DEVELOPING INTERNATIONAL MARKETING FOR A GEOPARK PACKAGED TOUR FOR THE HONG KONG MARKET
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ABSTRACT

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The development of international tourism does not only show in the increasing number of international tourists but also in the diversified and specialized destinations. The thesis commissioner is Rokua Geopark in Oulu, Finland who is cooperating with other Nordic geoparks in developing international marketing of a Nordic geopark tour for Hong Kong market.

The objective of the thesis is to find out possible marketing mix operations and also the features of potential customer group for the tour. The theoretical part was focused on marketing mix (traditional four Ps plus three other Ps) in tourism industry and consumer behavior in tourism including tourist segmentation. Most of the references were from printed literatures and some were electronic resources.

The research method was qualitative, including an in-depth interview with the thesis commissioner, an email interview with an eco-travel agency in Hong Kong, and a desktop research of a successful Kenya nature based tour for the Hong Kong market. The research results illustrated some important features of people in Hong Kong who like nature based tour and also showed a general picture of the marketing operations of a nature based tour for the Hong Kong market, which provided insights to the Nordic geopark tour.

Keywords:  
Geopark tour, tourism marketing, tourist segmentation, Hong Kong market
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1 INTRODUCTION

Tourism is a globally important and significant activity, and also a main economy force in the world (Cooper, Fletcher, Fyall, Gilbert & Wanhill 2008, 3). According to the definition by the World Tourism Organization, tourists are people who travel and stay somewhere outside their regular residence place for less than one year aiming at leisure, business and something else (UNWTO technical manual. Retrieved: 30.03.2012).

Obviously, nowadays tourism has become more and more popular in the worldwide scope. The international tourism increased significantly in the year 2011, with international tourist arrivals up to 980 million and 4.4% over the previous year 2010; despite of the economic uncertainty, Europe was still one of the fastest growing region in the world, taking 51.2% of the total international inbound tourists with 502 million in number in 2011 and showing 6.4% increasing in amount over the year 2010; Finland was among one of the strongest growing countries in international arrivals with 14% growth over the previous year 2010 (UNWTO World Tourism Barometer. Retrieved: 27.04.2012). Furthermore, World Tourism Organization expects a continuous growth of international tourism in 2012 with an increasing rate at about 3% to 4% and the total arrivals to hit one billion (UNWTO: International tourism to reach one billion in 2012. Retrieved: 27.04.2012).

The development of international tourism is not only showing in the rising number of tourist arrivals but also in the diversifying travelling purposes as well as expanding choices of holiday destinations so that there would be probably niche-markets for special-designed holiday tours which are be able to provide particular products and services to reflect the needs and wants of potential tourists.
1.1 Research background and subject

The topic of this thesis is to develop international marketing for a geopark packaged tour for the Hong Kong market. The geopark package tour in question is in planning by the thesis commissioner Rokua Geopark in Finland together with Gea Norvegica Geopark and Magma Geopark in Norway and Katla Geopark in Iceland. Besides, the Finnish airline company Finnair also showed interest in participating in this tour. The idea was brought up about one year ago and has been developed slowly due to many reasons, and so far it is still on the preliminary stage of designing the tour and defining the potential customers. Consequently, the specific objective of the thesis is, first of all, to find out the possible target segment of the packaged tour for the Hong Kong market, and furthermore, to provide a practical marketing solution for the above-mentioned tour to the selected segment.

Located in Oulu region, Finland, Rokua Geopark is the most northern member geopark in the Global Geoparks Network. The Global Geoparks Network was established in 2000, aiming at protecting the diversity of geography and promoting geological heritage to the public as well as assisting sustainable economic development of geopark territories basically through the development of geotourism (Krökki. Presentation 14.11.2011). According to the definition given by the National Geographic, Geotourism is described as “tourism that sustains or enhances the geographical character of a place—its environment, culture, aesthetics, heritage, and the well-being of its residents”. And it is built on the foundation of sustainable principles as well as the geographical characters (About Geotourism. Retrieved: 18.03.2012). In other words, the highlights of geoparks are not only on their particular geographical features but more on the invisible cultural values. Tourists would have opportunities to enjoy the pristine and unique nature through various types of activities together with high quality well-being services, and at the same time gaining knowledge of ecosystems, culture and history in a geopark tour (Krökki. Presentation 14.11.2011).
Since nowadays over 90% of the visitors to Rokua Geopark are domestic Finnish people, Rokua Geopark expects an increase in the number of international travelers in the future. Hong Kong is considered as one of the ideal target markets by Rokua Geopark as Hong Kong passport holders do not need visa to travel to the EU up to three months not like people from many other Asian countries are requested to take time and efforts to apply for a visa, and Hong Kong tourists are considered more experienced in international travelling plus many of them are fluent in English. By cooperating with some other geoparks in the Global Geoparks Network, Rokua Geopark will make efforts to attract visitors from Hong Kong in the near future.

1.2 Research problem and process

Based on the research subject, the main research question has been generated as “how to market a geopark packaged tour for the Hong Kong market?” First of all, it is important to figure out the basic marketing operations on the tour, namely the details about the tour including activities, price, distribution channel, and marketing communication, in other words, the marketing mix. Then it is also essential to know about the customers on the market. Therefore, the answer to the main question requires the consideration on the following problems:

- What kind of marketing mix should be used when doing marketing for the Hong Kong market?
- What kind of people in Hong Kong might be interested in the geopark packaged tour?

The theoretical part of the research is based on the literature of tourism marketing and tourism consumer behavior. The “Tourism Marketing” chapter will follow the basic marketing mix theory by discussing the traditional 4 Ps plus other Ps which are also relatively important in the tourism industry in order to establish a theoretical framework for doing international tourism marketing. The
“Tourism Consumer Behavior” chapter will introduce the motivators and determinants that affect tourists choosing a tour, and also the approaches of tourist segmentation and possible tourist typologies, with the purpose of providing theory foundation for investigating the potential target group later in the empirical part. The main literatures been used are “Marketing for hospitality and tourism” by Kotler, P., Bowen, J.T. & Makens, J.C. and “Consumer behavior in tourism” by Swarbrooke, J. & Horner, S. Some other printed sources in these theory fields have also been referred to. Plus, several electronic sources have been used as well.

Since the purpose of this work is to understand the tourism consumer behavior, define the possible tourist segment and develop marketing solutions accordingly, the research methodology will be qualitative research instead of quantitative research. Qualitative research is focusing on understanding rather than simple measurement (Bradley 2007, 243). The goal of qualitative research is to “understand” rather than to “explain” as quantitative research does, and the desired information by qualitative research is “what some people think and do” (Decrop 1999, 337). The analytical objective of qualitative research is to describe variation, but quantitative is to quantify it (Qualitative research methods overview. Retrieved 03.05.2012). The focus of this research is on the type or features of potential tourists and tourism marketing. Obviously, qualitative research method matches the purpose of this thesis and the result of it can help to answer the thesis question.

Consequently, interviews with related parties and desktop research will be applied in the empirical part. The details of interviewees and conducting the interviews will be explained specifically in Chapter 4 “Research Method and Execution”.
The term “tourism marketing” contains two parts, tourism and marketing. Regarding to tourism, an Austrian economist, Herman V. Schullard, in 1910 gave one of the earliest definitions of tourism: “the sum total of operators, mainly of an economic nature, which directly relate to the entry, stay and movement of foreigners inside and outside a certain country, city or a region.” was provided (Bhatia 2001, 66). Later on in 1942, a more technical definition was given by two Swiss professors, Hunziker and Krapf, stated that tourism is the relationship and phenomenon appearing from strangers travel and stay in a place, providing accommodation does not mean that the establishment of a residence in permanence and is not linked with a compensated action (Bhatia 2001, 66-67).

Another part of the term “marketing”, according to The American Marketing Association (AMA) definition (Retrieved 04.18.2012), marketing is a set of procedures, which create, communicate and deliver value to customers. It functions as managing relationship between customers and organizations, in order to benefit organizations’ stakeholders and themselves. By the marketing expert, Philip Kotler, marketing aims to find, maintain and increase profitable customers. It is not only sales and advertisements, but also provides better and higher customer value and prices, distribute and promote the products successfully (Kotler, Bowen & Makens 2010, 11).

“Value” has been mentioned in both of the definitions from AMA and Philip Kotler. The value which is going to tell and transfer to customers is becoming essential for marketers, in order to understand the customers’ needs and then satisfy them accordingly. Therefore, in this chapter, customer value and the expanded service marketing mix based on Philip Kotler’s version are going to be discussed.

To conclude, marketing with tourism-oriented approach is on the basis of modern marketing concept. Nevertheless, a successful tourism marketing
should whereby the tradition principal and adapt with tourism thinking. Hence, it is not only based on identifying different consumer needs but also on transferring a tourist product experiences provide satisfactions that are recommendable among the competitors. The experiences mentioned above can be defined as one of the customer values that a product contains. Since this value can lead success in tourism marketing, customer value is going to be explained in the following section (Cooper et al 2008, 514).

