



LAHDEN AMMATTIKORKEAKOULU
Lahti University of Applied Sciences

USING STRATEGIC ANALYSIS TO DEVELOP A BUSINESS

Case: Prevelante

LAHTI UNIVERSITY OF APPLIED
SCIENCES
Degree programme in Business
Administration
International Business
Thesis
Spring 2015
Lotta Loveson

Lahti University of Applied Sciences
Degree Programme in Business Administration

LOVESON, LOTTA:

Using Strategic Analysis to Develop a
Business

Case: Prevelante

Bachelor's Thesis in International Business 47 pages, 2 pages of appendices

Spring 2015

ABSTRACT

Despite the constantly decreasing number of occupational diseases in Finland, the share of allergic and respiratory diseases remains steady. A Finnish self-care product importer is eager to influence the matter by selling a nasal filter designed for respiratory protection for industrial use. This thesis focuses on the construction industry and the ways the Case Company is possibly able to acquire growth from this specific field.

The study is performed deductively with the assistance of qualitative and quantitative methods. Various sources are utilized in collecting information and knowledge. Primary data is gathered from a questionnaire conducted with a few construction workers. Secondary data is acquired from several sources such as books, journals, and internet. A business development plan is presented based on all accumulated knowledge during the thesis process.

The research is conducted according to David. A. Aaker's model of Strategic Analysis. The model contains the internal analysis of the Case Company and external analysis of the target market. Complementing tools are utilized to support the model and organize the data. PESTEL and Porter's Five Forces are used to discuss the external factors including the current situation in the market as well as competition in order to evaluate the opportunities and threats. Further, SWOT analysis is used to study the current internal strengths and weaknesses of the Case Company.

Thesis concludes that construction offers a growth opportunity for the Case Company and the product could be used in construction conditions. The business development plan suggests the Case Company to target the sales to small and medium sized companies and acquiring the support of the Finnish Institute of Occupational Health and several occupational physicians. Finally it is suggested that further research on financial matters should be performed so that the case company can have a broader understanding of how much they can benefit from expanding the sales of the product for industrial use.

Key words: occupational disease, development plan, strategic analysis, construction, SCA

Lahden ammattikorkeakoulu
Degree Programme in International Business

LOVESON, LOTTA:

Using Strategic Analysis to Develop a
Business
Case: Prevelante

Bachelor's thesis in International Business, 47 sivua, 2 liitesivua

Kevät 2015

TIIVISTELMÄ

Työperäisten sairauksien määrä laskee Suomessa. Tästä huolimatta allergia- ja hengityseräisten sairauksien osuus pysyy vakaana. Suomalainen itsehoitotuotteiden maahantuoja haluaa edistää työturvallisuutta tuomalla markkinoille teollisuuskäyttöön suunnitellun hengityssuojaimen, joka suodattaa nenän kautta kulkeutuvaa hienoa pölyä. Tämä opinnäytetyö keskittyy rakennusteollisuuteen ja sen tarjoamiin kasvumahdollisuuksiin.

Tutkimus on toteutettu hyödyntämällä sekä laadullisia että määrällisiä tutkimusmetodeja. Tietojen keräämisessä on hyödynnetty erilaisia lähteitä. Tietoa on kerätty erilaisista lähteistä kuten kirjoista, artikkeleista sekä internetistä sekä toteuttamalla kyselytutkimus muutamille rakennusalan työntekijöille. Yrityksen kehityssuunnitelman laatimisessa on hyödynnetty kaikkea opinnäytetyöprosessin aikana kertynyttä tietoa.

Tutkimus on toteutettu hyödyntäen David A. Aakerin mallia strategisesta analyysistä. Kyseinen malli sisältää kohdeyrityksen sisäisen analyysin lisäksi kohteena olevien markkinoiden analyysin. Täydentäviä työkaluja on käytetty Aakerin mallin tueksi ja tiedon organisointiin PESTEL analyysia. Porterin viiden kilpailuvoiman mallia on käytetty ulkoisten tekijöiden, kuten markkinoiden nykytilan ja kilpailijoiden, selvittämiseen. Näillä täydentävillä työkaluilla on pyritty selvittämään markkinoiden uhkia ja mahdollisuuksia. Kohdeyrityksen sisäisiä ja ulkoisia vahvuuksia on arvioitu hyödyntäen SWOT –analyysia.

Johtopäätöksenä todetaan, että rakennusala tarjoaa kasvumahdollisuuksia kohdeyritykselle. Samoin todetaan, että tuotetta voidaan käyttää rakennusolosuhteissa. Yrityksen kehityssuunnitelmassa myynti kohdistettaisiin pieniin ja keskisuuriin yrityksiin. Työterveyslaitoksen ja työterveyslääkäreiden tuki tuotteelle olisi tärkeää. Kehityssuunnitelmassa yritystä kannustetaan lisätutkimukseen taloudellisten asioiden näkökulmasta, jotta voidaan selvittää millaista hyötyä tuotteen markkinoinnista teollisuuskäyttöön voisi saavuttaa.

Asiasanat: työperäinen sairaus, kehityssuunnitelma, strateginen analyysi, rakennusteollisuus

CONTENTS

1	INTRODUCTION	1
1.1	Background	1
1.2	Thesis Objectives, Research Questions and Limitations	3
1.3	Theoretical Framework	4
1.4	Research Methodology and Data Collection	6
1.5	Thesis Structure	8
2	STRATEGIC ANALYSIS	9
2.1	External Analysis	10
2.1.1	Customer Analysis	11
2.1.2	Competitor Analysis	12
2.1.3	Market/Submarket Analysis	13
2.1.4	Environmental Analysis and Strategic Uncertainty	15
2.2	Internal Analysis	16
2.3	Creating, Adapting, and Implementing Strategy	17
3	OCCUPATIONAL HEALTH AND CONSTRUCTION INDUSTRY	18
3.1	Current situation in the target market	18
3.2	Customers in the industry	22
3.3	Competitors in the industry	23
3.3.1	Sanispira	24
3.3.2	NOSK	25
3.3.3	3M	26
3.4	Market Analysis	27
4	CASE STUDY: PREVELANTE	30
4.1	Case Company Background	30
4.2	Swot Analysis of the Case Company	31
5	EMPIRICAL RESEARCH AND ANALYSIS	33
5.1	Data collection	33
5.2	Data Analysis	34
6	DEVELOPMENT PLAN	38
6.1	Strategic Competitive Advantage	39
6.1.1	The way Prevelante competes	39
6.1.2	Basis of Competition	39

6.1.3	What Prevelante Offers	40
6.1.4	Where Prevelante Competes	40
7	CONCLUSION AND SUGGESTIONS FOR FURTHER RESEARCH	41
7.1	Answers to research questions	42
7.2	Suggestions for further research	43
	APPENDICES	48

LIST OF FIGURES

Figure 1. Cases of recognized and suspected occupational diseases in 2008-2012 in Finland (Finnish Institute of Occupational Health 2014).....	1
Figure 2. Allergic and respiratory diseases 2008-2012 in Finland (Finnish Institute of Occupational Health 2014).....	2
Figure 3 Deduction vs. Induction (Kananen 2011, 40)	6
Figure 4. The Role of External Analysis (Aaker 2009, 22).....	10
Figure 5. Approaches to Defining Segments (Aaker 2009, 27)	11
Figure 6. Framework for Competitor Analysis (Porter 2004, 49)	12
Figure 7. Porter's Five Forces (Harvard Business Review November-December 1996).....	14
Figure 8. Pestel Analysis (Free management books 2013, 6).....	15
Figure 9. The Sustainable Competitive Advantage (Aaker 2009, 123).....	17
Figure 10. Level of Construction in Finland 2005 - 2015	19
Figure 11. Unemployment Rates in Construction 2013-2014 (Rakennuskassa.fi, 2014).....	21
Figure 12. Picture of Sanispira (Sanispira.it 2014)	24
Figure 13. A picture of NOSK (Nosk.com 2014).....	25
Figure 14. Picture of 3M respirator (3M.com 2014)	26
Figure 15. Modified from Porter's Five Forces (Harvard Business Review November-December 1996)	27
Figure 16. Prevalente SWOT Analysis.....	31
Figure 17. Strategic analysis outputs	33
Figure 18. Answers to Statement number 1.....	35
Figure 19. Answers to Statement number 2.....	35
Figure 20. Answers to Statement number 3.....	36
Figure 21. Answers to Statement number 4.....	37
Figure 22. Creating, adapting, and implementing a strategy.....	38

LIST OF TABLES

Table 1. Overview of Strategic Management (Aaker 2009, 11).....	5
Table 3. Structure of the Thesis	8
Table 4. First Phase of Strategic Management	9
Table 10. SWOT Analysis: Strengths, Weaknesses, Opportunities, and Threats (Kotler & Armstrong 2010, 78).....	16

1 INTRODUCTION

The first chapter of the thesis introduces the topic of the research and research questions. Theoretical framework and methodology of the research is explained briefly. Also, the structure of the thesis is disclosed at the end of the chapter.

