/association and for the employees/members could be. Five interviewees answered that the company/association could benefit by building stronger team spirit and two answers mentioned improving customer relationships. Benefits for the employees/members were recreation (four answers), shared experiences (four answers) and familiarization with wine culture (two answers). One answered that culture and French lifestyle would be the benefits for their association and for members as well. Other mentioned issues were learning new things (1 answer) and familiarization with food, attractions and culture (1 answer).

The next question was could the company/association use Enterprise X as a tour operator. Seven respondents answered yes. Two other respondents answered, “yes but”. The other respondent explained this that according to the group policy, their company must use another tour operator with whom they already co-operate. Another respondent explained that the trips of their association should be free. Mentioned reasons for possible use of Enterprise
X as a tour operator were French expertise, good reputation, great business idea, reliability and good customer service.

Next the author was interested to find out possible competitors as it was difficult to get answers from the questionnaires. According to email interviews mentioned competitors were: company m, company k, company l, company b, company e, company n and company o. Four interviewees told that they cannot name any competitors. However, one interviewee wrote that option is organizing a trip by themselves (independent trip) and another interviewee answered that only option could be that some familiar person who is aware of the local potential, could be able to make the trip fit for their purpose.

Next question asked to describe what kind of the future trip should be for the company/association. The answers varied from detailed to general descriptions. The most mentioned matters that should be included in the trip were activities or new experiences (five answers), restaurant reservations (four answers) and prepaid meals as well (2 answers). Flights, accommodation and transportation were mentioned twice. Company visits were mentioned three times and one responder suggested that Enterprise X could proactively offer some visiting attraction related to customer’s professional field. Because of this the author made an extra question for potential customers would their company/association be interested in visiting this kind of destination or attraction. Two association customers answered that those are free-time associations, therefore this kind of activity does not interest them. Two company customers answered that they would be interested to visit supplier companies. The other one added that the visit should be a customer or supplier visit because similar actors are jealous and are not fancy of showing their business to competitors. However, one company was interested in visiting a company in their field. The duration of the trip could be 2 or 3 nights. One customer explained that employees might hesitate to stay away from home longer and the other customer wrote that in the weekdays all the employees cannot be away from work and that is why a long weekend is the most suitable option. One respondent answered that their future trip should be free for their member families and it should include some activities for children like water park or adventure park. Only two respondents could determine a price for the trip per person. The other answered
€600/person including all travel costs and the another wrote under €1000/person.

Last questions concerned social media and email. The most followed social media sites were facebook (eight respondents follow) and Instagram (five respondents follow). One did not follow any. Three of the interviewees follows Enterprise X as a private person in social media and the posts got following comments:

*Updates are informative and there are enough of them.*

*Updates are interesting and I always read them.*

*Appealing and nice ideas.*

The author was interested to find out if Enterprise X published a newsletter, whether it would interest the interviewees. Four answered yes and five answered no. It was also asked how often it could be published. The answers were a few times a year (2), 4-6 times a year (1), once a month (1) and “when there is something to say” (1). One interviewee explained that the information flood is huge nowadays, therefore it is not possible to follow everything.

### 4.7 Focus group interview for the commissioner

The results and implications of the thesis were presented for the commissioner by the author on 30th of January in the office of Enterprise X in Espoo. The focus group interview was implemented after the presentation. The questions are presented in appendix 7. All the personnel of Enterprise X, which is three persons, participated in the interview. The presentation and interview were recorded with a digital video camera in order to capture not only speech but also gestures and expressions. The presentation was also recorded in case of the personnel had some questions or comments during the presentation. These comments will be read as part of focus group interview.

The first question was “how Enterprise X found this marketing strategy”. The personnel of Enterprise X answered that they found it interesting, and they are satisfied that the author has compiled this marketing strategy for them. Now
they can generate updates and consider the actions how to operate in the future. They appreciated that someone from outside the company has researched and got absorbed to their situation and understood their business - often one gets blinded to own actions or repeat the same things, hence it is important that someone from outside the company presents which issues in communications are worth emphasizing.

The next questions were, whether this marketing strategy included familiar issues for the commissioner and which issues were new for them. SWOT was familiar for all of them and they had exploited it earlier for Enterprise X as well. They were interested to see the potential of those other marketing strategy tools. Regarding the competitor analysis the personnel commented that they know their competitors quite well, but this comparison table of the competitor analysis helps them to compare competitors more in detail. In addition, that helps to pay attention to certain matters, for example which marketing channels their competitors use and which not.

Next question examined if the commissioner found this marketing strategy useful and whether it brought added value for their business. The personnel thought this marketing strategy is useful for them and it brought a lot of ideas to mind. They continued that now the strategy is documented in a form of a plan - that helps to remember and look over the issues that should be performed.

The final section of the interview explored the view of Enterprise X on the implications and development ideas and their functionality. The first implication was that Enterprise X could utilize the marketing strategy tools when updating the marketing strategy. The personnel answered that they would be happy to utilize and update the marketing strategy tools as the author promised the editable versions for their use. The second implication was that Enterprise X could deepen the knowledge of customers and utilize the Customer Insight Mapping tool in that process. This implication made the personnel reflect upon the ways in how they could meet new SME’s and association customers and who are the ones who make the decisions in the companies. They discussed that through hobbies, business lunches and
networks new customers can be found. In turn email is difficult channel to get to know the customers and their expectations for the trip.

The third implication was that Enterprise X should keep on specializing in France. The personnel of Enterprise X agreed and said that in fact many people say that “why should you sell other destinations than France, just keep selling France”. In general, new customers request trips to France and existing “old” customers might demand some other destination. They concluded that they should always offer France as a primarily destination for new customers and later some other destination can be offered if the customer wishes so.

The fourth implication was to “keep the educational trips”. That included the idea that marketing could be targeted at French language teachers in different schools and there could be co-operation with a French Institute. Enterprise X intends to keep language courses in selection, even though they are not the most profitable products. Many customers who participate in language course come back and buy another trip related to some other theme, thus language course is often a good initial product for the customer. The personnel told that they have organized earlier a trip for French language teachers, therefore they have some contacts already. In addition, they have had some co-operation with the French Institute.

The fifth implication was to increase the operating profit margin to at least on the level of 5 %. The personnel of Enterprise X told that in the field of tour operators even 2% is counted good because with 2% it is already possible to get the highest certificate in some credit rankings. However, economic growth is their goal in general. They continued that the more the trip is tailored, the more gross profit can be achieved.

The sixth development idea was to offer flight tickets for business customers. The personnel told that generally the flight tickets are included in the trips for the business and group customers. They discovered that they should bring this out more clearly for the business customers that Enterprise X takes care of the flight tickets as well. The customers are not getting a right picture now from the homepages as the price examples do not include the flight tickets.
The seventh development idea was to “offer company visits for business customers”. The personnel answered that Enterprise X organizes company visits already to some extent, but they should inquire more actively if the business customers are interested in company visits.

The eighth development idea was to hire a new employee in the future. Enterprise X would willingly hire a new person but it would require enough money in case of a crises - there must be buffer money to keep the employees even in the case of financial downturn.

The ninth implication was that selling trips to Finland for Finnish and French customers' needs more research. The personnel agreed. Enterprise X had organized a trip for a small French group on forthcoming summer, hence they can experiment what kind of feedback they receive. Enterprise X finds it pleasant to organize those trips in question for some familiar people but there is no plan to make those trips as a new marketing brand for now.

The tenth implication was that Enterprise X could make a Youtube video instead of a newsletter. This implication was made because the author thought that Enterprise X do not have a newsletter in use. The personnel told that Enterprise X has a newsletter in use and it is sent to customers approximately three times a year. The subscribe button does not show on the homepages all the time, because it comes as an alarm. Youtube videos inspired the personnel of Enterprise X and they discussed what should be the content of the video. They intended to contact the person who shoots the videos.

