Internet marketing for Russian tourists

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<td>This bachelor thesis was commissioned by Lomarengas Oy, the biggest cottage renting company in Finland. The goal of the thesis is to define suitable internet methods for the company in attracting Russian customers. Due to lack of the knowledge about the Russian market the additional task was to define the portrait of the target market. The research was conducted among the Russian customers of the company by phone interviews, emails and Vkontakte social network. Around 300 people participated in the survey to answer the main research question: how can the company attract Russian customers through the internet and sell its services? The research discovered the portrait of the target market and the market’s positive attitude to the company. The survey proved the potential of the company in this field, showing that Russian clients of the company are active internet users, who is ready to communicate with the company using social media. The key points of the internet promoting also can be the search engine optimisation, banners or affiliate advertising on some popular Russian info portals about Finland and local Finnish regional websites.</td>
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1. INTRODUCTION

This thesis is called “Internet marketing for the Russian tourists” and it is conducted about the internet methods using by the company for its target market – Russia.

The work involves the study about attracting Russian customers by a Finnish touristic company using internet channels. The work based on the example of the Finnish company renting cottages all over Finland. The company has recently started active work with Russian customers and would like to know which channels are more suitable for different groups of Russian customers living in Russia.

1.1. Actuality of the survey

The actuality of the thesis is characterised by several issues. Finland and Russia always have had close connections due to geopolitical reasons. Nowadays collaboration between the countries and their businesses are also significant. The tourist aspect of these connections is especially evident and developing intensively. According to statistics, Russians are the largest group among foreign visitors to Finland. (Tilastokeskus, 2013a). Therefore according to “Finland’s Tourism Strategy by 2020” developed by Finnish Tourism Board, “Russians are already the most important group of foreigners in Finland and their number of visits to the country will increase markedly in future”. (MEK, 2013 p.21)

Additionally due to the technological developments and trends, it is evident, that the work on a foreign market mainly or at least initially is based on the internet trade nowadays. The statistics of tourism and accommodation in Finland show as well, that the most foreign accommodation reservations are made using the internet. (Tilastokeskus, 2013b)

All of the above mentioned states that the subject of the thesis is actual. This is useful especially in terms of the Finnish touristic company, which decided to become the leader in its segment for Russian customers.
1.2. The goal and research question

From the actuality of the research the aim can be determined. The goal of the thesis is to define suitable internet methods for attracting Russian customers through the internet.

The most popular reasons Russian tourists come to Finland are shopping, sightseeing and family vacations in cottages. Therefore, Finnish companies are actively developing the Russian segment in their operations. The survey concentrates on cottages vacations of Russians in Finland.

Due to this the question of how to achieve Russian audience more efficiently appears. Nowadays internet technologies are everywhere and especially in the touristic business. Therefore the survey poses aim as how the company can reach people living in Russia by using internet technologies. The survey is concentrated on the internet technologies, used by the company for its foreign market.

Preliminary discussion with the representatives of the company defined the following: nowadays the company cannot describe the exact portrait of its Russian clients. Due to this aspect the researchers have an additional task - to define the target audience and make its segmentation. This will allow lining up the appropriate internet channels, which company may use to achieve increases in sales. But the main goal of the work remains as to find appropriate internet channels for Russian groups of customers for the company. Therefore the main research question is: “how can the company attract Russian customers through the internet to sell its services?”

1.3. Limitations of the survey

The survey is focused on the internet tools used by the company. First of all, due to impossibility to scope all marketing activity of the company in such small survey. Secondly, because of the specific of the company and its operations – it is evident, that most foreign sales happening through the internet. And, finally the company itself gives the internet tools in the priority nowadays.

The research framework is defined by the data which the company is able to present. Among resources is some data about customers and information about company’s activities for the moment. The data is not always well structured and complete; therefore the authors had to make
survey themselves. The survey has a pilot study character about the audience’s portrait and its internet preferences because this is first survey of the company. The pilot study will give some hints, and later on company, trying some methods will be able to make a deeper survey.

The study is also limited by recommendations based on the research, without any testing. First of all, due to the limit of time and lack of the resources. And secondly, due to active work continuing in parallel of the company itself in this field. Therefore, the authors are able to give some recommendations which the company can use to initiate its marketing strategy.

1.4. Literature review

The research involves such fields as market segmentation, internet marketing and tourism. The observation of the target market and its segmentation is well given by Ph. Kotler& G. Armstrong, Adcock D., Halborg A.& Ross C., As every field has its own particularities, tourism market segmentation was well reflected by Middleton V. & Clarke J. The internet marketing tools, the work is based mostly on the D. Chaffey’s theory. The research of other authors were also used, such as M. Solomon&Tuten, Smith, Clow K., Baack D.

The subject is pretty vital, this field is developing all the time, and therefore the researches paid attention to the different internet resources as Statistics Finland (Tilastokeskus, 2013c), and few internet marketing magazines such as Inc Magazine (Inc. Magazine, 2013) and Web.Search.Social (Web.Search.Social, 2013). The company’s data and website were used as additional information according this particular case itself.

1.5. Methodology

To solve the problem the authors are facing with several aspects of the problem. Despite the company has faced and worked with Russians customers for some years, it does not know the portrait of its standard customer. This why, the market can be defined as relatively new for the company. And therefore the survey has to be concentrated on the audience itself. But, as the company willing to promote its service through the internet, the researches have to try to investigate audience’s internet preferences at the same time. For these two purposes the one
survey was created. To get more diverse information, the survey was conducted by several channels: emails, phone calls and small questionnaire in Vkontakte – Russian social media.

After analysing the data from the survey, the descriptive image of the market was executed. And finally, to define assumedly appropriate internet tools for the company, the SWOT analysis of the methods using by the company was carried out. This allowed structuring the methods and specifying which of the method are most suitable for the defined market with its characteristics.

2. TARGET MARKET

2.1. The concept of the target market

Nowadays companies use a lot of money to create new products and services. They are searching for answers on the following topics: what to sell or provide and how to provide it. But the most significant question is to whom the companies should sell the products or provide its service to. Therefore the company needs to know in advance what its target market is. In other words, who potential customers are; this is start point of the whole activity. Otherwise, there is no sense to have a good product but no customer to sell it to (Web.Search.Social, 2012).

Talking about the target market, it is most important to define it. The target market is “a set of buyers sharing common needs or characteristics that the company decides to serve.” Each customer has their own individual requirements. Therefore we can say that the vendors could accept each customer as a target market and implement different programs for each of them. Nevertheless, there is a large amount of the customers in different fields. Accordingly the companies choose the segments of buyers. This term will be discussed below (Kotler P., Armstrong G., 2005, p.199).

As it can be seen from the definition of the target market the customers have common characteristics. Nevertheless it should not exclude customer groups who do not fit our target market selection conditions. In general, the knowledge of the target market helps the companies to send a message to the exact market to which most likely will buy products or use their services (Inc.Mazazine, 2010).
As well as to know company’s target market definition it is needed to correctly identify it, this process can be divided into few steps. First of all, to decide what needs and wants the company is planning to cover. For which target group to make products or provide services to. Secondly, the market itself is a too vast definition. Therefore it can be divided into separate segments. Who these customers are, who are most likely to use the product or service. The customer segmentation term will be discussed later on in this thesis. Next step is to create a customer profile: who they are, where they come from, what are their needs, benefits and etc. Then it is important to answer such questions as “how it is planned to reach the target market?” and “which marketing methods to use”. And, the final step is defining of the market size and evaluation of it: does it provide enough potential consumers in the occupied area (Quazell, 2013).

2.2. Consumer market segmentation

First of all, it should be mentioned that this work deals with marketing in tourism. Therefore it has its additional segmentation, for instance: purpose of travel. According to this the segmentation, which will be done below is based on this term.

