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AMMATTIKORKEAKOULU

*Vuoden edellä*

# The role of Internet marketing in Finnish tourism industry

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## The role of Internet marketing in Finnish tourism Industry

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### The role of Internet marketing in Finnish Tourism Industry

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The aim for this thesis was to find out, what is the role of Internet marketing in the tourism industry in Finland. Internet marketing as a global phenomenon is growing constantly and it is affecting the way of marketing in several industries such as the tourism industry.

The goal for this research was to get deeper in the Internet marketing concept and to see, how it is in practice having an impact on companies within the tourism industry. In addition it was a goal for this thesis to find out how Internet marketing is being embraced within the businesses in the tourism industry. Also to see, why Internet marketing is being used and what are the most relevant tools for the Internet marketing.

The theory part of the thesis deals with the wide concept of the Internet marketing and description to the most important definition within the Internet marketing. The theory part is a research about what is Internet marketing theoretically and what are the different parts of it. The aim of the theory part is to get closer with the Internet marketing concept, which makes it easier to conduct a research about Internet marketing.

The research method for this thesis was qualitative research method, therefore there were six semi-structured interviews conducted in order to implement the research. The interview participants were either in charge of their company's Internet marketing department or consultant of Internet marketing. However all of the participants are working within the tourism industry except one interviewee, who is working within the sales and marketing industry. The aim was to conduct interviews, which can help to achieve the goals of the thesis. The research interviews were conducted in March and April 2013 in Helsinki, Kerava and Turku.

The research outcomes were clear and meeting up with the goals and objectives of the thesis. The results showed that Internet marketing is playing the biggest role in marketing within the companies in the tourism field. Nowadays companies find Internet marketing to be cost-effective and reachable for the customers. Internet marketing enables the companies to target wider group of customers and to find out, who are their potential customers. Companies manage to get results faster and due to that, they are able to analyze or modify their marketing strategy. The research showed that social media and search engines are relevant aspects to Internet marketing.

The research is primary intended for companies in the tourism industry, however it is a general research on the Internet marketing. The research showed, that Internet marketing is topical issue and it is concerning many businesses, therefore it is a vital concept to do a research about it. The research is a good guide for companies to see, how their potential competitors might do different in order to develop their own way of marketing towards better results.

**Keywords:** Internet marketing, E-marketing, social media, Internet marketing tools, tourism marketing, marketing communications, search engine marketing

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## Introduction

The birth and growth of the Internet has caused a dramatic change in the world these days; cell phones, laptops, computers and tablet computers enable the access to Internet for everyone. The consequences of these changes have made it possible for people to use Internet for different purposes almost anywhere. Industrial age economy is vanishing a bit and giving more way to the Internet age economy. At the dawn of the 21st century, a monumental societal transformation is once again noticeable in the society. The revolution in information technology, awoken by digital electronics, has transformed the "information" to the position of the most critical factor in creation. Even though information has always played an important role in the human society, still just recently one started to manage collecting, storing, processing, transacting and distributing information on a massive level and at a low coast. (Eshghi & Krishnan & Seth 2001.)

The revolution of the Internet has reshaped the communication; it has made it faster, wider and more accessible for everyone. The use of Internet for example for searching information, communicating, selling and buying, has created a huge worldwide international community. Internet has opened various opportunities and chances in different sectors, such as in business world, networking, leisure time activities and in social communities. The more the world of Internet is taking over and developing, the more it connects the world and people together. There are high rates of adoption and use of Internet, Web, E-mail, Social media and many other aspects, which are accessible for people through the Internet. (Frost & Strauss 2009, El-Ansary & Frost & Strauss 2006.)

There is no other business form, which has faced as radical changes as marketing business form after the very fast and global acceptance of the Internet as a tool of information and communication. The Internet is having more impact on marketing practice than the invention of the printing press during the industrial revolution or the emergence of radio and television in the past. Internet is a relevant medium for service information, interactive communication and market transactions. In the Marketing industry the need of the Internet is as high within the companies and service providers as it is within the consumers. The Marketing is seen to be more efficient and targets the actual potential customers. (Eshghi & Krishnan & Seth 2001.)

The aim for this thesis is to go deeper in the Internet marketing world and as well find out, what are the different areas of the whole Internet marketing process. During the research the aim is aim find out, which tools are developing this form of marketing. To start the research it is essential to open up clearly the main definitions relating to the Internet marketing and how is it implemented. To see how Internet marketing is realistically affecting on tourism industry in Finland and how the Internet marketing is used in practice. It is relevant to also

find out that, how much the Internet really has an impact on advertising and marketing. Or to see is it just emerging niche tool or can it really change the marketing performance.

The research objectives will be listed and introduced in the research section of this paper. The objectives are precise and detailed in order for readers to be able to see, which are the goals of the research. Also for the readers to see, which topics are seen to be relevant in this paper and which areas need to be taken into consideration while the progress. The goal of this paper is to do a research on the Internet marketing and especially to see where it is situated and how important is it within the tourism industry mostly in Finland. The reality of the use of the Internet marketing might be shocking even though the benefits of the Internet marketing are visible within the tourism industry. The aim is to see, what is the average usage of Internet for marketing purpose in the tourism industry, which tools are being used and how much do companies in the tourism industry try to update their Internet marketing. It is also on the agenda to find out what Internet marketing and communication tools do tourism businesses prefer more. As well the social media is highlighted issue, which is going to be one of the subjects, which will be brought up during this research.

The research method was qualitative research, therefore the research was obtained by semi-structured interviews with experts working within the tourism industry, who involved and dealing with marketing in general but especially Internet marketing. Analyzing the gathered data and answers from the participants in the interviews happens after the interviews. After this step, it is likely the time to put the collected answers into a structural form in order to get answers to the objectives of this research. These analyzing steps and part will be eventually transformed into the results of this very research. (Myers, D. 2009.)

At the end of this thesis, there is a conclusion made about the issue, the outcomes, possible recommendations and potential developing suggestions of Internet marketing in tourism industry. In general; how one as a researcher sees the Internet marketing as a phenomenon, especially within the tourism industry. In addition there is SWOT analysis in the end of the, where can be listed the major facts, which one found to be strengths, weaknesses, opportunities and threats coming along the Internet marketing environment. The conclusion is made through the collected data after the interviews and in addition to make suggestions and recommendation, there will be information used from the sources of the thesis. Finally there will be some thought shared of author's own reflection during the thesis process.

To shorten the introduction; this essay defines the Internet marketing and its role within the companies in the tourism industry. In order to clarify these topics, in this paper we will go through the theory part of what is the Internet, what is Internet marketing, how the Internet marketing is working and used nowadays, what are the main tools for making a successful

marketing through Internet and so on. Finally in the end of this paper the results will be reviewed and presented, which will tell us how important Internet marketing is, how is it conducted in the tourism field and how marketing has change since the growth of the Internet. In other words there will be answers for the objectives.



## 1 The Definition of Internet

This chapter is leading towards the thesis issue and tells more background information and also brings up the fact that how Internet marketing started to emerge. In other words, the chapter will present the main information about the Internet. Therefore the growth of Internet changed the form of marketing. Also below will be given some opinions and facts from different authors on, how the Internet was born, how the process of growing of Internet looks like.

Referring to Klein and Quelch (Klein & Quelch 2001, 91-92), the Internet, is a network of computer, that spans the globe and it was born in the late 60s. Because of the slow growth and the late start of the Internet in other countries makes the born of the Internet mainly a phenomenon from U.S. Many companies noticed the benefits of the Internet for communication and transaction medium. Klein and Quelch (2001, 91-92) discuss about the different opportunities and challenges for all types of companies globally in the article. These opportunities and challenges come along with the marketing through the Internet. Klein and Quelch (2001, 120-124) conceptually explain, that the Internet represents an extremely efficient tool for accessing, organizing and also communicating information. (Klein & Quelch 2001, 120-124.)

The Internet promises to make the marketing performance considerably easier; it breaks different barriers between the customer and the employee. These eliminative barriers are mostly created geographically; for example due to time zone and location. According to Eshghi et al. (2001, 2), the Internet age had four major development stages. First was the creation of Internet, second development stage was the storing files in the computers, the third major development phase was the image capable browsers and the last development was using the Internet as a commercial medium. (Klein & Quelch 2001, 91-92, Eshghi et al. 2001, 2, Juslén 2009, Molenaar 2012, 91-105.)

According to Frost and Strauss (2006, 8-9), nowadays the Internet is mainstream in industrialized countries to be more clear. There are high rates occurring in these nations; 90 percent Internet users, which of cannot live without the Internet. Frost and Strauss (2009) continue with the same notes and information about what is the Internet and its role in the Internet marketing principal in general. Nevertheless according to the authors (2006), the growth of Web and mainstreaming of the Internet have led to the comprehensive integration of Internet marketing provides profitable strategies and tactics. (El-Ansary et al. 2006, 8-9, Frost & Strauss 2009, Juslén 2009, Molenaar 2012, 91-98.)

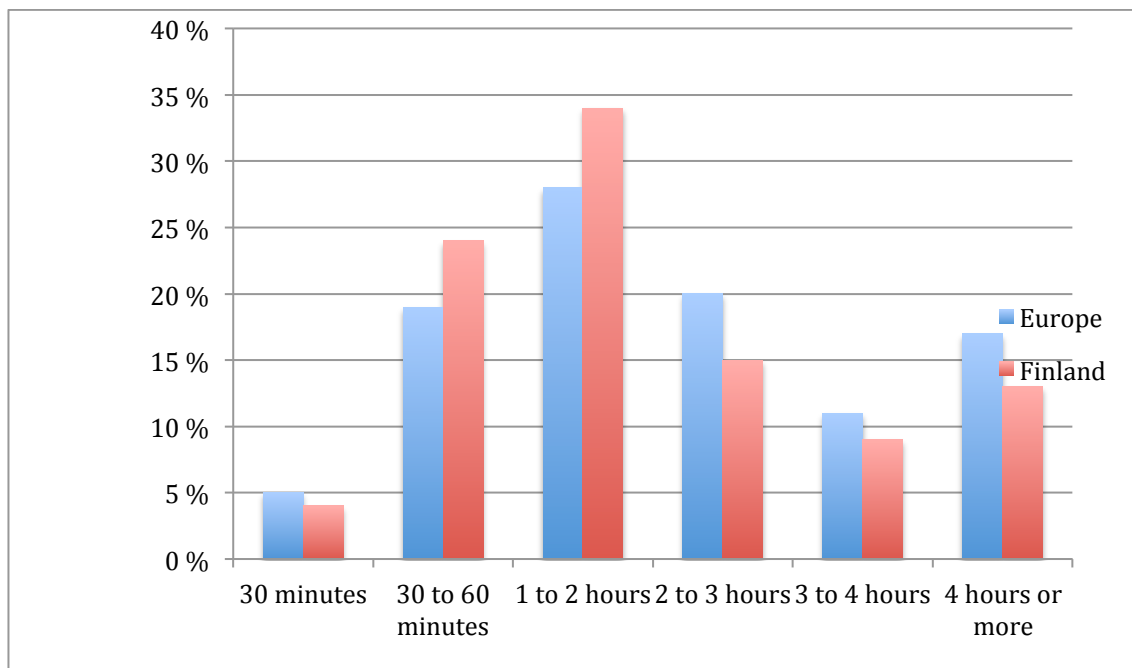


Figure 1: Internet Activity - Time Online per day (Järveläinen 2013)

El-Ansary et. al (2006, 315-317) point out, that the Internet marketing creates a strong tie between the customers and marketers. However they believe that marketers need to be extremely careful to design a brand message, which attracts the customers and meet up with their needs. This fact is very important therefore nowadays customers do have more control when it comes to the Internet. The customers are more conscious about what services are they, what they want; how they can search for cheaper or better product and as well they are massively important brokers to even share their own product experience with other people online. Also the time used on the Internet is quite high within the customers. (El-Ansary et al. 2006, 315-317.)

Frost and Strauss (2009, 6) define the Internet to be a global network of interconnected networks. This huge global network consists of several numbers of other networks; such as government, corporate, organizational and private networks. Every device, which is connected to the Internet, is enabled to hold, send and receive files over the Internet to other devices connected to the Internet. These types of devices are for example computers, cell phone and tablet computers. In addition Frost and Strauss (2009) want to explain the process of data and file move. They divide the process into three technical role of the Internet. First one is the creator of the content, users of the contents are the second role of the process and the last one is the technology infrastructure, which makes moving, holding, listening and viewing the data possible. (Frost & Strauss 2009, 6, Molenaar 2012.)

To summarize above chapter, the birth and growth of Internet has changed many things for several businesses and as well for their customers. This global phenomenon as mentioned ear-

lier started in United States, however it spread out to other continents quite fast. It has gone wide and as well it has been developing continuously, which means that there might be new trends, devices and new ways of using the Internet emerging. People and especially businesses are aiming to keep up with these upcoming trends in order to attract more customers and to technologically be up to date. The huge use of the Internet makes it a viable channel for marketing communication. The Internet has increased companies' conscious on targeting, customer segmentation, effectiveness of their services and also their marketing. Whereas customers are more aware of what they want, what options are out there and which is the best possible product for them.