2.1 Customer value

![Diagram of Customer-Delivered Value]

Figure 2.1 Determinants of Customer-Delivered Value (Kotler, Keller & Lu 2009, 101)

Customer value in tourism is about the difference between how much customers pay for a trip, a product or service and the benefits that they finally gain (Kotler et al, 2010, 13). Customer value is also known as customer perceived value, meaning the disparity of the total customer benefit and the total customer cost.
According to Kotler et al (2009, 101), total customer benefit is the perceived value financially on several field, such as the functional, psychological, economical aspects. These aspects fulfill the expectations of customers, among the offers in the markets. Total customer cost is the perceived cost expected by customers on evaluating, obtaining, utilizing, and disposing. The cost can be classified as monetary, time, energy and mentality as what figure 2.1 has described.

This consumer perceived value (CPV) framework is useful in many fields, to verify the situations and have rich perspectives of the business environment; to know what can be done in order to increase the customer value and minimize the customer cost. It is also essential to understand what you competitors offer something that perhaps rises up their customer value and those can differentiate from them (Kotler 2009 et al, 101).

A good and well-designed customer value analysis can be done in order to gain knowledge of strengths and weaknesses about own products as well as the competitors’. The steps are as follow: (Kotler 2009 et al, 101)

Step 1: Identify the major dimensions and benefits that customers consider most.

Step 2: Analysis the importance of different dimensions and benefits.

Step 3: Assess the company’s and competitors’ performances on the different customer values against their rated importance.

Step 4: Study and analysis how target customers rate the company’s performance among the major competitors or with the same value.

Step 5: Review and monitor customer value over time to keep it up-to-date and satisfy customer needs.
2.2 Marketing mix in tourism

Marketing mix is a term that introduced by Neil Borden in American Marketing Association in 1953, and this term became popular later on. This is a business tool widely used in marketing. Marketing is a process of identifying, predicting and satisfying the needs from the socials. As mentioned above, in detailed definition, marketing is about people often linking the 4Ps concept when they mention about the marketing mix. It is a concept that differentiates a tangible product or an intangible service with the competitors’ (Banting & Randolph. Retrieved: 10.04.2012). The 4Ps concept (refer to figure 2.2) includes product, price, place and promotion (or marketing communication). Marketing professionals decide the characteristics of the product, price setting, design the distribution channel, and how to promote the product in order to increase the sales. If marketers can do well of those tasks, customers can be satisfied as demands are fulfilled, and products can become attractive as well.

![Figure 2.2 A simple marketing mix (Kotler et al 2009, 35)](image-url)
Figure 2.3 shows a basic five-step model of marketing procedure. In the first four steps, companies work to understand consumers, create customer value, and build strong customer relationships. In the final step, companies reap the rewards of creating superior customer value. By creating value for customers, they in turn capture value from customers in the firm of sales, profits and long-term customer equity.

Create value for customers and build customer relationship

Understand the marketplace and customer needs and wants → Design a customer-driven marketing strategy → Construct an integrated marketing programme that delivers superior value

Capture value from customers in return

Capture value from customers to create profits and customer equity → Build profitable relationships and create customer delight

Figure 2.3 a simple model of the marketing process (Kotler et al, 2010, 11)

After creating customer value, the core of marketing concept is the marketing mix, known as “four Ps”. The Four Ps are product, price, place (distribution channel), and promotion (marketing communication); it is a marketing model that helps company define its right product at right price in right place with suitable promotion channel. Each P is discussed separately in the following parts.
2.2.1 Product

Product is the tangible goods, intangible service or even mix of service and product that an organization provides to customers, which satisfy a want or a need. In tourism industry, it can be physical objects, services, ideas, places and organizations. For example, a product could be a tour that an agency offers. It can be a packaged tour, a service of booking tickets and hotels, tourist group with tour guide service and the travel experience. In marketing mix concept, “product” helps marketers define the features, characteristic and the superior value or functions that can be differentiated from competitors. Product in tourism and hospitality industry often has planned and unplanned component, which are often not homogeneous. Unplanned component may discount the received value of the product for a customer, managers of services companies need to minimize unexpected negative unplanned activities and make sure the quality of the service is the same as expected (Kotler et al. 2010, 230).

![Figure 2.4 Product levels in Add Value to your Service. (Kotler et al 2010, 231)](image-url)
Product in Hospitality and tourism industry has four levels which managers need to consider: the core product, the facilitating product, the supporting product, and the augmented product (see Figure 2.4).

**Core product** is the most basic level among all, it means the “real” product that customer actually buys as well as the real purpose of the product for a customer. A holiday trip for customers can be different, depends on person. It can be for cultural experience, refreshment or even a back home trip (Kotler et al, 2010, 231).

**Facilitating product** is aimed to assist the implementation of the core product; it is related to the accessibility. This product can be fine tune according to the target group. For example, the check-in and checkout service for a hotel is its facilitating product. However, the open hour of registration counter can be set differently. A business hotel should never close down the registration service counter as customers expect to be accessible whenever they want to. In contrast, a resort accommodation may not open the registration desk in the evening (Kotler et al, 2010, 231-232).

**Supporting products** are provided to as extra; the products are used to increase the value of the core product. Competition in the market can be intense, supporting products often function in helping differentiate among competitors. For instance, a hotel offers a full-service health spa for customers is a supporting product that appears to assist in drawing and retaining customers (Kotler et al, 2010, 232-233).

**Augmented product** is a general concept combines all three products mentioned. It includes accessibility, atmosphere, interaction between customers and service organization, customers’ interaction between each other and customer participation (Kotler et al, 2010, 233-234).

In tourism and hospitality industry, when people talks about “product”, it actually refer to service product. Intangibility, perishability and inseparability are the main characteristics of service product.

Intangibility simply means that it cannot be easily evaluated or tested before purchasing it. For instance, to buy a car or a pair of jeans, consumers are able
to test the quality prior to their purchase. However, consumers cannot try or test the service of a hotel before buying it. Therefore, intangibility increases the challenges for tourism marketers to estimate the benefits of the product that they are selling. Marketers need to overcome through providing informative printed literature or videos so that increase the tangibility of the product (Cooper et al 2008, 521).

Perishability means that storage of a service or a product is not available. For example, an unsold seat from an airline cannot be compensated in the future. According to some companies or destinations, there are high and low periods of demand, perishability is additionally regarding to the seasonality of demand. Impact that is more serious can be caused in low periods. Tourism marketers have to design a good pricing and promotion policies with the purpose of selling “off-season” periods so that optimizing the revenue (Cooper et al 2008, 521-522).

Inseparability regards to the product is often product and consumer at the same time, this is common in service product. Different organizations involve in the service delivery system and they have varied responsibility. For example, air travel contains travel agent, airport check-in staff, aircraft crew, catering company, baggage-handling workers and cabin cleaning workers, all of them together and provide one flight experience. Simultaneous production and consumption cause challenges in ensuring the satisfaction of customer. Since service product may be used together with customers, having groups or conflict needs customers can be a potential problem that leads dissatisfaction. For example, a couple wants a quiet romantic atmosphere for their anniversary in restaurant, dissatisfaction occurs when there is a group of football supporters at the same time there for dinner (Cooper et al 2008, 522).

Every product has its product life-cycle; a product is not expected to sell forever. Understanding the product life-cycle can help design the marketing strategy plan and maximize the profit in order to compensate the risks and effort. According to Kotler et al (2010, 256), product life-cycle is marked by five different stages (see figure 2.5), they are:
**Product development**: begins with the demand identification and develops a new idea for a product. In this stage, profit and sales are zero, company increase the cost for investment. **Introduction**: product is being introduced to the market, sales grow slowly but there is not profit yet as the cost for product introduction is heavy. **Growth**: product is accepted by the market rapidly and profit is increasing in the stage. **Maturity**: Sales growth decreases because most of the potential buyers have accepted the product. Profits level decline because of the increase of marketing expenses. The expenses are used to define the product to against the competition in the market. **Decline**: the sales and profits decrease quickly in this period; the product perhaps is quitting the market or being redesigned (Kotler et al. 2010, 256). A tourism product in a certain stage of the product life cycle requires particular marketing activities to meet the tourists’ needs. For example, a fully inclusive tour (FIT) at the introduction stage will need some promotion to build the awareness and draw the attention of the potential group (Swarbrooke & Horner 1999, 182 & 183).

![Figure 2.5 Sales and profits over the product's line from inception to demise (Kotler et al, 2010, 256).](image-url)
2.2.2 Price

This is the second P in the marketing mix formula, price is the cost of the product or service, and it is a monetary cost, which customers need to pay for receiving the service or using the product (Entrepreneur. Retrieved: 08.04.2012). Except Price, the rest of Ps (Place, Product and Promotion) are cost related. Price is the only P in the formula that makes revenue. Managers should have knowledge about pricing, it can be vital to lead a business to succeed. However, when the revenue cannot cover the operation cost, this pricing mistake can eventually cause a failure of a business as well (Kotler et al 2010, 291). Since product or service has product life cycle, according to the cycle, price changes in order to survive and remain competitive in the fast-changing marketplace (Entrepreneur. Retrieved 08.04.2012). Especially in tourism industry, there are peak seasons and non-peak seasons, pricing adaptation can have obvious effects on sales. On one hand, charging too much that loses potential customers. On the other hand, charging too little can shut down a company because of lack of revenue. Therefore pricing strategies for new products and price changes for marketing environment adaptation are essential (Kotler et al 2010, 291).