Marketing segmentation shows that people are different in desires, needs, wants, lifestyle, behavior and many other positions. As long as companies pay attention on these terms they can reach their potential customers, apply success marketing plan and develop the service.

Talking about segmentation it should be defined of this term. Therefore segmentation is “identification of a subset of consumers, so that a marketing mix can be devised specifically to satisfy its demand” (Buttle F.,1996, p.116). Other words, it is classification of the most suitable consumers (Adcock D., Halborg A., Ross C., 2001, p.120).

In this work will pay attention on the following segmentation based on Adcock D., Halborg A., Ross C. and Middleton V., Clarke J.:

1. Demographic
2. Geographic
3. Psychographic and life style
4. Benefit
5. Purpose of travel
2.1.1. Demographic segmentation

The demographic segmentation method is the most common segmentation method which is often used by statistics. Basically, the demographic segmentation consists of the following terms: gender, age, material status, occupation, socio-economic factors, income, etc (Adcock D., Halborg A., Ross C., 2001, p.121)

Consumer wishes and needs change with ages. Nevertheless the companies should be careful with this. Some people of the same age can have different life situation and activities. Despite age segmentation, the firms should not forget about the gender and income factors. The companies provide services and create product for different genders. The messages which the firms send through marketing channels are different for males and females. On the same fact it can be referred talking about income. Different people with various level of income choose diverse products and services (Kotler P., Armstrong G., 2005, p.187-188)

2.1.2. Geographic segmentation

This segmentation is based on location. As an example, it can be provided the following: north or south, cold or warm region, urban or village, distance from city center, travelling distance (Adcock D., Halborg A., Ross C., 2001, p.123).

This segmentation helps the companies to pinpoint on the correct target region. They can use the information to meet customers’ needs of a specific region (Clow K., Baack D., 2012, p. 108).

2.1.3. Psychographic segmentation and lifestyle

These segmentations are different from physical terms. They are based on mental and physiological behavior. As an example: which values customers follow, if they like adventure or to take a risk (Middleton V., Clarke J., 2001p. 116).
Lifestyle segmentation deals with activities, favours and alternatives. This can be an useful option of segmentation for products and services. Such as widely developed media market: magazines, blogs, social media, and web sites. Also it might be possible that a specific blog or web site can be suitable for one special group of customers (Cahill D.J., 2006, p.15).

Basically it can be highlighted the following groups: the first group is innovator – successful, impressed by new technologies. They are based on purchases of on high level products and services. The second is thinker – educated, they know the value of knowledge. They make the decisions based on usability and functionality. The next one is achievers – reach the purpose. They choose prestige and family basis. The forth group is experiences – impulsive customer. They are looking for new experience. The fifth group is believers – based on traditions and family. They choose “home land” brands products and services. The next group is strivers – trendy. They prove the potentiality to buy. Makers – self-confident is the seventh group. They support different projects and are not interested in material possessions. And the last group is survivors – depend on safety. They choose discounted products and services (Clow K., Baack D., 2012, p. 107).

2.1.4. Benefits segmentation

Benefits segmentation is “dividing the market into groups according to the different benefits that consumers seek from the product” (Kotler P., Armstrong G., 2005, p. 194).

As it can be seen from the definition, the segmentation is based on the advantages of a product or service itself. From one product or service particular group of customers can get benefits at the same time any other group cannot have any (Adcock D., Halborg A., Ross C., 2001, p.124).

Talking about marketing in tourism, some customers choose luxury hotels, others prefer budgets tourism but they all are looking for benefits of it. As well as tourists with children seek for benefits based on the children’s needs. Nevertheless, the customer benefits are changing over time. Therefore the managers have an opportunity to reach necessary benefits within time and customer requirements (Middleton V., Clarke J., 2001, p.112, 113).
2.1.5. Purpose of travel

As if it was mentioned before, some segmentation deals mostly with marketing in tourism. Therefore it can be highlighted that purpose of travel segmentation one of it.

The companies should pay attention on this segment due to a big difference between the purposes. For instance, business travel is completely different from typical summer holidays. Therefore product vendors and services providers must be careful while choosing marketing methods. As well as for the small companies (service) they mostly choose simple segmentation. As an example: summer holidays, winter sport. Talking about the large companies, which provide tourism service, they have to be more flexible with their offers due to a wide range of consumer segmentation. Nevertheless, all the companies large or small should be flexible and have fast reactions on changes in customers’ needs (Middleton V., Clarke J., 2001, p. 112).

3. E-MARKETING

3.1. The concept of e-marketing

3.1.1. Definition of e-marketing

The modern economy and society demand the company to be always available, reachable, fast and efficient. The development of the Internet nowadays allows to achieve these demands in building the customer relations by a company. Considering the concept of the e-marketing, the definition is supposed to be according to its name what will give the classical marketing concept, performed through the Internet or by electronic communications. This means marketing doing by site of a company, e-mails, forums, social media, advertising in the internet etc. If to have a look at different author’s concepts, the following can be found.

According to Kotler et al (2005 p. 135) e-marketing is “the marketing side of e-commerce. It consists of company efforts to communicate about, promote and sell products and services over the Internet”. Company can use the Internet in its operations many variable ways, Kotler et al (2010 p.486) gives out seven: “to do research, provide information, run discussion forums,
provide training, carrying on online buying and selling, provide online auctioning or exchanging, and even deliver “bits” to customers”.

Other authors also consider the e-marketing in a similar vein, as ”the process of building and maintaining customer relationship through online activities to facilitate the exchange of ideas, products and services that satisfy the goals of both parties ” (Gay et al 2007 p.6).

In general, it can be concluded that the whole concept of e-marketing is the fact of using all possible internet technologies and communication to achieve the marketing goals of a company. Mostly this includes corporate or marketing web-sites, online advertising and promotion, social media and email (Kotler et al 2005 p.144).

3.1.2. E-marketing characteristics

As it was defined what the e-marketing presents, it also needed to discuss the features which distinguish the e-marketing from the classical marketing. The root of differences lies in the internet technology itself, Chaffey et al (2003 p. 27-33) name some basic particularities giving the advantages to the e-marketing.

**Independence of location** – or absolute availability wherever there is internet access. The first evident and one of most significant features. Even some small local company can sell its products to the other side of the world. Customer can get anything he wants from the internet shops nowadays. This is good push for marketing and sales of the company.

**Interactivity** – the internet presents a very vivid and active interaction space, starting from dialogs windows on the company’s web-site up to social networks and communities, where the interaction happens all the time.

**Intelligence** – or providing the necessary information about the customers. The company can collect different type of information about its target audience, first of all (but also about competitors, partners, trends), very easily. This marketing research is low-cost, constant, worldwide.
**Individualisation** – the web is unique instrument from the point of mass media communications. It is really mass communication, reaching billions people worldwide every second, 24/7, but at the same time it is individual tailored communication. The possibility to have the personal accounts in almost in all services, e-mailing, newsletters – all creates the customisation or an individual approach to millions customers.

**Integration** – first of all this is technological feature. The internet combines visualisation (nowadays even in 3D), sound, interactivity, possibility of mass and individual work with customers. All this allows to combine different instruments and techniques in the same message, as well as to direct the message equally to a customer’s audience or individually to each one.

Smith et al (2011 p. 123-126) consider e-marketing features, in a slightly different way, and define couple important, from our point of view, characteristics which Chaffey at el have not picked out. First of all, they highlight the **pulling character** of e-marketing: customer goes to the internet to get some necessary information themselves. It means the customer initiates the interaction, but not the company, trying to reach people as much as possible by its messages.

**Word-of-mouth** is organised in the internet more widely and faster. People have opportunity to leave the comments about the product, to share their opinion and links with all necessary information about the products much faster and to much more people than earlier. The product or news can become popular in minutes and hours worldwide.