## 2 Internet Marketing as a Phenomenon

This chapter will go through the main keywords or definitions of the thesis topic; Internet marketing. Internet marketing is a massive and wide concept, which has many different aspects to it and it covers various parts, which enable the Internet marketing. In this part, there are discussions and opinions, on what is Internet marketing, what are the different forms of Internet marketing, how these forms are conducted, what tools are needed in order to conduct Internet marketing, what are the different steps for marketing through Internet and last but not least how has it affected different businesses. Also it is discussed how Internet marketing is different to the traditional marketing.

According to Eshghi et al. (2001, 5-6) marketing is a corporate function, which is focusing on meeting up the present and future needs of the customers in a way that there is a mutual benefit exchanged between the customers and also to the service providers. They also claim, that while the basic marketing core remains same, the Internet has reshaped dramatically how the marketing is implemented and also the results received from the Internet marketing. Moreover, that there are three different fundamental paradigm shifts. First paradigm shift is the certain assumptions about the implementation of the marketing, which are not valid any longer in this Internet age. For example in the industrial age marketers had more control and part in the exchange compared to the customers, whereas in the Internet age customers know; what they need, what offers they are interested in and how much they are willing to pay. Eshghi et al. (2001, 5-6) call Internet age marketing to the age of "reverse marketing". Second thought pattern is the changes in the standard for marketing performance. Customers are demanding high quality products yet with an affordable price. The third distinct concept; the marketing is not carried out in a single transaction is a given point of time. (Eshghi et al. 2001, 5-6.)

According to Eshghi et al. (2001, 308-310), there has been a research conducted jointly between HotWired and Millward Brown international. The research conducted by Briggs and Hollis (2001); to track the effectiveness of advertising. The research assessed that advertising through World Wide Web started in 1994, since then there have been unknown facts and questions within the marketers. The marketers were not sure if these would work or for example if banners help to gain an effective communication and so on. Nevertheless the research showed that the advertising on World Wide Web does really work and banners are beneficial tools for direct marketing. (Eshghi et al. 2001, 308-310.)

El-Ansary et al. (2006, 2-13) discuss about Internet marketing in general and what are the wonders of the marketers about this issue. They define Internet marketing to be a form of marketing by using information technology. The use of this information technology is for the

process of communicating, managing customer relations that also benefits the stakeholders and the organizations. Since Internet is the mainstream, information technology has a big role in marketing strategies. Also the use of Internet marketing brings value to the consumers. (El-Ansary et al. 2006, 2-13.)

They also point out the fact, that marketers are keen on knowing, which technology such as Internet, databases or wireless mobile devices would enhance their business. El-Ansary et al. (2006) point out few things, which are concerning the marketers. The marketers are interested to find out, which technology investments will be effective and efficient. Also how will technology change in the future. The marketers are as well concerned about how the markets and marketing will change due to new upcoming technologies. According to El-Ansary et al. (2006, 3); the tradition marketing is massively affected by the Internet marketing. The changes can be seen in the transforms in marketing strategies and also the increasing efficiency and effectiveness in traditional marketing functions. These changes lead to higher profitability within the company and more customer-value oriented strategies. (El-Ansary et al. 2006, 2-3.)

The authors, El-Ansary et al. (2006, 4) claim, that Internet marketing is bigger than the Web and also bigger than technology. "*Electronic marketing reaches far beyond the Web*"; this is how they explain the fact, that Internet marketing is bigger than the Web. They clear this claim by pointing out that, there are non-Web ways of Internet communications, which are effective way of marketing. These non-Web Internet communications are for example news-groups or flyers. (El-Ansary et al. 2006, 4.)

Quoting to El-Ansary et al. (2006, 4), Internet marketing is bigger than the technology. The technology enables the access to digital information quickly, easily and advantageously. However Internet marketing is having more impact on many other massive things around people; such as individuals, communities, businesses and societies. El-Ansary et al. discuss (2006, 5-9) about the past, present and future of the Internet marketing. They explain the first generation of Internet and e-business to be like a "gold rush"; new companies were using and attracting more customers by entering the E-business for their marketing. In the very early stage, disrupted industries or companies such as Amazon offered tangible products, comparable and easily purchased for a low cost. (El-Ansary et al. 2006, 4-9.)

John and Spiegel (2003), suggest some fact to be today's strengths of the Internet and Internet marketing in their book, *Marketing Convergence*. The strengths of the Internet and Internet marketing are presented below in a specific order.

- Offers sellers, buyers and even leaners resources for research

- Broaden and upgrades the already existing and active brands
- Cost-effectiveness for the customers self-service opportunity and operating businesses
- Enables one-to-one discussion and communication and also personalization during the communication
- Gives the opportunity to wider the group of the customers
- Enables tailor-made extranets to the businesses and other individual users
- Provides enormous amount of real estate Online; which gives the marketers the opportunity to market their services in a more cost-effective ways compared to the print marketing
- Enables the companies to have a strategic and profitable business (El-Ansary et al. 2006, 10-11.)

According to Frost and Strauss (2009, 6), the technology is accessible to use in today's Internet marketing, has opened the window to opportunities for marketers more than before. Today's generation, the second generation of the Internet is connected with each other through different tools, whereas the first generation was connected to the computer. Frost and Strauss define the Internet to be a global network of interconnected networks. These consists of huge number of different networks, such as government, corporate, organizational and private networks. Every device connected to the Internet, is enabled to hold, send and receive files over the Internet to other devices connected to the Internet. These types of devices are for example computers, cell phones and tablet computers. (Frost & Strauss 2009, 6.)

According to Filenius and Kettunen (1998, 86), marketing through Internet has mutual benefits both to the service providers and also for the customers. Filenius and Kettunen (1998, 87) point out few of these benefits for the customers; the services are reachable and accessible via the Internet regardless of the time zone or location, easy to compare services due to the huge amount of information provided on the Internet and last but not least marketing through Internet increases rationality. Whereas the service providers are able to react to market change in no time, Internet enables the marketers to maintain the relationship with the customers much longer and Internet marketing has less costs compared to how much companies get from it. In addition it is beneficial for the marketers that they are able to target the right group of customers via Internet. (Filenius & Kettunen 1998, 84-90.)

To summarize this chapter, It was explained in this chapter what is Internet marketing in practice. Internet marketing enables mutual beneficial situation between the service providers and consumers. In a way, that company can target a more focused and wider group of customers in a lower cost and with better results. In this situation companies meet up with cus-

tomers' needs. As we discussed before, Internet marketing has opened more opportunities to marketers. Internet marketing enables customers to have a quick access to products or to product information through different digital devices.

### 3 Internet Marketing Communications & Tools

This chapter is introducing different marketing communication ways through Internet and which tools are used for implementation. Internet marketing is basically communication between customers and the service providers. Therefore there is a need for marketing communication forms and tools. There are several ways of communication presented below in this chapter. Just to be clearer on these forms of communication, there are brief introduction to this work on various Internet communication ways, such as IMC Integrated marketing communications, Internet advertising, MPR marketing public relations, sales promotion and finally direct marketing.

In the marketing through Internet, communication between the marketers and consumers is remarkably important. The way companies and marketers choose to communicate with people should be thought about carefully. Through the marketing communication, marketers can start or strengthen their relationship with the customers. As well how they want to get their target group's attention to their product message. The marketers should choose the write tool how to communicate through Internet. What comes to the product and its' target group; the message of the product needs to be on to the point and apposite. Below will be briefly presented, what are the some different areas in the marketing communication. (Dann & Dann 2011, Juslén 2009, Sterne 2001)

According to El-Ansary et al. (2006, 316-356) marketing communication includes planned and unplanned communication between the firms and customers, as well communication among customers. The planned messages are used for persuading their target stakeholders, whereas the unplanned communication is the word, which goes around among the customers and in the media. The companies have no control on the unplanned messages. Due to consumers' control on the Internet, companies are not able to manage the unplanned message among customers. In the other hand by providing good product experience, the companies and influence on the message that is exchange in the public. The messages, which are exchanging in the Internet communication media, are precisely exchanged in the radios, television, newspapers, magazines etcetera. (E-Ansary et al. 2006, 316-356, Frost & Strauss 2009.)

In order to improve the efficiency and effectiveness of the marketing communication, marketers are likely to use innovative technologies for communicating with the target group. The new innovative technologies, which are likely to meet up with the need and requires of the customers are brought to their digital devices through Web pages, e-mail, Internet advertises, videos and so on. Some of the marketing tools are more suitable for creating brand attitudes and awareness, which are for example public relations and advertising. However, there are other tools, which are more useful in encouraging transactional behavior such as direct mar-



keting, sales promotion and personal selling. (Dann & Dann 2012, El-Ansary et al. 2006, 315-318, Frost & Strauss 2009, 284.)

IMC, which comes from integrated marketing communication term, is a general process or form of communication. Integrated marketing communication strategy starts with analyzing and understanding the whole marketing communication field; the brand, the competitors, the target stakeholders and all other internal and external factors. This step is followed by choosing the write communication tools for achieving the objectives, the implementation, evaluating and at last adjusting the communication process. Quoting to El-Ansary et al. (2006, 316) integrated marketing communication (IMC) is:

*"a cross-functional process for planning, executing, and monitoring brand communications designed to profitably acquire, retain, and grow customers. IMC is a cross-functional because every contact that a customer has with a form or its agents helps to form brand images."* (El-Ansary et al. 2006, 316, Frost & Strauss 2009.)

To introduce another marketing communication form in this thesis, it is time to come to Internet advertising. Internet Advertising is so to say "non-personal" communication between the marketers and consumers. The Internet advertising is conducted through several different mediums. All the space, which is paid on the Web sites or e-mails are seen as advertising. These spaces can be a banner, or a small space in the e-mail, wireless content sponsorship or other Web sites. Internet advertising is paralleled with the traditional media advertising, where companies build the content they want and buy space from outsourced advertisers. These aspects might seem meaningless or unnecessary to the consumers, but it is highly important for the companies and reaching the goals. (El-Ansary et al. 2006, 320-330.)

Frost and Strauss (2009, 288) claim that everything is possible in the Internet advertising, which to be specific means that text, story, graphics, sounds, videos, hyperlinks and many other are different formats of Internet advertising. Anyhow keyword search, which is part of the search marketing is the most important and fast growing technique of Internet advertising format. There are many other Internet based advertising followed by the Internet advertising, to mention few; display advertising, media advertising, E-mail advertising and mobile advertising. (Frost & Strauss 2009, 288.)

Yet again there will be another way of communication introduced in this chapter; MPR - Marketing public relation. Marketing public relation includes brand-related activities and free, third-parties media coverage. The third-party media is used for a positive effect and goodwill on the target market. Marketing public relations is a part of the traditional public relations - PR. Marketing public relations are targeting the company's customers and prospects in order

to build knowledge and positive attitude towards its brand. (El-Ansary et al. 2006, 333, Frost & Strauss 2009.)

Frost and Strauss (2009, 299-300) discuss about Sales Promotion and how it is defined in the Internet marketing communication environment. Referring to Frost and Strauss sales promotions are money or gifts, which make the transfer of the product or service from the producer till the ns user much easier. Different sales promotions are consisted of coupons, product sampling, contests, discounts, rebates and few other options. (Frost & Strauss 2009, 299-300.)

Google AdWords is a whole new way of marketing and advertising, in other words Google AdWords is an advertising program, which enables companies to have small text advertisements in the search marketing result pages. The advertisements will be shown either on the right corner or on top of the result page of Google. According to Poutiainen (2006, 14) using Google AdWords is direct marketing. In order to have the advertisement on the Google search result pages it is important to choose the right keywords. Moreover by customers searching for a specific product on the Google search engine and if the customer's keywords matches to the Google AdWords keywords, the advertisements will appear on the result page. The Google AdWords is free unless the interested customers will click on the advertisement. The Google AdWords places are limited and they are sold through auctions. Google AdWords prefers the advertisements, which have higher chances to get clicks. (Poutiainen 2006, 14-15.)

Finally last form of Internet marketing communication presented in this thesis; direct marketing. According to the Direct Marketing Association (2013), direct marketing is:

*"Any direct communication to a consumer or business recipient that is designed to generate a response in the form of order, request for further information, and for a visit to a store or other place of business for purchase of specific a product(s), or service(s)"* (Direct Marketing Association 2013).

El-Ansary et al. (2006, 345) emphasize that response rate is the most appropriate metric for any direct marketing campaign. For example they measure the success by record growth or mouse clicks. (Direct Marketing Association 2013, El-Ansary et al. 2006, 345)

Below is an example graphic describing the main proportion of online-advertising.