In general, the situation of the focus group interview was appropriate but quite relaxed. All the personnel participated in the discussions. According to gestures and expressions the personnel agreed with each other. The personnel listened carefully the author’s implications and told frankly their ideas and thoughts. All in all, the author found this focus group interview very interesting, useful and educational from the perspective of the thesis.
4.8 Data Analysis

Vision and mission

According to representative of Enterprise X (2019) the vision of Enterprise X is to be the most valued, authentic and only Finnish tour operator of organizing trips especially to France with a reliable service. They offer high quality without being ostentatious. They provide genuine and unique experiences for their Finnish customers who value the service but who can also participate in the planning of the trip themselves. (Representative of Enterprise X 2019.) In figure 15 the Ashridge Model is modified according to purpose, values, policies and positioning of Enterprise X.

Figure 15. The purpose, values, policies and positioning of Enterprise X adapted from the Ashridge Model (Middleton et al. 2009, 185)

Mission Statement shows the company’s vision, sets guidelines for strategy planning, densify the company’s reason for existence (raison d’être) and illustrates what the company represents. (Middleton et al. 2009, 186.) The mission statement of Enterprise X according to their purpose could be:

“Enterprise X is a bridge between Finland and France specifically in terms of tourism, language skills and knowledge of culture by making memorable trips easily and reliably, where the customer has ability to influence to the travel package itself.”

Competitor analysis
Information for competitor analysis of this research has been obtained from three different sources. These include the Webropol surveys, semi-structured email interviews for customers and commissioner and information searched from the Internet.

Competitors can be identified at four different levels. First are the companies, who offer similar services than Enterprise X to the same customers with alike prices. According to Enterprise X these are e.g. company a, company f and company g. According to customers these are company k, company b and company e. In addition, the author searched the internet for similar companies, and these are company c and company d (One travels – we travel! no date; Villada Book your Dream Villa no date). Second, all the companies with the same service category are for example all other tour operators and travel agents in Finland and globally especially those in the Internet. According to customers these are e.g. company l, company m, company n and company o. Third are all the companies who make products that deliver the same service. That could be any company who supplies for example accommodation, restaurant or excursions services for travellers. According to internet search these could include e.g. Hilton Hotels & Resorts Inc., Hard Rock Café Inc. and Tours By Locals Inc. (Hard Rock 2020; Hilton Honors 2020; Tours By Locals 2020). Fourth are all the companies who compete for the same spending power, that is to say, money of the consumer. According to representative of Enterprise X (2019) these are companies that sell summer cottages, home decor, boats and investment companies. (Gilligan & Wilson 2009, 260; Kotler & Armstrong 2018, 542-543.)

The more similar strategy the companies have, the more they compete (Gilligan & Wilson 2009, 272; Kotler & Armstrong 2018, 545). That is why company a, company b, company c, company d and company e are observed more in detail. In appendix 9 the above-mentioned companies are compared to Enterprise X Ltd in a computation table. The computation table includes for example key figures of the businesses, services and destinations that the companies offer, values, marketing and distribution channels and price example.
According to competitor analysis (appendix 9) all the companies are Finnish. Two of the competitors are founded earlier than Enterprise X (2004) – company a (1984) and company e (1995). The aforementioned companies employs more personnel than other companies (more than 10 persons). Company b and company c, are one-person businesses and company d employs 5 persons. The revenues of Enterprise X were €832 000 in 2018. Competitors revenues varied from €42 000 to €7 193 000. Only Enterprise X and company d has succeeded in increasing the revenue compared to previous year (2017). However, the result of Enterprise X is positive (€27 000) while company d has negative result (-€466 000). Company a, company b and company e has bigger result than Enterprise X. Company c is founded in 2017 hence the data of the result is not available yet.

Operating profit margin is a profitability ratio, that calculates the percentage of profit a company produces from its operations, prior to subtracting taxes and interest charges (Operating profit margin 2020). Operating profit margin is not very high for the companies, but it is positive for every company except for company d (-27,5%). According to guidelines the operating profit margin should be 5-10% to be satisfactory and over 10% to be good (Tunnusluvut no date). However, these kinds of figures seems to be quite typical in this field of tour operators. According to the personnel of Enterprise X in the field of tour operators even 2% as an operating profit margin is considered good because with that figure it is already possible to get the highest certificate in some credit rankings. According to Investopedia solvency is the ability of a company to meet its long-term debts and financial obligations. To be considered solvent, the value of a company’s assets, must be greater than the sum of its debt obligations. If the company is insolvent it will often enter bankruptcy. The equity ratio % is a figure that shows how much assets of the company are funded by equity shares. (Solvency 2019.) The guideline values for equity ratio % are:

- Good over 40%
- Satisfactory 20-40%
- Poor under 20%
(Tunnusluvut no date). According to equity ratios in 2018 Enterprise X, company a, company b and company c had good solvency, company e had satisfactory solvency and company d had poor solvency.

All these companies offer personalized or tailor-made tours. Company a, company e and company d offer destinations all over the world and company b and company c offer destinations in Europe. All the companies offer destinations in France as well. Companies values or “motto” was not very easy to find and those that were discovered are not directly comparable. All the companies use an offer request form, an email and a telephone as a distribution channel, except company b has an online store instead of an offer request form. Enterprise X, company a and company e have offices as well. In addition to these company a has a chat-service. Telephone, Homepages and Facebook are marketing channels that all these companies use. Instagram is popular as well, that is used by all these companies except company a. Company c and company e use Twitter and company d and company e use Linkedin. Newsletter is used by company b, company e and Enterprise X. Furthermore company e uses Youtube and magazine as a marketing channel. Enterprise X seems to be the only one who is writing a blog. In the comparison table there are price examples of the trip to France or Italy. All the prices do not include flight tickets, dining or excursions therefore the prices are not directly comparable. Enterprise X has the most certificates (3) and company a, company b and company e have one certificate. Company c and company d do not have any certificates or at least those are not shown in their homepages.

Competitor’s strengths and weaknesses can be identified according to this competitor analysis. The strengths of company a are that their company has existed a long time and their profitability is in satisfactory level. They are not expertized in any particular area as they offer trips to all over the world, which can be seen as weaknesses. Company b has expertise in theme trips related to food and drinks which can be considered strengths. Their weakness is that they have small resources. Company c is a newcomer (established 2017) which can be seen as a weakness. Their strengths are expertise in corporate trips only and their values are in line with today’s trends (issues related to environmental and humanity issues). The strengths of company de, are that
they are specialized in renting luxury villas and they have divided they travel themes clearly. Their weaknesses are that they had a poor profitability (2018) and they do not offer any activities. The strength of company e is a long experience of organizing theme trips for groups. Their weaknesses are weak profitability (2018) and they do not have expertise in any particular area. According to competitor analysis the strength of Enterprise X is a French expertise. Weaknesses are small resources and that price examples in the homepages do not include the prices of the flight tickets.

**Customer analysis**

Information for the customer analysis of this research has been obtained from the semi-structured email interviews for existing and potential customers and partly from the questionnaires for existing and potential customers. The results of the questionnaires are not very valid because of the low response rates, but still they can be slightly indicative.

According to the answers the existing and potential business customers of Enterprise X buy trips related to MICE-tourism. In most of the cases the trip includes a congress or a meeting with a leisure component. Most mentioned purposes of the trip were improving business relationships, training, motivation of the employees and relaxation. Benefits for the company/association could be building stronger team spirit and improving customer relationships. Benefits for the employees/members could be recreation and shared experiences.