Taking into consideration the particularities of modern society and its individuals, it can be noticed that the Internet has a presence, takes people time and attention, helps to resolve everyday tasks, gives sociability, knowledge about the world around etc. In this mean the internet is much different from the traditional promotional channels: internet users are more free and independent in choosing the content and information they want and they need. But the same time due to the unlimited space of the Internet there are more opportunities for the company to present itself and get customer’s attention. But company has to pay attention, nowadays there is lack of time always for everybody, therefore all Internet content should be laconic, easy to download and to use etc. According to all this behavioural and technological basics of modern life Eastman et al (2006 p.226) defines several principles of online promotion.
The primary key to the effective use of the Internet for promotion is taking advantage of user’s spent-time. Effective promotion exploits the Internet’s interactive nature by offering lots of choices. Effective promotional messages are those, which incorporate links to paying activities and cross-promote other media businesses. Effective Internet promotion uses technologies and behaviours that are mindful of the context of usage.

3.2. E-marketing techniques

According to Kotler’s et al (2005 p.144) classification, which was mentioned above, e-marketing techniques can be divided into 4 methods, but some additional techniques, suggested by Chaffey et all (2003) can be added.

3.2.1. Web site

Web-site of the company is an initial internet tool, defining the presence of the company in cyber space. There are several types of web-sites, depending on the purposes of the company and its communication with audience. The same company might have several web sites, independent or united under the main one. For instance, if a company has some promotion of a new product or service, or the company has organised some competition. An independent site can be created. Talking about web sites from the e-marketing point of view, the classification of Kotler et al (2005 p. 145) can be used: corporate and marketing web sites.

**Corporate website** - is a site set up by company on the web, which carries information and the features designed to answer customer questions, build customer relationships and generate excitement about the company, rather than to sell the company’s products or services directly. The site handles interactive communication initiated by the customer (Kotler et al 2005 p. 145). As examples can be sites, starting from online business card, finishing by standard web site in the common imagination.

**Marketing website** – a site on the web created by a company to interact with customers for the purpose of moving them closer to a purchase or other marketing outcome. The site is designed to
handle interactive communication initiated by the company (Kotler et al 2005 p. 145). The marketing websites are, for instance promo sites and online stores.

All web sites should be practical and easy to use by visitors. It means it has to be well and logically organized, to have a title (also short and clear). The design of the site should be done according to the company’s style, policies and purposes. But it has to be attractive, memorable, pleasing the eye. The content should be balanced: necessary quantity of text and visuals, not too much and not too little. The ability how to contact the company online or offline should be indicated clearly. Also depending on the content of the site it might have additional options as communities, feedback, forums, personal accounts and other options, these are necessary for the communication with customers.

3.2.2. E-mail marketing

Probably e-mail marketing is the first tool, which was applied by marketers in the internet. Kotler et all (2005 p. 353) distinguishes outbound and inbound e-mail marketing. Outbound e-mail marketing is the e-mails and prospects from the organisation which are sent to the customers. Inbound e-mail marketing is management of e-mails from customers by an organisation.

In case of e-marketing tools, the inbound mail marketing can be defined as one of the functions of the company in its communications with its audience. This function is very important in building customer relationships, but in this work the concentration will be done on the outbound mail marketing as a significant part of marketing campaigns.

E-mail marketing being a push tool, can be very useful for the company due to its low cost and clear targeting. The e-mail should be well-structured; usually contains hyperlinks, also may content some graphics. The title of the e-mail should be attractive to the customers and have the key information about the content of the letter. The better and more clearly an e-mail is built, as much possibility it affects a customer.

The newsletter is a very comfortable and effective option of e-mail marketing to maintain customer relationships by reminding about the company. Usually it is sent to constant clients to announce which new products and services the company is willing to offer them. Newsletter has
a more complicated structure, containing some additional information like sponsored links or co-owned network materials.

**3.2.3. Banner advertising**

Banner advertising is a very popular method of e-advertising. Usually it is presented as “rectangular graphic displayed on a web page” (Chaffey et al 2003 p.332). Banner represents normally link to another website or web page where a visitor will find all necessary information about the product, service or promotion action.

Chaffey et al (2003 p. 335) distinguishes five different types of banners: static, dynamic or animated, interactive, pop-up and rich-media. Static banner just contains advertising text, **dynamic** contains some animation. **Interactive** banners usually suggest to users enter their email or some other registration information. There are banners which appear between page and the text and they are displayed as a part of main browser window - **interstitial popup**. Other popup advertising can appear when a new web-pages is opened and it requires some interaction from the user to close it, - **superstitials** advertisements. And **rich-media** banners are more complicated ones, they contain animation, video and even sound.

Independent of the banner type, every banner has a function or may combine several of them (see Chaffey et al p. 334). Any banner **delivers** an user to the main course of **content**, which has to reach him. Some banners have purpose to initiate the two-way communication it calls **soliciting response**. Sometimes banners intend to direct customers to make a purchase itself - it means to **enable a transaction**. Also banners work for **reminding** about a company and creating **brand awareness**.

Banners may be located in several places: different portals, which are usually, have different subject but have large access to the audience. Some news services also can be good for banner placing, despite they are full of different kind of information, they have enormous amount of visitors. Familiar to portals and news services are specialised-interest site, for example online magazines. Nowadays there also some advertising networks which represent “collections of independent web sites from different companies and media networks” (Chaffey et al 2003 p.
This form can be comfortable because the company does not need to deal with several web sites where it would like to advertise.

### 3.2.4. Affiliate networks

Affiliate networks are a “collection of web sites that link to an online retailer in exchange for commission on purchases made from the retailer” (Chaffey 2003 p. 343). By other words it is mostly about partners programs.

According to Flynn (The smart passive income blog, 2009) there are three types of affiliate marketing: attached, related and involved. **Attached affiliate marketing** is about the absence of company and its authority in the niche of promoted product. This method is suitable when it is needed to become more accustomed to customer by time. **Related affiliate marketing** consists of some presence of company on that niche, it means when a product or service are familiar. This way is good for small additional earnings. And the last one, **involved affiliate marketing** is about stable presence in the niche, realised through company’s strategy.

### 3.2.5. Search engine optimisation (SEO)

Search engine optimisation is “a structured approach used to enhance the position of a company or its products in search engine results according to selected keywords” (Chaffey 2003 p. 346).

In other words, this is technical setting of the web site. In this way search engines are able to find it and show in the first top of the links. This increases traffic to the company’s web site significantly.

The search engine optimisation can be done, for instance, according the title of web page, links, and graphic text. Search engine optimisation being not expensive method, allows company to increase the number of visitors of its web site, increase their reliance on the company and create geographical segmentation of the audience.
3.2.6. Social media

Social media is, probably, the most popular and well-known internet technology nowadays. According to Safko et al (2009 p. 6) social media can be defined as “activities, practices, and behaviours among communities of people who gather online to share information, knowledge, and opinions using conversational media”. In general, all social media is about community existing in the web space.

There are several types or forms of social media, starting from elementary blogs and forums and finishing by social network as Facebook or the company’s own online community. The short description of each type of social media is given below.

**Ratings and reviews** gather information from different users about products or services, usually presented by the product description itself and some necessary information (on it where to find, how much does it cost) with the customers’ feedback. Also sites or companies (if the review is on its web page) can create ratings based on the reviews and grades given by users. Mostly people rely on these reviews in their decision making, especially when facing with the product for the first time.

**Blogs** present mostly online diary of a persons, where they share their views, opinions on some issues. Mostly it is typical for individuals, but this individual can be the CEO of the company or other respectful specialist who is the opinion leader. Pretty often companies place blogs of their specialists or CEOs on their web sites.