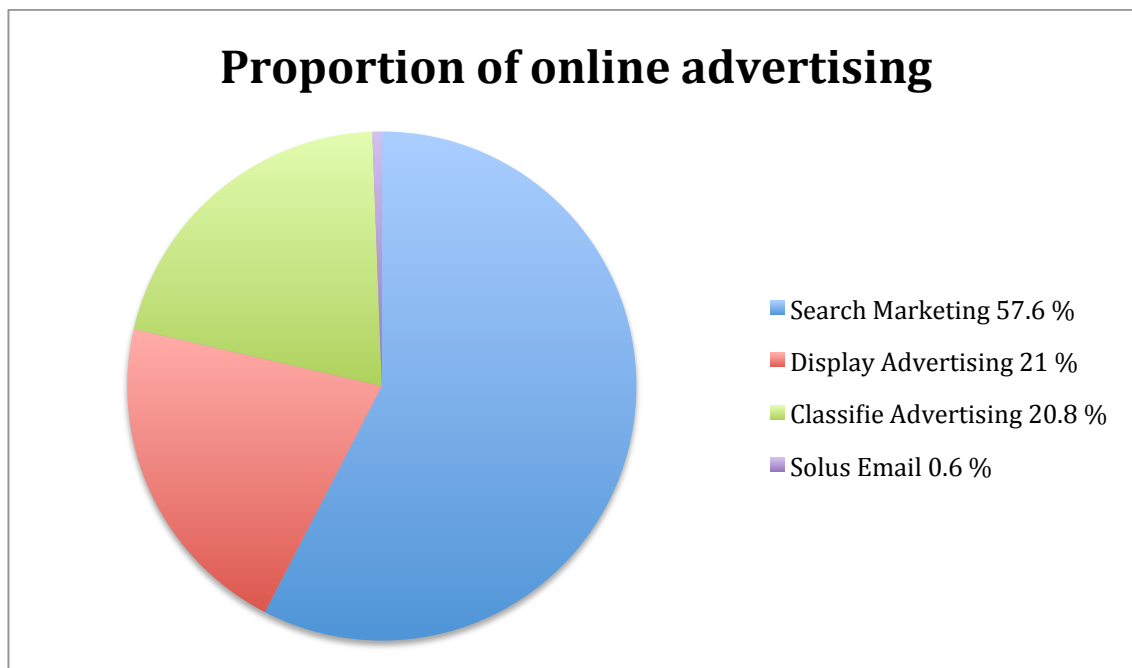


Figure 2: Proportion of Online advertising spend (McCabe 2009, 265)

Coming to the conclusion of this chapter, it is highly important for every business and company to have the right ways and tools to communicate with their customers. The communication tools companies choose to implement their marketing more or less attract the target group. The communication way needs to be felicitous and attract the company's target group. As well the way one chooses to communicate with the customers can be trump card to strengthen the relationship between the company and the customers. Also companies need to be aware of the unplanned communication, which might be a risk for companies and it is not in control of the companies. Therefore companies should be more focused on conducting an effective way of communication.

#### 4 Internet Marketing Plan

This chapter will go through Internet marketing plan and its' different steps in Internet marketing plan. This part will bring out, why there should be an Internet marketing plan as a one of the first thing that one should take into consideration before developing Internet marketing. Also we will see how a well-done plan effect on the marketing and the business. In addition what benefits is coming along the Internet marketing plan. This chapter is to show how important plan is in order to conduct Internet marketing. The different steps are introduced briefly below.

The Internet marketing plan is highly relevant and one should be very critical while conducting Internet marketing plan. The Internet marketing plan should help and it is a tool for an efficient and effective form of marketing. According to Frost and Strauss (2009, 44-57), the marketing plan process includes three steps; creating the marketing plan, implementing the plan and evaluating the plan. (Dann & Dann 2011, El-Ansary et al. 2006, 44-60, Frost & Strauss 2009, 44-57.)

Frost and Strauss (2009, 44-57) believe that Internet marketing plan is a drawing of the strategy formulations and implementation. The can plan work as a guide, which connects the marketing strategy and the marketing technology. The plan also brings forward the details of the implementation of the Internet marketing management and overall marketing field. Also Frost and Strauss mention that, the plan is used for direction guiding of the company and helping with allocating resources and making decisions. (Frost & Strauss 2009, 44-57.)

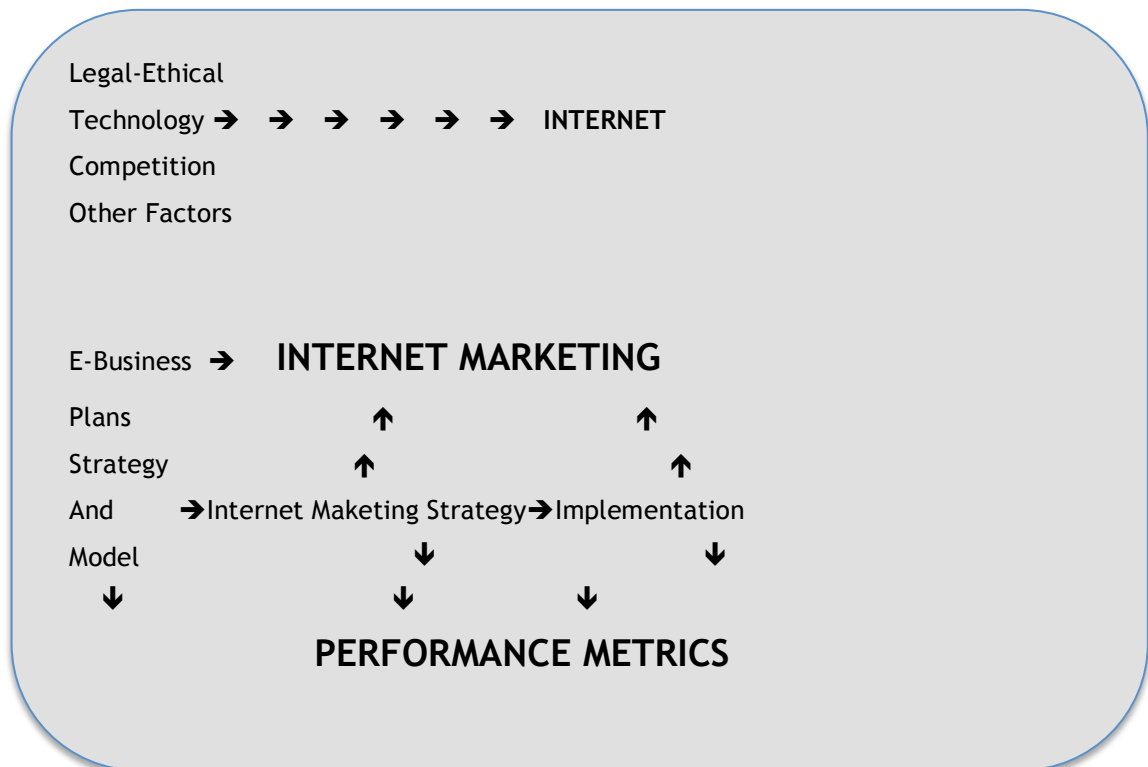


Figure 3: Internet marketing plan environment (Frost & Strauss 2009, 47)

El-Ansary et al. (2009, 47) have highlighted and analyzed the seven steps in the marketing plan; which are mentioned below.

1. Situation Analysis; reviews of the company's environmental and SWOT-analysis, e-business objectives, strategies, performance metrics, existing Internet marketing plan and other issues concerning the company
2. Internet marketing's strategic planning; segmentation, targeting, differentiation, positioning
3. Objectives; goals flowing from the e-business strategy
4. Internet marketing strategy; determines revenue flow suggested by the e-business models → 4 Ps and CRM
5. Implementation Plan; conducting tactics for Internet marketing mix, relationship management, information gathering and the organizational structure
6. Budget; evaluates costs and income
7. Evaluation Plan; identifies suitable performance metrics (El-Ansary et al. 2006, 45-61, Frost & Straus 2009, 49.)

To have a brief summary of this part of the thesis; we can say that Internet marketing plan is the first thing that a marketer needs to conduct. The plan can work as a guide through the marketing process. According to the sources used for this chapter the main and crucial steps of Internet marketing plan are divided to seven different sections. Starting with situation analyses; businesses' environmental and SWOT-analysis, Internet marketing plan strategies; segmentation-targeting-differentiation-positioning, objectives of the Internet marketing, the strategy of the Internet marketing, implementation plan, budgeting and finally the evaluation plan. Eventually a well-done Internet marketing plan will lead to a successful marketing, better revenue and it can avoid and predict various risks.

## 5 Internet Marketing Strategy

The aim of this chapter is to see how Internet marketing strategies have an impact on the marketing and what is Internet strategy covering. There are discussions on what are the main reasons having a strategy for Internet marketing strategy and how it is conducted.

The strategy is mainly there for companies to achieve their goals or objectives; it consists of the tactics and ways that companies are going to achieve their goal. Internet marketing strategy or so called e-strategy is the traditional strategy content of the company, which is conducted and implemented through information technology components such as internet, digital data and so on. According to Frost and Strauss (2009, 5) the Internet has enabled plenty profitable strategies in Internet marketing. Some of these strategies are E-commerce, advertising online, search engine advertising, user-generated content, online communities, personalization, Internet communications, mobile Internet access and local marketing. (Chaffey 2009, 201-230, Dann & Dann 2011, Frost & Strauss. 2009, 5-28, Molenaar 2012.)

Internet marketing strategies are created by the marketers. The strategies include the 4 Ps and achieving the objectives. 4 Ps are the product (offer), the pricing (value), the place (distribution) and the promotion (communication). In order to achieve the objective, marketers need to identify the 4 Ps and as well clarify the positioning, segmentation, targeting and the differentiation. All of these different parts need their own strategies how they are implemented. (El-Ansary, Frost & al. 2006.)

To summarize this chapter; Internet marketing strategies are there for companies to have specific tactic and way to achieve their goals and objectives. The strategies for the Internet marketing is done by the marketers and according to sourced used for this section; the strategies usually are consists through the way of offers, distribution, communication and values.

## 6 Internet Marketing Issues

Marketing through Internet brings several benefits and profits to the marketers and as well to the consumers too, however companies face several issues in the Internet marketing environment. Ethical and legal issues are highlighted in the to be important facts, which should be taken into consideration while marketing online. Ethics and law are more or less involved with values of individual and society. The key aspects of ethical and legal issues are seclusion, autonomy, control and access. Many of the issues are caused for example within the following areas; privacy, copyright, digital property, online expressions, trademarks, trademark secrets, licenses and data ownership. (El-Ansary et al. 2006, 99-127, Frost & Strauss 2009, 90-114.)

There are always emerging new issues threatening businesses and marketing online. It is relevant to predict and notice these issues in the very early phase. The usage of Internet might cause issues in the Internet marketing. By this Strauss and Frost (2009) mean, that the Internet-readiness of the consumers will have an influence on the market. Marketer should be able to take this fact into consideration in their marketing strategies and tactics. There should be always future influences and changes included in creating the marketing process or marketing plan. (Frost & Strauss 2009.)

In this part it is noticeable, that there are many issues in the Internet marketing environment. These issues are able to have negative impact on the marketing of various businesses. As presented earlier in this chapter; few of these issues that one should take into consideration while conducting Internet marketing are for example mainly ethical and legal aspects. Also there was a discussion about the new upcoming issues, which might be harmful to many businesses. One major emerging issue is the readiness and control of the consumers on the Internet world.



## 7 Search Engines

This chapter is presented in several parts; which are covering different aspects and forms of search marketing. Search marketing is a form of marketing, where the marketing happens via different search engines. There are various listings, for example purchasing paid listing or improving rank listing. The chapter will examine what are different search engines, how they work and why they are used. In addition there this chapter will cover search engine optimization and how Web analytics are used for marketing. The last part of this chapter is focusing more on the Google Web search. Below are descriptions and discussion on these different search engines and as well a small explanation on how they are practically helping to develop Internet marketing.

According to Juslén (2009, 107) search engines work as a collectors on the Internet based on the given words or instructions by the Internet users. Search engines are like express gates, which, take the users to the website they need to go at that moment. The search engines enable the users to surf on the Web and now even realizing the transfer from a website to another. Juslén (2009, 107) highlights the fact, that search engines make the searching on the Internet much easier for the users due to the overwhelming amount of the information provided on the Internet, specially for the ones, who are searching for certain information. Juslén (2009, 107) also adds that the aim for search engines is to provide the right information when Internet user seeks for it. However the goal is to provide high quality, reliable, up to date information to meet the needs of the Web user. Juslén (2009, 107) claims that the better information the search engine provides the more it is used. (Juslén 2009, 107-113.)

In order to provide high quality information, the search engines are to collect data constantly from millions and millions sites. This happens through automatic programs. These automatic programs are called search engine robots, which have to surf around the Internet to search for information and gather information from the visited sites to its' enormous database. Search engine robots save the information on the websites to database, and also save the incoming and out-coming links. Search engine robots find automatically a while after a new website is released and also find the added information to the already existing websites with a short delay. According to Juslén (2009, 108) due to these search engine robots, companies are enabled to have their website information on search engine database without any further operations. The search engines obtain the database search according to the given word or word combinations. The founded results will go through arrangement algorithm; which arrange the search results in order of importance due to rules of significance. The search engines perform these search constantly huge amount at the same time without causing any distraction to the Web user. (Juslén 2009, 108-109.)