1.1 Background

Business enterprises have come to realize that a healthy and safe work environment improve competitiveness (Finnish Institute of Occupational Health 2014). This is because occupational safety and health can contribute to efficiency of workers (World Health Organization 2014).

Occupational health refers to the identification and control of the risks arising from physical, chemical, and other workplace hazards in order to establish and maintain a safe and healthy working environment (National Institute of Environmental Health Sciences 2014). In Finland the improvement in health and safety at work can be evidenced by decreasing cases of recognized and suspected occupational diseases in the years 2008-2012.

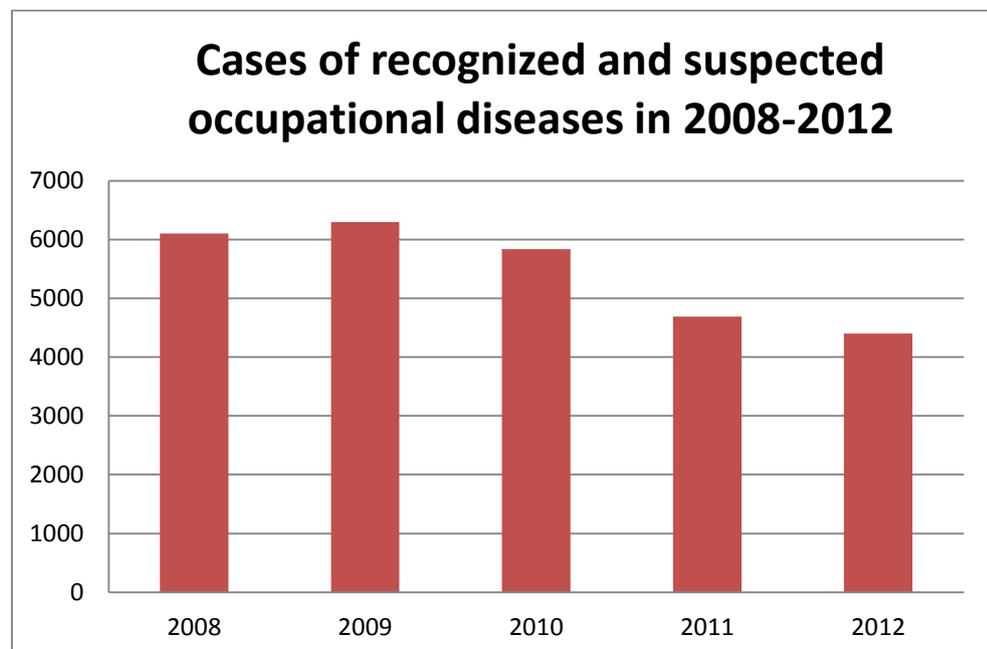


Figure 1. Cases of recognized and suspected occupational diseases in 2008-2012 in Finland (Finnish Institute of Occupational Health 2014).

The term “occupational disease” according to the Protocol of 2002 to the Occupational Safety and Health Convention 1981, covers any disease contracted as a result of an exposure to risk factors arising from work activity. A risk of occupational disease occurs whenever airborne dust is inhaled at work (World Health Organization 1999). Despite the amount of constantly decreasing amounts of occupational diseases the share of allergies and respiratory diseases remain steady.

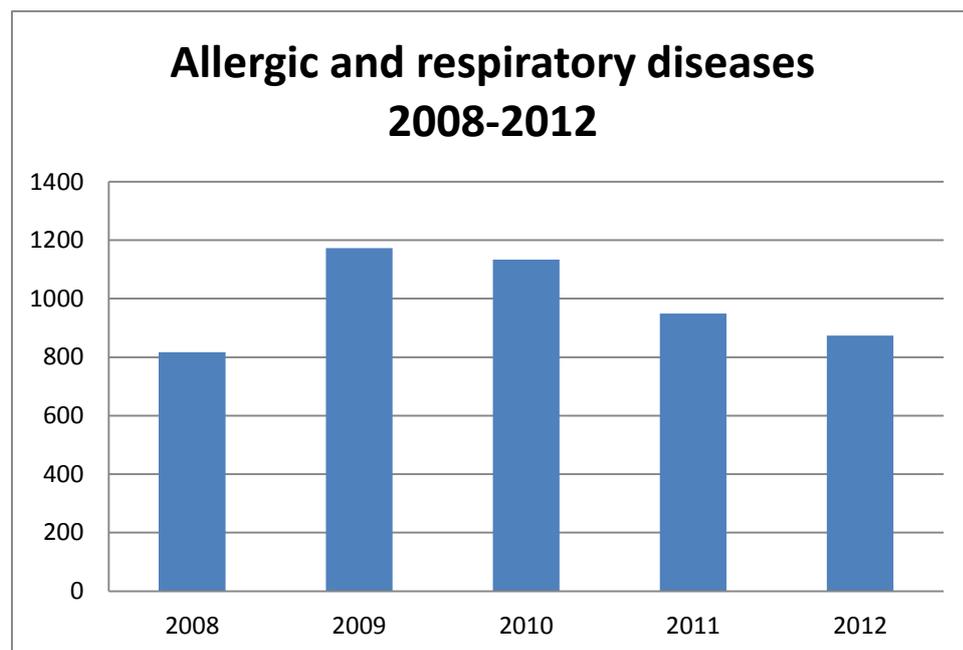


Figure 2. Allergic and respiratory diseases 2008-2012 in Finland (Finnish Institute of Occupational Health 2014).

The matter of occupational allergic and respiratory diseases was noticed by Sanna Huvinen-Lindberg, Product Manager and Shareholder of Capsil Oy (Oy in English is equivalent to Ltd), who introduced the topic to the author. In the year 2014, Capsil Oy wanted to expand the business from providing staffing services to pharmaceutical companies into importing self-care products to Finland. Capsil Oy established a tradename Prevelante to serve this purpose. In spring 2014 the company imported a product designed for respiratory protection. Sanna Huvinen-Lindberg sees potential of this product in promoting occupational health and possibly preventing occupational diseases in several industries in Finland. (Huvinen-Lindberg 2014.)

The author was asked to research the potential of the product in Finnish construction industry. It was decided together with the Case Company that the thesis will include development suggestions concerning the expansion of the business and reaching this new market segment. However, the emphasis was put on testing the product in construction conditions.

1.2 Thesis Objectives, Research Questions and Limitations

The author has set two objectives for the research. The first objective of the thesis is determining the attractiveness and the possible business opportunities in the construction industry. If the market is found attractive the second objective of the research can be pursued. The second objective is to conduct a development plan with the necessary actions required for the Case Company to possibly reach growth for the construction industry. The objectives of the thesis are achieved by finding an answer to these three research questions represented below.

1. What is the current state of the target market?

A market analysis of the Finnish construction is conducted to answer the first research question. Since the thesis has a focus on construction sites, the current trends of using respirators in construction sites are also analyzed. This analysis is important to define how the product meets the demands in the market.

2. Does construction offer a growth opportunity for the Case Company?

3. What are the ways to reach growth in the target market in case development and growth opportunities exist? How is the case company able to control and utilize the current capabilities in expanding the business

Finally the third research question identifies the actions required from the case company to achieve growth in the target market. A customer survey will be conducted to gather relevant consumer information for implementing corrective actions to achieve development and growth.