**Forums** are “multibrand, multioptic bulletin boards that let customers participate in discussion groups organised by topic” (Smith et al 2011 p. 195). There independent thematic forums, as well as companies also organise them on their web sites.

**Communities** represent mostly website of some product or brand, where people can find interesting information, share their opinions and ideas. Mostly communities are the gathering of several media in same place, as forums and blogs. Usually people will find also links to other internet resources, connected with the company, or its product or service.
Social networks are probably the most popular type of a community or media nowadays. They can have a general outlook similar to Facebook or professional as LinkedIn. Also in different countries they can be some local very popular networks, not well known in other places of the planet. Social networks are the most complex instrument of the internet technologies, because they contain many technologies such as advertising, communities, blogging and forum elements. Therefore the social media provide wide range of marketing activities, presented in the figure below.

![Diagram](image1.png)

*Figure 1 Brand applications Across Social Media Zones (Tuten & Solomon 2013 p. 16)*

Summing up all mentioned above, e-marketing are the marketing efforts in achieving the company’s goals towards its audience by using the methods of Internet communications. All e-marketing efforts are defined by the nature on the internet. But as we are all human beings, the accumulative of it and contemporary internalisation and digitalisation of all activities nowadays offer great opportunities to e-marketing to solicitation customer.

In general, the third chapter shows, that internet marketing is an actual and vital system. And it plays bigger and bigger role in the whole company’s strategy nowadays. Some challenges exist in this field, especially taking into consideration the growth of the competition due to specificity of cyberspace. Nowadays, a new company starting up work more in web space, than offline. This is due the big potential, offered by the internet, the lower costs of activities and possibility to
attract an enormous quantity of customers worldwide and build customer relationship effectively.

Marketing techniques in the internet are variable and numerous. There are some fundamental and basic, such as e-mail marketing or banner advertising. But also according to development of technologies, some new methods appear and develop. For instance, social media is a multifunctional and complex system. It was mentioned some basic and most frequent, methods probably there are still some new or interesting methods, but the authors believe the instrumentation given above has to be enough to analyse the company’s work in this study. It should be mentioned that the chapter about target market and its segmentation will be as a bases for questionnaire and the other chapter about internet technologies will be the bases for SWOT analysis of the company’s online activities, like it is showed in the table below.

Table 1. The application of theoretical framework into the practical part

<table>
<thead>
<tr>
<th>Theoretical framework</th>
<th>Practical framework</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target market and segmentation</td>
<td>Demographic, geographic, psychographic and life style, benefits and purpose of travel segmentation is the base for the questionnaire for Lomarengas Russian market’s survey</td>
</tr>
<tr>
<td>Internet techniques</td>
<td>SWOT analysis of the internet techniques, using by Lomarengas company. Additionally using of some technique during the survey (Vkontakte social media and emails)</td>
</tr>
</tbody>
</table>

4. LOMARENGAS OY

Lomarengas company is the largest Finnish agency which provides cottages for rent all over Finland. The company has been in operation for more than 40 years. The company provides a range of almost 4000 cottages. The cottages are situated all over the country: near the borders, deep inside the country, ski resorts, lakes etc. “Lomarengas Group generated a turnover of some 22 millions in 2012, with domestic sales accounting for about 60% and international sales for around 40% of this” (Lomarengas, 2013). International sales are presented mostly by other European countries (Germany, Switzerland, Sweden, Estonia, UK, France, Spain) and Russia.
Russian customers are presented among customers for a long time already, but before the amount of sales was extremely small. Rental transactions were rare mainly due to geopolitical issues and distrust to Russian people. The interest rose around 5 years ago, when Russians started to travel to Finland more frequently. The understanding of Russian market potential forced the company to try some radio and newspaper advertising in Russia. Also more active collaboration work with Russian travel agencies was started. The sales increased both by quantity and quality: the average monetary value of Russian orders was bigger than the Finnish one.

In recent times the 25% of total income are Russian sales. In general, 70% of total orders by Russians are made through the internet, the rest 30% are made by phone calls and e-mails. Due to these facts Lomarengas has decided to make internet marketing as a priority destination of its work at Russian market.

4.1. The research of the target market

The company uses different methods of working with Russian customers and attracting them, and especially on the internet. But the company does not know how to define its standard Russian customer. According to this issue, it was decided to define the target audience first, and execute its segmentation based on this if possible. After making the portrait of the audience, it is necessary to evaluate internet methodology used by the company. And, as a final task – analyse which internet methods are better for the company for working with Russian customers according to its segments.

It should be highlighted the survey has a pilot character. There are several reasons for it. First of all, this is a first survey of Russian market for the company, this why it cannot have deep detailed character. Despite the company is working already with this market, it does not know its market, and therefore the pilot survey will help to become acquainted slightly with the audience. It will give the primary data about the customers, which will allow to make more detailed survey and selection later on in next survey. Secondly, such survey cannot be too wide and deep within the framework of a bachelor thesis. Organisation of such huge and in-depth study requires lots of resources, which the authors of the work do not possess.
The main goal of the survey is collecting the source information about the customers. Due to the problem situation, the survey of the customers was conducted to cover several aspects at the same time. First, to define the customers themselves, second – to find out their relation with the company, and, finally to explore slightly their habits of work in the internet.

The object of the survey is the Russian customers of Lomarengas, who live in Russia. For the survey the data of Russian customers, used the company’s service ever, was taken. The questionnaire created for the survey should contain different questions intending to get maximum useful and informative data for the researches. The questionnaire had three parts: about the customers themselves, their attitude towards the company and its services; and about their internet habits (see Appendix 1).

The hard data contained the questions about age, gender, and marital status, city of living and field of occupation. All this information should be base for the portrait of target market, and also be a base for the demographic and geographical segmentation of customers. The questions about the most visited regions in Finland and purposes of travel to Finland served for the lifestyle and purpose of travel segmentation of customers. And the question about the preferences of cottage choosing was indented for the benefit segmentation.

The questions, asking if the customers are satisfied with the company’s services, and how did they get know about it, should be source of knowledge about the brand recognition and loyalty of the customers to the company.

And the last part of questions about where the customers look usually necessary information in the internet, and which web sites they use, searching for some information about Finland give an idea about their internet habits. Also the source of information about the company can give the additional information about this issue in case when the customers have known about the company, using the internet and not offline sources.

Due to initially there were no any socio demographic data about the target market; the selection was done as purposeful by method of selecting responders willing to participate in the survey. The survey itself was built up from three parts. The first part was conducted in form of formalised interview by phone; and two others were based on the internet surveys – mails and company’s page in Vkontakte. Such way of conducting the survey was done according the
principle of snowball. The variety of the information sources should give the volume of the material. And this material can be as representative base for the following possible survey of the company.

4.1.1. The phone survey

The phone survey was conducted in April 2013. First of all, it was oriented to check if the customers are willing to collaborate. A 100 of contacts were selected by the company as the oldest and most active ones. As the information contained the basic information as name and address; the researchers were able to define the gender and region of the respondents. Also, as it was just testing, the responders were asked just about their satisfaction with the services, the source of the knowledge, source of information in the internet, marital status, age and occupation.

During the survey, hearing the name of the company, mostly people recognised it and were friendly to the researches, willing to help and answer questions. As a result, from the 100 calls the researches got 70 answers, which showed the customers are sympathetic to the company and ready to communicate. Giving 70% results, phone survey is most effective way, but most difficult as well.

In general, approbation showed positive results and allowed to expand the questionnaire. The 3 extra questions about the purposes of travelling to Finland, most visited regions in Finland and the concrete web sites, which the customers use, looking for the information about Finland.