As mentioned before search engines provide customers the information they are seeking for with required quality and update in an easy way. The customers do not need to search for a specific brand or company while searching for a certain product. It is enough if the customer just enters the occurred “issue” or product. The customers do not have to be aware of, which company is offering the best services; the search engines will take care of these aspects. The search engines will perform this research and will show the customer the best search results. However the search engines makes the marketing much easier for the companies. The companies, which are having their information on the Internet, do not have to deal with all the operated searches on the search engines. According to Juslén (2009, 109) it is enough is the companies try to stay on the top of the lists in the search engine’s search results pages with good product description and keywords. (Juslén 2009, 109.)

It is relevant for companies dealing with Internet marketing to know the difference between the natural search results and paid search results. Natural search results are shown based on the information, which is collected into the search engine database. And according to the categorization done based on the data on the database. The paid search results bring visibility to companies based on the paid money to the search engine companies for the advertisement space. Search engine companies sell advertisement spaces on their search result pages, thus the advertiser come up with the keywords; which lead the customers towards their services or websites. (Juslén 2009, 112-113.)

According to Poutiainen (2006, 20), Google is the most popular search engine globally. The marketing share of Google in United States is 44 percent and in Europe it is more than 50 percent. However according to Poutiainen (2006, 19) below is a table of the Top 3 search engines globally, which bring most of the customers through search engines.

<b>SEARCH ENGINES TOP 3</b>
<b>1. Google</b>
<b>2. Yahoo</b>
<b>3. Bing (Microsoft)</b>

Table 1: Top 3 search engines (Poutiainen 2006, 20)

Below is again another statistic to show, which are the most used index sites and search engines in Finnish households.

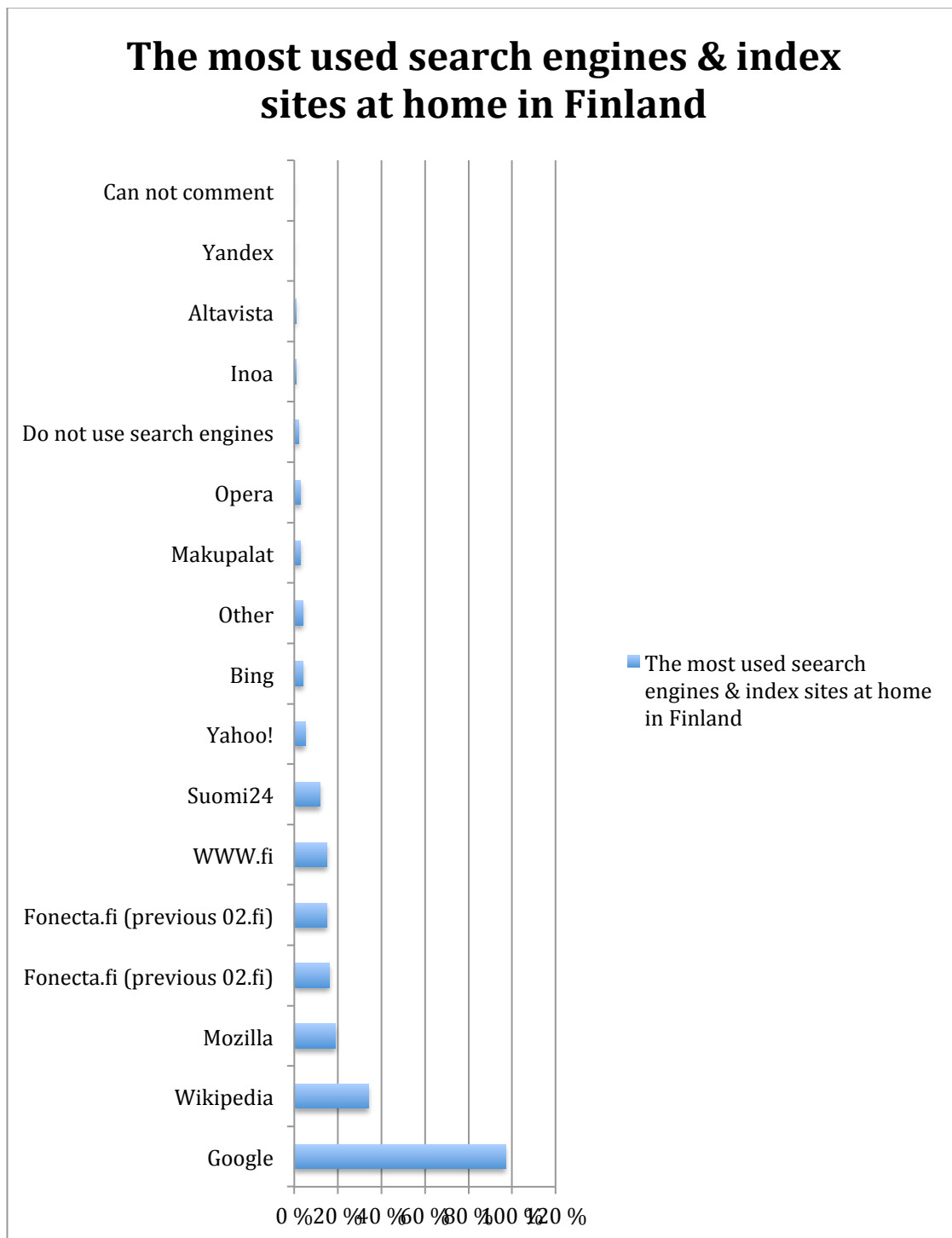


Figure 4: The most used search engines and index sites in Finland (NetTrack 2012 / TNS Gallup Oy 2012)

Search engine marketing is a complex art and science that transforms the qualified Website visitors into customers. This process combines the complications of human behavior, linguistic preferences, analytics, marketing techniques, Website usability and technology. The study of consumer behavior on the company's Websites is called Web analytics. The companies analyze their online investment through clicks, which lead to their contents. The data Web analytics are collected in various ways, for example via Page tags or via cookie file, which are saved to user's hard drive when they visit the Web site. Supporting Frost & Strauss (2009), on the iProspect-search marketing company's official Web sites (2013) is claimed, that there are three parties to search marketing. These three components are Natural search, Paid search and Vertical search. (Frost & Strauss 2006, 6-36, iProspect 2013.)

According to Frost and Strauss (2009, 327), a proper and well-thought search engine marketing campaign leads to the best results, which will involve the following three aspects. First is, using natural search engine optimization technique to create a foundation for the campaign. Second is, incorporating the practical advantages of paid inclusion and finally, establishing appropriate mix of pay per click advertising. (Frost & Strauss 2009, 327.)

Search engine optimization attracts the right target group and traffic to websites of the companies. In the search engine optimization does not only show the amount of the visitor in companies' web pages it is mainly there to show the revenue growth of business. Having the right search keywords and well-optimized web pages enables more potential customers to the companies. Well-done search engine optimization makes it possible for the companies to be situated on the top of the search lists. Being on the top of the search results, the companies are able to compete with their competitors in a much better position and in addition they can convert the competitors' potential customers into their own. (Chaffey 2009, 509-516.)

Google Web Search is a feature of Google. This remarkably popular and reliable search engine enables people to search for any page, article, new, picture and service worldwide. Google Web search try to find the best match for the keywords used for the searching. The results will be displayed on the site. The displayed results are all accessible files and they are usually listed in a certain ranking. Actually companies are able to pay and have their services introduced in the very top of the result list. Thus they need to have chosen the right and matching keywords for their products. Google Web search allows the user to precise the search in the way that one is willing to search for documents or file only in certain language, or only certain form of document. This search engine gives the consumer possibility to focus the search in many ways. This Web search is owned by Google Inc. and indeed it is most used World Wide Web search engines existing at the moment. (Juslén 2009, 107-113, Poutiainen 2006.)

The tracking and observation of consumer behavior on the company's Web sites is called Web analytics. The companies analyze their online investment through clicks, which lead to their contents. The data Web analytics are collected in various ways, for example via Page tags or via cookie file, which are saved to user's hard drive when they visit the Web site. Web analytics show a detailed history and review about the Web site visits by revealing them in form of statistics, graphics and tables. The Web analytic can give companies a precise route of where are their customers situated, what keywords are mostly used and how the company is been search and found. As well they are able to see what the consumer do on their Web sites, what tabs they search on and what they search for on the Web site. (Frost & Strauss 2009, 36.)

To make a brief summary on this chapter it is obvious that search engines are highly important for marketing through the Internet. Search engines gather information from the sites provided on the Web and save them to their database. As it was mentioned earlier in the chapter, most of the Web users type the service or the product they want in several search engine sites. The search engines will help the users by giving them the most suitable result to their search. Google is a dominative search engine globally, however there are other global remarkable search engines such as Yahoo and Bing. There are free search engines and as well paid search engine options for companies to choose. For using search engines as and Internet marketing tool, it is highly important to find the right keywords how companies would describe their products or services.

## 8 Social Media

This chapter will examine the role of Social Media in the Internet marketing. There will be a brief introduction on what is social media and what different streams are considered as social media networks. Below is presentation of several social media networking sites, how they are used and what parts of social media they have taken over. There are different sections presenting several social media websites in this chapter. These introduced social media sites such as Facebook, Google Plus, Blogs, Twitter, YouTube and Websites are helping companies to have an effective and up to date marketing.

Social media sites are online tools and platforms, which make the co-operation and collaboration of the users on the Internet possible. The users are enable to collaborate on the content, share their own opinion, share experiences, contact with others just for pleasure or for business. Social media sites such as Wikipedia or Yahoo offer good opportunities and possibilities for companies and firms to advertise and promote. In these sites; businesses are allowed to promote their services or events, feature published, knowledgeable employees. Social media sites enable the Web users to not just receive information, but also to interact with other Web users. The interaction between users happens in a way that users are able to comment on each other's posts, documents or for example articles. Also Daniel Nations is supporting this approach to what is Social media, he also adds in his article on Social media that Social media is a "two-way street media", where one is allowed to communicate too. According to Internet Marketing statistics for 2012, two of third of Web users use Social Media networks. (Frost & Straus 2009, WebTrends 2013.)

According to Sterne (2010) at the moment there are six different external categories to social media. He as well adds that there might be already two more coming up in a short time. Therefore the growth of these social media tools is fast and constantly changing. However he lists these six categories; forums and message boards, review and opinion sites, Social networks, Blogging, micro-blogging, bookmarking and media sharing. Almost all of these sites enable users to interact with each other. Some of them are for people to ask questions or submit an opinion, where others can answer to them. Whereas some of these social media sites are there to give feedback or comment on products, for example commenting on books and other goods on Amazon.com. As well there are social network site such as Facebook and LinkedIn, which are semi-open communities for connecting online and allowing the users to communicate or collaborate in different ways. (Sterne 2010.)

Below is two different tables presented. Both of them are showing and categorizing different Social media Web sites and what are their purposes.

<b>SOCIAL MEDIA</b>	<b>WHAT IS IT?</b>	<b>EXAMPLES</b>
Reputation Aggregators	Databases allowing users to search for content	Google, Yahoo!, MSN, TripAdvisor.com, ePinions.com
Blogs	Online multimedia journals with frequent updating	Technology: TypePad, Blogger, Wordpress Site: Marketingpilgrim.com
Online Communities	Sites offering professional or user content and allowing members to upload content	Wikipedia, Google Groups, Flickr, CNN, Second Life, YouTube, Slate
Social Networks	Associations of Internet users for social connection	Myspace, Facebook, LinkedIn, Xing

Table 2: Social media networking sites (Frost & Straus 2009, 326.)

<b>SOCIAL MEDIA WEB SITES</b>	<b>THEIR PURPOSE</b>
Del.isio.us, Blinklist, Simpy  (SOCIAL BOOKMARKING)	Interacting by searching thorough websites
Digg, Propeller, Reddit  (SOCIAL NEWS)	Interacting by voting for articles and also commenting on them.
Facebook, Hi5, Last.FM  (SOCIAL NETWORKING)	Interacting by adding and following friends, sharing your information, adding pictures, adding posts, adding videos and links to your profile and also commenting on others' profile.
YouTube, Flickr  (SOCIAL PHOTO & VIDEO SHARING)	Interaction by sharing videos and photos and commenting on others shared files.

Table 3: Social media networking sites (Juslén 2009.)

### 8.1 Facebook

Facebook is a social networking site and it is operated under Facebook Inc. and it was launched in 2004. The number of users of Facebook has been increasing nonstop and the number of uses reached over one billion in 2012. This social networking site has been a popular tool for connecting with other people and communities. Facebook has been a great gateway between companies and their customers and likewise Twitter through Facebook companies are able to build stronger relationship with their Customers. Facebook allows different companies to have their official Facebook pages, where they have the possibility to see their customer segmentation, to share news, to update the customers, to promote about different upcoming services and events, to share ideas and receive ideas and feedback. These were some examples of what type of activities are accessible on Facebook for marketing use. Facebook is a relevant tool for marketing due to huge number of member in Facebook, also to it is free and just requires the user registration. Having regular updates and Facebook campaigns the customers will be more aware of the services and products. (Juslén 2009,118.)