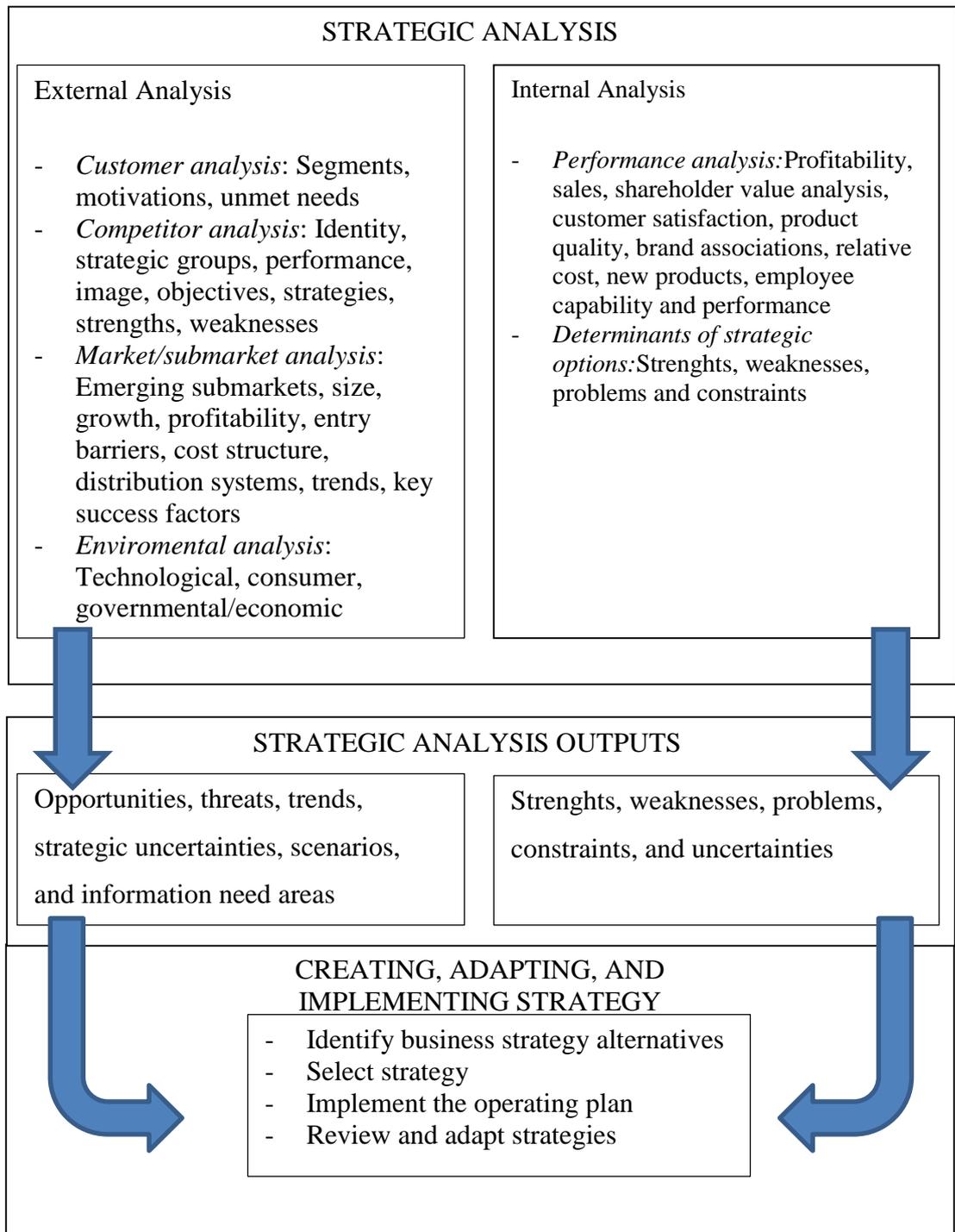
This study is business oriented, thus scientific and in detail descriptions about matters related to the use of the product is not covered. The author doesn't have the qualifications to study the product scientifically efficiency in construction use. Products suitability for construction use is tested by conducting a questionnaire in cooperation with the Case Company. The questionnaire is answered by construction workers who tested the product at work for one week. The finances of Capsil Oy are also not covered in this study. However the company is willing to make cautious investments to reach growth of the target market. At this point the company invested time and product samples to study the construction. The possible future investments are discussed in the development plan.

1.3 Theoretical Framework

The theoretical framework used in this study is based on theories of strategic market management. The research discusses the concept of strategic management more specifically by strategic market management. According to Aaker and McLoughlin (2010, 10) strategic market management is a system designed to help management create, change, or retains a business strategy and to create strategic visions. The ultimate goal is to challenge the strategy in order to ensure its relevancy to the changing marketplace and responsiveness to emerging opportunities. Additionally, strategic market management ensures that the organization develops and retains the necessary skills and competencies to make the strategy succeed. (Aaker & McLoughlin 2010,10) This is achieved by analyzing the external and internal environments of an organization as a part of strategic market management. Also by identifying and assessing the outputs i.e. by the SWOT analysis and finally to create, adapt and implement a strategy (Aaker & McLoughlin 2010, 11-13).

Referring to these facts, it is possible to state that analyzing carefully the internal and external environments of a company is necessary when implementing a development plan. If successful the development plan will be affecting the future strategic planning of the Case Company. Therefore the concept of strategic market management is described and an overview of strategic market management, providing the framework for the thesis is shown in Table 1, on the next page.

Table 1. Overview of Strategic Management (Aaker 2009, 11)



Prevalent needs information about customers, competitors, and trends affecting construction. According to Aaker (2009, 2) the information needs to be continuous, not tied to a planning cycle. For this reason the strategic analysis is chosen to be the most important framework in this study. The framework will be discussed in detail in Chapter 2.

1.4 Research Methodology and Data Collection

The author had to make a choice between deductive and inductive research approaches. As can be seen in Figure 5, induction uses a few specific cases to draw generalizations while deduction makes a conclusion in a specific case based on the theory (Kananen 2011, 40). The author has chosen to use a deductive approach for this study because the aim is to find a conclusion for one specific case and not to make a generalization.

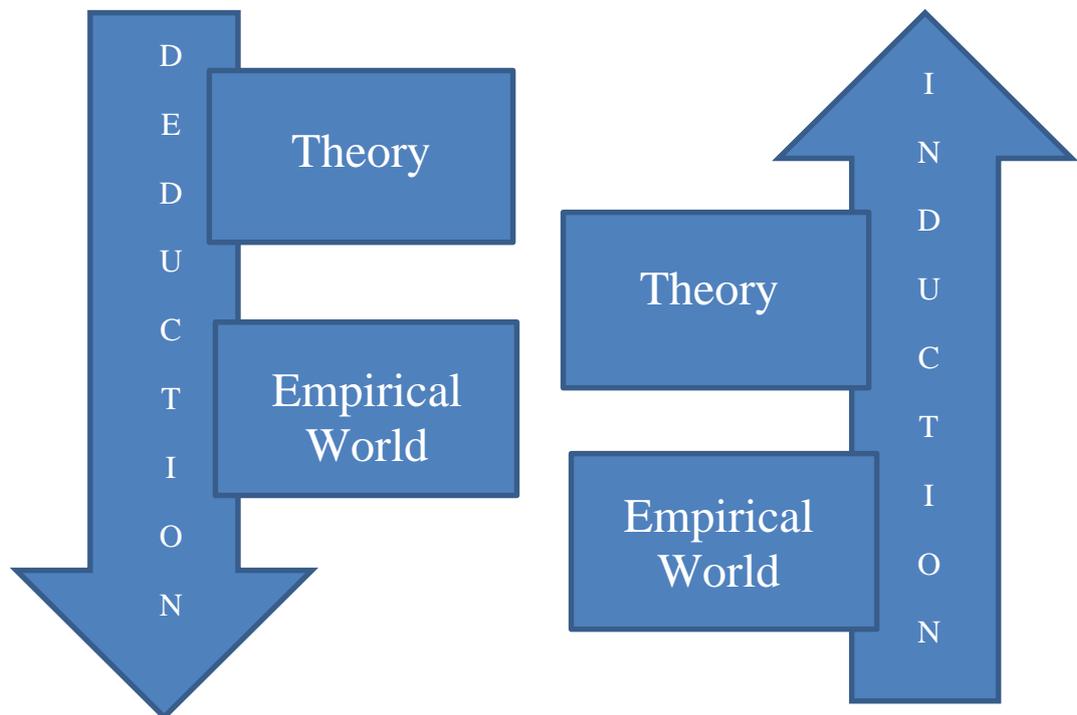


Figure 3 Deduction vs. Induction (Kananen 2011, 40)

Having the decision of the research approach, the methodologies are to be chosen. The decision is made between qualitative and quantitative research. According to Eriksson and Kovalainen (2008: 4-5) qualitative business research is often described by comparing it with quantitative research. Qualitative research approaches deal with interpretation and understanding, whereas quantitative approaches deal with the explanation, testing of hypothesis, and statistical analysis. Moreover, the qualitative research approaches aim at a holistic understanding of the issues studied.

Eriksson and Kovalainen (2008: 7) introduce different approaches to conduct a qualitative business research. A case study approach is used in this research. Business-related case studies have the ability to present complex business issues in a common sense. The aim of intensive case study is to learn how a specific and unique case works, not to produce knowledge that could be generalized to other contexts in the conventional meaning (Eriksson and Kovalainen, 2008, 116-120).

Case study as a research method is applied to reach the aim of making a successful development plan for the Case Company. This research method seeks to explain some present circumstance by answering the explanatory research questions like “how” and “why”. Explanatory questions work with operational links needing to be traced over time. The method is relevant the more the research questions require an extensive description. (Yin 2009, 4, 9.) The research questions identified in the introduction support the explanatory goal of this research and thus certify the selection of this specific research method. The ultimate goal of the research is to find ways the Case Company can develop its business activities in practice. Moreover, this research has a focus on one particular case company and seeks to find answers to real world questions, thus the case study method is selected.

A case study relies on multiple sources of evidence (Yin 2009, 18). The six sources of evidence most commonly used in the case studies are documentation, archival records, interviews, direct observations, participant-observation, and physical artifacts (Yin 2009, 101). Literature is utilized on the topics of strategic market management, market analysis, and growth strategies to provide the basis for the practical work. The empirical data utilized in this research is both qualitative and quantitative. Practical work focuses on research and development. The results of the research are conducted primarily to offer practical applicability for the Case Company. Based on the literature findings and field data analysis the market research is conducted to provide the Case Company with the development plan. The research utilized interviews with the owners and construction professionals to collect the requisite field data. Five construction workers are questioned to acquire information about how the product meets the demands in the market.