There are several general pricing approaches which companies can follow when setting a price for a product. The approaches are as follow: cost-based approach, the value-based approach and the competition-based approach (Kotler et al 2010, 303).

Internal and external factors can influence one company’s pricing judgment. Marketing objectives, marketing mix strategy, costs and organizational considerations are internal factors. On the other hand, nature of the market, demand competition and other environmental elements belong to external factors (Kotler et al 2010, 291-292).

Cost-based pricing includes cost-plus pricing, break-even analysis and target profit pricing approaches. Cost-plus pricing is the simplest approach, manager prices the item according the cost, generally prime cost is used; prime cost includes material cost and labour cost. Cost-plus pricing uses standard markups
to set prices, it ignores the current demand and the competition, managers usually adjust prices according to what the marketing will bear, psychological pricing and other techniques. For instance, wine can be priced in different profit margin according to the market affordability. Managers mark a higher profit margin on lower cost wine and lower margin on high cost bottle wine. The increase of lower price wines’ profit margin can increase the profit per bottle; the reduction of high cost wines profit margin can attract people who likes fine wines and higher money profit per bottle. In addition, this pricing can increase the overall check average of sales (Kotler et al. 2010, 303).

Firms that try to find out the price at which it will break even use break-even pricing (figure 2.6). Hotels use this approach to set rates when demand decreases. Rates are low but variable costs are managed to cover (Kotler et al 2010, 304).

Figure 2.6 Break-even charts for determining target price for a restaurant. (Kotler et al 2010, 304)

Value-based pricing means prices are set based on the products’ perceived value. It uses the buyers’ perception of value instead of sellers’ cost. Prices are set previously regarding to the others marketing mix variables before the marketing programme is designed. Nonprice elements are used in the marketing mix to set perceived value in buyers’ minds; price is set to match the
value afterwards. For learning the value in the buyers’ perspective, researchers sometimes ask the consumers how much they would pay for the offer. For example, consumers are asked for questions about how much they would pay for a hotel rooms with or without certain service (Kotler et al 2010, 305-306).

Competition-based pricing, also known as going-rate pricing, is a pricing approach strongly on competitor basis. In another word, it focuses less on costs or demand. This pricing approach is popular when elasticity is hard to measure. For example, a new hotel adjusts its service charge more or less in 5% difference among competitors. Going-rate pricing provides a reference for managers what is a fair and relatively safety return for the products, since they believe that this pricing system offers collective wisdom from the industry and will avoid negative price wars (Kotler et al 2010, 306).

2.2.3 Place

Place is a distribution channel that some organizations or companies engage with process of making availability of a product to consumers, among consumer market and business market. Place is about where the product to be sold. Therefore, it is about the availability, the distribution and the sales channel of the product or service. Products should put into a right place at the right time so that people realize they exist and purchase. Place is also including the marketing channel of the product, to decide what intermediaries to use for distribution (Kotler et al. 2010, 329). For instance, companies can choose retailers or agencies. Choosing a suitable distributing channel can make differences with competitors, build up a better image, and increase the efficiency of selling process (Entrepreneur. Retrieved 08.04.2012). In marketing field, distribution systems of tourism and hospitality industry are different from the traditional system. In tourism and hospitality industry, distribution systems are commonly used to move customer to the product since the products nature of tourism and hospitality industry are mostly intangible which traditional distribution systems do in opposite way (Kotler et al. 2010, 329).
There are several marketing intermediaries in tourism and hospitality industry, and travel agents will be introduced as follows.

As a primary way of distributing the tourism product, especially the package holiday, the travel agency plays as an important persuader in terms of consumer choice, and also acts as a contacting point for communicating with consumers about travel information, feedback or complaints (Swarbrooke et al 1999, 186).

Travel agents receive information packages from hotels or tourism related organizations that include affiliated material and news, including updates about the travel packages, promotions and special events. Organizations often invite travel agents to visit their property or facilities; this is called familiarization tour, known as "fam trips". Fam trips should be well-organized by the host organization. Travel agents entrust the host organization with their customers, it can directly influence the rate of their reputation. Therefore, it is important to give a good impression from hospitality providers, to ensure that there will be future affairs from the agents (Kotler et al 2010, 332).

Nowadays, the development of the Internet facilitates the online booking system, but it is the consumer's choice to decide whether to use the technology or resist it. Their attitude toward it will determine which market segment they fit (Swarbrooke et al 1999, 186).

2.2.4 Marketing communication

Apart from developing a good product, pricing it attractively and improving the accessibility to target customers, building good relationships is one of the most important for profitable business in marketing concepts. Marketing communication is a promotion tool to build up communication with the target customers, to help companies transfer the message and values. Marketing communication plans must be planned carefully, integrated the information that it needs (Kotler et al. 2010, 329). The way of marketing communication relies on the product type, the intended result, and the market characteristics. Different
promotion tools will have various influences on consumer behavior. A brochure is used to initiate sales and reassure about the offering; public relation tool can help to create an impression of the product in consumer’s mind; advertising is used to reach large consumer groups however the cost is relatively high; sales promotion may often encourage the first-time purchase or repeat purchase on the tourism product; direct mail can bring potential customers into the market (Swarbrooke et al 1999, 189-191)

Promotion mix can be divided into several tools that company uses to transfer and communicate customer value and develop relationships with customers convincingly. There are five main promotion tools, advertising, sales promotion, personal selling, direct marketing and public relations; they are described as follows (Kotler et al. 2010, 329). **Advertising** indicates any paid form of presentation that is non-personal, for the promotion of ideas, goods or services by an identified sponsor. **Sales promotion** means short-term bonus or discount as incentives, to encourage buying or sale of product or service. **Personal selling** is presentations from a company’s sale person for making sales and develops relationships with customers. **Direct marketing** is activities that have connections with individual consumers to obtain and develop customer relationships or sales. It can be direct mails, emails and telephone calls. **Public relations** refers the use of varies publicities to build up good relationships for a company. It also can be used as setting up a good company image and clarifying harmful rumors, events and stories.

Marketing communication acts as a “bridge” between the company or the brand and the consumers. It is one way, directly or indirectly, to inform, persuade and remain consumers. In addition, marketing communication is used to build conversation and relationships with customers. Marketing communications are a way to link everything together, place, people, events, brands, experience, feelings and things. By setting the brand image, customers remember the company with certain image. The communications can contribute to the brand equity. Hence, it can boost the sales and perhaps eventually affect the shareholders’ value (Kotler et al. 2009, 434); the figure 2.7 shows the connection between marketing communications programmes and the brand
equity. Brand equity is contributed by brand awareness, brand image, brand responses and brand relationships.

Figure 2.7 integrating marketing communications to build brand equity. (Kotler et al. 2009, 434)

Referring to tourism and hospitality industry, Kotler extended the concept of brand from product to destination as well. Konecnik and Gartner (The brand equity of touristic destinations-the meaning of the value. Retrieved 15.04.2012) proposed four directions that can be applied to brand equity of a destination: awareness, loyalty, image and quality.

- Awareness: It is essential for a brand. Applying to tourism field, a place that can be contextually known because it is considered as a potential travel destination.
- Image: To build up the brand so that people can identify the destination.
- Loyalty: It is referred to the repeated or recommended visitors.
- Quality: It is a key dimension of brand equity. It involves a lot of maintenance effort in it. Quality level can be kept or increase by controlling the “offer” from the destination, such as hotel service quality and tour service. It is consumer-based concept and consumers’ view may differ from one to another.

There are many modes for communication, and they are common communication platforms in marketing. The communication tools are introduced in the following paragraphs (Kotler et al. 2009, 436).

Advertising is generally included all the print and broadcast advertisements, motion pictures, posters, leaflets, booklets and brochures, billboards, symbols and logos. These tools are mostly printed and physically exist with visual display.

Sales promotion is about sales event. For example, contests, coupons, games, lotteries, premiums and gifts, fairs and trade shows, exhibitions, continuity programmes and tie-ins.

Public relations are the one of the tools which actually builds up relationship directly with customers. This includes press kits, seminars, publications, community relations identity media and company magazines.

Direct marketing is another tool that help company build up relationships, the main difference between direct marketing and public relations is addressing the customers. Direct marketing can be able to straight address customers by e-mails, letters and telephone calls. In additions, direct marketing includes catalogs, mailing, telemarketing, electronic shopping, fax mails, e-mails, blogs and web sites.

Word-of-mouth is a marketing tool that relies on recommendations between people. It includes chat rooms, blogs. It is a person-to-person approach.