## 8.2 YouTube

YouTube is a World Wide social media tool in form of online community. YouTube is a Web site with video-sharing possibility. The video sharing happens through average users, media corporations or companies. The users are able to upload their own videos or others' videos. The videos can be seen, commented, downloaded and liked. This is yet another free social media tool, which requires only registration with users' real contact information. YouTube is also a good search engine, where one can search for different videos with the chosen keywords. Thus YouTube find the matching results with the given keywords and display them under the search field. Actually some organizations and businesses use YouTube for their advertising, by having their ad or commercial on the site. Companies use YouTube for marketing, by uploading their product ads and commercials and share it there on the site. Having YouTube account enables your customers to see the video, share it in other social media sites, comment on it and even subscribe your YouTube channel or account. In addition YouTube is used also as a music stream, where users can listen and see music videos and even make their own song lists on YouTube site. (Juslén, 2009, 120, WebTrends 2013.)

## 8.3 Blogs

Blogs come from Web Log term and are paralleled to online diaries or journals, which are actively updated either to personal or company Web sites. The entries are listed in reverse chronological order. Some companies use blogs to attract more customers to their Web sites. As mentioned earlier about different examples of blog forms, some of the main blog spaces are Blogger, Wordpress and TypePad. Blogs are considered to be a part of the social media, because of possibility of leaving comments on the entries by the readers. Even some blogs allow many authors to post and write entries. In order to have a blog, a blogger need to use a platform, for example Blogspot is a popular platform to maintain a blog. In order to maintain a successful blog it is important to have a good writer writing on the blog. In addition the core of the post are the most important thing to keep the readers interested and to gain more visitors or comments on the blog. (El-Ansary et al. 2006, 334-336, Frost & Strauss 2009, 337-339, Juslén 2009, 113.)

## 8.4 Twitter

Twitter is social networking service, which is an online service. This social networking service connects people with each other and also connects the regular persons with each other, with companies, celebrities or athletes et cetera. Twitter allows the users to send "tweet", which are messages. The users can follow each other, and one can see the tweets of the persons he follows. There are discusses on how does twitter help in marketing purposes. First of all

through this type of social networking sites, companies are able to strengthen their relationship with the customers. Through tweeting the company is talking with the customers directly and in reverse customers can tweet the company back. Secondly Twitter helps companies to promote and share for any type of events, product arrivals and other top news, which can be totally invisible unless they customers do visit their Webpages consistently. Finally the last fact to be presented here is using Twitter for announcing changes and for example cancellation of events and so on. These changes must be informed to the customers, but informing through Twitter is much more effective and efficient than through the Web sites. (Bodnar 2012, Juslén 2009, 124-128.)

### 8.5 Google +

Google Plus is one of the Google's features, which is more categorized as a social media tool. Google Plus is developed social networking service, which is operating within the Google. There are various features in the Google Plus, which makes the communication possible. Mentioning some of these features; Stream, Hangouts, Circles and Messenger. For example the stream allows the users to enter a post or to see others' posts. The hangouts are made for groups with video chat facilities. There can be several users participating in the same hangout group. This venue enables for example people to do projects in a group without being in the same place and also using documents and files. The circles are the groups, which the user himself is able to choose the people he wants into the same group and use these groups for sharing post and documents. Even businesses can use this social media tool as their tool for marketing and direct communication with their customers. Companies can have their profile information accessible for people in Google plus and to marketing to their followers/customers through sharing posts and news. (WebTrends 2013.)

### 8.6 Website

Websites are marketing public relations tools to interact with the customers through the Internet. Every company's or organization's Websites work an electronic brochure to their customers, providing company information, product information and other relevant information such as contacting addresses and so on. There are many pros in creating a Website. It is an easy way for the customers to get to know the services and the company, as well product information are easy to update on the Websites, it can attract new prospects and it is low-cost compared to the other alternatives such as paper brochures or press releases. In addition the Websites allows visitors to contact you or to leave comments and feedbacks. According to Frost and Strauss (2009, 295) 65 to 87 percent of Internet users purchase online and 81 per-

cent use the Internet to collect information before any types of shopping. (El-Ansary et al. 2006, 334, Frost & Strauss 2009, 295.)

To summarize this chapter, it is obvious that social media is a powerful tool for marketing within the companies in the tourism industry. Also in Finland it is the most dominating social media networking site. Also YouTube and Twitter are in use in several companies and even people are using Twitter more and more. Other emerging social media networking sites are such as Google+ and also blogs are expanding to various industries. These social media networks are a relevant tool for marketing and even to build stronger customers relations. Companies are able to target wider group of customers through these sites and convert them into potential buyers.

## 9 Internet Marketing in Tourism Industry

This chapter is covering yet another vital part of the whole work and covers the main issues in the thesis topic. This very part will introduce and discuss about how tourism and online marketing are related and involved with each other. Here will be examined what for Internet marketing is used in the companies within the tourism industry and as well why should these companies use online marketing. There will be some examples on what Internet marketing tools are used and relevant for tourism industry and what types of Social Media networks might be used. Here will be also presented this issue from customers' point of view.

According to Labbé (2011), it is highly vital for companies working within the tourism industry to be aware of the fact, that users are now more into searching for information through different tools online. He as well claims, that the Internet has become the most important channel for distribution in the tourism and hospitality industry. Regardless of the size of the business, all businesses need to be aware of the developed and emerging use of the Internet and Internet marketing and actually the most dramatic change caused by the Internet has been in the tourism industry. Labbé mentions few online distribution channels such as a professional Web site and use of Social Media networking sites to be a must in marketing of companies working in the tourism and hospitality field. (Labbé 2011.)

Labbé (2011) discusses in his article about the opportunities that has been brought to businesses within the tourism industry via the Internet. For example in 2008 was visible, that almost 70 percent of the hotel bookings to different hotel groups were made through direct booking online. The Web has made the communication much easier for the businesses and for the customers. According to Mulholland and Cachon (2004), marketing communication online describes and tells about company's activities, products and other relevant information. Also the customers are nowadays more into communicating and connecting with the companies through the Internet. (Cahon & Mulholland 2004, Labbé 2011)

As Labbé (2011) mentions, the Web enables the marketing through the Internet, which also leads to more efficient and effective communication and marketing. Thus there are potential customers targeted with lower cost. He also adds, that the customers are benefiting from this phenomenon too, in a way that they are enabled to search for services they need easier and faster. In addition customers are able to make their own buying decision on their own without another person, geographical differences and so one - for example buying tickets or making hotel bookings. Labbé claims that, this action leads to customer satisfaction. (Cachon & Mulholland 2004, Labbé 2011.)

In addition Labbé (2011) highlights the Social Media can be a useful tool in order to do marketing. He mentions Social networking sites such as Google, Facebook and Twitter are the usually used for marketing by the marketers. However Labbé (2011) highlights, that there are more specialized Social Media sites like TripAdvisor. According to Labbé (2011) these more specialized Social Media sites are becoming very popular and also a main source of information to validate choices, which have been made by the customers. Another positive aspect of Social Media mentioned in the article is the accessibility of these Social Media sites almost anywhere and people are able to exchange opinions and experiences whenever they want to.

McCabe (2009) emphasizes the importance of the Web presence for companies in the tourism industry, such as hotels, travel agencies, transportation companies and so on. The Web presence enables the customers to find them online, share their experiences about these companies and reach to them. Labbé (2011) outlines several ways, how to get involved on the Web in order to have more visibility online and also developed marketing online. To mention few of these steps; he mentions companies having a profile on TripAdvisor already does a lot by enabling visitors to review them, which leads to more visibility of the business. Another step would be creating a Website also including Tumblr or Posterous, this step is easy and simple, also offering free tools for creating content. Eventually companies are enabled to have Facebook company pages and visibility in other Web sites. (Labbé 2011, McCabe 2009.)

According to a conducted study; for 65 percent Internet users in Europe, the Web is a primary source of information for organizing their trip or travel. In the recent conducted report by L2 Digital IQ Index for Travel, 78 percent of social media traffic is caused by travel Websites. In the GfK, a market research company is revealed, that almost 30 percent of trip bookings will be purchased online instead of through traditional travel agencies. In addition, there has been research done again by GfK, which shows that in 2015 more than 70 percent of all kinds of bookings will be primary done through the Internet. (Cachon & Mulholland 2004, Vaughan 2012.)

According to Airey and Stergiou (2003) there are various benefits and values of using Internet as a tool for marketing in tourism industry. They point out as a first fact, that it is low-cost marketing and will reduce the used money for marketing. Airey and Stergiou (2003) add, that there is many different costs within the marketing cost concept, such as publishing costs, distribution costs and so on, however online marketing is more budget-friendly option. According to Airey and Stergiou (2003) a well-done Web site will eventually convert viewers into customers and as well another beneficial aspect is, that the marketing is not just regional, it can be even global. (Cachon & Mulholland 2004.)

According to Boxberg, Komppula, Korhonen and Mutka (2001, 84-88), it is highly important for tourism industry companies to take the customers into the consideration while deciding on, which marketing distribution channels to choose. It is always better to have several distribution channels, where the companies target the right customers. According to Boxberg et al. (2001, 84-88) it is important to observe few certain aspects before choosing the distribution channel such as the selectivity of the distribution channel, where it attracts the potential customers. Another aspect is the viability of the distribution channel, where companies need to observe for example the possible cost and the effectiveness of the channel. The reliability of the distribution channel is another relevant aspect to take into consideration. According to Boxberg et al. (2001, 84-88) there are other aspects too such as the control, the flexibility, the volume and the resistance of the distribution channel. (Boxberg & Komppula, Korhonen & Mutka 2001, 84-88.)

According to Järveläinen's (2013), focused on the Internet marketing tools in tourism industry, the Internet Marketing is companies' online presence, which can be broke down into several aspects for example SEM (search engine marketing), Online advertising, Email marketing, Social Media marketing, blog marketing, Website marketing and so on. Järveläinen (2013) divides the marketing also into Inbound and Outbound marketing. Inbound marketing is advertising for example via blogs, SEO (search engine optimization), E-newsletters and videos. In contrast out-bounding marketing is considered to be for example Email marketing, direct paper mail, radio and spams. (Järveläinen 2013.)

Järveläinen (2013) consider social media to have power in Internet marketing in tourism industry and urges companies also in tourism industry to use Social Media tools. She adds, that social media can be seen as a service operating on the Internet and enables users to generate content in interaction with the other users. Järveläinen (2013) mentions, that according to Trendstream's global week index; at the moment the world's largest social media networks is Facebook, Google+, YouTube and finally Twitter. Järveläinen introduces a new term of Internet Marketing; SOLOMO, which is shorten from Social, Local and Mobile. Solomo is an intersection of social media, local merchants and usage of location-aware technology for advertising and it offers. According to Järveläinen SOLOMO also identifies the business environment, potential target group and potential customers. (Järveläinen 2013.)

According to Järveläinen (2013) in Internet marketing within tourism industry; besides social media networking sites also company's official Website is highly important and recommended. The Web site can convert visitors into potential customers or buyers. It brings even more visibility to the company. Also Web Analytics will help the company to analyze their marketing situation and notice if there has been any customers' growth or not. Also Web Analytics helps companies to see, which search marketing engines are attracting customers more, how

much was the page visit duration and how their process on the Internet ends on company's Websites. Also Järveläinen (2013) mentions the benefits of creating the right keywords for different search engines, SEM (search engine marketing), SEO (search engine optimization) and for example using Google Tools for having more developed Internet marketing.

According to Puustinen and Rouhiainen (2007, 224-231) marketing communication is one of the most important tools of competition within the companies in the tourism industry. The aim of the marketing communication is to inform about the services and products, which the company provides. Also how and where these services and products are available. Puustinen and Rouhiainen (2007, 224) point out that there are several forms to marketing communications, which might bring various opportunities for the companies. Marketing communications is communication between the marketers and customers, which is located outside of company. The marketing communications also enables the interactive communication between the customers and service providers about the image of the product and the values. According to Puustinen and Rouhiainen (2007, 225) marketing communications needs to be creative, informative and clear in a attractive way; which makes the company stand out. (Puustinen & Rouhiainen 2007, 224-225.)

In the tourism industry, it is important to find the best marketing channels in order to get the right customers. Some companies use more than one marketing communication channel and so it is important to use this channel in the right time and especially to the right target group. According to Puustinen and Rouhiainen (2007, 224-230), the companies within the tourism industry need to define the goal for their marketing communications. Puustinen and Rouhiainen (2007, 226) mention three aims for marketing communications each group of customers. For the regular customers, the aim can be reminding or informing about a service directed to them. For the networking co-operators such as business to business, the aim is to present high quality and reliable image of the companies and the services through marketing communications. Finally for the media, the aim is to create relationship with the other distribution channels, which adds more interest towards the company. (Puustinen & Rouhiainen 2007, 224-30.)