According to the questionnaires the existing customers evaluated France as a destination close to good results (average 3,7) and potential customers evaluated France with good results (average 4,0) in a scale 1-5. According to the email interviews it can be concluded that France is a potential destination and the most mentioned reasons for this are the attractions in France and French wine & cuisine culture. The author found interesting that the customers of Enterprise X considered France as a quite safe destination (average results 3,7 and 3,8 in a scale 1-5) while France was ranked number 67 in safety and security index in 2017 and Finland was the safest country in the world in 2017 (World Economic Forum 2017, 35).
According to the answers of the questionnaires the CEO or the board of directors was involved the most often in the different stages of the buying process of the trip. CEO was mentioned to be in a role of *initiator, influencer, decider, buyer and user* as well. The author found this surprising but interprets that in SME’s the CEO takes more roles than the CEO in the big enterprises. The trip related to MICE-tourism is generally bought once a year. Most existing and potential customers answered that the trip could last 3-4 days, the price could be €401-800 without flight tickets, over 10 persons could participate in the trip and accommodation, breakfast and transportation should be included in the services of the trip. They also considered excursions important. The most popular source to get travel information for the association/company was the tour operator website.

According to the email interviews the trip should include activities or new experiences, restaurant reservations and prepaid meals. Some of the respondents were intrigued by the company visits related to their professional field. Those could be customer or supplier companies or competitor’s companies, the latter can be considered as benchmarking. Free-time associations were not interested about company visits as they focus on recreation.

According to Gilligan & Wilson it is important that a selling company has a good reputation and a salesperson is trusted (Gilligan & Wilson 2009, 225-229). When asking could the company/association use Enterprise X as a tour operator in the future nobody answered no. All the existing customers (according to questionnaire) could use the services of Enterprise X in the future, as well as 7/9 of the email interviewees. Only two email interviewees explained that otherwise they could use Enterprise X as a tour operator, but it is not possible in practice because of their group policy or because of the price. Reasons for choosing Enterprise X as a tour operator in the future were e.g. French expertise, good reputation, great business idea, reliability, good customer service and interesting trips. Gilligan & Wilson also states that it is significant to manage the relationship well especially after the sale has been made. In this way, it is likely that the buyer makes a repurchase in the future. (Gilligan & Wilson 2009, 225-229.) One email respondent did not have a good post-purchase experience because she had not received the trip information
until the week before the trip. However, it cannot be inferred from this single answer that this is common practise at Enterprise X.

**SWOT analysis**

Information for SWOT analysis of this research is based on the semi-structured email interviews and the questionnaires as well as the competitor analysis and PESTLE. In figure 16 the strengths, weaknesses, opportunities and threats are presented.

![SWOT Analysis Diagram](image)

**Figure 16. SWOT analysis of Enterprise X adapted from Kotler & Armstrong (2018)**

According to the questionnaires the existing customers answered that the strengths of Enterprise X are the knowledge of destination (France especially), good customer service and flexibility. The potential customers also had a positive impression of the company and the reasons explained were that Enterprise X is reliable and expert tour operator, they have a good customer service and they can tailor the trip to the specific needs of the customer. The reasons why the email interviewees could use the services of Enterprise X were French expertise, good reputation, great business idea, reliability and good customer service. Above mentioned can be classified strengths as well. Many respondents did not found weaknesses but mentioned issues were high prices and small resources in case of difficulties. When comparing the prices
to competitors (appendix 9) the prices of Enterprise X are quite average and those are not considered high. If the prices are compared to self-organized trips, then the prices might seem high. In addition, the respondents were willing to pay €401-800/person without the flight tickets which is in line with the price example of the competitor analysis of Enterprise X (€678/person without flight tickets). According to the competitor analysis organizing personalized trips to France can also be considered strengths, because there is no other Finnish tour operator who specializes in France tours only. Enterprise X has more certificates than the competitors which describes the reliability of the company. Enterprise X does not include the flight tickets automatically to their services as most of their competitors, which can be considered as weaknesses.

From the internal environment opportunities can arise within the organization itself and its elements such as special skills of the personnel. According to representative of Enterprise X (2019) the personnel of Enterprise X have a great knowledge and enthusiasm for France and they keep their knowledge of France up-to-date continuously for example by making study and exhibition trips to France, meeting partners and reading books, newsletters and local French newspapers. This can be considered as opportunities.

Threats for organizations are unfavourable factors that can also arise from the external or internal environment. According to PESTLE, France was ranked number 67 in safety and security index in 2017 while Finland was the safest country in the world in 2017 (World Economic Forum 2017, 35). Terrorism acts and demonstrations that can turn violent are a threat for tourism in France in general and therefore it can be a threat for the business of Enterprise X as well.

**The BCG Growth-Share Matrix**

In figure 17 are listed stars, cash cows, question marks and dogs of Enterprise X.
According to representative of Enterprise X (2019) their best strategic business units are the round trips attended by a group of friends or couples, which can be considered as *stars*. These trips often have a theme and the trips can include one or two accommodations, good food and wine, activities that are specific to that area and personalized service. *Cash cow* – products are trips for groups for partner companies. These take time but are easy to produce and implement. Enterprise X is continuously modifying their travel packages and searching new partner companies. *Question marks* are company and association trips, because there seems to be demand and growth potential in this group. *Dogs* are educational trips (language courses) and city breaks. Educational trips are difficult to personalize, and city breaks are easy for customer to book without the help of a tour operator. (Representative of Enterprise X 2019.)

**The Product/Market Expansion Grid**

As already stated, the long term strategy of Enterprise X is to increase sales for the company and association customers (business customers). Enterprise
X is also constantly trying to find new niche target groups by networking. According to this the focus of Enterprise X is on *market development*, as it attempts to sell its existing products to a new customer segments and thus increase its sales. Figure 18 reflects the current situation of Enterprise X from the point of view of the product/market expansion grid.

![Product/Market Expansion Grid of Enterprise X](image)

Figure 18. The Product/Market Expansion Grid of Enterprise X adapted from the Kotler & Armstrong (2018, 71)

Enterprise X does not implement big advertising or price campaigns. Instead, they post on social media, such as announcing their current trip packages to France or sharing some France related articles. Another way of marketing is through word-of-mouth marketing and networking. In this sense, Enterprise X is constantly implementing *market penetration* but it is not aggressive.

Representative of Enterprise X (2019) writes that Enterprise X has considered selling trips to Finland for Finnish customers. This would be *product development* as there would be a new product for existing markets. Products are reviewed every six months for a profitability perspective, and this can be considered product development, because if there is some product that does not sell it can be phased out or modified. Enterprise X has considered selling trips to Finland for French customers as well. This would be *diversification*, as there would be a new product for new markets. (Representative of Enterprise X 2019; Enterprise X 2019.)

**The Business Model Canvas**
Figure 19 is a compilation of the business model canvas of Enterprise X.

<table>
<thead>
<tr>
<th>Key Partners</th>
<th>Key Activities</th>
<th>Value Proposition</th>
<th>Customer Relationships</th>
<th>Customer Segments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic alliances between non-competitors: e.g. HotelCoupons, Midnight Sun Tennis and StepUp School</td>
<td>Planning, making and delivering personalized trips to France</td>
<td>• personalized and memorable trips to France</td>
<td>Personal assistance via telephone, email and face-to-face meetings</td>
<td>• Alone travellers, families, couples, group of friends</td>
</tr>
<tr>
<td>Strategic partnerships between competitors: Heli’s Travel</td>
<td></td>
<td>• reliable and easy service</td>
<td></td>
<td>• Company and association customers</td>
</tr>
<tr>
<td>Buyer-supplier Relationships: Local French companies</td>
<td></td>
<td>• high quality without being ostentatious</td>
<td></td>
<td>• Other tour operators</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• genuine and unique experiences</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Customer’s ability to influence to the travel package itself</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Key Resources</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Physical: internet, telephones, databases; Intellectual: partnerships and customer databases</td>
<td>• Personnel of Pamplinhouse Financial: profitable, financially independent, debt-free company</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost Structure</td>
<td>Revenue Streams</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mainly a cost-driven cost structure, but value-driven cost structure is considered as well</td>
<td>One-time payments</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Figure 19. The Business Model Canvas of Enterprise X adapted from Osterwalder & Pigneur (2010)

The customer segment Building Block includes the different customer groups that the company has or is willing to have (Osterwalder & Pigneur 2010, 20-21.) According to representative of Enterprise X (2019) the customers of Enterprise X are private and business customers. The segment of private customers includes alone travelers, families, couples and group of friends. The segment of business customers includes companies and associations as well as other tour operators.