1.5 Thesis Structure

The study will be organized as follows:

Table 2. Structure of the Thesis



The thesis is divided into two parts. The division is made to distinguish the theoretical study from the empirical study. Chapter 2 will introduce the theoretical framework of the thesis. All theory in respect of strategic analysis and business approaches relevant utilized later on in the thesis are included. The introduction of the theory utilized in the thesis will be followed by the empirical data collected during the thesis process. Chapter 3 has a focus on construction and occupational health providing the scope for the thesis. Chapter 4 and 5 have a focus on the data collected from the case company and from the survey conducted for the construction workers. To conclude the thesis a summary is conducted to rehearse the findings of the research. Additionally, suggestions are given for future research concerning the topic.

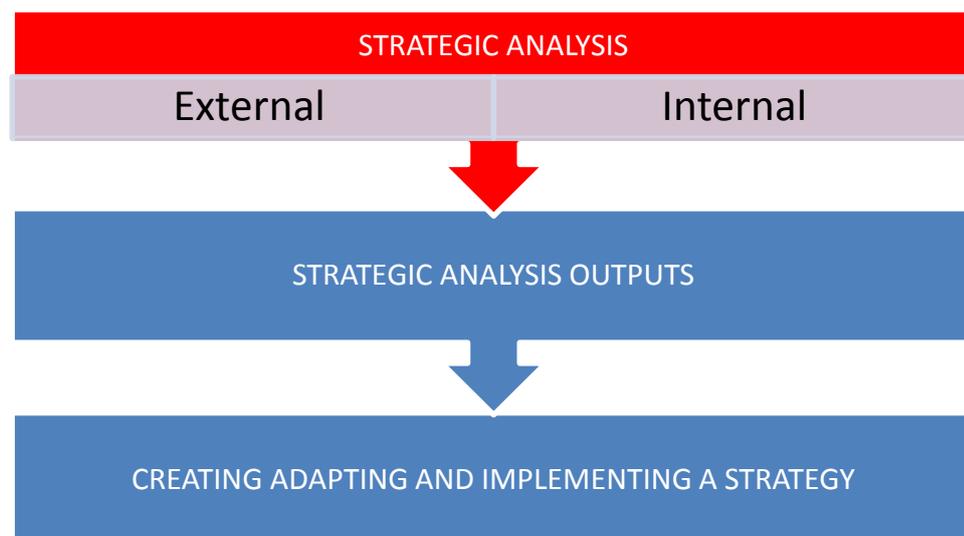
2 STRATEGIC ANALYSIS

In Chapter 1, it was stated that a careful analysis of a company's internal and external environments is necessary when implementing a development plan. Following the framework of strategic analysis shown in Table 1, the author is capable to conduct a development plan for Prevelante. Strategic analysis logically starts with analyzing the factors external to a business that can affect the strategy (Aaker, 2009, 21). External analyses conducted are as follows:

- Customer Analysis
- Competitor Analysis
- Market/Submarket Analysis
- Environmental Analysis

The four external analyses are described in detail in this chapter, followed by the introduction of internal analysis. While the external analysis has a focus on the matters external to an organization the internal analysis aims to provide a detailed understanding of strategically important aspects internal to an organization (Aaker 2009, 12, 21). Table 4 above is provided to visualize the issues covered in this chapter.

Table 3. First Phase of Strategic Management



2.1 External Analysis

As mentioned, external analysis is examination of elements external to a business. These elements according to Aaker (2009,10-11) are customers, competitors, markets and submarkets, and the environment or context outside of the market. The external analysis should have a focus and a limited scope (Aaker 2009, 12).

Table 4 suggests that external analysis can contribute to strategy directly by suggesting strategic decision alternatives or influencing a choice among them. Additionally the external analysis can support the strategy indirectly by identifying significant trends and future events, threats and opportunities, and strategic uncertainties that could affect strategy outcomes. (Aaker 2009, 21-22).

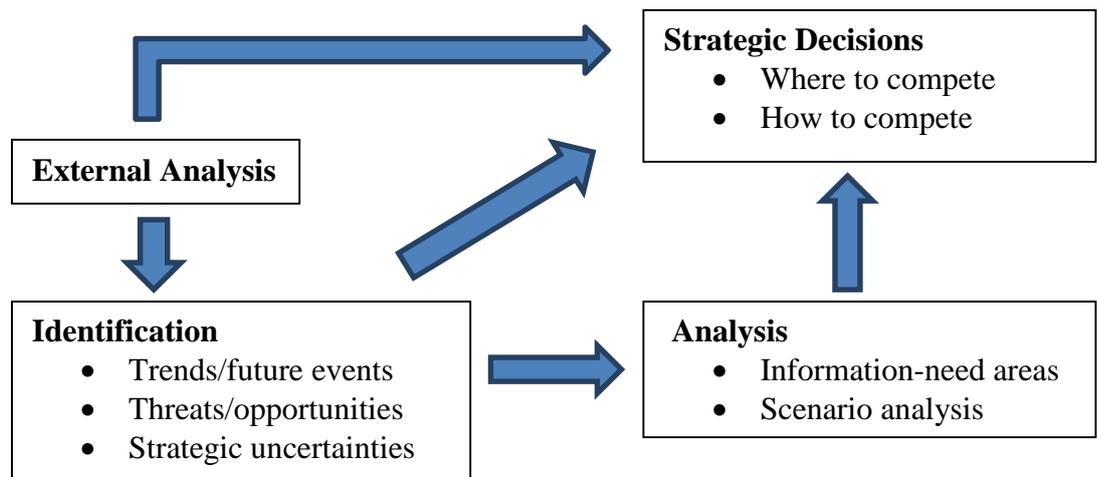


Figure 4. The Role of External Analysis (Aaker 2009, 22)

By conducting an external analysis the author has an aim to find the answer to the first research question: What is the current state of the target market?

2.1.1 Customer Analysis

Customer analysis is a part of external analysis. Customer analysis provides an understanding about how the market segments, what motivates the customer and what are the unmet needs of the customers. Market segmentation identifies the customers with similar characteristics (Aaker 2009, 26). Having the customers segmented carefully the business actions can be targeted in a way that brings competitive advantage for a business. From the examples of Aaker (2009, 27), the author has chosen the approaches to defining segments for this study:

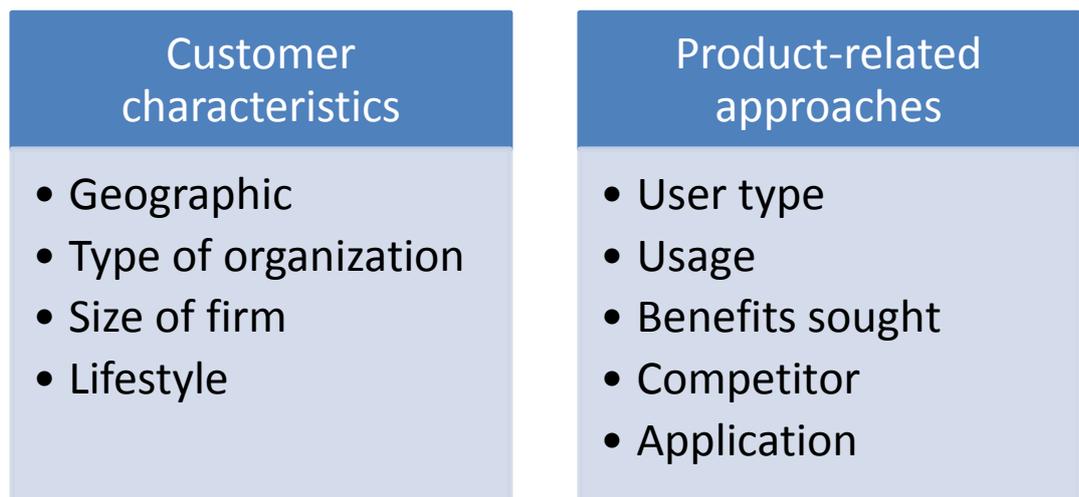


Figure 5. Approaches to Defining Segments (Aaker 2009, 27)

The author will identify some customer characteristics, but has chosen a product-related approach when conducting a customer analysis for this study. The decision to do so is because according to Aaker (2009, 30) industrial products are best segmented by their application. The basic concept is that ideas for products and marketing programs are more likely to come from a deep understanding of how the product is used than by understanding the customer (Chirstensen, Cook & Hall 2005, 74-83)

2.1.2 Competitor Analysis

Competitors are analyzed the second in external analysis. The competitor analysis is conducted to position the Case Company to the target market. Another reason for analyzing the competitors is to find the characteristics of the Case Company that distinguish it from its competitors in the field. A framework utilized for analyzing the competitors is demonstrated in Table 7.