4.1.2. The Vkontakte survey

The company’s page in Vkontakte social network (Vkontakte, 2013a) allows to get some statistical data about the participants and active visitors. This information represents the gender and age ranges, and the geography of the users. This why the questions about the purposes of travel, most visited regions, the source of knowledge about the company, the most usable internet sources by the customers and web sites they use to search the information about the Finland were posed.
The questions about the factors influencing the choice of cottage, source of knowledge about the company and source of knowledge in the internet were posed in April 2013. The rest questions about the purpose of travel, most visiting regions and concrete web sites were asked in May 2013. The division of questions were done trying to obtain maximum result. People would answer faster for couple questions same time, than for ten of them. Also participants of Vkontakte page were not asked about their marital status and occupation questions due to trying to use customer’s loyalty more profitable for survey’s goals and not getting them bored by many questions.

Due to this tactic, the answers were obtained within one working day in both cases. The Lomarengas’ page in Vkontakte has 4264 followers; the results were fixed as soon as the number of answers was reached 100 items. It makes only over 2% output, but considering the speed of obtaining it, not the least among the interviewing methods. The question about the web sites, using for the concrete information about Finland was ignored and did not give any results. To wait the final results for several days or week, trying to get more answers was useless, because the information in the page is always renewed and very difficult to get people attention in such way.

4.1.3. The email survey

For the email survey which was also conducted in May 2013, the 700 of email addresses of Russian customers were used. Among these 700 mails the 52 email were reported as undelivered, and the 100 answers were obtained on the website, where the questionnaire was created, during one week. This gives over 14% output, what researches consider as also not bad result, especially knowing laziness of people to answer questionnaires usually. As the email survey is absolutely not personalised way of conducting the survey and not controlled, the full questionnaire was asked from the responders (see Appendix 1).

According to the whole survey the researches assumed the following results. The sex proportion is approximately equal, and 90% of customers are family people. Mostly the people come from St. Petersburg, Moscow and Karelia. The most popular reason of travel to Finland is shopping, active holidays in country side and relatives’ or/and friends’ visits. People usually look information using the search engines simply, forums and social networks, especially Vkontakte.
According the results of the survey, the 270 answers were finally obtained. The results of the whole survey will be presented in the following section.

The summary table of the survey process is showed in the table below.

Table 2. The overview of the survey process

<table>
<thead>
<tr>
<th>Survey type</th>
<th>Amount</th>
<th>Result</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>The phone</td>
<td>100 calls</td>
<td>70 answers</td>
<td>Oldest and most active contacts. Customers are sympathetic to the company and ready to communicate</td>
</tr>
<tr>
<td>Vkontakte</td>
<td>4264 followers</td>
<td>100 answers</td>
<td>The results of 100 answers were obtained in one working day</td>
</tr>
<tr>
<td>Email</td>
<td>700 sent mails</td>
<td>100 answers</td>
<td>52 email from 700 were reported undelivered, results were obtained during 1 week</td>
</tr>
</tbody>
</table>

4.2. The results of the survey

4.2.1. The phone survey

According to the phone survey the majority of the customers are males, and the minority - women. Mostly customers have families.
The average age of people is between 37-38 years old, with the minimum 22 years old and 57 as a maximum.

Mostly people are from the St. Petersburg region. Also a significant percentage comes from Moscow. The rest of customers live in other cities, among which mostly are Murmansk and Petrozavodsk.
The occupation of customers represents wide range of fields. Mostly people are occupied in trade, transport and such fields as entrepreneurship and design, for instance. The answer “Other” contained too different fields, not possible to be grouped, therefore it was not considered separately.
According to the phone survey it was bit difficult for people to say where they know the company exactly from, because they buy its services so many years already. But the majority referred to the friends’ and/or relatives’ recommendations. Among people who found the information about the company themselves, mostly they used to use the search engines.

Figure 6. The occupation statistics according to the phone survey

Figure 7. The source of knowledge about the company according to the phone survey
Coming for holidays to Finland, customers pay attention to such aspects as wide range of property, presented by the company; to the price and to some other issues.

**Figure 8 Factors of choosing the cottage according to the phone interviews**

As the answer "Other" was significantly frequent, the data of responses was analysed and grouped, as it is presented on the figure below. The "living conditions" included such factors as availability of household appliances, number of sleeping places, the renovation and design of building, possibility of bringing pets. The “location” means the distance from the nearest city and ski resort. Mentioning “nature”, the responders told mostly about the availability of pounds. And by “reviews” was the availability of reviews or comment of other customers.

**Figure 09 The extra factors, influencing on the choice of the cottage**
The small, but very informative and significant part of the survey was designed for the observation of the internet habits and preferences of the customers. The phone survey showed that mostly people use the search engines for looking the necessary information in the internet. And the small part of them uses the different info portals or informative sites.

![The source of the information in the internet](image)

*Figure 10* The source of information in the internet

### 4.2.2. The results of Vkontakte survey

According to the statistics of Vkontakte, the gender proportions of customers are different from the phone survey, the majority is females. But the average age is in the same frame of 30-35 years old and 35-45 years old.

![The age and gender statistics in Vkontakte page](image)

*Figure 11. The age and gender statistics in Vkontakte page (Vkontakte, 2013b)
About the geography of the market, the trend is the same as phone survey showed with the difference about the Murmansk and Karelia visitors only.

Figure 12 The geography statistics of Vkontakte group (Vkontakte, 2013c)

Vkontakte survey showed the reasons of visiting Finland as following: in general people come for the countryside holidays with fishing, BBQ and sport activities; the second reason is shopping, and small part coming for tourism and sightseeing. At the same time people visit mostly Eastern Finland (Joensuu, Kuopio, Mikkeli, Sanvolinna), South-East with its centres in Lappeenranta and Imatra. Smaller, but still important part visits Lapland and South of the country (Helsinki, Lahti, Kouvola).

Figure 13 The purpose of trips to Finland according to the Vkontakte survey (Vkontakte, 2013d)
Figure 14 The geography of visits according to the Vkontakte survey (Vkontakte, 2013e)

The results of brand recognition repeat the phone survey’s ones also. Mostly people used recommendations to address first time to the company, the rest used the search engines, and also social networks, particularly – Vkontakte.

Figure 15 The source of information about the company according to the Vkontakte survey (Vkontakte, 2013f)
Choosing the cottage for holidays people mostly consider the price as most important factor of choosing the cottage, also the customers pay attention to the wide rang of cottages.

Figure 16 The factors of cottage choosing according to the Vkontakte survey (Vkontakte, 2013g)

The users of Vkontakte also told they use mostly the search engines for searching the information in the internet. The small part uses the info portals and forums according the interested subject.

Figure 17 The source of the information in the internet according to the Vkontakte survey (Vkontakte, 2013h)
4.2.3. The results of the email survey

The email survey repeated the results of the phone survey according the gender proportion and very close results about the age range and marital status.

**Figure 18 The gender statistics according to the mail survey**

**Figure 19 The marital status according to the mail survey**

**Figure 20 The age statistics according to the email survey**
The same situation is showed with the geography of the customers, mostly people coming from the St. Petersburg region, more percentage comes from Moscow and the rest from other regions with the majority from Murmansk.

![The geography of the customers](image)

*Figure 21 The geography of the customers according to the email survey*

The occupation field shows wide range of results without any clear majority, all results have small difference. The most prevalent results are industry, IT and trade with commerce. Also enough percentage of people occupied in tourism & hotel business, finance and management.
Mostly the target audience visits Finland for active holidays in the countryside with fishing and BBQ. Also people come for shopping and traditional tourism and sightseeing. At the same time the geography of visits has spread the same way as in Vkontakte: mostly people goes to the East and the South-East, other part visits South of the country and Lapland.
According to the brand recognition and the email survey mostly confirmed the results of the previous two ones: most people have knowledge about the company due to recommendations and using search engines.
As usual, people pay big attention to the price and to the wide selection of the cottages. Also the distance from the border is important for people.