The Value Proposition Building Block consists of codification of products or services that brings value for the customers (Osterwalder & Pigneur 2010, 22-25.) The value proposition of Enterprise X includes personalized and memorable trips to France that brings genuine and unique experiences for the customers. The desire of Enterprise X is to offer high quality without being ostentatious. Their service is reliable and easy to get, and customer has ability to influence to the travel package itself. (Representative of Enterprise X 2019.)

The channel Building Block is about how a company reaches and communicates with its customers to bring them value (Osterwalder & Pigneur 2010, 26-27). Enterprise X raises awareness about their products and
services via home pages, Facebook and Instagram. These above mentioned channels also help customers in evaluating the value proposition of the company. The services of Enterprise X can be purchased via home pages (offer request form) as well as via email and telephone. In addition, the customers can visit the office of the tour operator. The value proposition is delivered for the customers via email and telephone and those can be used also for after-sales support. Channels of Enterprise X are mostly direct and own. However, they have co-operation with some tour operators like company a, company f and company g which they use as an indirect partner channel. (Representative of Enterprise X 2019.)

The Building Block of customer relationships consists of the types of relationships the company has with its customers (Osterwalder & Pigneur 2010, 28-29). Enterprise X gives personal assistance via telephone, email and face-to-face meetings. For example, Enterprise X always calls back to the customer to get more information and when there is a bigger group or business customer in question, Enterprise X organizes a personal meeting. (Representative of Enterprise X 2019.)

The Building Block of the Revenue Streams contains the money that the company receives from its Customer Segments (Osterwalder & Pigneur 2010, 30-32). The revenue streams of Enterprise X are one-time payments, which come from profit margins, commission payments and service charges.

The Key Resources Building Block represents the most significant assets that the company has in order to make a business model work (Osterwalder & Pigneur 2010, 34-35). Enterprise X does not own any real estate. Their physical resources include IT-devices, telephones and information folders (physical and electronical). Intellectual resources include customer database and long-time partnerships. Human resources are extremely important for the company. Financial resources are in order because Enterprise X is profitable, debt-free and financially independent company. (Representative of Enterprise X 2019.)

The Key Activities Building Block consist of the most essential issues that the company does in order to make its business model work (Osterwalder &
Pigneur 2010, 36-37). According to representative of Enterprise X (2019) the key activities of Enterprise X are planning, making and delivering personalized trips to France.

*The Building Block of Key Partnerships* represents the network of suppliers and partners of the company (Osterwalder & Pigneur 2010, 38-39). Enterprise X has strategic alliances between non-competitors. They co-operate related to marketing and trips for example with company h, company i and company j. The strategic partnerships between competitors are for example with company a to whom they subcontract ancillary services in France. The company considers important to network and be involved in the events of tourism industry. This is important because *Finland is a small country and co-operation is always worthwhile*, writes representative of Enterprise X (2019). The buyer-supplier relationships include straight contacts to local French partners which assure reliable supplies. Currently Enterprise X does not have Joint Ventures.

*The Cost Structure Building Block* includes all the main costs the company has (Osterwalder & Pigneur 2010, 40-41). The cost structure of Enterprise X is mainly cost-driven but value-driven cost structure is taken into account as well. The company observes customer’s ability to buy and for which price as well as company’s own selling aspirations and prices. (Representative of Enterprise X 2019.)

**Customer Insight Mapping**

Figure 20 is an example of the business customer of Enterprise X that visualizes one average individual that represents the group the best. This example is based on the questionnaires and email interviews, but it can be modified by the commissioner to deepen the knowledge of a customer.
A typical business customer of Enterprise X is often a manager (CEO or chairman), who has a higher education and he or she is 50-59 years old. Their external pressures are related to issues such as improving profit, improving business or customer relationships, building stronger team spirit and training. The internal issues are the things that motivates them – recreation and shared experiences. A key gain that Enterprise X helps its business customers to achieve is a trip to France that includes for example a congress or a company visit combined with a recreational activity and French wine and food. When the employees or members of an association reach shared experiences and recreation it can lead to a stronger team spirit. Meeting people in the same business field helps in improving business relationships which might have effect on improving profit. The business customers of Enterprise X expect the tour operator to be reliable and that all the services can be gained from one place with a reasonable price.

**Marketing mix**

The marketing mix of Enterprise X is based on the customer analysis. Figure 21 is a compilation of Enterprise X marketing mix.
<table>
<thead>
<tr>
<th>Four Ps</th>
<th>Four Cs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Product</strong></td>
<td><strong>Customer value</strong></td>
</tr>
<tr>
<td>3-4 days trip to France Including: Accommodation, dining, excursions, wine, transportation and possible company visit.</td>
<td></td>
</tr>
<tr>
<td><strong>Price</strong></td>
<td><strong>Cost</strong></td>
</tr>
<tr>
<td>€401-800/person without flight tickets</td>
<td></td>
</tr>
<tr>
<td><strong>Place</strong></td>
<td><strong>Convenience</strong></td>
</tr>
<tr>
<td>offer request form, email or telephone?</td>
<td></td>
</tr>
<tr>
<td><strong>Promotion</strong></td>
<td><strong>Communication</strong></td>
</tr>
<tr>
<td>tour operator website</td>
<td></td>
</tr>
</tbody>
</table>

Figure 21. The four Ps and four Cs of Enterprise X adapted from Middleton et al. (2009, 138-139)

**Product – customer value**

It can be concluded that the business customers of Enterprise X travelling to France prefer to have accommodation, dining and excursion or activity in their trip package. The trip could last 3-4 days. Almost every respondent mentioned the wine, hence it should be related to the activity or at least in dining. Enterprise X could find out possibilities of company visits if the customer wishes so. The transportations should be included as the groups are big (over 10 persons) and it might be difficult to use public transportation. It is uncertain if the respondents meant that the flight tickets are also part of the transportation as the author had not prepared the question well enough.

**Price – cost**

According to the answers of the respondents the price of the trip could be €401-800/person without flight tickets. The price example of Enterprise X in competitor analysis is €678/person which is in line with customer’s expectations.
Place – Convenience
The channel of distribution or a point of sale was not examined. However, the author believes that when the most popular source to get travel information for the association/company was a tour operator website, it means that customers visit the website first and then they either fill the offer request form, send email or call.

Promotion – communication
There was a question “Through which source your company/association would prefer to get information from” and the options were tour operator social media sites, email, telephone, exhibitions/trade fair and visiting the office of the tour operator. The most popular source to get travel information for the association/company was the **tour operator website**.

Marketing control
Enterprise X evaluates and measures the set objectives every six months for example through customer satisfaction, sales figures and other financial indicators. If it is noticed that the quality is not good, or something is wrong, corrective action can be taken. For example, if the booking system of partners is not working or they are not financially sound, there is no reason to continue the co-operation.

5 CONCLUSIONS

5.1 The Key Findings of the development of the Marketing Strategy
All the key stages of the marketing strategy were formulated in the thesis based on the theory and the results of the research. The main findings of the marketing strategy are described in the following, and more in detail in the data analysis chapter 4.8 that includes the figures as well.