Below table is to show, which are the different forms of communication, what is the aim for them, who are the receivers and which distribution channels are used for these.

FORM OF THE COMMUNICATION	THE AIM OF THE COMMUNICATIONS	THE RECEIVERS	THE DISTRIBUTION CHANNELS
SALES AND MARKETING MATERIALS / BROCHURES	Creasing attraction and conscious, creating an image	The “last users”, retailers and the distribution channel parties	Documents, direct or indirect contact with the customers, customers and marketing letters
ADVERTISING	Creasing conscious, improving the company image and sales	The “last users”, retailers, limited segmentations	<ol style="list-style-type: none"> <li>1. Media</li> <li>2. Direct marketing</li> <li>3. Other</li> </ol>
SALES PROMOTION	Encourage byers, selling the image	Own staff, retailers, the “last users”	Exhibitions, product overview, business gift, media release, press release
PUBLIC RELATIONS	Positive public image, improving the public company image	External and internal target groups, media, stakeholders	Direct and indirect contact, public affairs, public campaigns, media release, press
WORKSHOPS	Induced sales	The “last users”, retailers	Direct contact, customers service, field sales, Internet and mobile
CUSTOMER SERVICE, INTERACTION	Solving problems, sales, controlling customers satisfaction	The “last users”, retailers, internal customers, co-operators	Direct contact, meetings

Table 4: Ways of marketing communications (Puustinen &amp; Rouhiainen 2007, 231)



To summarize this chapter it is noticeable, that regardless of the industry and field; the concept of Internet marketing is more or less same in all of the industries. As the chapter examined the different ways of marketing and advertising through the Internet, however the facts were more focused on the tourism Industry. The tourism industry is one of those services providing business, which requires the online possibilities and is affected by the Internet. Nowadays while customers are making decisions and buying, the whole process happens through the Internet. Searching and comparing services, bookings, reviewing rates and sharing their own experiences on these services is all possible on the Web. The business is going forward the online business. Also in order to make this enable for customers; business most have visibility on the Internet through Web sites, social media networking sites and search engine marketing sites.

## 10 The research

This chapter examines the background of the research and how it was conducted. There is outlined the background of the research and what were the objectives to achieve after the research. The chapter is divided into different sections introducing the research methods, the process of the research, the collected data and the results gathered out of the research. In this chapter one is able to see step to step how the research got started and what where the different phases of the research till the very end. In addition the research results will be presented in the end of this chapter.

As mentioned earlier, the goal was conducting this research on Internet marketing in tourism industry. Below in the later chapters will be briefly clarified, how the research process was carried out. Also there will be written, what kind of research method was used for the research and why. However to start the research process, it is relevant to have specific objectives. The research objectives are good to be well-thought, clear, covering the main things I want to find out and not too long. The objectives could help and guide; how to continue the process and where to lead it. The answers to the objectives will transform into the results in the end of the research.

The objectives are highly beneficial and useful during the research, during the making of the interviews and as well helpful for creating the interview questions (Keegan 2009). Below can be seen the objectives of this research.

1. How Internet has affected and changed the marketing scene in the tourism industry?
2. How is Internet marketing different than the print marketing?
3. What are the most important used tools or elements in the Internet marketing within the tourism industry?
4. What is the impact of social media in the Internet marketing within the tourism industry? And what are the most used social media tools for marketing?
5. How search engines are affecting the Internet marketing?
6. What is the added value of Internet marketing in the tourism industry?

## 11 Research Methods & Process

To conduct this research, there is qualitative research method used, therefore this kind of research method and data collecting to be the best possible for my thesis. In practice the research happened through semi-structured-interview with six Internet marketing experts and professionals. These interviewees were all either working in the tourism industry and they are involved with marketing and especially Internet marketing of companies they work in. However there was one exception, where the interviewee was from a Web design and online advertisement agency.

Qualitative research method was suitable for this research, since the quality of the given answers were more relevant than the number of the answers. For this thesis is required to use people who are exactly aware of the topic of the thesis, therefore this people can give a reliable and up to date answers to the research questions. As well the given answers are not just based on research participants' knowledge, but also based on their own experiences and learning. Doing interviews in person or on the phone or through Skype seemed to be a better option, therefore the interviewer has the power to maintain the conversation and lad it towards the right path in order to get significant answers. The interviews were in-depth interview for which had to be developed question beforehand. Conducting the right questions is highly important, therefore semi-structured conversations consists a small number of subjects. In addition the questions are more or less leading the interview into discussion, which might lead to the right answers for the research. The questions were meant to be short and to the point, which will encourage the interviewees to discuss about the main issues and particularly help me to find out the most relevant facts and answers. (El-Ansary et al. 2006, 155-156, Heinonen et al. 2003, Keegan 2009, 18-24.)

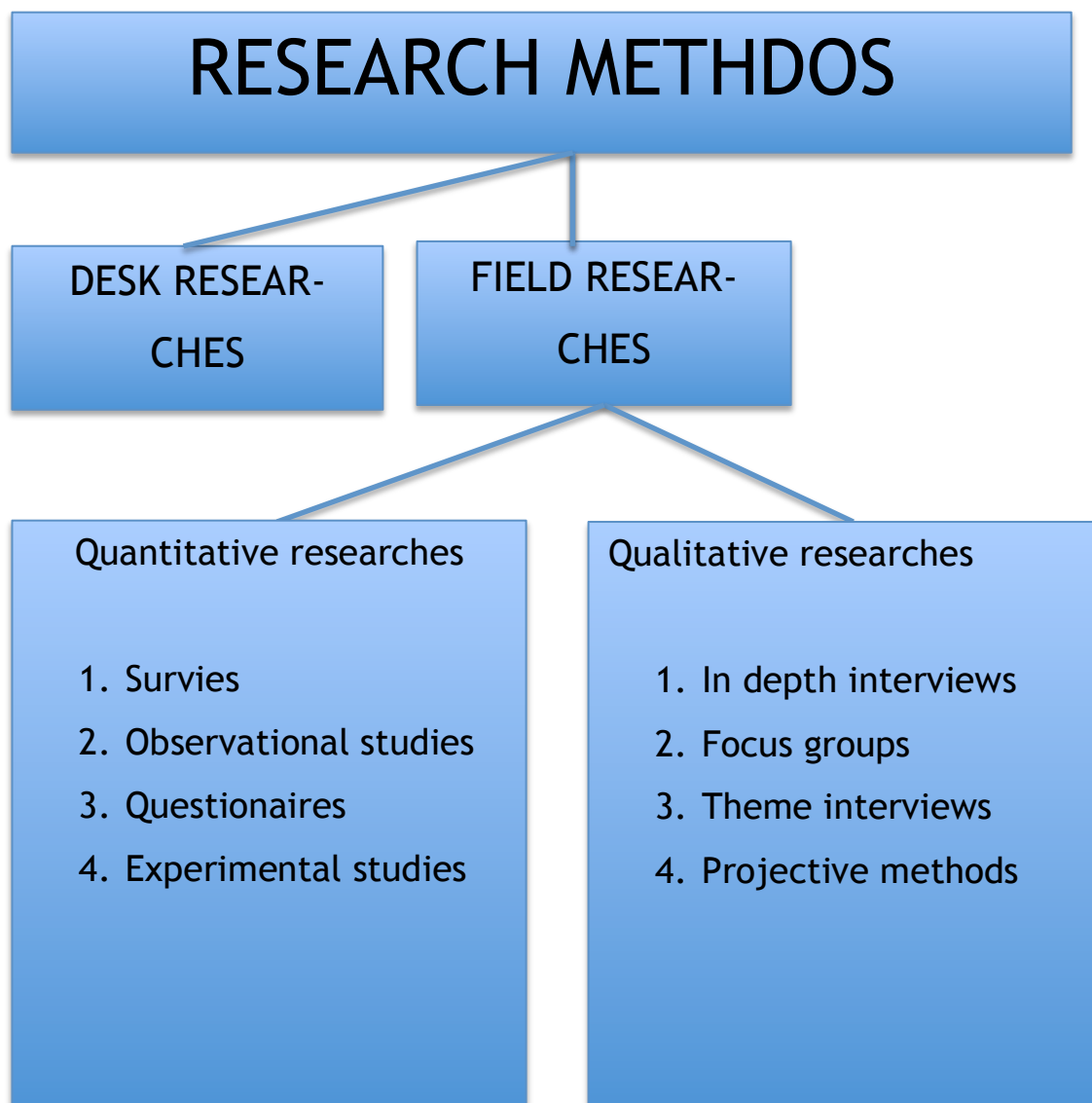


Figure 5: Breakdown of marketing research methods (Isoviitta & Lahtinen 1998, 62)

According to Isoviitta & Lahtinen (1998, 62) the graphic presented above the research methods breakdown for marketing researches. (Isoviitta & Lahtinen 1998, 62.)

The Interviews were recorded, in order to make the data analyzing easier and punctual. Recording the interviews gives the interviewer the possibility to listen through them several times and prevents of missing any information. The answers were analyzed after every interview and categorized into a logical structure, which enables to capture them and understand them as a bigger ensemble. As mentioned before, there were six interviews done during March and February 2013 with Mirka Anttila, Juha Jokinen, Nina Järveläinen, Ilkka Kauppinen, Mikko Lehtinen and Vesa Pohjonen. The interview participants were chosen from tourism industry and all of them are working in Internet marketing field. However there was one interviewee, who is working in a Web design / sales and marketing agency.

The lengths and the discussion order of the interviews varied in every Interview and the aim was to get enough and relevant information rather than long interviews. Even though there were specific interview question, but the interviews went by their own flow. However in all of the interviews the interview questions were brought up. Some of the interviews were conducted in person, few on the phone and one through Skype. There was conducted the very same questions for all of participants the interview questions are listed below. The questions were sent to the research participant in advance to be able to prepare answers and relevant information. The questions were modified in a right way for each interviewee. (Heinonen 2008, Myers 2009, 124-125, Heinonen et al. 2003, Keegan 2009, 94.)

1. Has the Internet affected the way of marketing? And if yes, how has it change it?
2. Has Internet marketing affected / changed the marketing of your business? And if yes, how has it affected it / changed it?
3. What are the most important elements / tools / ways of Internet marketing within the company in order to have a successful marketing?
4. How much time / money / workforce is used for company's Internet marketing?
5. How important you find Social media to be in marketing and communicating and how social media is used as tool for marketing?
6. How Search marketing helps the company's marketing and what search marketing engines are used the most?
7. How the marketing plan of your company is conducted and what are the different steps in conducting a marketing plan?
8. Should there be a specific strategy for Internet marketing? If yes, how strategies are used for the marketing of the company?
9. What are the benefits and challenges coming along the Internet marketing?
10. What is the added value of Internet marketing (in general and as well in the tourism industry)?

## 12 The Outcome

Finally the gathered data after every interview should be putted into one piece, covering the thesis goals. Of course this requires lots of alertness and caution. It is highly important to analyze the data right and being able to understand and read between the lines. As well it is important to be able to find the similarities, differences and conflicts between the gathered data. Analyzing the data was the most important and time taking phase of the thesis. For analyzing the data, it is needed to categorize and range the answers so that one could get a clear answer to my question. In order to have accurate and clear results, it is relevant to through the collected data carefully and many times. However there is a report below with the answers got from the participants in the interview. In addition there will be a written of the overall result of the position of Internet marketing within the Tourism industry in Finland. (Keegan 2009, 230-236, Myers 2009, 165-175.)

### 12.1 The effect of the Internet and Internet Marketing on Business in the Tourism Industry

The aim for this part of the research was to see, how the Internet has affected the way of marketing within the tourism industry companies. Also to see, how the Internet marketing have changed or effected on the business. The outcome of this part was quite positive, the participants did highlight the fact that Internet as a phenomenon has changed dramatically the way of marketing for better. According to the collected data, the Internet has brought more channels for marketing distribution. The tools and distribution channels for conducting Internet marketing are different but yet again more effective.

The results showed that several of the research participants agree with the customers having control on the Internet. The customers are conscious on what they want, what is in the markets, which product would be profitable and what is new at the moment. These participants also added that the Internet has changed the marketing more to attracting the customers in various ways to buy or use their services. The Internet has changed the push factor into pull factor, which means that the Internet enables the customers search for services, whereas before the companies had to search for customers. One of the research participants categorized the changes on Internet marketing caused by the growth of Internet into different parts. According to him, the Internet has made the marketing scene more independent so companies are able to have more independent marketing as they wish. Another aspect was that the Internet has brought more visibility in a wider global level, where even smaller companies can be globally visible and reachable through Internet.

According to on of the research participants:

*“The Internet has diversified the tools for conducting Internet marketing, as well the quantity and quality of the marketing. It is easier to reach the target group and clicks. Even though the changes are positive, it is challenging when there are too many channels and tools.”*

The Internet marketing enables the money come from the online sources too and the target group is wider through the Internet marketing. All of the research participants agreed, that Internet marketing is more profitable for their business and more cost-effective. They as well all added that the Internet marketing has brought more versatile tools and channels for developing Internet marketing. Also the results of the Internet marketing can be seen quickly and companies are able to analyze them. The Internet marketing has changed the business towards better allocations and understanding the customers better. The ability to measure the results and analyze them has led the companies to a more conscious customer behavior. According to all of the research interviewees, the Internet marketing has transformed companies to more customer-oriented business, where the customer relationship is highly valued. Companies are able to interact with their customers and get to know their customer segmentation. In other words, it is easier for companies to know, who are their potential customers and how to reach them.