![The factors of choosing the cottage](image)

*Figure 26 The factors of choosing the cottages according to the email survey*

The email survey proved the tendency about the internet resources of the information among the customers: people use the search engines mostly, paying attention to the forums and info portals as well.

![The source of knowledge in the internet](image)

*Figure 27 The source of knowledge in the internet according to the email survey*
The email survey gave good range of web sites, which the customers use usually searching the information about the Finland.

![Chart: The web sites about Finland, using by Russians](image)

**Figure 28 The web sites about Finland, mostly using by Russian customers according to the mail survey**

To sum up all results given above and analyse them, they were included into the summary table below. The graph “demographic characteristics” included the information about gender, average age and marital status. The graph “geographic characteristics” shows cities, having more than 10% score. The “lifestyle” graph combines the answers from the occupation and purposes of travelling questions. “Benefits” reminds about the factors of choosing cottages. The graphs “purpose of travel”, “source of knowledge about the company” and “internet sources of the information” include the corresponding to them information.
Table 3. The summarised results of the surveys

<table>
<thead>
<tr>
<th></th>
<th>Phone survey</th>
<th>Vkontakte survey</th>
<th>Email survey</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Demographic</strong></td>
<td>Males, 37 years old, married</td>
<td>Females, 35-45 years old</td>
<td>Males, married, average age of 41 years old</td>
</tr>
<tr>
<td><strong>characteristics</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Geographic</strong></td>
<td>St. Petersburg, Moscow</td>
<td>St. Petersburg, Moscow</td>
<td>St. Petersburg, Moscow</td>
</tr>
<tr>
<td><strong>characteristics</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Life style</strong></td>
<td>Trade, IT, Transport</td>
<td>Coming for holidays in country side, shopping, sightseeing</td>
<td>Industry, IT, constructions, trade, tourism &amp; hotel, business, finances, management</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Visits to East, South-East, South Finland and Lapland</td>
<td>Coming for holidays in country side, shopping, sightseeing</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Visits to East, South-East, South Finland and Lapland</td>
</tr>
<tr>
<td><strong>Benefits</strong></td>
<td>Wide range of cottages, price</td>
<td>Price, wide range of cottages</td>
<td>Price, wide selection of cottages, distance from the border</td>
</tr>
<tr>
<td><strong>Purpose of travel</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Coming for holidays in country side, shopping, sightseeing</td>
<td>Coming for holidays in country side, shopping, sightseeing</td>
<td>Coming for holidays in country side, shopping, sightseeing</td>
</tr>
<tr>
<td><strong>Source of knowledge</strong></td>
<td>Recommendations, search engines</td>
<td>Recommendations, search engines, social networks</td>
<td>Recommendations, search engines</td>
</tr>
<tr>
<td><strong>about the company</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Internet sources of</strong></td>
<td>Search engines, info portals</td>
<td>Search engines, info portals</td>
<td>Search engines, forums, info portals</td>
</tr>
<tr>
<td><strong>the information</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

As it can be seen, the gender proportion according the phone survey and Vkontakte statistics is opposite to each other. This is very interesting sign. It can be explained by the particularity of Russian mentality. Mostly when people make orders by contacting the company directly, man takes responsibility for making order and paying, therefore usually the male customers’ data is in
the orders history. But mostly people have families, as was found out as well, so, it cannot be affirmed men represent the majority of clients. Because the same time according statistics of page in Vkontakte it can be seen, mostly women participate actively there and make orders, this is due to particularities of women psychology, as they are more active in social media. In this case, women are the “gatekeepers”, they search for the information, playing an important role in decision making. But then they transfer the final procedure to the male counterpart as a main responsible person.

The geography of the customers can be explained by the border access and developing of the region. St. Petersburg is a very developed Russian region and its location is ideal for travel to Finland. Moscow is the most developed and richest region of Russia. The border is a quite far for Muscovites. Some northern regions as Murmansk, are less developed economically, but are situated very profitable to the border. And as results show, Petersburg is most active region, Moscow is less active, and rest of regions are also not so active accordingly.

As the rest of data mostly correlates to each other, the general description of the Russian target market for the Lomarengas Oy can be given. The average customer of the company is 35 - 45 years old and married. S/he comes from St. Petersburg, Moscow and seldom from Northern region of Russia. The average customer of the company mostly works in service field, industry and IT sector; this tells about the average income of customers. The average wage is 820€ per month per person nowadays (Petrostat, 2013). Most of the customers come to Finland with family and/or friends for active country side holidays with fishing and BBQ activities in summer or sport in winter. Also the customer likes to go shopping in Finland and sometimes to do sightseeing.

Analysing the data, the results about the recommendation as the source of knowledge about the company is a predictable result. It can be explained by not intensive efforts of the internet promoting before. But this indicates the positive attitude of the customers and their existing loyalty to the company, what is very important in general, and especially to start internet marketing for the market. Also it is evident that people are very active, looking for the needed information and many people who founded the information about the company independently did it by using the search engines.
The information that people pay attention to the price and wide selection of cottages correlates with the data about the occupation: mostly the market is presented by people with average income, who can allow themselves go abroad for holidays or for weekend. Usually, such customers pay attention to the ratio of “price-quality”; the amount of such answers tells about the satisfaction with the company’s service (what serves again for the brand loyalty) and about the potential of further customer relations development.

The data about the most visited regions of Finland directly correlates with the purposes of visits. As mostly people come for holidays, mostly they chose regions near by the Russian-Finnish border. These regions are rich of lakes, forests; and also have some small sport resorts for winter activities. Less amount of people, coming for the shopping and sightseeing, visit mostly South region with its developed shopping culture and infrastructure.

Analysing the results of the survey, the authors would like to highlight the fact, that the all data from all parts of survey has homogeneous character. This why, the segmentation of the market itself cannot be done clearly for this moment. But, nevertheless, some segmentation can be done, making the accents in advertising. This will be mentioned later in Conclusion section.

But all received data is very valuable material for the company, being the basis for the following researches and developing company’s strategy. Having and understanding the general portrait of the target market Lomarengas company can already operate on the market more confidently and clearly. Below the descriptive characteristic of the market is given.

In general, the information shows that Russian customers are active users of the internet. Mostly they use simple and easy ways of getting the information and knowledge such as search engines. As it was highlighted in the questionnaire and confirmed by the responders, the most popular and usable engines are Russian Yandex.ru and Google.ru. The more precise and complicated sources of the information are the different info portals or the specialised web sites according different subjects. Not very high popularity of them can be explained of the modern trends in general: for people is much easier to “google” simply and to ask friends in social networks. The answers of the responders themselves do not show directly the using of the social networks as a source of the knowledge. But the activity of users (especially during the survey) indicates of the importance of using this channel for the customer relations building.
This was the analysis of the results, obtained by the survey and short description of the Russian market as the prime target for Lomarengas. The results are pretty clear and expected, but they give the good starting point for the company’s activities. In next part the analysis of the internet methods using by the company nowadays will be presented, and deeper analysis later in discussions part will be done as well as some recommendations will be given.

4.3. SWOT analysis of Lomarengas’ internet methods

Nowadays Lomarengas has prioritised the internet as major sales channel for Russian customers. But still the company does not have the clear program of work in the internet; trying out different methods by “trial and error”.

The company’s website operates in several languages, including Russian. But the Russian version contains only descriptive information about company and services, the reservation is available only in English. According to Lomarengas, they are working nowadays on the full version of website in Russian. This can hamper sales somehow due to little percentage of Russians speaking English. It can irritate also the customers cause acquainted with the company’s profile in Russian version they may wish to continue and go to reservations, which are available only in English at the moment. Therefore the full version which is under constructions is vital; it will increase sales, first of all and will help to build stronger brand recognition.