According to representative of Enterprise X (2019) the **vision of Enterprise X** is to be the most valued, authentic and only Finnish tour operator of organizing trips especially to France with a reliable service. Enterprise X offers high quality without being ostentatious. Enterprise X provides genuine and
unique experiences for their Finnish customers who value the service but who can also participate in the planning of the trip themselves.

For the competitor analysis the competitors were selected based on the questionnaires, semi-structured email interviews and internet documents. The competitors in competitor analysis were company a, company b, company c, company d and company e. When the author presented the results of the competitor analysis for the personnel of Enterprise X, they said that the competitors seemed relevant. They knew most of them in advance. Only one company was new for them. They also thought this computation table (appendix 8) helps them to compare competitors more in detail and pay attention to certain issues, for example which marketing channels their competitors use and which not.

According to competitor analysis the revenues of Enterprise X were only the fourth highest, while revenues were the third highest compared to competitors. Operating profit margin was 3.4% (2018) while the best competitor had 5.8%. Although these kinds of numbers are quite low according to the guidelines, these numbers are quite typical in tourism sector. Enterprise X told that in the field of tour operators even 2% is already good because with that number it is already possible to get the highest certificate in some credit rankings. The solvency of Enterprise X is in good level according to the equity ratio. All the competitors in the competitor analysis (appendix 9) offer personalized tours and France is one of their destinations. However, many competitors are not specialized to any particular country, instead they offer destinations all over the world. The distribution channels were quite similar among competitors. They all use offer request form, email and telephone as distribution channel, except company b has the online store instead of the offer request form. All these companies use telephone, homepages and Facebook as marketing channels and Instagram is popular as well. The newsletter is used by company b, company e and Enterprise X. Enterprise X has the most certificates (3) and company a, company b and company e have one certificate while company c and company d does not have any certificates. According to competitor analysis the strength of Enterprise X is French expertise. The weaknesses of Enterprise X are small resources and that price examples in the homepages do not include the prices of the flight tickets.
Customer analysis was the most difficult part of this marketing strategy. Most of the questions in the Webropol questionnaire were related to customer analysis. As the response rate of the questionnaires was quite low the author had to formulate part of the questions of the semi-structures email interviews in a way that fills the gap of the questionnaires. This way it was possible to get more valid information. It can be concluded that existing and potential customers of Enterprise X consider France as a potential destination because of its attractions and wine & cuisine culture. According to respondents, purpose of the trip could be improving business relationships, training, motivation of the employees and relaxation. The benefits of the trip for the company or association could be building stronger team spirit and improving customer relationships. The benefits of the trip for the employees or members could be recreation and shared experiences. The future trip to France should be 3-4 days, price should be €401-800 without flight tickets and over 10 persons could participate in this trip. The trip should include accommodation, dining and excursions as well as transportations. Respondents were also interested in company visits. It can be concluded that the business customers of Enterprise X are not seeking only an incentive trip, instead they prefer a combination of congress or meeting and a leisure activity.

The information for SWOT analysis were gathered from the semi-structured email interviews and the questionnaires as well as from the competitor analysis and PESTLE. The strengths of Enterprise X are French expertise, good customer service and reliability. The weaknesses of Enterprise X are small resources and that the flight tickets are not included in the services automatically. In the focus group the author found out that Enterprise X includes the flight tickets for business customers in most of the cases, but the prices of the flight tickets are not presented in their homepages. Because of this Enterprise X considers making two separate sections in their homepages for entrepreneurs and for private customers.

According to representative of Enterprise X (2019) the primary goal of Enterprise X is a moderate economic growth. This means that their business is profitable and there are enough customers. It is important that the personnel of Enterprise X enjoy and know their work, they co-operate with local French
companies and they wish to be a humane tour operator for their customers. Enterprise X encourages its customers to use environmentally friendly transport in France. The **long term objective** of Enterprise X as part of their strategy is to increase the sales for the business customers, as these customer segments are the most profitable. In addition, the cost structure of the trip has been drawn up in a sustainable manner. The short-term objectives are set to support long-term objectives. According to this it can be concluded that the **Triple Bottom Line (TBL) of Enterprise X** is:

- **profit** – moderate economic growth
- **people** – personnel, customers, local partners in France
- **planet** – transport at destination

The best strategic business units of Enterprise X are the round trips attended by a group of friends or couples, which can be considered as **star**-products. These products have a high relative market share and a high market growth rate. **Cash cow** – products are group trips for partner companies, because these products have a high relative market share but a low market growth rate. **Question mark** – products are company and association trips, because there seems to be demand and growth potential in this group, but relative market share is still low. **Dog**-products are educational trips, especially the language courses, and city breaks. These products have a low relative market share as well as a low market growth rate.

Enterprise X is seeking growth by focusing most on **market development**, as it attempts to sell its existing products to new customer segments (business customers) and thus increase its sales. Enterprise X is constantly doing **market penetration** as well. They are not implementing big advertising or price campaigns, but they post on social media, such as announcing their current trip packages to France or sharing some France related articles. Another way of marketing is through a word-of-mouth marketing and networking. Enterprise X reviews its sales figures every six months and checks which products are selling well and which are not. This can be considered as **product development**, because if there is some product that does not sell it can be modified or phased out. Enterprise X has considered selling trips to Finland for Finnish customers. This would be product
development as well, because there would be a new product for existing
markets. Enterprise X has also considered selling trips to Finland for French
customers, which would be considered as **diversification** as there would be a
new product for new markets.

### 5.2 Implications for the Commissioner and implications of the commissioner

All in all, the commissioner’s business seems to be going well and their vision
is good. As Kotler (2003) states successful and sustainable strategy must be
unique and distinctive, it should be a different strategy from that of your
competitors and impossible to be easily copied (Kotler 2003, 171-174). Even
Enterprise X did not have a marketing strategy in written format before, they
have already most of the information in their minds. This thesis helps them to
assemble the pieces together and brings some new aspects as well. Next the
implications for the commissioner are presented and after each implication
there are the answers of the personnel of Enterprise X which are gathered
from the focus group interview.

In general, the **marketing strategy tools** that are presented in this thesis, are **recommended to utilize when updating the marketing strategy**. Marketing
strategy should be updated regularly.

Enterprise X answered that they are satisfied that the author has compiled this
marketing strategy for them. Consequently, they can generate updates and
consider the actions how to operate in the future. They appreciated that
someone from outside the company has researched their situation and
understood their business as well as presented which issues in
communications are worth emphasizing.
“Deepen the knowledge of customers”
Building a strong customer relationship enables the company gain on value from the customers (Kotler & Armstrong 2018, 29, 34) Enterprise X could utilize the Customer Insight Mapping tool to deepen the knowledge of customers. For example, the personnel of Enterprise X could share the knowledge of some customer segment and compile the information into written format, hence everyone gets the same knowledge. General Data Protection Regulation (GDPR) must be taken into account.

This implication made the personnel of Enterprise X reflect upon the ways in how they could meet new SME’s and association customers and who are the ones who make the decisions in the companies. They discussed that new customers can be found through hobbies, business lunches and networks. In turn email is a channel through which is difficult to get to know the customers and their expectations for the trip. They did not comment the Customer Insight Mapping tool itself. However, the author recommended to familiarize more with the Customer Insight Mapping tool for example through a Youtube video of Ian Brodie.

“Keep specializing in France“
According to this thesis the absolute strength of Enterprise X is French expertise. The company should continue in this path, because this distinguish them from their competitors. There can be some options for the other destinations as well for example for the customers who have already participated in the trip to France organized by Enterprise X. However, the destinations should not be expanded too much. In case of expanding the company turns more similar to its competitors and that would weaken their selling point.