Personal selling also involves the interaction between sellers and buyers, like public relations. Personal selling includes sales presentations, sales meetings, incentive programmes, samples, fairs and trade shows.
Building relationship with customers is the newest marketing trend after use of mass media tools. It is more up-to-date and defined micro market. Companies need to keep being informed of customer needs and customize the offerings in order to be more concentrate on a particular target group.

Furthermore, more companies are acquiring a concept called integrated marketing communication (IMC). It means that a company carefully joins up different communication channels to transfer a clear, coherent and persuasive message about the product, brand or the organization. IMC goes to a total marketing communication strategy directed to evolve a strong customer relationships when showing how the product or company can help them solve their problems or satisfy their wants (Kotler et al. 2010, 361).

To develop an effective and efficient communication can transfer the message to the right people with right communication tools, it is more efficient and it can eventually save much effort on doing meaningless or time-wasting work. There are six steps in forming a good marketing communication (Kotler et al. 2010, 362-372).

1. Define the target audience: marketers need to find out the target group that will interest in the product or service, so that the message will be meaningful to them and the media that they will understand.
2. Determine the communication objective: Most of the cases search for purchase in their objective. However, a purchase is a long process in decision making. It is important to understand what is the relation between target audiences and the product, to know where the state of the target audience, and how far until is they decide to purchase.
3. Design the message: Communicators need to design the message content, message structure and message format in order to have a desirable quality of a message.
4. Selecting communication channels: There are two broad types of communication channels, personal communication channels and non-personal communication channels. Personal means two or more people communicate directly with each other, having direct reactions. It can be face-to-face, telephone calls, seminars, or even by mails. Non-personal
communication channels mean message communicated through media without personal or direct feedback.

5. Selecting message source: The source of messages influence the trust from target audience, messages with highly believable source are convincing and persuasive. There are three factors are used commonly to give a message credible source. They are expertise, trust-worthiness and attractive source.

6. Measuring the results of the communication: after the message is sent, the communicators need to evaluate and review the effect of the message on the target audience. It helps communicators to understand if the message is effective and what is audiences’ response for it. (Kotler et al 2010, 362-372)

2.2.5 Other Ps

Apart from product, price place and promotion, the basic marketing mix, there is an extended version for marketing introduced by Booms and Bitner in 1981. The extended marketing mix includes people, physical evidence as well as process. This new extension is introduced because Cooms and Bitner argues that the basic marketing mix is not comprehensive enough to cover the marketing aspect in hospitality and tourism industry (Cooper et al, 2008, 606-607).

People, physical evidence and process are the elements for the extended version for marketing mix. “People” includes all direct and indirect people that involved into the product and service. They bring a crucial influence on the total product (Value Based Management. Retrieved 24.04.2012). People can be divided in to two categories, personnel and other customer. Personnel include the commitment, incentive, interpersonal behavior, attitudes, appearance and training of the employees, other customers can be the behavior, degree of involvement and customer-and –customer contact.

Furthermore, physical evidence can be a tangible or intangible good and environment that improve the performance of the service and product (Value
Based Management. Retrieved 24.04.2012). For example, the color, furnishings, layout, noise level and facilitating goods involved in a holiday trip.

Moreover, Process refers to the procedure, mechanisms and flow of activities among the organization that influence the marketing management process. In addition, it also regard to how services are consumed (Entrepreneur, retrieved 23.04.2012). For example, employee discretion, policies and procedures that are followed.
3 CONSUMER BEHAVIOR IN TOURISM

The knowledge of consumer behavior plays a key role in supporting all of the marketing activities which are applied for developing, promoting and selling tourism products. Therefore, efforts have to be made to know how consumers make their purchase decisions, if the purpose is to optimize the efficiency and effectiveness of these marketing activities. In addition, it helps to target at the right people at a proper time with a specific tourism product when tourist behavior patterns are understood. Moreover, a good way to persuade the targeted people to choose a certain product can be developed accordingly to meet their special needs and wants. Hence, successful marketing activity is crucially based on the understanding of consumer behavior (Swarbrooke et al 2007, 3).

Swarbrooke et al (2007, 7) paid attention to the definition of consumer behavior by several other references and concluded that the processes involved in consumer behavior are so complex that instead of a single text definition, it is better to demonstrate with some of the most influencing elements.

3.1 The motivators and the determinants

According to Swarbrooke et al (1999, 74) the decisions concerning on choosing a holiday can be:

- Where the destination is?
- What type of transportation?
- What level of accommodation?
- When to take the holiday?
- Package tour or independent one?
To make a decision on purchasing a tourism product, the tourist needs to feel like to purchase a particular one and has the ability to make the purchase happen. They are so called “the motivators” and “the determinants” concerned in the purchase decision-making process of consumer behavior in tourism (Swarbrooke & et al 1999, 51). They are the initiative and fundamental factors in understanding consumer behavior.

The motivators are the factors which motivate, encourage, cause, or stimulate the tourist to expect to purchase a certain product (Swarbrooke & et al 1999, 51. and Cooper, Fletcher, Fyall, Gilbert & Wanhill 2008. 45).

Every individual is unique and so are the motivators for the individual tourist. Some of the major ways of classifying motivators in tourism are discussed as follows.

Hudson (1999, 9) introduced Mannel and Iso-Ahola’s model (see Figure 3.1) which indicates that the motivation to travel is to escape the personal or interpersonal environment and to receive personal or interpersonal rewards. The personal rewards include for example learning, exploration, and relaxation; interpersonal rewards come from social interaction. It somehow reflects the definition of tourist mentioned in the Introduction Chapter that tourists leave away from their “regular” residence place although what they are seeking can be greatly different.

![Figure 3.1 the escaping and seeking dimensions of motivation model by Mannel and Iso-Ahola (Hudson 1999, 10)](image_url)
According to Swarbrooke et al (1999, 55), there are six primary motivators for the individual tourist. They are introduced and discussed as follows:

The motivator of personality may decide what type of a trip a person might choose depending on whether the personality is adventurous or cautious, confident or shy. It can be the reason that people choose to explore a foreign country alone or travel with a group of people following a fixed schedule avoiding contact with local community.

The lifestyle motivator involves, for example, whether they are fashionable, living alone, or concerning much on their health. The world famous fashion center such as New York or Paris always attracts people following the latest trends, and a hotel spa will often be booked by people who care about their health.

The motivator of past experience can be both positive and negative for a tourist on a particular type of holiday. The experience can be direct or indirect. For example, some good or bad experience told from friends or comments shared on the internet may sometimes help to make decision to take a trip or cancel it. Another example can be the tourist's own personal past experience – if last time's beach trip was very satisfactory, the chance of another beach trip might be relatively high in the future.

Past life is also a motivator affecting the desire for a certain trip. For example, when people miss the place where they had the honey moon or other important memories in their life, so they probably they will arrange a trip to the same place later.

Perception of their own advantages and disadvantages is among the motivators influencing individual tourist. Most of the time, people know well about their abilities and potentials which will drive or encourage them to start a particular trip.

Last but not least, the motivator of image is connecting to how other people think about them. For example, mountain climbers would like to be considered and described as explorers.
Furthermore, Cooper et al (2008, 47) considered McIntosh, Goeldner and Ritchie’s four categories of motivation as one of the key approaches. They are physical motivators that refresh body and minds, relating with tension-reduce activities, for example, to stay away from the busyness and bustle of city life, or to have a break from one’s work; cultural motivators are driven by the expectation to understand and experience other cultures and also to know about their various types of lifestyle, art, dance, and so on; interpersonal motivators are stimulating the activity of visiting friends or relatives, meeting new people, and for some spiritual reasons; status and prestige motivators concern more about education, personal development for example personal hobbies or learning new things through a tour. Based on this approach, the holiday destinations or activities can be a countryside sightseeing trip for physical relaxation, travelling abroad to experience another culture, visiting some historic or religious celebrities’ sites to satisfy the spiritual needs, a geopark tour to gain some knowledge about nature and culture, or a skiing resorts would be an ideal destination for enjoying this hobby.

In conclusion, obviously, the motivation to travel is based on a large range of factors, and most of the time there are more than one factors cooperating together to have the final effects when people are making purchase decision in travelling.

The determinants decide to what extent the tourist is able to purchase the product they desire (Swarbrooke & et al 1999, 51). They are divided into two categories: personal determinants and external determinants (Swarbrooke & et al 2007, 62).

Figure 3.2 illustrates the personal determinants of tourism behavior in four types: circumstances, knowledge, experience, and attitude and perceptions. And each one has several aspects. For different individual tourists, some determinants are considered more important or unique than others depending on their principles and personalities even they choose the same holiday destination; for the same person, it is impossible to be aware of all of the determinants, and the proportion of importance of each determinant will change according to the
status of age, family situation and his or her tourist experience (Swarbrooke & et al 2007, 63).