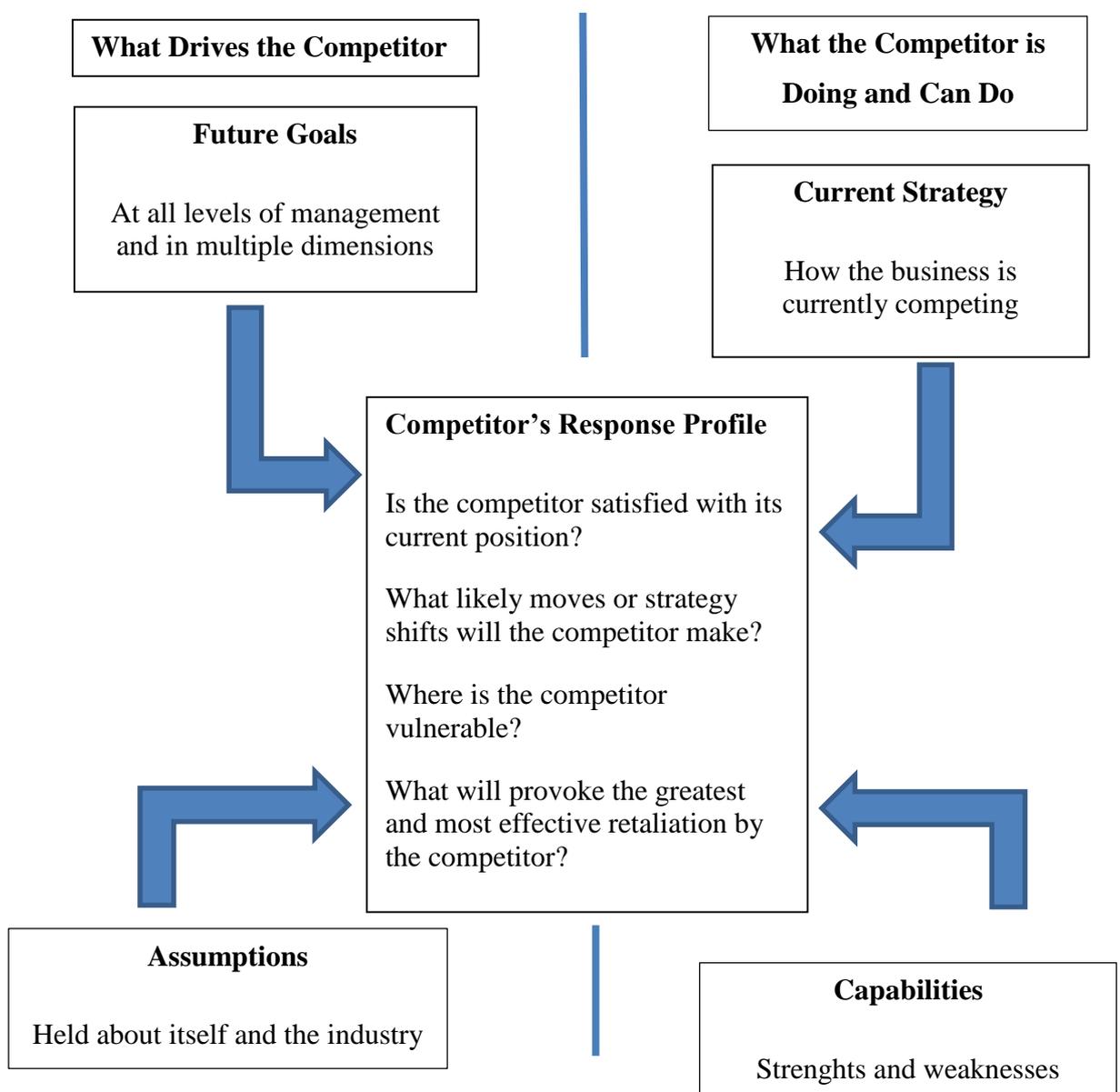


Figure 6. Framework for Competitor Analysis (Porter 2004, 49)

As shown in Figure 8, analysis of the competitors' goals is the first element of competitor analysis. Identifying the competitors' goals is important for the following reason: a knowledge of the competitors' satisfaction with its present position allows to make predictions whether the competitor is likely to change its strategy and how the competitor reacts to outside events. The reactions to outside events can be predicted by analyzing the assumptions the competitor has towards itself and towards the industry. (Porter 2004, 50, 58.) Goals and assumptions drive the competitor and are the first two elements of competitor analysis.

The aim of the next two elements in the competitor analysis is to determine what the competitor is doing and can do. The key operating policies of the competitor work as pointers to the competitors' strategies leading to current and future actions. Finally the competitors' capabilities are assessed according to the strengths and weaknesses of the competitor. Capabilities determine the competitors' ability to initiate or react to strategic moves and to deal with environmental or industry events that occur. (Porter 2004, 63.)

Porter (2004, 49) recommends the analysis of all significant competitors and potential competitors. However the Case Company requested the author to analyze only two of the competitors. The challenges in finding enough reliable and detailed information about the competitors might restrict the possibility to analyze the competitors throughoutly. However the author has tried to do her best with the resources available. Competitor analysis can be found from Chapter 3.

2.1.3 Market/Submarket Analysis

Market analysis is based on customer and competitor analyses to help the business to make strategic judgements about a market and its dynamics (Aaker 2009, 59). Market Analysis is conducted for this study to determine the attractiveness of construction for the Case Company. The goal of competitive strategy for the Case Company is to find a position in the industry where the company has means to defend against these five competitive forces or the possibility to influence them in its favor (Porter (2004, 4). The forces will be shown in Table 8 on the next page.



Figure 7. Porter's Five Forces (Harvard Business Review November-December 1996)

The essence of formulating competitive strategy is relating a company to its environment. The key aspect of the firm's environment is the industry or industries in which it competes. Usually all the firms in the industry are affected by the forces outside the industry (Porter, 2004,3). By identifying the forces and differing abilities of the Case Company to deal with them, there is a potential to reach competitive advantage.

Competition in an industry is rooted in its underlying economic structure and goes well beyond the behavior of current competitors. The state of competition in an industry depends on five basic competitive forces, which are shown in Figure 8. (Porter 2004, 3). The attractiveness of an industry or market as measured by the long-term return on investment of the average firm depends largely on five factors that influence profitability (Aaker 2009, 67).

2.1.4 Environmental Analysis and Strategic Uncertainty

Environmental analysis focuses on the environment surrounding the market. The goal is to identify and evaluate trends and events that will affect strategy either directly or indirectly. According to Aaker (2009, 78-79) the trends that should be a focus in an environmental analysis are economical trends, consumer trends and government/economic forces.

The business environment that will be analyzed is Finland, because so far Capsil Oy is focusing on domestic markets. Pestel analysis is utilized to offer an understanding of Finland as a business environment. Pestle analytical studies the external conditions that have an effect on the business. The external conditions covered by the pestle analysis are political, economic, social, technological, legal, and environmental conditions. Although the external conditions cannot often be affected the awareness of the possible implications is important in strategic planning. (Free management books, 2013, 6.) Pestle analysis is shown below in Table 9.

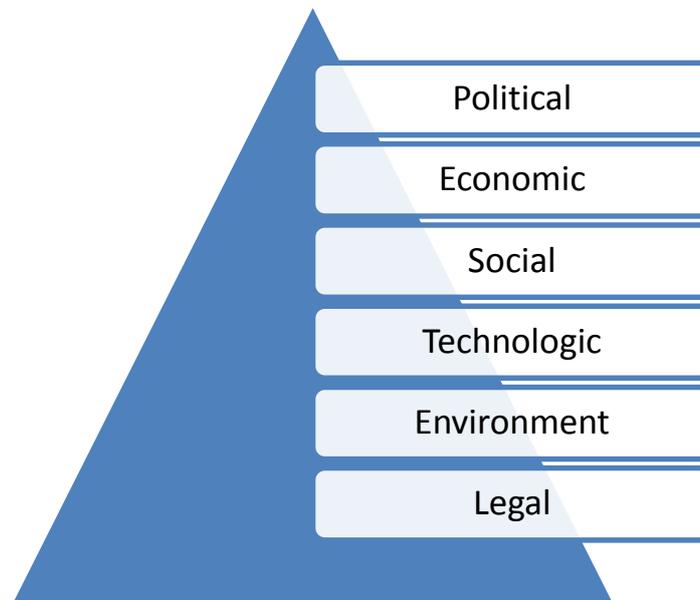


Figure 8. Pestel Analysis (Free management books 2013, 6)

2.2 Internal Analysis

As mentioned in the beginning of Chapter 2 the internal analysis aims to provide a detailed understanding of strategically important internal aspects of the organization. Internal analysis will be a considerable minor part of the research as a half of it is covered by the external analysis. Also the fact that the financing of the Case Company, which would normally present the first aspect of the internal analysis will be left out of this research. According to Aaker (2009, 98) there are four aspects of internal analysis. As one of them is left out and one will be covered by the external analysis the two left are the analysis of performance dimensions such as employee capability and product quality and the identification of the company's internal strengths and weaknesses. Internal analysis can be discovered from the Chapter 4.

To demonstrate the company's internal strengths and weaknesses the research utilizes SWOT analysis. Moreover the analysis also has an external point of view to opportunities and threats provided by the business environment. In other words SWOT analysis will combine internal and external factors and provide a brief summary of issues dealt with. A SWOT analysis is shown in Table 10.

Table 4. SWOT Analysis: Strengths, Weaknesses, Opportunities, and Threats (Kotler & Armstrong 2010, 78)

	Positive	Negative
Internal	Strengths Internal Capabilities	Weaknesses Internal Limitations
External	Opportunities External factors bringing advantage	Threats External factors bringing disadvantage

2.3 Creating, Adapting, and Implementing Strategy

A strategy has the conditions to succeed when the strengths of the organization are reconciled with market need and competitor weaknesses (Aaker 2009, 99). The goal is to reach sustainable competitive advantage (hereinafter SCA). SCA consists of the elements of the business strategy that provides a meaningful advantage over both existing and future competitors (Aaker 2009, 122). Table 11 below lists the factors included in the SCA.