The personnel of Enterprise X agreed on that. They told that many people say that Enterprise X should just keep selling France. New customers ask trips to France in general and existing customers might be interested to try some other destination. They concluded that France should always be offered as a primary destination for new customers and later they can offer some other destination.
The personnel of Enterprise X agreed and told that in general new customers request trips to France and existing “old” customers might demand some other destination. They concluded that they should always offer France as a primarily destination for new customers and later some destination can be offered if the customer wishes so.

“Keep the educational trips”
According to representative of Enterprise X (2019) their “dog” strategic business units are educational trips, as those are not the most profitable products. The competitors that are included in the competitor analysis are not offering these kind of trips, at least not language courses. As “dogs” can act as a barrier to market entry by competitors these could be kept in the trip selection. There could be more market penetration in this case. Marketing of language courses could be targeted, for example, at French language teachers in upper secondary schools, polytechnics, universities and adult education centres, which could convey information to their students. Co-operation with a French Institute could also be beneficial as they only offer French courses in Finland. Market penetration might change the “dog” products into “cash cows” or “questions marks”.

The personnel of Enterprise X answered that they are going to keep the language courses in selection. They said that even language courses are not the most profitable ones, many customers who participate in the language course come back and buy another trip related to some other theme. Thus, the language course can be a good product for customer to start with. Enterprise X have organized earlier a trip for French language teachers, therefore they have a few French teacher contacts already. They have had some co-operation with the French Institute as well.

“Operating profit margin >5%”
According to guidelines the operating profit margin should be 5-10% to be in satisfactory level and over 10% to be in good level (Tunnusluvut no date). The operating profit margin of Enterprise X was 3.4% in 2018. As the primary goal of Enterprise X is moderate economic growth the goal for operating profit should be greater than 5% in the next few years and in long haul it should be at least 10%.
Enterprise X answered that in the field of tour operators even 2% is already good because with that number it is already possible to get the highest certificate in some credit rankings. However, they said economic growth is their goal in general, thus the implication is acceptable.

“Offering flight tickets for business customers”
According to competitor analysis most of the competitors are including the flight tickets in their trip package. The author could not get very valid answers of the issue from the questionnaires but if the respondents comprehended the flight tickets to be part of the transportation, then they wish the flight tickets to be included. Also, according to the questionnaires one of the issues that was considered the most important when choosing a tour operator was the coverage of services, meaning everything can be gained from one place. The author regards that the flight tickets could be offered more actively especially for the business customers, since it is more convenient for the groups that they get everything from one place. Also, in case of troubles it is easier if the tour operator handles the flight tickets.

Enterprise X answered that generally the flight tickets are included in the trip for business and group customers, but customers are not getting a right picture now from the homepages as the flight tickets are not included in the price examples. They continued that maybe they should bring this out more clearly for business customers that Enterprise X sells the flight tickets as well as part of a trip.

“Offering company visits for business customers”
According to email interviews many business customers were interested in the company visits and that is why Enterprise X could proactively offer some visiting attraction related to customer’s professional field. For Finnish customers it might be difficult to contact French companies that they are interested in but as Enterprise X has the language skills and good partners in France, organizing company visits could be easily arranged.
Enterprise X answered that they organize company visits already, but they should ask business customers even more actively if they are interested in company visits.

**“Hiring a new employee”**

When the company achieves enough profitable growth and more customers it is natural to recruit a new employee. The new employee should have the same enthusiasm for France as well as some knowledge of the country and language as well. This would help the existing personnel to organize the work and have less hurry.

Enterprise X would hire gladly a new person but there should be buffer money to keep the employees even in the case of financial downturn.

**“Trips to Finland for Finnish and French customers?”**

If Enterprise X considers selling trips to Finland for Finnish and French customers from the author’s perspective this would need more investigation. Representative of Enterprise X (2019) writes they are going to organize a few trips for French customers as an experiment, which seems like a good idea. Relationships with French partner companies already exists therefore it might be helpful in starting organizing trips to Finland. Selling trips to Finland for Finnish customers makes the author wonder if there is too much competition in this area. However, the author sees that eventually this requires more resources and personnel.

The personnel of Enterprise X agreed that it needs more research. Enterprise X organizes a trip for a small French group on forthcoming summer, whereupon they can explore what kind of feedback the trip receives. Enterprise X finds it pleasant organizing those trips in question for some familiar people but there is no plan to make those trips as a new marketing brand for now.

**“Youtube but no newsletter”**

According to the email interviews four responders were interested about a newsletter and five were not interested. One mentioned reason why it does not interest was today’s huge information flood. According to the competitor
analysis only one competitor uses the newsletter. The author sees that the newsletter might be a little old-fashioned way of marketing nowadays as a social media has a strong presence in people's everyday life. Instead of the newsletter the author suggests that Enterprise X could make short videos of Enterprise X and share it on the Youtube channel. The theme could be for example a history of Enterprise X “How all got started” and “Who we are”. This could expand the awareness and reliability of the company for new customers.

This implication was made because the author thought that a newsletter is not one of the marketing channels of Enterprise X. The personnel told they have the newsletter in use but the subscribe button does not show on the homepages all the time, because it comes as an alarm. The newsletter of Enterprise X is sent to customers approximately three times a year. The idea of the Youtube videos inspired the personnel of Enterprise X and they discussed what should be the content of the video. They even said that they will soon contact the person who shoots the videos.

5.3 Evaluation of the Research

This research was based on mixed method research, that integrated quantitative and qualitative research strategies. Quantitative research can be evaluated through validity and reliability, and qualitative research through trustworthiness.

Validity of the research means that the research is valid if it provides reliable answers to the research questions and the response rate for the survey should also be high (Heikkilä 2004, 29). The Webropol surveys were carefully prepared and the questions were related to theory of a marketing strategy, but the response rate was low. Possible reasons for this are that the questionnaires were too long, and people are tired of filling different kinds of questionnaires nowadays. Even there was a prize draw and the response time was extended response rate stayed low. That is why the results of the questionnaires could not be analyzed by using statistical methods, but the answers were described in general level. Reliability refers to the consistency of research results. Reliable research must be reproducible and stable (Bell et al. 2019, 46). In order for the results to be reliable, the sample must be large
enough and as similar as possible to the population. (Heikkilä 2014.) The questionnaires of this thesis are reproducible. The sample of potential customers was just enough (115 persons) but the sample of existing customers (40) was quite small for the survey. However, the commissioner did not have more existing business customers at the moment, therefore it was not possible to get more respondents.

Trustworthiness of qualitative study can be described through four concepts – credibility, transferability, confirmability and dependability. Credibility describes the confidence of the researcher about the findings of the research study. Triangulation can be used in showing the credibility. (What is Trustworthiness in Qualitative Research 2019) In this study the triangulation was used. The research included quantitative research method (Webropol surveys), qualitative research method (semi-structured email interviews and a focus group interview) and secondary data was collected through network documents. In addition, the sequence in this research followed the type of mixed methods design called *explanatory sequential design* (figure 13) by Creswell and Plano Clark (2011). It means that the collected and analyzed quantitative data was followed by the collection and analysis of qualitative data in order to explain and elaborate the quantitative findings. (Bell et al. 2019, 573-574.) As the response rate of Webropol questionnaires was quite low and the quantitative findings were not valid enough, the questions of customers’ email interviews were designed to confirm the findings of quantitative questionnaires and this way qualitative research filled the shortcomings of the quantitative research.