## 12.2 The Role of Social Media in the Marketing and Tourism Industry

Social media is nowadays very fast growing and connecting people and businesses together, therefore it was relevant to find out how important it is within the tourism industry and how is it used as a tool for Internet marketing. Social media networking sites are seen to be great tool for bonding and building customer relations. For example a satisfied customer with a huge percentage will follow the company’s Facebook profile, which makes the Facebook secondary tool for building a stronger bond with the customers and as well attracting new ones.

In the tourism industry TripAdvisor is the most dominative and the biggest social media tool. This free social media tool is a relevant place to be visible for companies within the tourism industry, specially tour operators and trip organizers. However tourism industry is fulfilled with different types of service providers and most of them do not see the importance of being presence in TripAdvisor. Companies need to choose a social media site, which their target group might use.

In the research results it was visible that Facebook is the most used and the most important social media network in Finland within the tourism industry. For some reason in Finland, Facebook has the most control and the first social media position as a tool for Internet marketing. In the tourism industry companies prefer Facebook to the other social media networking sites for Business to customer and also for business-to-business (B2B) marketing. Even though

there is a recommendation for using other globally popular social media networking sites such as Twitter or Pinterest. Through the Facebook companies are able to get "Likes" in other words followers for their Facebook profile.

Through a well done and active Facebook profile it is possible to attract the followers to visit company's web sites. Also Facebook is effective in a way that by posting regularly and updating actively, the company is more visible. Facebook followers remember the company constantly through their post and sharing. Customers are able to like relevant and interesting posts, which can be seen by their other friends on the Facebook regardless if they follow this certain company's Facebook profile. In order to have a well-done Facebook pages it is recommended to have a professional maybe outside the company to create and maintain the Facebook sites. When it comes to products and offering in tourism industry, the timing for Facebook campaigns is highly relevant.

According to the research outcome a good practice of updating for marketing through social media seems to be important, especially to not be forgotten. Companies within the tourism industry need to be accurate about their doings and know the hard competition in the marketing scene. For having an interesting Facebook profiles or other social media networking site, it is beneficial to have a regular tempo for new campaigns, competitions and other attracting updates. In addition social media sites with video features like YouTube and Flickr are effective tools for marketing and attracting potential customers.

One of the interviewees emphasized on three different ways to use social media as a tool for Internet marketing:

*"Regardless of the business idea and the provided service, social media is a tool to commit the customer to the business. Facebook is the most used one at the moment, which is a good channel for businesses. By having a Facebook profile, the companies are allowed to set campaigns, competitions, information and create constructive content. It is important for companies to have followers on the Facebook, therefore it is essential to target the right group with the right products. Well allocated Facebook campaign is effective, crucial and free direct marketing. In addition companies need to maintain these social media tool, it can create grapevine and attract committed customers. Another good Internet marketing tool can be blog, where companies need to have interesting and topical issues discussed on their blogs. However this phenomenon has started to increase recently in Finland. The third option is Twitter and YouTube, which are as well not such a huge thing yet, but definitely growing. However these enables the companies to have free and effective ways to marketing and reach the customers."*



In the tourism industry, Facebook is seen to be easy and fast way to update, give information, share news, advertise and guide to other relevant sites. According to one of the interview participants there is a common mistake made by the companies while targeting through social media networks. Usually companies target the same customer segmentation in all of the social media networking sites. The interview participant recommend companies working in tourism industry to target in each used social media sites the specific customers, who might possibly use it. The interviewees mentions other important social media tools such as Twitter, YouTube and blog, but for some reason these tools have not taken over in Finland within the tourism industry.

### 12.3 Search Engines

During the research and studies for the theory part, search engines were highlighted quite often. The aim for this part was to see why search engines are so topical and how companies within tourism industry are affected by this way of marketing. Also in this part was meant to find out which types of search engines are used in the tourism industry in order to have a successful marketing.

In Finland, Google Web search is the most used and the most important search engine for marketing within the Web users. Also the companies prefer to put effort on the Google Web search. All the participants claimed that they use search engine marketing and search engine optimization for the marketing of their company. The common opinion within the research participants was to have an outsourced company or person to take care of these in order to do it right. Also they all agreed on the importance of the right keywords in order for customers to find them. The keywords more or less define your visibility through search engines therefore it is highly important to choose the right keywords, which lead the customers towards them. The research participants claimed for choosing the right keywords; companies need to think how they would describe their own services and products. Also how an outsider would describe it.

The results showed, that the reason for using search engines to get better and fast results. In addition all of the participants were conscious about the fact, that huge percentages of people do use these engines to find what they want. However companies in Finland are not all yet familiar or using the search engine marketing also this can be seen in the tourism industry. According to the research answers, still many companies are lost with whether to use search engine marketing and how they should do it right. The results examined, that the Google AdWords is the main and most important search engine tool at the moment in Finland.

#### 12.4 The Role of The Internet Marketing Plan & Strategies

The aim for this part of the research was to see how important role Internet marketing plan and strategies play in practice within the real companies working in the tourism industry. As mentioned in the theory part, the Internet marketing plan is a must in order to conduct and implement Internet marketing.

According to the research participants, the Internet marketing plan should be conducted beforehand, where they analyze several aspects, set time, set budget, set goals and et cetera. The Plan can be used as a guide afterwards to lead through the Internet marketing process. Almost all of the research attendees agreed with having an Internet marketing plan to be the first steps toward creating Internet marketing. They claimed, that even though thing will not always go according to the plan, but the plan gives a logic structure to the Internet marketing. The Internet marketing plan should cover all different parts of the Internet marketing, where companies have decided on the goals, on the budget, deadlines, workforce, duty delegation, campaigns, and the order of the duties and so on.

However the attendees emphasized the importance of market analysis before conducting the plan. The market analysis shows the companies, where they are realistically situated in the market and as well where the competitors are situated. According to the research attendees, the Internet marketing is a huge part of the marketing plan of a company, and it is the most practical medium while implementing the Internet marketing. Most of the participants claimed, that the Internet marketing plans are always covering the more or less the same aspects, but there are always some changes for example in the resource or budget due to new campaigns or projects. According to one of the interviewees, the Internet offers a huge range of instructions for Internet marketing plan. For example SOSTAC model gives relevant guides for conducting an Internet marketing plan.

The strategy comes along the planning of the Internet marketing, where the companies use the way, how to implement their marketing to achieve the goals. According to one of the attendees, the Internet marketing strategy is a deeper and wider concept compared to the Internet Marketing plan. He adds, that there should be an aim to reach in the most effective way and also take into consideration the competition situation. All of the attendees mentioned the fact that the main strategy should be based on, what we are offering, what we want to get out of it, what is our goal and how we get the customers. Exceptionally one of the research participants added:

*“ There is not always the need for a strategy, the annual Internet marketing plan is more important. However one of the research interviewees recommended the tourism industry*

*companies to include the Internet marketing strategy in their marketing plan, therefore many tourism industry businesses attend to make the strategy too complicated.”*

## 12.5 The Most Important Tools for the Internet Marketing

It is a fact, that Internet marketing is full with different tools and ways to implement the marketing. Therefore it was necessary for this research to find out, which tools are the most important within the companies in the tourism industry.

The research participant did mention some similar tools, which they use for their Internet marketing effectiveness. However every company and business has their own tool and way how to conduct their marketing and also achieve their goals. Several on the research participant mentioned, that the core is visibility and existence on the Web. To be able to be visible and able to compete in the market requires well done Internet marketing plan, reaching the customers and have customers committed to their services. Few of the interviewees highlighted the Websites, which is a vital tool in the Internet marketing. As well Google AdWords was mentioned to be highly important for the companies in order for the companies to be accessible through search engine marketing and search engine optimization.

However one of the research attendees claimed, that the Web analytics is the most important tool within the Internet marketing. This measurement system gives the companies the most relevant data and information about their target group, customer behavior and product success in order to develop it in the future.

## 12.6 Resources Used for the Internet Marketing

The main goal for this area was to find out, whether the companies do set a certain budget, time and workforce for their marketing. Also to see, how important they see this aspect to be in order to have a successful marketing. All of the research participants agreed with the fact, that there should be a specific budget and employees for reaching their goals. In addition the researchers were conscious, that the budget, the times and the needed workforce varies annually or on monthly bases. One of the interview attendees claimed, that it is recommended to put four per cent of company's property on the marketing seen, therefore it can be seen as an investment.

There was a recommendation for tourism industry companies to have a certain professional employee, who is capable to maintain the Webpages, some to analyze the campaign Adwords, someone to manage the Facebook company profile and some to analyzing the results of the Internet marketing. As well the companies need to be willing to have the right devices for

conducting the Internet marketing. The results showed, that it is recommendable for companies to have set in the planning phase, how much money and time they are willing to put in their marketing. It can vary due to projects and campaigns. Also it is recommendable too to have and outsourced expert to take care of different tools of the Internet marketing in order to do it effectively and right.

### 12.7 Benefits of the Internet Marketing

This part of the research was to find out, what are the benefits and strengths of the Internet marketing. Research participants claimed that there are more benefits than challenges coming along with the Internet marketing.

The research reveals, that the benefits are easily visible in the business and as well through these benefits companies are growing bigger and bigger. The research participants more or less considered the same facts to be the most important benefits of the Internet marketing. The Internet marketing was seen to be cost-effective way of marketing within the companies of the research participants. The companies are satisfied with the fact, that Internet marketing allows efficient marketing with less costs.

The second beneficial aspect of the Internet marketing was the capability of tracking and seeing the results of the marketing. Companies are now a day able to see who are searching for their services, where these people are from, which age range they belong to and through which search engines link they end up to their Web sites. In addition the companies can follow and track the customer behavior in their Web sites; what they like, how many end up buying something, which tables are most visited or how long the Website visit lasted. Web analytics makes this type of market analyzing and tracking possible for the service providers and this way companies are highly conscious about the results and outcomes of their marketing.

Also marketing through Internet makes it easier for companies to have a more focused target group. The companies are able to set their own pace for the online marketing. Many businesses in the tourism industry are providing seasonal services, so they are able to implement their Internet marketing to be ready for their high seasons. Internet marketing is modifiable, companies are able to modify and change quickly. One of the research participant mentioned, that Internet marketing is almost the only tool for bringing visibility and attracting customers to them. Since many of tourism industry companies use some sort of booking system, the need of the Internet marketing is very high.

According to an research interviewees, there is a long list of the benefits in the Internet marketing:

- *”Cheaper*
- *Covering more areas*
- *Targets widens group*
- *Specific targeting; what they like and what they prefer*
- *Better ad quick results*
- *All season marketing and the companies are allowed to set their own paste for marketing*
- *Better analysis and tracking of the marketing”*

## 12.8 Challenges of the Internet Marketing

Earlier was the benefit of the Internet marketing mentioned, which was followed by the challenges of the Internet marketing within the tourism industry. This aspect to the Internet marketing is highly important to see, which things might be causing risks and doubts during the marketing. Similarly to the benefits of the Internet marketing, the research participants revealed slightly similar challenging factors of Internet marketing.

However the main challenging aspect was the fact, that Internet marketing is ever changing and constantly evolving phenomenon. Many companies find this to be challenging in order to keep up with the latest trends, developments and most of all keep up with the needs of the customers. The companies have to follow the newest technologies and tools in order to stay visible and be able to compete with the competitors. According to the research results the competition is stated to be highly tough among the marketers in the online marketing scene. The Internet is fulfilled with advertisement in numerous ways and through numerous tools. In addition customers are advanced; they are up to date and quickly find the best and newest trends.

One of the Interviewees revealed which facts he consider to be the main challenges coming along the Internet marketing within the Finnish companies operating in the tourism industry: *“Weak computing knowledge and skills inside the companies have caused troubles to many businesses to conduct Internet marketing. This has lead to difficulties, how to use the Internet and the various tool provided to Internet marketing. Another aspect is; not wanting to put enough money nor time for performing Internet marketing, therefore companies do not see Internet marketing to be an investment in the long run. Inefficiency is another challenge within the companies in tourism industry. Some companies do not have plan for Internet marketing or they are lacking ambition, therefore the Internet marketing is easily left undone. Finally the last challenging aspect is the lack of language skills, which is relevant within the tourism industry. Even though various companies have international target group, still they do not see the importance of the need to develop or improve this issue.”*

The data analysis showed that some companies are not willing to put enough time, money and training for developing their Internet marketing. He recommends specially the companies working in the tourism industry to get enough knowledge on, how to do the Internet marketing right, enough knowledge about search marketing engines, sufficient time and budget to get the best results. According the interviewees of the research; using several tools and sites for marketing make the modifying more difficult in order to make the changes in all of them. Last but not least challenging aspect of Internet marketing is that, some companies do not know how to do the marketing right or they do not have the right persons taking care of the maintenance of the online marketing. Companies need to find the right place and tools for keeping up in the Internet marketing scene and stay on top of the development.