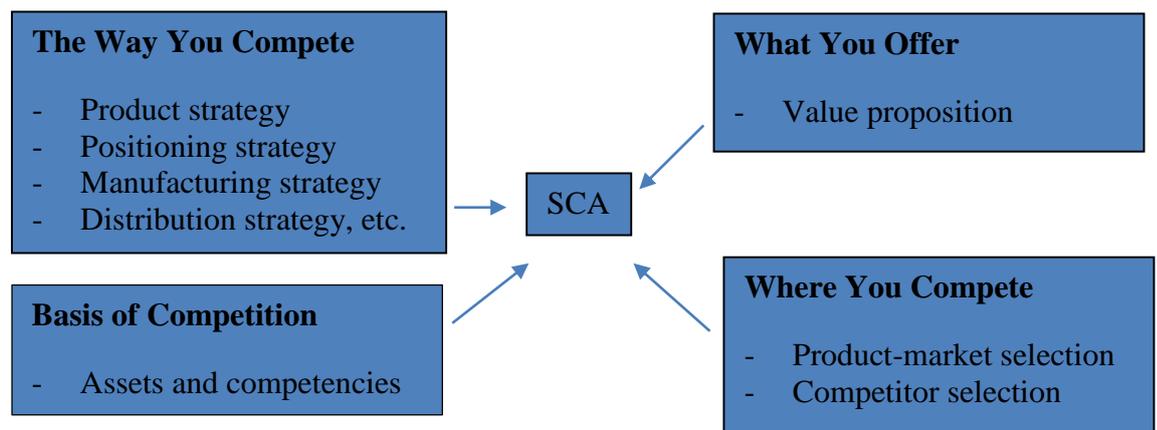


Figure 9. The Sustainable Competitive Advantage (Aaker 2009, 123)

The assets and competencies of an organization represent the most sustainable element of a business strategy, because these are usually difficult to copy or counter (Aaker 2009, 123). From the basis of the analyses the author can distinguish the possible assets and competencies of the Case Company. If SCA can be reached a market strategy should be implemented in a way that makes it visible to the customers. According to Aaker (2009, 124) An effective SCA should be visible to customers and provide or enhance a value proposition.

An important determinant for an SCA is the choice of the target product market (Aaker 2009, 124). In other words, even though the analyses represented in this chapter indicated that the case company had the assets and competencies to succeed, the established strategy might not work in the marketplace. A product market needs to be selected for which the value proposition is relevant (Aaker 2009, 124). For this reason it is important for the Case Company to consider multiple industries where their product can improve the work conditions and promote occupational health.

3 OCCUPATIONAL HEALTH AND CONSTRUCTION INDUSTRY

Chapter 2 introduced the framework for strategic analysis. It was stated that strategic analysis logically starts with analyzing the issues external to a business. This chapter will analyze Finland as a business environment. Analysis will be focusing on current situation in the Finnish construction industry. The information for the analysis is mostly collected from internet sources. Pestel analysis with political, economic, social, technological, environmental and legal aspects introduced in Chapter 2 will be utilized to structurize the information in the following sub-chapter.

3.1 Current situation in the target market

Political

The first section in the Pestel analysis deals with political factors in the target market. Political factors might either positively or negatively affect the economic situation hence having an influence on the business enterprises. The legal and regulatory factors included are labor laws, tax policies, consumer protection laws, employment laws, environmental regulations, and tariff & trade restrictions. The foreign policy of a country plays an important role in determining the trade regulations. (Pestleanalysis.com 2014)

Finland is a part of European Union (EU) since 1995 (Europa.eu 2014). EU is an economic and political partnership between 28 European countries (Europa.eu 2014). In response to the illegal annexation of Crimea and deliberate destabilization of a neighboring sovereign country, the EU has imposed restrictive measures against the Russian Federation in the year 2014 (Europe.eu 2014). If the restrictive measures expand the conditions for growth in the construction industry will be threatened. (Rakennusalan suhdanneryhmä 2014, 3). The restrictive measures against the Russian Federation are mentioned in the thesis because of the high influence on Finnish economy and construction industry.

Economical

Economic conditions have the highest influence on a business regardless of the industry (Pestleanalysis.com 2014). At the moment the Finnish construction is close to the level of recession in the year 2009. The government has facilitated the market conditions by practicing expansionary fiscal policy. The policy has supported the renovation which is estimated to continue brisk in the year 2015 (Rakennusalan suhdanneryhmä 2014, 3) The Economics Department at the Finnish Ministry of Finance publishes economic forecasts four times a year (Ministry of Finance 2014). A team concentrating on construction industry (Rakennusalan suhdanneryhmä Raksu) has published a report in September 26th, 2014. The report estimates a 0..+2 % increase in the total construction for the year 2015.

The amount of new residences in the year 2014 is estimated to be about 24,500. The estimation for the year 2015 is between 24,000-25,000 Rakennusalan suhdanneryhmä 2014, 8) The amount of new residences includes detached single-family houses, terraced houses, blocks of flats, and non-residential buildings. Based on these estimations and the amount of completed residences in the years 2005-2013 the author has made a chart to visualize the current level of construction in Finland.

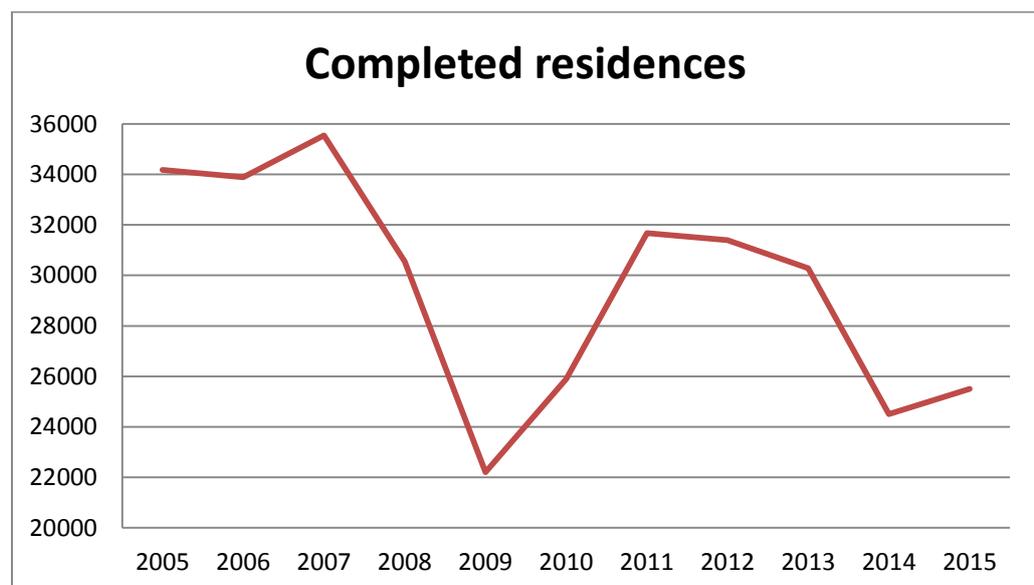


Figure 10. Level of Construction in Finland 2005 - 2015

About the political and economic conditions in the market it is possible to conclude that the overall construction is estimated to increase in the year 2015. The political factors affecting the market are the fiscal policies practiced and the regulations concerning the construction industry. This thesis will not specify the laws concerning construction industry. However, Occupation Safety and Health Act is mentioned because it sets the requirements for the products used to ensure the safety of the employees in the construction. The requirements concerning Sanispira are reviewed shortly when the legal environment is described.

Social

In Pestel analysis the political and economic conditions are followed by the social conditions in the market. Social factors include career attributes, age distribution, population and its growth rate, health consciousness and safety awareness (Pestleanalysis.com, 2014) Social factors are not described in this sub-chapter because of the need for deeper analysis. The sub-chapter 3.2 will introduce the social factors and comment the health consciousness and safety awareness in the construction industry.

Technological

Next in Pestel analysis are the technological factors. Technological factors include technological changes, R&D activity, obsolescence rate, automation and innovation (Pestleanalysis.com 2014). Sanispira is used by humans, which obviously means that if automation in the industry would become more common it would signify decrease in sales. Prevelante is actively acquiring experiences of use from the industries to determine Sanispira's suitability and efficiency in promoting occupational health.

Environmental

The weather in Finland adds challenge to the environmental conditions in Finland. Construction in Finland is seasonal because of the varying weather conditions. The unemployment rate increases during the winter and decreases during the summer. This phenomenon can be noticed from the unemployment rates in the years 2013-2014.