Using the search engines, it is difficult to find information about the company (see Appendix 2). The reason is before there was no search engine optimisation. The optimisation on Russian Google (Google, 2013a) is mostly useless, because Russians seldom use it. Secondly, create optimisation independently on Russian yandex.ru (Yandex, 2013a) is impossible, it evokes extra costs to the company itself. The third reason is due to the fact that full Russian website is still under construction; there is no evident sense to make the optimisation. According the plans of the company the optimisation will be carried out in nearest half a year. But, still, it is possible to find some information. For instance, in Yandex.ru the group of the company in Vkontakte comes as third one among results, and, using Google.ru it comes fourth. (see Appendix 2)
the search engine optimisation is required as a good method to “catch the eye” as for new customers, and same for old customers. Search engine optimisation has to have constant character, due to enormous quantity of Russians tour operators and agencies, offering same service. The same situation is with the context advertising on the websites, search engines and social networks, for instance, if we search “cottages in Finland” on the popular tourist website.

Figure 29 The results of search “cottages in Finland” in Yandex.ru (Yandex, 2013b)

Lomarengas has **affiliate agreements** combined with **banner advertising** on such Russians websites as E-Finland (E-Finland, 2013a), Finnish (Finnish, 2013a), InfoFinland (InfoFinland, 2013), InFinland (InFinland, 2013), RussTourism (RussTourism, 2013), Russian (Russian, 2013) (see Appendix 3). Also Lomarengas advertises on the website of Russian touristic company Kontiplus (Kontiplus, 2013). Lomarengas is planning to develop banner advertising also on other websites about tourism and holidays in Finland.
Also the company has partnership with some web sites about the renting cottages. For instance, PoiskVill (PoiskVill, 2013) - the reservation of cottages; and SwedenHome (SwedenHome, 2013) – site about holidays in Scandinavia. There is no any advertising on these web sites, but there are Lomarengas’ cottages in their base of cottages. Both of the websites cannot be considered as popular and well-known resources. Using search engines, these websites do not come up on the first search page. Additionally, the PoiskVill web site is mostly about the cottage holidays in St. Petersburg and surrounding region. The link for cottages in Finland (where user can find cottages of the company) is in the lower part of page, not well visible from first glance. Therefore, the partnership on these websites is not effective. But in case, it does not bring any extra costs to the company, this partnership can be kept, as it can bring extra revenue.

Several times a year the company sends the newsletters to the clients. In these newsletters Lomarengas has news about company and its services and announces different price ranges of the cottages. Before it was done very seldom, because it was organised thorough dealer, therefore it was expensive and not effective. Nearest time the company plans to start e-mail marketing itself. In this case the frequency of e-mail promoting can remain unobtrusive, what will not irritate the clients, but maintain contact with them and emphasise on brand loyalty.
Lomarengas is working in social networks as Facebook and Russian one – Vkontakte. The group in Vkontakte (Vkontakte, 2013a) is large and active. Over 4000 participants, people make reservations there actively and ask different information all the time and get the answers for their questions regularly. For Russians is typical socialising through different groups and pages in Vkontakte, especially useful ones, concerning services and products. Vice versa, page in Facebook (Facebook, 2013) is not active at all; it exists more as representative information about the company and information about holiday in Finland in general. This can be due to the limitation of available functions, possible in Facebook, comparing to the Vkontakte’s functionality. And, secondly it is related to the fact that Facebook is not so popular among Russians inhabitants. Even if people are registered on Facebook, they mostly do not use it as they do with Vkontakte.

Finally, the company uses actively Skype to communicate with customers, to consult them and to answer questions. Lomarengas has couple Russian-speaking workers. Also this method is pretty effective during the high season (before Ney Year, for instance) when the company receives hundreds of orders. The problem is only if there is lack of human recourses probably during the high season to work with customers operatively.

In general according to company’s sales statistics for the last year (April 2012 – April 2013), the most effective results bring Yandex and Vkontakte. Mentioned all this above is summarised in the table below.
### Strengths
- The Russian version of the corporate website
- Active, workable and effective group in Vkontakte - popular Russian social network
- Straight communication with customers via Skype

### Weaknesses
- There is no clear internet marketing strategy for Russian market
- On the corporate website users can get general information about company, its services, but not to make reservations in Russian
- Pages in Facebook assumes no load, has just representative function. Facebook. In general, not so popular for Russians
- Due to lack of human Russian speaking resources, company cannot react customers’ requires fast during high season

### Opportunities
- The full version of Russian website is under construction
- Search engine is going to be organized regularly, what should bring good results according “catch the eye principle”
- Launching banners advertising and affiliate agreements on the most popular Russian portals about Finland and holiday here
- Active work in Vkontakte gives the effect of word-of-mouth as well
- E-mail marketing can be organized by company itself, what will save resources and still can bring results

### Threats
- Partnership with not popular websites
- Search engine optimization can be more intensive due to enormous quantity of Russians touristic agencies and operators offering same service
- The whole year advertising is not required, probably, just seasonable activation

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**Figure 31 The SWOT analysis of the internet methods, using by Lomarengas Oy**

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In the third part the biggest Finnish company renting the cottages all over the country was considered. Nowadays the company has the goal of clear presence and significant sales increasing on its Russian market. The major channel of customer relations building is the internet. The problem is the company does not know the portrait of its Russian market, therefore it does not know how to operate there better way.

The pilot survey was conducted for the company with the goal of making the portrait of the customers, to gather knowledge about their attitude to the company and their internet habits same
time. The results of the survey gave the image of the market and proved the hypotheses. Also some internet use patterns were found out.

The SWOT analysis of the internet techniques used by the company was done. The main strengths, opportunities, weaknesses and threats were indicated. Later on in the next section the correlation of the obtained survey’s data and SWOT’s analysis’ results will be done and conclusions made.

5. DISCUSSION AND FINDINGS

The survey of this thesis was conducted to answer the research question posed in section 1.2. To achieve the research question posed, the researchers needed to organise the survey in such way that it was possible to get some extra basic data, also necessary for the final results. The main problem was the lack of knowledge of the company about its Russian market. Therefore the survey was organised in such way to be able get the information about the market, its Internet potential and habits to correlate later with the company’s existing efforts and the real situation.

Due to this is the first survey of the company on this market and due to the limitation of this thesis possibilities, the research was carried according all the limitations. The study had a pilot character; it was focused on the internet activities only; and did not have any testing, - the recommendations were given on the basis of the survey’s results and SWOT analysis of the company’s activities for the moment.

To carry out the survey the researches created the questionnaire intended to resolve several mini tasks. The three channels were used to get the necessary data: the phone, the email and the social network. The researches wanted to get enough information not only to describe the market, but also to do its segmentation. But the data, obtained from the survey, showed the homogeneous character of the market nowadays. The clear segmentation in its traditional understanding cannot be done, but the descriptive characteristics are very good. Nowadays the company knows what kind of customers it has on this market, what helps a lot building relations with them. Also the received data represents very good basis for the further researches.
The results show that the Russian market is active in point of Internet communication: it is reachable and ready to communicate with the company. The average customer of the company is a man or woman in age 35-40 years old, married and has children. S/he lives in big city in Russia (St. Petersburg, Moscow, Murmansk). S/he works and has the average income, what means s/he allows themselves to spend holidays abroad. From time to time s/he visits the nearest foreign countries for weekend, and S/he visits Finland at least several times per year. S/he correlates the ratio “price-quality”, but s/he is ready to pay extra money for the quality and comfort. S/he is active and sociable. Visiting Finland, s/he comes with his family or/and friends for active countryside time spending and sport activities. Also s/he prefers go for shopping and to see something new. S/he is active internet user, knowing where and how to get necessary information. S/he uses mostly Russian websites, does not pay much attention to the advertising in the internet and pretty active in social networks, especially the Russian one. The customer knows the company, recognises it and have positive attitude to it, ready to continue the collaboration in future.