Transferability refers to the way in which a qualitative researcher demonstrates that results can be applied to other contexts (What is Trustworthiness in Qualitative Research 2019). The transferability of the results to another context depends on how similar the environments are (Huttunen no date). The set of population of the research, was chosen by the commissioner that included their existing and potential SME and association customers. Potential customers were chosen from different kinds of business associations and trade unions from which a subset (sample) was selected upon consideration. If this research was repeated, the results would depend on how similar the group of responders would be. Enterprise X has chosen
companies and associations that they know at some level already. If the group of responders would be any SME or association in Finland the results would probably vary at some level. However, the author considers it justified that the respondents were selected on a discretionary basis in order to achieve results that are beneficial for the commissioner.

Confirmability means *the degree of neutrality in the research study’s findings*. The findings in this research were based on responses of the Webropol surveys, semi-structured email interviews and network documents, which are described in detail in chapters 4.3-4.6. All the implications for the commissioner can be substantiated with reference to the theory and results of the study. In other words, personal motivations of the researcher have not affected to the results. Dependability means that how well the study could be replicated by other researcher and how consistent the findings are. All the questions of Webropol surveys, email interviews and focus group interview can be found in the appendices 1-7. This means that anyone can repeat this research. All the questions related to above mentioned surveys and interviews were checked by the supervisor of the thesis before sending them. In addition, the questionnaires were tested by a few outside persons before implementation of the query. The supervisor has reviewed the research process and data analysis at regular basis. (What is Trustworthiness in Qualitative Research 2019.)

The aim of the thesis was to produce a marketing strategy that focused on existing and potential business customers of Enterprise X Ltd. The aim was achieved, and a marketing strategy was formulated. The main research question was *What are the requirements, aspirations and resources for MICE-travel for current and potential SME and association customers of Enterprise X?* In short, the business customers wish that the duration of the trip to France should be 3-4 days, price should be €401-800 without the flight tickets and over 10 persons could participate in this trip. The trip should include accommodation, dining and excursions as well as transportsations. Respondents were also interested in company visits.

The supporting question was: *How Enterprise X could improve its travel services and marketing to attract more SME and association customers*
travelling to France? It can be concluded that Enterprise X could update the marketing strategy on a regular basis from now on and utilize the strategic planning tools. They could deepen the knowledge of customers for example by using the Customer Insight Mapping tool. The author recommended that they should keep on specializing in France in order to maintain their selling point. Enterprise X could keep the language courses in their selection and target the marketing at French language teachers for example. The goal for operating profit margin could be higher. Flight tickets and company visits could be offered for business customers more clearly and more actively. Selling trips to Finland needs more research. Enterprise X could make a Youtube video of their company in order to achieve confidence among new customers.

The research process of this master’s thesis has been full of challenges, but it has been a very educational and interesting process. The author has gained a deeper knowledge of customer-oriented marketing strategy. In particular, the author has learned to write and read scientific texts in English.

I would like to thank the commissioner Enterprise X Ltd for providing me the brilliant opportunity to make my master’s thesis related to the subject that truly interested me. I would also like to thank Mr. Mikhail Nemilentsev, the thesis supervisor, for the valuable support and feedback during the process. Furthermore, thank you lecturer Mr. Tommi Salmela in guiding me with the quantitative questionnaires and lecturer Mrs Tiina Karvinen for checking the language of the thesis. Last but not least, special thanks to my husband Tarmo for his patience, encouragement and support during the studies.
REFERENCES


Schmid, D. 2019. Share of households with internet access in Finland from 2007-2018. WWW document. Available at:
LISTS OF FIGURES

Figure 1. Structure of the master’s thesis. Kola, J. 3.2.2020.


Figure 13. Explanatory sequential design adapted from the Four basic mixed methods designs by Creswell and Plano Clark 2011. Bell, E., Bryman, A. &


Cover letter (hidden)
Questionnaire for the Existing Customers of Enterprise X Ltd (hidden)
Questionnaire for the Potential Customers of Enterprise X Ltd (hidden)
THEMES AND QUESTIONS FOR THE EMAIL INTERVIEW OF ENTERPRISE X

Vision and mission
- Does your company already have a vision or a mission statement?
- If so, what is the vision or mission statement of your company?
- How would you describe why your company exists? (purpose)
- What your company believes in? (values)
- What are the policies and behavior patterns that support your company’s distinctive competence and value system? (behavior standards)
  - for example, how your company interacts with its customers?
- What is your company’s competitive position, that distinct you from your competitors? (strategy)

Competitor analysis
- Who are your competitors?
- What are the strengths and weaknesses of your competitors?
- What are your competitors’ goals?
- What kind of strategy your competitors have and is it successful?
- How your competitors behave in competitive situation and how are they likely to react to offensive moves?

Goals and objectives of marketing strategy
- What is the primary objective of Enterprise X? (e.g. economic, social and environmental)
- What are the specific and measurable long-term goals of Enterprise X?
- What are the specific and measurable short-term goals of Enterprise X?
  - *e.g. target segments, profitability, market share, product mix, innovation and risk management

Marketing planning
The BCG growth-share matrix
- What are the products with highest market share and fastest growing markets of Enterprise X (Stars)?
- What are the products with high market share but low market growth of Enterprise X? (Cashcows)
- What are the products of Enterprise X which have a low market share but are growing rapidly? (Question marks)
- What are the products with low market share and low market growth of Enterprise X? (Dogs)
The Business Model Canvas

- What are the different customer segments of Enterprise X?
- What is a typical customer contact of Enterprise X? (phone, email, face-to-face etc.)
- What are the sources of income of Enterprise X? (one-time payments, recurring revenues, commissions etc.)
- What kind of pricing your company is using? (e.g. fixed pricing that depends on quantity or quality, pricing by customer segment, list price, dynamic pricing, which may depend on time of purchase, supply and demand, or price may be negotiable)
- What are the key resources of Enterprise X?
  - Physical resources (e.g. buildings, point places of sales and distribution networks)
  - Intellectual resources (e.g. brands, copyrights, partnerships and customer databases)
  - Human resources
  - Financial resources (e.g. cash, credit and stock-options)
- What are the key partners of Enterprise X?
  Can be classified as follows:
  - Strategic alliances between non-competitors
  - Coopetition: strategic partnerships between competitors
  - Joint Ventures to develop new businesses
  - Buyer-supplier relationships to assure reliable supplies
- What kind of cost structure Enterprise X have? (cost-driven/value-driven)
Questions for the Email Interview of Existing Customers of Enterprise X
(Round 1)

Dear Recipient,

Recently you responded to a questionnaire for existing customers of Enterprise X, that was related to my thesis. There you gave permission for a follow-up interview. Now I would like to ask a few questions via email to get more in-depth information for my research. An email interview is scheduled to go through a few rounds of interviews to make the interview interactive. The answers you provide will be treated anonymously and in strict confidence. I hope you will answer the following questions.

Why your company chose France as a destination? (or some other country)
Why your company chose of Enterprise X as a tour operator?
What succeeded well in the trip?
What could have been improved in the trip?
Would your company/association travel to France again? Why?
What could be the benefits of the trip for your company/association?
What could be the benefits of the trip for its employees/members?
Can you mention any other tour operator that could organize a trip for your company/association?
Describe what the future journey of your company/association should be? (e.g. requirements, aspirations, price/person)
Do you use some social media app? (e.g. facebook, instagram, pinterest)
If so, do you follow of Enterprise X via facebook or instagram?
Would your company/association be interested in newsletter from of Enterprise X?
If so, how often you would like to receive it?

Kind regards,

Johanna Kola
South-Eastern Finland University of Applied Sciences

ojoko048@edu.xamk.fi
Questions for the Email Interview of Potential Customers of Enterprise X
(Round 1)

Dear Recipient,

Recently you responded to a questionnaire for potential customers of Enterprise X, that was related to my thesis. There you gave permission for a follow-up interview. Now I would like to ask a few questions via email to get more in-depth information for my research. An email interview is scheduled to go through a few rounds of interviews to make the interview interactive. The answers you provide will be treated anonymously and in strict confidence. I hope you will answer the following questions.