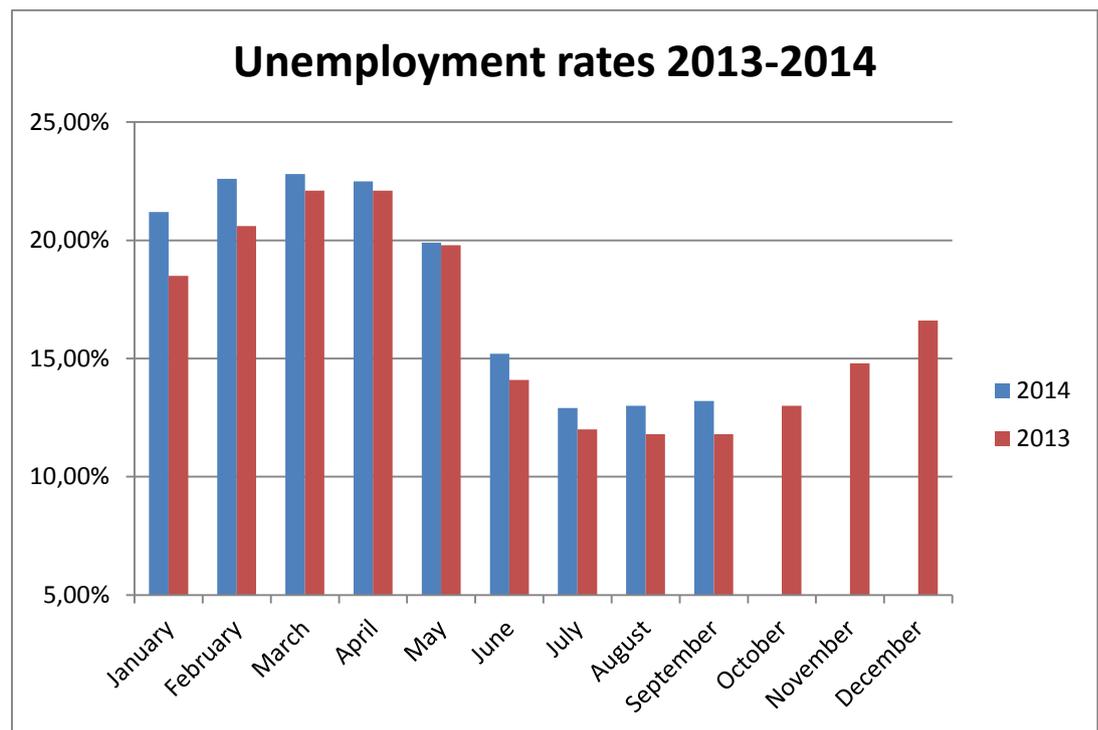


Figure 11. Unemployment Rates in Construction 2013-2014 (Rakennuskassa.fi, 2014)

Legal

The legal conditions in a market might restrict a product or company from emerging a market. Safety at Work Act obligates the use of respirators in construction. The employer is responsible for ensuring the safe work environment and providing the employees with personal protective equipment (hereinafter PPE). PPE includes many protective equipment e.g. breathing masks. Employee's obligation is to use and treat the provided PPEs in an appropriate manner. (Finnish Institute of Occupational Health, 2014).

Safety at Work Act increases the possibilities of Sanispira by obligating the use of PPE. On the other hand it also sets requirements for the respiratory products. The PPE must be CE-marked and meet the requirements for PPE equipment. Finnish Institute of Occupational Health is authorized to conduct conformity assessments in accordance with the Personal Protective Equipment. (Finnish Institute of Occupational Health, 2014)

Particle filters are divided into three groups according to their efficiency. The groups are P1, P2, and P3 which is the most efficient group (Finnish Institute of Occupational Health, 2014). According to an unofficial evaluation of an Occupational Health Physician Sanispira would be positioned between P1 and P2. Acquiring an official evaluation for Sanispira is necessary before emerging the market.

3.2 Customers in the industry

As mentioned in the previous sub-chapter, the social conditions will be reviewed in this sub-chapter. Information is collected about occupational health and the importance of safe work environment. Also some figures are provided about the amount of possible future customers.

According to Finnish Institute of Occupational Health (2014) about 5,000 cases of occupational diseases caused by working conditions are diagnosed per year. The deficiencies in working conditions burden the national economy by about 3 billion euros a year in losses. The Ministry of Social Affairs and Health estimates, that one case of occupational disease means a loss of 0,3-0,6 million euros to the enterprise.

Enterprises have little by little come to realize the safe work environment improving competitiveness as an improvement in the cost-effectiveness of production. An enterprise that is concerned with the health and safety of its employees also enhances its public image as a workplace that takes people into consideration.

Construction workers experience the dust as a second most harmful hazard in their work environment. In an article published in *Rakennuslehti* (2013) it is written that the awareness of health risks caused by dusty environment is increasing. The issue was commented by Occupational Health Physician Markku Linnainmaa, who says that breathing masks are still not used properly. In the article it is claimed that the the problem arises from the attitudes of the employees. (*Rakennuslehti*, 2013.)

Some information about the possible future customers was found online. According to Statistics Finland (2014) there was about 40,000 construction businesses in Finland in the year 2012. In the year 2012 104,000 (aged 15-74) construction workers were employed (Statistics Finland 2014). From these numbers it can be stated that most of the construction companies in Finland are small sized employing from 0-9 workers.

3.3 Competitors in the industry

Porter (2004, 48) describes the four diagnostic components of a competitor analysis: Future goals, current strategy, assumptions, and capabilities. A deeper description of these components was given in Chapter 2. Porter (2004, 49) recommends the analysis of all significant competitors and potential competitors. However the Case Company requested the author to analyze only two of the competitors. A limitation for in-depth competitor analysis is the difficulty of gathering the required amount of data. Before going to the analysis of the competitors the product imported by Prevelante is introduced.

3.3.1 Sanispira

Sanispira is a nasal filter designed to trap fine dust, pollens and other allergens. In Finland the product has been promoted to prevent allergic symptoms.



Figure 12. Picture of Sanispira (Sanispira.it 2014)

The mode of action of the nasal filter against particulate air pollution is to purify the inhaled air, thus reducing the inhalation of the fine dust particles. Equally the nasal filter reduces the inhalation of pollens and other allergens. It is almost invisible and allows the user to perform any normal activity, including vocational education while providing appropriate protection. The shape and geometry of the nasal filters meet the requirements of the filtering process, producing the correct air flow turbulence and providing the highest internal surface area possible without causing excessive resistance.

Particle filters are divided into three groups according to their efficiency. The groups are P1, P2, and P3 which the most efficient group (Finnish Institute of Occupational Health, 2014). According to an unofficial evaluation of an Occupational Health Physician Sanispira would be positioned between P1 and P2.

3.3.2 NOSK

The first one of the two competitors analyzed is Verpa Trade Oy. Verpa Trade Oy was established in 2007. On the average the company has had a turnover of 399,000 € during the years 2009-2013. The amount of personnel was not available. The company has imported a Korean nasal filter called NOSK. NOSK is also drug free nasal filter. Like Sanispira NOSK fills the demands of European Union, so it is CE-marked. Online NOSK differentiates itself from other competitors by this statement:

“NOSK is based on years of research and was designed by top Ear, Nose and Throat specialists. NOSK fits comfortably in your nose, giving you the freedom to talk, and even eat while providing unparalleled allergy relief.”(NOSK.com 2014)

The competitive advantages of NOSK are it's several prizes in international exhibitions, it's reusable for seven days, and it can also compete Sanispira in price. A disadvantage of NOSK is that it is available in one size. According to customer feedback on an online pharmacy page the product was too small even for a normal size nose (Apteekkituotteet 2014).



Figure 13. A picture of NOSK (Nosk.com 2014)

3.3.3 3M

The other competitor that the Case Company requested to be analyzed is 3M Ltd. The company offers a variety of products to several industries. They also have a wide selection of different kinds of respiratory products. In this research a basic breathing mask was selected for analysis because it is replaceable with Sanispira. 3M describes its respirators by their comfort.

3M UK Disposable Respirators combine ergonomic design for superior comfort with 3M technologies that help deliver easier breathing and comfortable protection against particulate hazards. (3M 2014)

The competitive advantages of 3M is definitely its product variety. The products also have all the necessary classifications to be used in construction sites. The product chosen for this analysis is classified in the group P2 by its filtering capabilities. 3M's respirator is adjustable and one size fits all. Disadvantages of 3M's respirator are the factors mentioned in the research chapter. One of the factors is that the respirators covering the face get sweaty and might be itchy. 3M's respirators are also quite expensive compared to Sanispira.