<table>
<thead>
<tr>
<th>Circumstances:</th>
<th>Knowledge of:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Health</td>
<td>• Destination</td>
</tr>
<tr>
<td>• Disposable income available</td>
<td>• The availability of different tourism products</td>
</tr>
<tr>
<td>• Leisure time</td>
<td>• Price differences between</td>
</tr>
<tr>
<td>• Work commitments</td>
<td>• competitor organizations</td>
</tr>
<tr>
<td>• Family commitments</td>
<td></td>
</tr>
<tr>
<td>• Car ownership</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Attitude and perceptions:</th>
<th>Experience of:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Perceptions of destinations and tourism organization</td>
<td>• Type of holidays</td>
</tr>
<tr>
<td>• Political views</td>
<td>• Different destinations</td>
</tr>
<tr>
<td>• Preferences for particular countries and cultures</td>
<td>• The products offered by different tourism organizations</td>
</tr>
<tr>
<td>• Fear of certain type of travel</td>
<td>• Taking a trip with particular individuals or groups</td>
</tr>
<tr>
<td>• How far in advance to plan and book a trip</td>
<td>• Attempting to find discounted prices</td>
</tr>
<tr>
<td>• Ideas of what constitutes value for money</td>
<td></td>
</tr>
<tr>
<td>• Their attitude to standards of behavior as a tourist</td>
<td></td>
</tr>
</tbody>
</table>

Figure 3.2 personal determinants of tourist behavior (Swarbrooke & et al 2007, 63)

In terms of the external determinants, Swarbrooke et al (2007, 64) suggested that they include: global, political, economic, social and technological factors with example of visa requirement by the destination country or airport taxes and other fees compulsory to be paid; national, society-wide, political, economic, and technological factors involve some national policies affecting tourism activities or the income level determining how much budget for a trip can be; the influence of the media includes travel media and non-travel media as an article in National Geography and BBC website from different reporting view may have similar influence on tourist’s decision; the marketing activities of the tourism industry, for example promotion by travel agencies or last-minute discount flight
ticket may trigger the final purchase; and last one, views of friends and relatives also can influence people's decision.

It has to be pointed out that many determinants mentioned above can have either positive or negative effects on realizing the travelling desire (Swarbrooke & et al 1999, 65). They can either encourage people to travel or prevent the trip happen.

There is the fact that the purchase decision on tourism product is the result of a complex process (Swarbrooke & et al 1999, 73), and the research on consumer purchase behavior has been diversified and growing considerably (Cooper et al 2008, 54). Additionally, the decision of purchasing a tourism product will be influenced by different types of elements and the process of purchasing will be conducted with the involvement of the above-mentioned motivators and determinants. Besides, the current trends of digital marketing and the influence of the internet should not be ignored when studying and understanding consumer behavior in tourism.

### 3.2 Typologies of tourists

There have been diversified ways for the typologies of tourists since the early 1970's. One of the earliest and the most famous way was described by Cohen in 1972, suggesting a four-type classification of tourists which is still meaningful in nowadays’ situation, as follows (Cooper et al 2008, 51, Hudson 1999, 11 and Swarbrooke et al 1999, 86):

The organized mass tourists who purchase a package tour to a popular destination, and follow a predetermined schedule; the individual mass tourists are those who have more personal choices in flexibility but still depend on the tourism industry; the explorers would like to organize a trip independently and consciously avoid contacting other tourists, but still seek comfortable accommodation; the drifters avoid connection with the tourism industry, try to keep away from home and familiarities, and travel without fixed itinerary in order to experience local life. In addition, Cohen identified the first two types as
institutionalized tourists who are less adventurous and prefer the comfortable routines provided by the tourism industry; the other two were described as non-institutionalized tourists who are pioneers exploring new destinations and shunning connection with the tourism industry (Cooper et al 2008, 51 and Swarbrooke et al 1999, 87).

The practical meaning of Cohen’s classification is that the tourism industry can focus on those institutionalized tourists when doing marketing activities and finding the proper segments from them.

Coccossis & Constantoglou (2006. Retrieved 11.04.2012) from Greece have studied over ten popular typologies in their report and each typology has its own aim and criterion to produce tourist types. From the study, they compared each type and have made conclusion that three major types of tourists can be generated as shown in Figure 3.3. The “impacts intention” in the table below refers to the level of impact by tourists on the social-economic system and the environment in the destination.

<table>
<thead>
<tr>
<th>Type</th>
<th>Destination preferred</th>
<th>Impacts intention</th>
<th>Contact with the local community</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lonely travelers</td>
<td>Pioneer resort</td>
<td>Small</td>
<td>High</td>
</tr>
<tr>
<td>Tourists traveling in small groups</td>
<td>Popular</td>
<td>Medium</td>
<td>Medium</td>
</tr>
<tr>
<td>Mass tourists</td>
<td>Famous</td>
<td>High</td>
<td>Small</td>
</tr>
</tbody>
</table>

Figure 3.3 General models of tourist typologies (Coccossis & Constantoglou 2006. Retrieved 11.04.2012)

As a part of tourist behavior, the study of tourist typology enables the identification of different sort of tourists which may make a contribution in tourism marketing for the potential customers, and also provides some support in the possible marketing segmentation.
3.3 Segmentation of tourism market

It will be more effective and efficient to market a tourism product when the targeted segment is clear and proper. Therefore, market segmentation should be investigated accordingly.

Swarbrooke et al (2007, 91) introduced the definition of market segmentation made by Dibb et al, suggesting that market segmentation is a technique to divide a whole market into clusters of people with more or less similar needs in order to provide a marketing mix of a product or service to meet the segment’s needs.

The most classic method of market segmentation is to subdivide the total consumer group based on four different criteria namely geographical, demographic, psychographic, and behavioristic segmentation, which is also applicable in the tourism industry. They will be discussed separately with examples in tourism as follows (Swarbrooke et al 2007, 92):

Geographical segmentation includes features of customer’s location, region, urban or rural area, or even climate. People would like to travel to a place which is different from where they live. For example, people from cool climate usually prefer warm places as their holiday destination, or city residents are more willing to visit rural area for pleasure (Swarbrooke et al 2007, 92).

Demographic segmentation is based on customer’s age, gender, religion, income, as well as occupation; language and the stage in family life cycle are special factors used for tourism industry (Swarbrooke et al 2007, 93). When doing marketing activities, consideration has to be put for people in different stage of family life cycle.

Psychographic segmentation involves elements such as customer’s lifestyle, attitudes, opinions, and personality. Examples in tourism industry can be that bungee-jumping site targets at “thrill-seekers” and people who desire of a healthy lifestyle are a good target market for health spa and natural parks (Swarbrooke et al 2007, 94).
Behavioristic segmentation is including several variations and each one has its own contents (see Figure 3.4). One of the examples in this part is that regular users of an airline are encouraged by its Airline Frequent Flyer Programs (Swarbrooke et al 2007, 95).

In addition to the classic approach on general market segmentation, there are some tourism-specific methods of segmentation. One of them was introduced by Middleton (Swarbrooke et al 2007, 96) that to segment the tourism market on the basis of six criteria: purpose of travel; buyer needs, motivations and benefits sought; buyer and user features; demographic, economic and geographic factors; psychographic concerns; and price. Obviously, price and purpose of travel have been added if compared with the classic method which means that these two factors should be considered as important especially in the tourism industry.

Clear and proper market segmentation will be greatly helpful with a successful design of the marketing mix tools in tourism industry. Besides, it has to be noted
that successful marketing is not built on the basis of one way of segmentation alone; a mix of various tools would have a better effect (Swarbrooke et al 1999, 100).
4 RESEARCH METHOD AND EXECUTION

As discussed in Chapter 1, qualitative research method is used for the whole thesis. One of the most important features of qualitative research is the flexibility, since it involves mainly “open-ended” questions and the participants may feel free to express their opinions in greater details (Qualitative research methods overview. Retrieved 03.05.2012).

As one of the most common qualitative research method, interview is an appropriate way to collect information about people’s own perspectives and personal experiences (Qualitative research methods overview. Retrieved 03.05.2012). The interview considers seriously the view that people are familiar with their own experience so that they have the ability of reporting their ideas on a specific phenomenon. If interviews can be arranged with different people about the same event, a range of perspectives can be obtained eventually (Darlington & Scott 2002, 48). Besides, the way of interview is especially useful when the event under research cannot be observed directly (Darlington & Scott 2002, 50). Due to the time limit of this thesis and geographic barrier, it is impossible for the authors to make observation or have any direct contact with the potential tourist group. Therefore, interviews are designed for those professionals who have experience in tourism marketing and international tourism.

Attempts have been made to contact as many professionals as possible for the interviews, and invitations have been sent through emails in April and May to the tourism experts in Rokua Geopark, VisitFinland organization, Hong Kong Geopark, Hong Kong Tourism Board, the largest travel agency in Hong Kong, a travel agency specializing in eco-tourism and nature tourism in Hong Kong, and also several other Hong Kong local travel agencies dealing with Nordic tours. However, before the second seminar of this thesis started (on the 14th of May), there were only responses from Rokua Geopark, and the eco-travel agency in Hong Kong to agree with the possibility to have the interview. Hong Kong
Geopark replied that there was no information available on the perspective of tourists from them.