If your company/association would make a trip for its employees/members, could the destination be France? Why?
What could be the benefits of the trip for your company/association?
What could be the benefits of the trip for its employees/members?
Could your company/association use of Enterprise X as a tour operator? Why?
Can you mention any other tour operator that could organize a trip for your company/association?
Describe what the future journey of your company/association should be? (e.g. requirements, aspirations, price/person)
Do you use some social media app? (e.g. facebook, instagram, pinterest)
If so, do you follow of Enterprise X via facebook or instagram?
Would your company/association be interested in newsletter from of Enterprise X?
If so, how often you would like to receive it?

Kind regards,

Johanna Kola
South-Eastern Finland University of Applied Sciences
ojoko048@edu.xamk.fi
Focus Group interview for the personnel of Enterprise X

Questions:

How do you find this marketing strategy?

Does this marketing strategy include familiar things for you?

Which things are new for you?

Do you think this marketing strategy is useful for you? Why?

Does it bring added value for your business? Why?

What do you think of the implications and development ideas?

Could you consider using some of those ideas? Why?

Which ideas are not viable? Why?
# PESTLE of Finland and France

<table>
<thead>
<tr>
<th>Factor Type</th>
<th>Finland</th>
<th>France</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Political Factors</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parliamentar republic and a member of the European Union</td>
<td>Semi-presidential republic and a member of the European Union</td>
<td></td>
</tr>
<tr>
<td>Political stability 1.04*</td>
<td>Political stability index 2.24*</td>
<td></td>
</tr>
<tr>
<td>Corruption Perceptions Index 68*</td>
<td>Corruption Perceptions Index 72*</td>
<td></td>
</tr>
<tr>
<td>Ratio of imports to GDP 38.6%*</td>
<td>Ratio of imports to GDP 38.1%*</td>
<td></td>
</tr>
<tr>
<td>Trading partners: Germany, Sweden and Russia</td>
<td>Trading partners: Germany, Belgium, Luxembourg, Italy and Spain</td>
<td></td>
</tr>
<tr>
<td>Export: Chemicals, Forest and metal products, IT and technical services</td>
<td>Export: Vehicles, aerospace, and textiles, cars, vehicles, and wine</td>
<td></td>
</tr>
<tr>
<td>Import: Chemicals industry, electrical, electronic, mining and quarrying products</td>
<td>Import: Cars and crude petroleum</td>
<td></td>
</tr>
<tr>
<td><strong>Economic Factors</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Economic growth will stay moderate*</td>
<td>Economic growth in France is slowing down*</td>
<td></td>
</tr>
<tr>
<td>GDP growth 1.7%*</td>
<td>GDP growth 1.8%*</td>
<td></td>
</tr>
<tr>
<td>Employment rate 7.4%*</td>
<td>Employment rate 6.4%*</td>
<td></td>
</tr>
<tr>
<td>Unemployment rate 6.4%*</td>
<td>Unemployment rate 6.5%*</td>
<td></td>
</tr>
<tr>
<td>Average long-term interest rate 2.82%*</td>
<td>Average long-term interest rate 0.34%*</td>
<td></td>
</tr>
<tr>
<td>Disposable income of consumers will grow by almost 3% in 2019</td>
<td>Disposable income of consumers has grown 1.1% (Q1 2019 – Q2 2019)</td>
<td></td>
</tr>
<tr>
<td>Inflation rate forecast is 1.2% in July 2019</td>
<td>Inflation rate 1.0% in August 2019</td>
<td></td>
</tr>
<tr>
<td><strong>Social Factors</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Population 5,977,919*</td>
<td>Population 66,184,749*</td>
<td></td>
</tr>
<tr>
<td>Age dependency ratio 68.8%</td>
<td>Age dependency ratio 62.4%</td>
<td></td>
</tr>
<tr>
<td>Average household net disposable income per capita €21,943*</td>
<td>Average household net disposable income per capita €21,304*</td>
<td></td>
</tr>
<tr>
<td>Number one in safety and security index</td>
<td>Ranked number 67 in safety and security index</td>
<td></td>
</tr>
<tr>
<td>Quality of democracy ranked number 74*</td>
<td>Quality of democracy ranked number 46*</td>
<td></td>
</tr>
<tr>
<td>Firms in business culture, respect for schedules, reliability and innovation are valued</td>
<td>French business culture: professionalism, formality and conservatism are valued</td>
<td></td>
</tr>
<tr>
<td><strong>Technological Factors</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R&amp;D expenditure 2.79% of the GDP share*</td>
<td>R&amp;D expenditure 2.89% of the GDP share*</td>
<td></td>
</tr>
<tr>
<td>Finland's R&amp;D expenditure 65% is spent by the business sector</td>
<td>France's R&amp;D expenditure 48% is spent by the business sector</td>
<td></td>
</tr>
<tr>
<td>9% by the government sector and 35% by the higher education sector*</td>
<td>15% by the government sector and 22% by the higher education sector*</td>
<td></td>
</tr>
<tr>
<td><strong>Legal Factors</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Occupational safety and health are guided by the Ministry of Social Affairs and Health</td>
<td>Occupational safety and health are guided by the Ministry of Labour</td>
<td></td>
</tr>
<tr>
<td>The Finnish Constitution guarantees equal treatment of all people as in civil as in working life</td>
<td>According to French law it is considered criminal if corporations infringe people's rights, equality laws, environmental laws, social and health safety laws</td>
<td></td>
</tr>
<tr>
<td>The Equality Act and Employment Contracts Act regulate equality issues in working life</td>
<td>In the legal guarantee the seller must offer a guarantee by the law</td>
<td></td>
</tr>
<tr>
<td>Finland’s Consumer Protection Act protects consumer rights and regulates consumer marketing</td>
<td>Consumer Code forbids misleading, deceptive and comparative advertising</td>
<td></td>
</tr>
<tr>
<td><strong>Environmental Factors</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Neighbouring countries: Russia, Sweden, Norway and Estonia</td>
<td>Neighbouring countries: Belgium, Luxembourg, Germany, Switzerland, Italy, Monaco, Spain and Andorra</td>
<td></td>
</tr>
<tr>
<td>Surface area is 338,432 sq km</td>
<td>Surface area is 647,357 sq km</td>
<td></td>
</tr>
<tr>
<td>Population density 19 persons per sq km</td>
<td>Population density is 119 persons per sq km</td>
<td></td>
</tr>
<tr>
<td>Average regions and territories (DOM-TOMs)</td>
<td>Overseas regions and territories (DOM-TOMs)</td>
<td></td>
</tr>
<tr>
<td>Macaroni climate</td>
<td>Four separate climate areas: oceanic, continental, Mediterranean</td>
<td></td>
</tr>
<tr>
<td>Four seasons: winter, spring, summer and autumn</td>
<td>Four seasons: winter, spring, summer and autumn</td>
<td></td>
</tr>
<tr>
<td>Finland’s current climate and energy policy aims to reduce greenhouse gas emissions</td>
<td>France has introduced legislation to reach net zero greenhouse gas emissions</td>
<td></td>
</tr>
<tr>
<td>Increase the share of renewable energy sources in final energy consumption</td>
<td>Increase the share of renewable energy sources in final energy consumption</td>
<td></td>
</tr>
<tr>
<td>Improve energy efficiency and promote adaptation to climate change</td>
<td>Improve energy efficiency and promote adaptation to climate change</td>
<td></td>
</tr>
</tbody>
</table>

* Figures from the latest available data.
Competitor Analysis of Enterprise X (hidden)
REFERENCES OF COMPETITOR ANALYSIS (HIDDEN)