### 12.9 The Added Value

The aim for this last finding was to see, which key factor makes the Internet marketing recommendable than the print marketing. As well to find out, what is the main special and valuable feature to Internet marketing. All of the participants highlighted and emphasized the cost-efficiency to be the added value of Internet marketing. The research outcome revealed, that Internet marketing in the tourism industry is cheaper and more effective compared to the traditional marketing. However there was several times mentioned also the modifiable and tracking features add more value to the Internet marketing.

### 13 SWOT-Analysis Based on the Results

The aim of this part of the thesis is to examine the research outcomes through SWOT-analysis. SWOT-Analysis is a good way to show the positives and the negatives parts to an issue. Below is listed several facts, which according to the research findings were seen as strengths, weaknesses, opportunities and threats to the Internet marketing. By listing these facts, it is certainly easier to be able to compare these together and to prioritize them. By having a list of these aspects to Internet marketing it is easy to make conclusions on whether Internet marketing is an effective way of marketing for a business or an Industry. In these cases, the SWOT-analysis is done based on the answers given by research participants, who are working within the tourism industry.

<b>STRENGTHS</b>	<ol style="list-style-type: none"> <li>1. Cost-effective</li> <li>2. Measurable</li> <li>3. Modifiable</li> <li>4. Targetting wider target group</li> <li>5. Trackable</li> <li>6. Open data</li> <li>7. Various options</li> </ol>
<b>WEAKNESSES</b>	<ol style="list-style-type: none"> <li>1. Too wide</li> <li>2. Tough Competition</li> <li>3. Constantly changing</li> <li>4. Emerging new trends and devices</li> <li>5. Customers are advanced</li> </ol>
<b>OPPORTUNITIES</b>	<ol style="list-style-type: none"> <li>1. Getting new customers</li> <li>2. Customer relationship</li> <li>3. Loyal customers</li> <li>4. Investment</li> <li>5. Website visitors</li> </ol>
<b>THREATS</b>	<ol style="list-style-type: none"> <li>1. Targetting wrong people</li> <li>2. Not enough knowledge</li> <li>3. Not keeping up with new trends and devices</li> <li>4. Wrong tools</li> </ol>

Table 5: SWOT-analysis based on the research results

## 14 Conclusion

The aim of this research was to achieve the goals of the thesis. The goal for this thesis was to analyze the Internet marketing in general and specifically to see, where it is situated within the tourism industry. For this research it was necessary to use qualitative research to get precise results. Semi-structured interviews were relevant and suitable for the research and in addition it was important to have the right interview participants, therefore to be able to get answers for the objectives of this work. The aim was to be able to find out where is Internet marketing standing at the moment within the companies in the Finnish tourism industry, how it is used, why it is used, what are the challenges, what are the benefits, which are the most important tools and last but not least how it is affecting their business.

According to research finding Internet marketing is nowadays the main way of marketing within the companies in the tourism industry. Internet marketing phenomenon is seen to be a fast growing and constantly developing. The findings showed that Internet marketing has been taking over several businesses and it is at the moment the most effective way of marketing. The Internet marketing is seen to be more profitable for the companies and it is a relevant tool in order to keep up with market competition.

The research outcome revealed the fact, that most of the businesses prefer the Internet marketing instead of the print marketing. The print marketing is seen to be less effective and not measurable for businesses. According to the results, there are more benefits than challenges coming along the Internet marketing. Internet marketing allows the companies to be visible locally, regionally and also globally. The Internet marketing gives value to the marketing communication in several ways. However, still there are many companies, who refuse to have a take on the Internet marketing. Many of these companies feel, that it is costing them more or they feel threatened by it. The Internet marketing is decreasing the usage of the print marketing and it is spreading constantly.

The results demonstrated that the Internet marketing is at the moment the most cost-effective way of marketing. The companies within the tourism industry are satisfied with having the power to be able to measure and modify their marketing anytime. Internet marketing allows companies to track, how their marketing is progressing, how people are finding them and also who these potential customers are. It is possible for companies to effortlessly analyze their customer behavior. Internet marketing is giving the companies the chance to target a wider group of customers and get closer with them. In addition customers as well nowadays have the ability easily to reach service providers, compare services, find information and even share their own experiences on the Internet.



The goal was to also find out the main challenges are coming along the Internet marketing. According to the research findings the fact, that Internet marketing is changing and developing rapidly is challenging for the companies to keep up. Due to the growth and development of the Internet marketing, there are constantly emerging new trends, tools and devices. The competition in the Internet marketing scene in the tourism industry is remarkable; therefore the companies have to be all the time aware of the market situation. In order to stay visible and be able to compete with the competitors, companies need to be ahead of their competitors and even the customers, since the customers are as well remarkably advanced. The sufficient knowledge on the Internet marketing and its' tool is causing difficulties to some companies.

The research was also meaning to find out, what are the most used social media networking sites and how they are affecting the Internet marketing. The research revealed the importance of the social media within the companies in the tourism industry. The companies are all using one or another networking site of social media and they find these sites to be relevant for the marketing in order to be visible and to keep the customers up to date. Facebook turned out to be the most important and used social media networking site in Finland, where the companies try to attract their potential customers through different campaigns, projects and competition. The Facebook allows the companies to post links, pictures, videos and comments, which also can lead the customers for example to visit their Websites. Other social media tools were YouTube for using video features and Twitter is another one, which is still in a use of fewer companies.

The main important tools and elements for conducting Internet marketing was one of the goals to achieve for this research. The results were showing that search engines are the most important tool for the companies nowadays to be reachable and visible. Search engines are used by huge amount of Web users and the keywords are used for finding different services. The companies have to be crucial and precise while choosing the keywords, which can describe their services and could directly get the customers to find them. The search engines will show a ranking list of different services, which can be comparable to the keywords. It is important for the companies to stay on top of the ranking lists in order to be able to get clicks and get potential customers.

## 15 Author's reflection during the thesis Process

This last chapter of the thesis is covering the author's own reflection during different steps of the work. Below will be explained briefly in this work's author's own words, what were the crucial points of the relevant steps of this paper, how did they affected the process, based on what reasons the work was conducted and how different decisions were made. This part of the work is considered to be highly important especially for the author, just to analyze and to see how everything was done during the process of this work and how one felt about them afterwards.

### 15.1 SWOT-Analysis

This chapter of the chapter is dedicated to SWOT analysis; which is always and effective way to compare strengths, weaknesses, opportunities and threats of an issue or a case. In this chapter, there will be some information presented on why and how SWOT analysis is conducted and how this type of analysis helps and supports this research and companies to see what facts are beneficial or challenging for the business. Below is a table conducted with the major facts of strengths, weaknesses, opportunities and threats of the Internet marketing according to the thesis author.

For this type of research, SWOT analysis is seen to be a good guide and tool to compare pros and cons considering an issue. The main strengths, weaknesses, opportunities and threats regarding my topic, Internet marketing for tourism businesses are introduced below. The base for these facts are through the studies from various sources, through the research interviews and finally through the gained knowledge. This type of analysis or in other words evaluation method is a structured planning. The SWOT analysis gives an good picture of what ae the positive and negative facts within a project, business or plan. In addition it can also predict possible risks or threats and potential opportunities. Identification of the different parts of SWOT-analysis helps in the steps to achieve the goal.

<b>STRENGTHS</b>	<ol style="list-style-type: none"> <li>1. Effective and efficient communication tool</li> <li>2. Increases benefits</li> <li>3. Decreases costs</li> <li>4. Increases revenues</li> <li>5. Wider target group</li> <li>6. Up to date</li> <li>7. Easy to reach</li> </ol>
<b>WEAKNESSES</b>	<ol style="list-style-type: none"> <li>1. Consumers have more control on the Internet</li> <li>2. Changing continually</li> <li>3. Competition</li> <li>4. New devices and trends</li> </ol>
<b>OPPORTUNITIES</b>	<ol style="list-style-type: none"> <li>1. Increases benefits</li> <li>2. Decreases cost</li> <li>3. Increases revenues</li> <li>4. Connecting with the customers &amp; other companies</li> <li>5. Investment</li> <li>6. More customers</li> <li>7. Better customer relations</li> </ol>
<b>THREATS</b>	<ol style="list-style-type: none"> <li>1. Consumers have more control on the Internet</li> <li>2. Technological readiness</li> <li>3. Ethical and legal issues</li> </ol>

Table 6: SWOT-analysis based on author's cogitation

## 15.2 Choosing the Topic

It was a bit challenging in order to find a topical and good topic for this thesis, therefore one should have his very own criterions for the thesis topic. First of all for this thesis, the topic had to be interesting and a sort of unknown theme, where it is possible for example for me as the writer of this these to gain lots of knowledge through different sources. Another criteria was also the theme need to be topical so there would be enough information and sources available. Topical issue and theme are good for several reasons; one of them is that it concerns a wider amount of people, industries and companies. Since I am studying tourism degree, I wanted this thesis to be as well involved within the tourism industry. In addition I wanted to choose a topic, which can be useful for me regarding the future, where the knowledge I gain during the research is valued.

The idea got started during my first and second internship period in a company within the tourism field, where we consistently got feedback regarding to the marketing of the company. The company did not put much time and effort on the marketing and especially when it came to the electrical form of marketing. That is when I started to realize how important the Internet communication is and how much do customers as well demand for it. With these words I found Internet-Marketing to be highly important for almost every business and it is a phenomenon, which is growing and developing continually. In my opinion tourism as an international influential is one of those industries, which have to keep up with today's new trends, technology and development. Despite the importance of Internet-marketing, there are still many entrepreneurs and companies, who are not ready or willing to take a bite of the marketing through Internet. These facts can be caused by various reasons, such as some companies are simply afraid to face changes, or they do not want more visibility or they find the Internet marketing complicated.

### 15.3 The Conclusion

I found writing the conclusion part to be interesting and easy, since it was made based on the research and research founding. The research analysis and finding the results helped with the conclusion. I just needed to summarize, what I have found and how these founding are answering to my thesis goals. The conclusion was interesting for me, therefore in that part I wrote the whole research results and as well the theory part briefly. In addition it was interesting for me to see, what I have conducted and what I have been able to achieve through this process.

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## Tables

Table 1: Top 3 search engines

Table 2: Social media networking sites

Table 3: Social media networking sites

Table 4: Ways of marketing communications

Table 5: SWOT-analysis based on the research results

Table 6: SWOT-analysis based on author's cogitation

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Figure 1: Internet Activity - Time Online per day

Figure 2: Proportion of Online advertising spend

Figure 3: Internet marketing plan environment

Figure 4: The most used search engines and index sites in Finland

Figure 5: Breakdown of marketing research methods

## Appendix

Appendix 1: Research interview questions for participants working in a specific company

Appendix 2: Research interview questions for Internet marketing consultants & experts

Appendix 1: Research interview questions for participants working in a specific company

1. Has the Internet changed the way of marketing? And if yes, how has it change it?
2. How Internet marketing affected / changed the marketing of your business?
3. What are the most important elements / tools / ways of Internet marketing within your company in order to have a successful marketing?
4. How much time / money / workforce is used for your company's Internet marketing?
5. How important you find Social media to be in marketing and communicating how do you use Social Media as tool for marketing?
6. How Search marketing does affect the company's marketing and what search marketing engines do you use in your company?
7. Do you have a marketing plan? If yes, how the marketing plan of your company is conducted and what are the different steps in conducting a marketing plan?
8. Do you have a specific strategy for your Internet marketing? If yes, what are the strategies used in Internet marketing of your company?
9. What are the benefits and challenges coming along the Internet marketing?
10. What is the added value of Internet marketing (in general and as well in the tourism industry)?

## Appendix 2: Research interview questions for Internet marketing consultants & experts

1. Do you feel that Internet has affected the way of marketing in the tourism industry? And if yes, how the effect is visible?
2. Do you think, that Internet marketing has affected the way of marketing in the tourism industry? And if yes, how has it affected / changed the way of marketing?
3. What are the most important elements / tools / of Internet marketing for the companies within the tourism industry in order to have a successful marketing?
4. How much time / money / workforce should be used for a company's Internet marketing? Should there be a precise budget, time limit or staff?
5. How important you find Social media to be in marketing and communicating for companies within the tourism industry? How do you see, that companies are using Social Media as tool for marketing?
6. How do you think, that search marketing does help the company's marketing and what search marketing engines do is used in the company?
7. Do you think, that companies have to have Internet marketing plan? And if yes, what are the different steps in conducting a marketing plan?
8. Do you think there should be a strategy in Internet marketing for companies working in the tourism industry? If yes, how the strategy should be set?
9. What are the benefits and challenges coming along the Internet marketing for businesses within the tourism industry?
10. What is the added value of Internet marketing for the businesses working in the tourism industry?