About the interviewee, Hong Kong eco-travel agency, it was searched and found from the internet, knowing that it has been arranging many eco tours to Mainland China, Asia, North America, South America and Africa. Eco Travel Limited is an eco-travel agency from located in Hong Kong, organizing different kinds of eco-tours in Hong Kong and overseas. It has many types of eco-tours; wildlife eco-tour, marine life tour and geo-tour are some of its eco-tours. Eco Travel Limited is aim to increase the awareness of environmental protection and promote global sustainable tourism. It provides an opportunity to tourists experience, understand, appreciate and finally, care about the nature. It wants to provide great customer service and use its professional tour guide to transfer environmental friendly messages (Eco travel limited. Retrieved: 20.04.2012). Therefore, we tried to contact the agency through emails, then the contact information of its Marketing & Corporate Communications Manager was provided, and she accepted our invitation for the interview.

To interview the marketing executive from Rokua Geopark and a travel agency from Hong Kong can have more information about tourism marketing in practice, from both Finnish marketer’s perspective and Hong Kong marketer’s perspective. Including these practical information from the professionals, marketing solutions can be planned in comprehensively, consider and generate both local and Finnish marketing challenges and opportunities. Besides, the Eco-travel agency may provide information on the tourist profile of those people who are interested in nature tourism and geo-tourism.

The form of interviews shall different according to the organization. For Rokua Geopark, interview was done in face-to-face so that more interaction would be involved; discussion could go deeper as it goes as well as more additional information would be given during the interview. For the Hong Kong eco-travel agency, interview was held through email as requested by its marketing director, questions were mostly open-ended so that the travel agency can give comment and answer whatever they would like to. Opened question helps interviewer in receiving for information, as limitation is less on answering.
In addition to the interviews, desktop research was used. The idea to do a desktop research appeared during the question design process for the interviews. When the authors were browsing Eco Travel’s website, finding that a Kenya national park tour was fully booked, so it was considered as a successful and popular tour among Hong Kong tourists; besides, this tour is a nature based one, similar to the geopark packages tour, therefore, studying the Kenya tour might provide some insights for the geopark tour in planning.
5 RESEARCH RESULTS

The research results are presented in three separate parts, including the findings in the interviews with Rokua Geopark and the answers from Eco Travel in Hong Kong, as well as a desktop research of a successful Kenya national reserve park tour in Hong Kong market.

5.1 In-depth interview with Rokua Geopark

The interview was arranged in Rokua Geopark office in Oulu, Finland on the 4th of June, 2012. The interviewee was Vesa Krökki, the marketing executive of Rokua Geopark, who was very cooperative and willing to provide as much information as possible. The questions asked in the interview were drafted according to the theoretical part in this thesis which were mainly focused on the marketing operations that might have for the tour in the future, and it can be found in the appendix 1.

As mentioned before, the geopark packaged tour will be organized together by Rokua Geopark in Finland, Gea Norvegica Geopark and Magma Geopark in Norway and Katla Geopark in Iceland. Although the detailed schedule and many other issues are still under consideration, several other aspects of the tour are clear to be told.

According to Vesa Krökki, generally speaking, this tour will provide a great view on the Nordic geoparks by offering the chance to experience some magnificent areas not for the mass tourism and also to learn about the special local culture and local people. Since geology is basically the baseline of a geopark tour, culture, history, heritage and the well-being of local people in the surroundings of these three Nordic countries are the added value of the geopark packaged tour. It is not designed for the tourists in general but for experienced tourists
who are interested in unique nature and other culture, like sustainable travelling, and willing to experience something that normal tourists are not able to do.

In terms of the tour itself, it would take about one week to ten days. Summer (from May to September) is the most ideal travelling season as it is the best time for sightseeing and there are more activities available than in winter time, but depending on the tourists’ needs the tour can also be arranged in winter for example in February or March. The activities during the tour would be sightseeing on the geological features, and some seasonal activities, for example skiing and husky riding in winter, or hiking, kayaking, cycling and so on in summer time. Of course, there will be some spare time for tourists to explore the area by themselves. This is the core product of the tour. As facilitating product, good-quality hotels and restaurants in the destination countries will offer services for the tourism group. Three meals will be offered everyday including good-quality local seasonal dishes and also Chinese food. Flights will be the major way of transportation to connect Hong Kong with three Nordic countries, and tourism buses will be used from the airport to the geoparks. In order to optimize the service, the maximum size of the travelling group for this tour is 30 people. English will be used as guiding language, but depending on the language condition of tourists, a guide speaking Cantonese will come along with the group as translator if necessary.

The price or the price range for the geopark packaged tour has not been decided yet, but basically the price will be set up on the basis of cost plus a slight profit.

As Vesa Krökki described, travel agencies in Hong Kong will be the only distribution channel that customers can book for the tour, and it would be reasonable and easy to organize the tour through local travel agencies.

As for the marketing communication, there will not be a large amount of budget prepared since the communication target at the beginning is local travel agencies in Hong Kong, and the objective is to rise up the awareness of the Nordic geopark tour among those travel agencies so that this tour will be included in their service range in the future. Therefore, communication channels will be carefully selected. The main message in marketing communication has
not been designed yet, but the key words may include sustainable tourism, unique experience with Nordic nature and culture, tourism products under the UNESCO, and away from the mass tourism. The name of the tour at the moment is “Nordic Geopark Tour” which might be changed later, but the brand image will be built as a unique explore in Nordic nature and culture. In terms of communication channels, the Global Geoparks Network is considered as a special way that the members in the networks are cooperating to some extent. Since the three Nordic geoparks and Hong Kong Geopark are the members in the network, leaflets about the Nordic geopark tour can be presented and distributed in Hong Kong Geopark. Besides, the airline company Finnair has an existing list of contact with Hong Kong local travel agencies which can be shared and utilized because Finnair shows interest in participation as a part of the Nordic geopark tour. Furthermore, from previous experience in Germany market, articles in travel magazines might be another effective and low-cost channel.

The well-trained local guides and guide from Hong Kong will be the main service people for the tour. In addition, other local people will also participate in the service, for example staff in hotels and restaurants, activity coordinators, etc. Facilities will be provided when necessary, for example the individual guiding set, brochures in Chinese language, and so on. As members in geoparks network have common standard for quality, the service person training will be execute accordingly so that service level and process can be ensured through the whole trip in the three destinations.

Adaptation for Hong Kong tourists will be paid attention when the tour is discussed in details among the three geoparks, but so far, they have not considered that much.

5.2 Email interview with Eco Travel in Hong Kong

The second interview was conducted in format of questionnaire through email with a local eco-travel agency; it is a local Hong Kong travel agent organizing
many eco tours in Hong Kong, to China and other places around the world. The question email was sent on the 20th of May, however, due to the interviewee’s busy schedule, the answers were received on the 4th of June. The interviewee is the Marketing & Corporate Communications Manager who provided useful information on defining market segmentation and cooperative during the process. Questions in the questionnaire were based on the theoretical part in chapter 2 and 3, enclosed in the appendix 2 session.

Questions were classified in different categories including customer profile, marketing operations and adaptation. In terms of the general information of its customers, the age range is very large from 8 to 70 but most of them are 25-55 year old people. Female is the most popular gender than male. Education field and retired people are the common career for its customers. Customers are in the middle to high-income level. In the most of the time, people join the tours with friends or family. Surprisingly, 50% of their customers are repeated user; they re-purchase after the first experience.

Regarding to the marketing operations, questions were focus on the overseas tour for Hong Kong customers in order to gain a general image of the basic elements in overseas eco tour for Hong Kong tourists. The average price of a tour is around 20,000 Hong Kong Dollars, equal to about 2000 EURO. This agency uses cost-based pricing strategy to set up the price for a tour. A certain profit margin is added after all the costs included. With regard to marketing communication, the eco-travel agency does not put much budget on it; tourism information is usually transferred through its own monthly e-newsletters, some free seminars and few co-marketing events the reason is that in their opinion ecotourism does not target on the general public, so the special approaches were chosen. Therefore, the target group focuses on those people who love nature, bird watching and photography.

To gain more information on the services of the eco tours provided by this agency, the most popular tour was asked and it shows that the guided tour in Hong Kong Geopark is the most frequently organized one as demanded by customers. The tour is mainly guided by an eco-tour guide with less than 30% free time for own activities. The tour includes one meal, and food is local and
indigenous food. As the most popular tour is guided tour in Hong Kong Geopark, the guiding language certainly is Cantonese. However, Mandarin, Japanese and English are available in the tour. As for an oversea tour, an expert or interpreter, certificated outbound tour escort from Hong Kong and a professional eco-guide from the target destination are involved in guiding service. The certificated outbound tour escort makes sure that he/she is able to understand and transfer the message or introduction of what local expert said. The guide and participant ratio is 1:25, however, maximum people in each tour is less than 50 if guiding language is Chinese, for both Cantonese and Mandarin. When interpretation is needed, group size will be decreased to less than 25. It is because eco-tour or geo-tour needs many explanations and guiding service, too many people in a tour affects the quality of service.