As part of this thesis the SWOT analysis of internet techniques using by the company nowadays was also done. According to it, the company has not much, but strong strengths, also has a lot of opportunities. Of course it is impossible not to have the weaknesses and threats. The key point is the company does not have a clear strategy for internet marketing in Russia. But as the company intends to develop this field it has positive basics. While the full Russian version of the web site is under construction, the users can read at least some common information already in Russian and also the page in the most popular Russian social network – Vkontakte –has lots of participants and operating actively. The company lacks search engine optimisation and should pay big attention which web sites among the Russian ones to put the information and the advertising on.

All discussion on the subject and main findings of the survey are reflected briefly on the figure below.
6. CONCLUSION

This bachelor thesis was held about the internet marketing for the Russian market on the example of one Finnish company, which renting holiday cottages. In the thesis the concept of the target market and the ways of its segmentation was considered, as well as possible techniques of the internet marketing nowadays. In the end of the work the example of the Lomarengas company was examined.

To answer the main research question about how the company can attract Russian customers through the internet to sell its services, the researchers had to make the survey and SWOT analysis of company’s activities. The achievement of the final goal of the thesis was engrafted by lack of knowledge of the market by the company. Therefore the main survey, conducted for the company had to resolve several tasks:
• To create the portrait of the target market
• If possible, to make the segmentation
• To get the level of their loyalty to the brand
• And to get know their internet habits

As this survey was the first one for the company on this market, it had only a pilot character. The survey had the three channels in attempt to get variable information from variable sources. The survey was organised by the formalised phone interviews and by internet interviews through the emails and the company’s page in Vkontakte.

As the results of the survey the researchers were able to make the descriptive portrait of the target market. The data of the survey had the homogeneous character and was not sufficient enough to make the clear segmentation of the market. But this basic information is enough for internet marketing strategy developing and beginning of the active work with the customers. Also this data is a good base for further surveys.

The results of the research had also supportive character for the SWOT analysis of the company’s activities in the internet until these days. As the compilation of these works the first recommendation for the company is developing the internet marketing strategy to start operate more efficiently. As a part of the strategy’s skeleton, the authors would recommend the following concepts:

• The launching of the full-version Russian web site the nearest time and promoting it, starting in the end of summer – autumn, when Russians mostly plan their Christmas holidays.
• Further work and promoting the Vkontakte page. Despite the results of the survey (where the was not the straight indication of the social media as a source of the information) the activity of the customers in Vkontakte (everyday and especially during the survey) indicates this is a very good and effective channel of the communication with them.
• Search engine optimisation on yandex.ru and google.ru. But mostly on the Yandex – as most popular search engine among Russians. The results of the survey show clearly the popularity and reliability of these channels among Russians. Especially to pay attention to regional optimisation if the company willing to expand the inside geography of the market;
• Banner or affiliate advertising could be organised on such popular among the customers as: visitfinland.com, fontanka.fi, stopinfinland.ru and russian.fi.

• The affiliate advertising can also be organised on the web sites about different Finnish regions and their centres. It can be info portals about Mikkeli, Kuopio, Joensuu, Lappeenranta, Imatra, Helsinki, Lahti, Kouvola. Also seasonable advertising on the all ski resorts web sites, including Lapland and all others all over the country. Especially mostly all this administrative regions web sites have the Russian version.

• The authors would recommend developing the newsletters practice. The responses of the customers for the email survey showed, that news letter can have pretty positive contribution to the marketing policy, especially if to do it using internal resources to minimise risk of the ratio “input-output”.

Due to the research was found out some small informative tips about the psychographics of the customers, the authors also would like to give some small recommendation about possible content of the advertising and information, giving within the communication with the customers. The advertising has to contain the combination of the financial aspects and the comfort ability of cottages, their ergonomics. This is important due to particularity of Russians: mostly men who keep contact with the company, cause they pay usually, but women do decide the essential things about holidays and they surf more in the internet. For example, the advertising in the search engine has to highlight the prices and logistics aspects, but the information in Vkontakte should contain more descriptive and detailed information about the cottages themselves.

7. REFERENCES


Google (2013b) Коттеджки в Финляндии (online) Available: http://www.google.ru/webhp?sourceid=navclient&hl=ru&ie=UTF-8#hl=ru&gs_rn=15&gsри=psy-аб&suggest=p&cp=12&gs_id=1a&xhr=t&q=%D0%BA%D0%BE%D1%82%D1%82%D0%B5%D0%B4%D0%B6%D0%B8+%D0%B2+%D1%84%D0%B8%D0%BD%D0%BB%D1%8F%D0%BD%D0%B4%D0%B8%D0%B4%es_nrs=true&pf=p&newwindow=1&output=search&sclient=psy-ab&oq=%D0%BA%D0%BE%D1%82%D1%82%D0%B5%D0%B4%D0%B6%D0%B8+%D0%B2+%D1%84&gs_l=&pbx=1&rlz=1R2LENN_ruRU491&fp=1&biw=1366&bih=589&bav=on.2,or.&cad=b (Accessed 24.04.2013)


8. APPENDICES

Appendix 1. The Questionnaire of the survey

Dear Customers!

We kindly ask You to participate in our survey by answering the questionnaire below. The goal of the survey is more detailed research of our audience. We guarantee the privacy of your answers. Please, pay attention, if You have participated already in our phone survey or Vkontakte, ignore this message.

The questionnaire will take only couple minutes of your time.

We do appreciate your time and thank You for your participation!

Best Regards,
Lomarengas

1. Are You satisfied with our services?

- Yes
2. Where form have You got known about Lomarengas?
   - Friend’s recommendation
   - Ad in the internet
   - Info in social networks
   - Found in yandex/google search engine
   - Forum
   - Other ____________

3. The purposes of your trips to Finland?
   - Shopping
   - Trips to country side (fishing, BBQ, sport)
   - Visiting of friends/relatives
   - Business
   - Tourism, sightseeing
   - Event tourism (exhibitions, concerts, theater)
   - Other ____________

4. Which region of Finland do You visit most often?
   - Lapland
   - The North (Oulu)
   - The East (Joensuu, Kuopio, Mikkeli, Suomenlinna)
   - The West (Vaasa, Tampere, Pori)
   - Central (Juväskylä, Jamsa)
   - The South (Helsinki, Lahti, Kouvola, Haamenlinna)
   - The South-West (Turku)
   - The South-East (Laapeenranta, Imatra)
   - The Aland islands

5. Choosing the cottage, what You pay attention for? Range the your priorities by descending order, please.
   - Price
   - Wide range of cottages
   - The service quality
   - The distance from the border
   - service in russian language
6. Where do you most often looking for the information you need on the Internet? You may choose 3 options

- Info portals
- Search engine
- Forums
- Ad
- Social networks
- Other ___________

7. Which web sites/forums do you use mostly, looking for the information about Finland?

________________________

8. Age. Indicate, please, your complete years

________________________

9. Sex

- M
- F

10. Marital status

- Married
- Not married

11. Your sphere of activity

- Science, Education
- Health care
- Transport
- Trade
- Finance
- IT
- Civil service
- Constructions
- Marketing, Advertising, PR
- Tourism, Hospitality
Appendix 2. The example of the information seeking by sentence "cottages in Finland" in Russian search engine

Figure 33. The results of search “cottages in Finland” in Google.ru (Google, 2013b)

Appendix 3. The example of banner advertising Lomarengas OY
Figure 34 The example of the Lomarengas banner at E-Finland web site (E-Finland, 2013)