In terms of adaptation, the eco-travel agency’s overseas tours mainly focus on outdoor activities; therefore, the weather, equipment and vaccinations are concerned most among Hong Kong tourists.

In the end, the agency showed interest in getting more and transferring information on the Nordic Geopark tour.

5.3 Desktop Research of a Kenya wildlife tour by Eco Travel Limited

Kenya wildlife tour is a wild life experience tour aims to provide a trip to Africa as an ecological study trip. Tour is in August, with a period of seven days. Tourists go to Nairobi, Samburu National Nature Reserve Park, Mount Kenya National Park, Maasai Mara National Park and so on. Activities are balanced between learning and entertaining (Eco travel limited. Retrieved: 09.06.2012).

The whole tour costs 46000 Hong Kong Dollars, around 4800 in euro, including rounded trip flights tickets, shuttle bus service, all national parks entrance tickets and professional guiding service. Travel insurance is not included in this price. Tips are not accepted during and after the tour. Although the price of Kenya tour is high, it was still fully booked 3 months before August. Therefore, it
should be considered as a successful tour in eco-tourism (Eco travel limited. Retrieved: 09.06.2012).

Enquiry was sent to Eco Travel Limited, asking for more detailed information about promotion. Monthly newsletter is sent through emails or mails to members or ex-customers for updating its service and tour information. Due to the limited budget, Eco Travel Limited does not have many mass media advertisements but it sometimes has co-marketing events. Kenya wildlife tour is promoted on its own website, which is cost saving and use of Internet (Eco travel limited. Retrieved: 09.06.2012).

Eco Travel Limited is the only agency, which sells the tour. Two professional local tour guides in charge of the tour, one is professional ecological teacher who expert on birds and animals, another one is a certified outbound eco-tour guide. In addition, a tour guide from Kenya meets the group there (Eco travel limited. Retrieved: 09.06.2012).
6 CONCLUSION

The aim of this thesis was to discover the potential customer group and marketing operations for the Hong Kong market for a Nordic Geopark packaged tour. Therefore, the theoretical research of the thesis focused on tourism marketing as well as the tourism segmentation so that the research question can be answered in the end. Tourism marketing section helps develop a set of possible marketing operations which can be applied for the Hong Kong market to attract local people to purchase the Nordic Geopark packaged tour. Tourism behavior theory offers a background of factors affecting consumer decision in tourism in order to have a better understanding on the approaches of customer segmentation. On the other hand, empirical research was done by qualitative method including interviews and desktop research analysis. The questions for interviews were structured and designed according to the theories introduced in the thesis.

Theoretical part began with the tourism marketing. Firstly, definitions of tourism from different organizations were mentioned. Understanding the basic definition of marketing, “Tourism” and “Marketing” were connected to clarify what is tourism marketing in hospitality and tourism industry. It is important to understanding the connection between traditional marketing and tourism industry since there are differences between service marketing and product marketing. Secondly, customer value is applied in the theoretical part. In order to find out the core value so that marketer can make a better plan for Hong Kong market.

According to the marketing director in Rokua Geopark, Vesa Krökki, 90% of the visitors are Finns. It faces a challenging situation of lack of international tourists. Therefore, Geopark expects to attract more people from other parts of the world, especially in Asia, regarding to the high population. China has the highest population in the world, however, people are requested to have travel visa to enter Europe. This causes hesitation for the Chinese. In Hong Kong, citizens enjoy visa free for entering Europe and have more experience in travelling
aboard that is the reason why Rokua Geopark targets on Hong Kong market, as a first step for attracting Chinese visitors.

The customer value of the Nordic geo-park packaged tour is the experience of Nordic culture and the enjoyment of its pure and unique nature. As there is no competitors in this geo-tourism field, Nordic Geopark Tour can gain most of the benefit. However, Nordic or Scandinavian tours exist in the market for some time and the cost of the Nordic Geopark Tour will be expensive due to varied costs. People may consider normal Scandinavian tours, the general mass tourist tour, instead of the Nordic Geopark Tour. Thus, a clear customer value to emphasis what is the core value, which can be differentiate itself, would be beneficial to the Nordic Geopark Tour.

Regarding to the marketing operations, the product will be different in summer and winter, because of the weather. In summer, more outdoor and sightseeing activities can be included in the tour. On the contrary, seasonal activities, such as skiing, can be developed in the tour. Activities should be different between Norway, Finland and Iceland, to keep the excitement for the tourists. Repeated activities may cause dissatisfaction. Through the desktop research tour, Kenya wildlife tour, activities in Nordic Geoparks Tour should be educating and entertaining as the same time. Too much educating activity would make the trip like a lesson; “Fun” should always be included.

The core product of this tour is unique experience of pure Nordic nature and original local culture, history and heritage in Finland, Iceland and Norway. In addition, pre-booking service for all activities, meals and transportation can be facilitating product that assists the tour operates. Furthermore, Nordic geology sites and the professional guiding are the supporting products that are different from others Scandinavian tours since this Nordic Geoparks tour does not have direct competitors indeed. Moreover, regarding to augmented product, the pre-trip briefing that organized by Hong Kong travel agents and their follow-up service would be augmented product. They help understand participants’ demand and improve the interaction, atmosphere of the trip.

The Nordic Geoparks Tour is a new geoparks tour cooperates with others two Nordic countries in the market; it is in the development stage of product life
cycle at this moment. Once it starts selling in the market, it moves forwards to introduction stage.

Accommodation is always included in a package tour, so as the Nordic Geoparks Tour. However, Hong Kong people have a habit in staying in hotels. When arranging the rooms for Hong Kong tourists, try not to give them the last room in one hallway. Some people refused to stay in the last room or try to change them because of superstition. They believe that it has a bigger possibility to have bad spirit in the last room.

In terms of price, although there is no exact price from Rokua at the moment, it will be cost-based pricing. The final price will include all the costs that the tour costs, such as transportation, accommodation, activities costs, staff salary, marketing, administration and so on. Apart from this, cost-based pricing includes a certain profit margin in it. Since the costs of Nordic Geoparks Tour will be quite expensive according to the transportation cost between Hong Kong, Finland, Norway and Iceland is high, the profit margin should not be marked high at the beginning. Too high price will face difficulties that no tourists want to try. In Hong Kong, tour guides may get tips for part of their salary, it is essential to decide that if the tour guide for Nordic Geoparks Tour will get tips. Pricing adaptation perhaps would be a consideration for Rokua Geopark and its partners. Referring to the Kenya Wildlife Tour from Eco Travel Limited, tips are not accepted. It is reasonable and applicable in geo-tour since the tour fee is higher than mass tourism tour. In Eco Travel Limited's tours, they do not accept tips in all of its tours. Not accepting tips can build up an educating tour image instead of profit making image. This is what can be a reference for Nordic Geoparks Tour.

Travel agents is the only distribution channel mentioned by Vesa Körkki, so Nordic Geoparks Tour can be sold in different travel agents in Hong Kong, staff in travel agents provide information on the tour and act as sellers, trying to persuade potential customers to purchase the tour. There is no doubt that more distribution channel can attract more customers and perhaps to spread the marketing share in long run. However, targeted customers are not general public, more distribution channel does not mean that more customers indeed in
this case. Increase on distribution channel may raise the cost for the product. Using local travel agents can avoid and prevent many mistakes that may cause, such as legal issue and locals’ preference. They understand and have better knowledge about the market and perfect information is costly. Therefore, travel agents maybe the most effective and direct distribution channel for the tour, they can provide a full service for booking and transferring information about the tour.

About marketing communication, the communication massage can emphasize on the unique experience of Nordic nature and culture. Because of the limited budget of Rokua and its partners, there is less possibility on doing big marketing event and mass media advertising. Therefore, the way of marketing communication should be more practical and realistic. Suggestions are as follows. It is necessary to continue the good practice as distributing leaflets through the Global Geopark Networks, namely Hong Kong Geopark, utilizing Finnair contacts for Hong Kong local travel agencies, and also seeking possibilities to publish articles on local travel magazines. Besides, since Eco Travel agency showed interest in the Nordic geopark tour, it is possible to cooperate in the future and use its own channels such as monthly e-newsletter, seminars for promoting the tour.

There is Travel Expo in Hong Kong every summer, visitors go there seek for package tour or flight tickets with reasonable price. There are many tours for different travelling reasons. People go there for searching travel information as well as purchasing tours. It offers a good opportunity for promoting Nordic Geoparks Tour. It reaches a wide range of customers, cost for joining the exhibition would not be high as the expo is organized and sponsored by government.

In addition, if the geoparks gets more budgets on marketing, hiring a professional PR company would be a good way for social media marketing. PR companies have good knowledge on marketing, and they have a good network for doing it. They can find popular bloggers, magazine editors and organize campaigns for the tour. Social media is a new, low-cost and powerful marketing method nowadays. Bloggers get trials for products and services, they write
reviews and recommendations on their personal blogs after trying. They act as influencers in this situation, to give people information and user experience, perhaps persuade readers to purchase. Magazine editors in fact do the same job through more traditional tool.

Referring to the service marketing mix, people, process and physical evidence, there are not that many related to this packaged tour. However, people is one of the most important elements among all included in this tour. A professional geo tour guide is a key for a successful geo-tour. She/he provides professional information and data to tourists about the nature, geology knowledge and answers tourists’ question. Without a doubt, good tour guides can minimize a lot of dissatisfaction from customers. Managing and handling matters professionally and efficiently can improve and change the atmosphere and satisfaction of a tour. In adaptation, tour guides of Nordic Geoparks Tour should understand what do the tourists want to know and what they are interested in about the tour. In Nordic Geoparks Tour case, it is difficult to define the physical evidence; this P is more applicable in restaurants and hotels aspect. In a tour, the flow for each part and activity is highly connected to customer satisfaction. The smoother of the tour management flow, the higher the satisfaction is. Hence, the last P of service marketing mix, process, would be another important component for the tour. In the packaged tour, it is better to ensure and confirm the details in advance, to ensure customers’ information for hotels, restaurants and included activities so that it shorten the waiting time and minimize the dissatisfaction.

<table>
<thead>
<tr>
<th>Age range</th>
<th>8-70, mostly 25-55</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>females more than males</td>
</tr>
<tr>
<td>Occupation</td>
<td>education or related industries, and retired people</td>
</tr>
<tr>
<td>Income level</td>
<td>relatively middle to high level</td>
</tr>
<tr>
<td>Family stage</td>
<td>single, or couple with kids</td>
</tr>
<tr>
<td>Travel habits</td>
<td>travel with friends or family</td>
</tr>
<tr>
<td>Other features</td>
<td>like nature, bird watching, and photography</td>
</tr>
</tbody>
</table>

Figure 6.1 Customer profile from Eco Travel Hong Kong
Last but not least in the conclusion, to answer the research question “what kind of people in Hong Kong might be interested in the geopark packaged tour”, the potential customer group in Hong Kong is definitely not the general public but would be those people who have relatively high income as the tour is not cheap, probably work in education or related industries or already retired, would like to travel with family or friends and to see different things from the mass tourism; mostly importantly nature can be the key motivator for their travelling or repeat travelling. The typology is probably geo-tourists or sustainable travelers who desire to experience natural trip and encounter with local community. And the research result of customer profile of Eco Travel Hong Kong should be highlighted (see figure 6.1).
7 DISCUSSION

The contact with Rokua Geopark at the first time was in a marketing course assignment and one of the authors had a one day trip to the park, realizing that it is a fantastic tour destination with excellent natural surroundings and special local cultural demonstration. Later, the possibility of conducting a thesis work was confirmed by Vesa Krökki, the marketing executive of Rokua Geopark. During our first discussion with Vesa Krökki, we agreed on developing the marketing of the geopark packaged tour as the main task, and choosing Hong Kong as target market is because it is one of the ideal area considered by Rokua Geopark and also one of the authors is originally from Hong Kong so that it might be an advantage to do research. After consulting with the thesis tutor teacher, the topic was finally decided as “Developing International Marketing for a Geopark Packaged Tour for the Hong Kong market”.

Furthermore, we developed research question into two main aspects:

- What kind of marketing mix should be used when doing marketing for the Hong Kong market?
- What kind of people in Hong Kong might be interested in the geopark packaged tour?

It helped us to narrow down the theories to be applied. To answer the first question in theory, marketing mix theory was introduced consisting of the traditional 4 Ps and three other Ps, namely product, price, place (distribution channel), marketing communication, people, process and physical evidence, plus their application in the tourism industry. We were familiar with marketing mix theory because of the intensive marketing courses in our degree program and were able to select proper contents for this section. Besides, the marketing theory references selected were highly related with the tourism industry so that the theoretical foundation was more reliable. To answer the second question in theory, it is necessary to include consumer behavior factors first to help us understand better about market segmentation in tourism. Consumer behavior in
tourism study was started in the 1970’s and is still developing with the rapid changes in this industry, so there were variety of opinions and approaches trying to explain and generalize the situations. We chose the most classic and the most common ones into this thesis in order to provide a general way to investigate the research question.

Due to one of the authors’ graduation plan, the thesis schedule was very tight, especially for the research part. The topic was approved at the end of February 2012, and the introduction seminar was held on March 20, 2012. Two months later, the theoretical part was completed for the second seminar in May. And the whole thesis and final seminar were finished by the middle of June so that one of the authors can take the maturity exam on June 18, 2012.

The most challenging part of this thesis was the empirical research. Although the theoretical part has provided sufficient framework for constructing the interview questions, the amount of interviewees was a bit disappointing. We have sent plenty of emails to tourism professionals in Hong Kong, trying to get as many interviews as possible, but unfortunately, only one travel agency replied and finally answered the questions. Due to their busy schedule, interview with Rokua Geopark and answers from Eco Travel came around the 4th of June, leaving only one week for us to finish the thesis. Nevertheless, we were able to answer the research questions in practice to some extent. In addition, a desktop research of a successful Kenya nature tour was studied in order to provide supplementary information for the final solutions. It was mainly based on the content from Eco Travel’s website.

In terms of the limitation of the thesis, because of the limited resource and time, from the empirical research we only gained a general idea about how the marketing can be executed for a nature based tour in Hong Kong market and what kind of customers could be like. It demands a more comprehensive and holistic view on these two areas so that the Nordic geopark tour can be successfully launched and operated for the Hong Kong market. Therefore, we suggest people who are interested in further study of this topic to continue the efforts to contact Hong Kong local tourism professionals and receive more and diversified answers about the marketing operations and customer profiles of
nature based tour as qualitative research; or on the other hand, if time and other condition permits quantitative research can also be applied for the market segment study in the way that learning what kind of people are visiting Hong Kong Geopark by observation in the field to get primary data on the potential customer groups.

Throughout the whole process of the thesis, we learned how to apply professional theories into practice, and also knowledge of tourism marketing. In the end, we would like to thank our tutor teacher Jyrki Holappa for his patient and professional guidance in every step of the work, the commissioner Rokua Geopark, especially Vesa Krökki for his cooperation and support and time for interview, Eco Travel in Hong Kong for the kind and in-time reply, all other students who attended our seminars and made suggestions.
REFERENCES


Appendix 1 Questions for Rokua Geopark

1. What kind of customer needs and wants can be satisfied from the tour?
2. Please describe in details about the geopark tour:
   - Duration, transportation, travelling season, meals included, etc.
3. What kind of activities will be included for the whole tour? Is there a ready draft schedule?
4. What language is used in guiding service?
5. How big is the group?
6. What kind of accommodation will be used?
7. How much will the tour be?
8. How are you going to do pricing on the tour?
9. How can the customers book for the tour? Apart from travel agents, where else can people find the tour?
10. What is the budget on marketing?
11. What kind of marketing channels will be used?
12. What is the communication objective at the beginning for marketing communication?
13. What is the message for the communication?
14. How are you going to make adaptation for HK people?
15. How the service standard of the tour can be ensured among different countries?
16. Are there any special facilities to be used?
Appendix 2 Questions for an eco-travel agency in Hong Kong

1. What is the age range of customers?
2. What are their occupations?
3. What is the income level in general? (Low, High, Middle)
4. What is their family stage in general?
5. How customers know about your travel agency? From which channel?
6. Are there many repeated users?
7. What is the form of travelling? Are they Alone, family trip, with friends?
8. What is the average price of Eco Travel oversea tours?
9. How does Eco Travel set up the price for a tour?
10. How Eco travel does marketing on the tours? What channels are used?
11. What is the target audience for the promotion?
12. Is that for general public or there is some specific group?
13. What is the most popular tour in your travel agency? (Following questions focused on this tour.)
14. What activities this tour includes, any free time?
15. What is the duration for the tour?
16. What transportations are included?
17. What is the price of the tour?
18. Is the price all included or tips are separate?
19. What is the most popular season?
20. How many meals are included in the tour?
21. Is Chinese food or local food provided?
22. What language is used in guiding service?
23. How big is the group?
24. What kind of accommodation is used?
25. How does Eco Travel organizes the guiding service for oversea tours?
26. How Eco Travel minimize the dissatisfaction among tourists?
27. Is there any special facilities are used for big group visiting? (E.g. loudspeaker and individual guiding set)
28. What things have to pay attention for Hong Kong tourists go oversea?
29. The topic of this thesis is to develop international marketing for a geopark packaged tour for the Hong Kong market. The geopark package tour in question is in planning by the thesis commissioner Rokua Geopark in Finland together with three other geoparks in Nordic countries (Finland, Norway and Iceland) and with probably special participation of the airline company Finnair. Therefore, will you company be interested in the future for this packaged tour?