Figure 14. Picture of 3M respirator (3M.com 2014)

3.4 Market Analysis

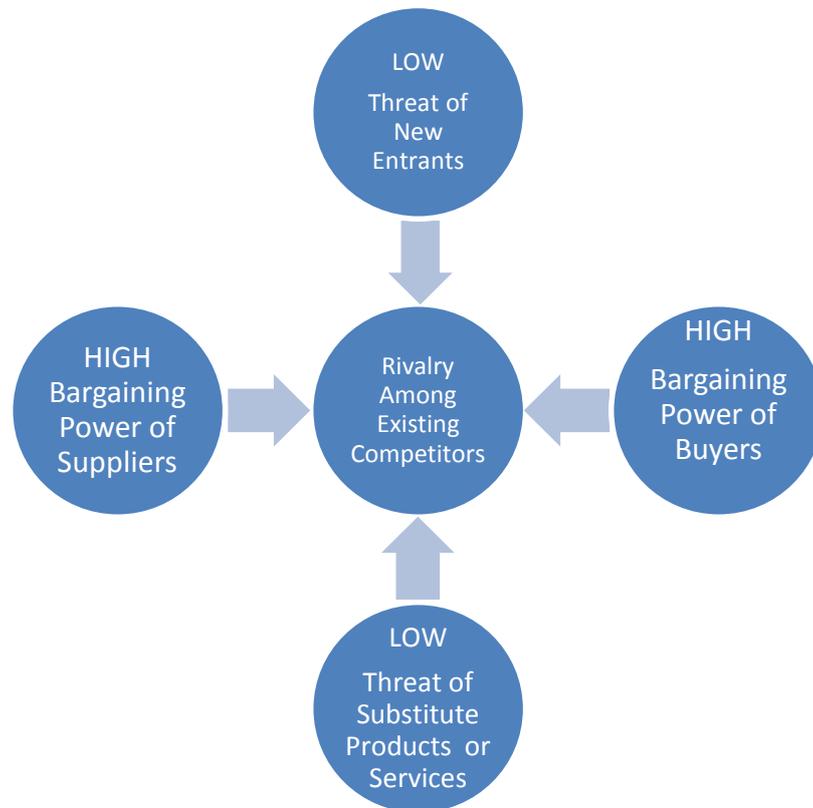


Figure 15. Modified from Porter's Five Forces (Harvard Business Review November-December 1996)

High bargaining power of buyers

Despite only two competitors were analyzed in this research there are other competitors in the market. Competitors like 3M have a strong loyal customer basis. Prevelante has strated to import self-care products only a year ago. For this reason the company hasn't had the time to earn a wide basis of loyal customers. Dissatisfaction towards the product in any phase of the use might end the customer relationship and prevent the customer from never coming back. The dissatisfaction might be caused by a factor that cannot be controlled by Prevelante, for example a problem in delivering the product to the customer in time. Moreover, Prevelante doesn't wholly focus on Sanispira but also has other products in its selection. This fact might lead to difficulties in customer care. Based on these arguments it is possible to state that the bargaining power of customers is high.

High bargaining power of suppliers

It is possible that the manufacturer of Sanispira has many suppliers. The suppliers of the manufacturing process are not reviewed in this research. However their importance in the importing process cannot be forgotten. The supplier reviewed is the company providing the products for sale to Prevelante. Sanispira is differentiated, innovative and unique product in the market increasing the bargaining power of the supplier. The fact that Sanispira is also a very important product in Prevelante's product selection makes the bargaining power of the supplier even higher. Sales of Sanispira have only recently started in Finland. For this reason the importance of the market is not yet very high for the supplier. Thus it can be assessed that the bargaining power of the supplier is high.

Low threats of substitutes

Laws and guidelines set requirements for personal protective equipment and other equipment that is used in construction sites to increase occupational health and prevent occupational accidents. For this reason finding a substituting product that would meet the requirements and introducing it to the market is not likely to happen. However Sanispira would possibly substitute part of the breathing masks or create a totally new niche in the market as it gives protection throughout the work day. This said, the threat of substitutes is low, but companies in the field have to find ways to develop the products to match with the improving technology, requirements of the construction employers and tightening legislation concerning PPEs.

Low threats of new entrants

As mentioned the market has reached its maturity and the level of competition is high. Also the fact that competing in the market requires knowledge about health risk prevention and products need to meet the requirements mentioned in the sub-chapter 3.3.2. Thus the author considered the threat of new entrants to be low.

High rivalry among current competitors

If there are more firms within an industry, there is an increased competition for the same customers and product resources (Valuationacademy 2014). Construction industry might reach a growth from 0-2 % in the year 2015, however the market has reached its maturity and growth will be harder to reach. Significant efforts are required from Prevelante to reach success in construction market not to mention maintaining the competitive position in the market.

4 CASE STUDY: PREVELANTE

This chapter is a part of internal analysis. This chapter will shortly introduce the Case Company background. Swot analysis of company's internal strengths and weaknesses and external opportunities and threats will conclude the chapter and summarize the Chapters 3 and 4.

4.1 Case Company Background

Capsil Oy was founded in 2001 to serve the pharmaceutical companies. Since its establishment the company has been training and supplying specialized external sales personnel in Finland. Nowadays Capsil Oy offers sales personnel services for fields targeting the health care sector. On the average Capsil has a turnover of 1.6 million euros from the year 2009 to 2013. During the same period the average amount of personnel has been 24 people (Yritystaloussanomat.fi 2014)

Prevelante is a tradename established by the Capsil Oy in the year 2014 (Yritystaloussanomat.fi ja yhteisötietojärjestelmä 2014). As mentioned in the Chapter 1, Capsil Oy wanted to expand the business from providing staffing services to pharmaceutical companies into importing self-care products to Finland. The mission of Prevelante is to import therapeutically significant, clinically tested, and drug-free health-care products to Finland (Huvinen-Lindberg 2014).

Prevelante wants to be the first to step into the market which means major investments on marketing and distribution. Marketing actions have been taken in TV, radio and online. In addition to the media marketing the products are promoted for different organizations, doctors and nurses. The company wants to maintain control over the distribution which means that they have carefully selected their distribution channels. The company's products are distributed selectively from the company's own online store and from the pharmacies. The company is not willing to start the distribution in retail business because the product image would suffer from intensive distribution.

By now Prevelante has succeeded to find and import two self-care products. The product that the thesis has a focus on was imported from Italy in the Spring 2014. Italian Sanispira is a nazal filter designed for respiratory protection. Sanna Huvinen-Lindberg sees potential of Sanispira in promoting occupational health and possibly preventing occupational diseases in several industries in Finland.

4.2 Swot Analysis of the Case Company

As mentioned above, SWOT analysis will be conducted. Detailed descriptions of each section are given on the next page. Table 12 below summarizes the SWOT analysis.

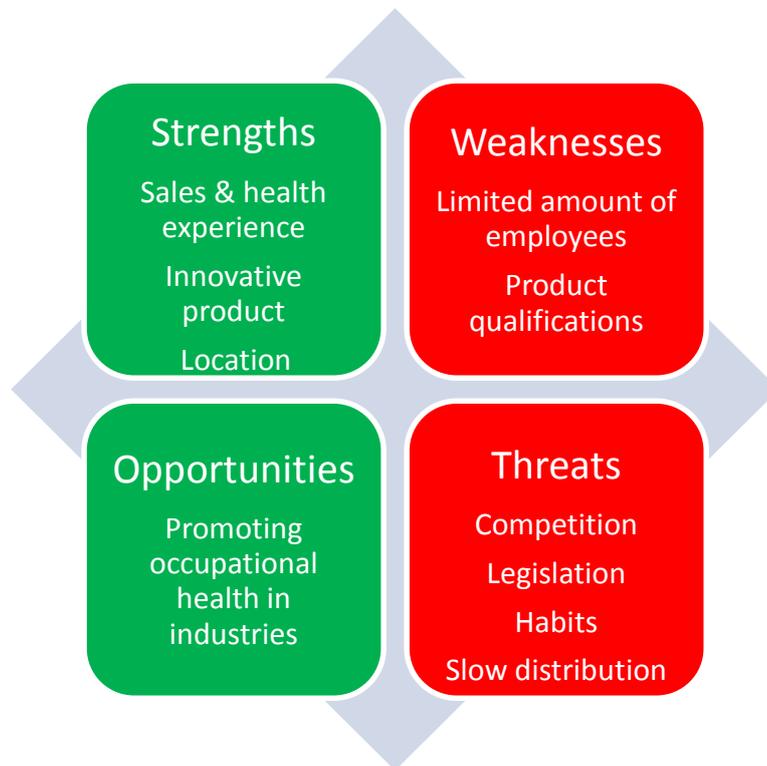


Figure 16. Prevelante SWOT Analysis

The Case Company's most important internal strength is strong experience on sales representation. As Prevelante is selling self-care products, the knowledge about medicine in general becomes a strength. Additionally the company has been operating since the year 2001 and keeps on developing its business know-how on importing. The three shareholders of the company work together utilizing everyone's personal strengths. For example experience and connections on logistics became an asset when the company started the importing business.

Despite the strong know-how of the owners, the company suffers from limited resources to hire the required amount of staff to carry out the sales actions. At least, the distribution would be faster if the company had the possibility to invest on sales representatives. If the company makes the decision to expand the sales to industries, the question should be further considered.

Sanispira is an innovative and interesting product as it doesn't cover the mouth letting the construction workers communicate freely. Being the first company to bring this product to the market is a strength to Prevelante. On the other hand the product lacks some important official qualifications. As mentioned, Sanispira is only classified unofficially by an occupational health physician. The lack of product qualification can be considered as an internal weakness as the company cannot fully benefit from the product. Before the company is able to get the necessary qualifications for the product it is not possible to start the distribution. However, getting the necessary qualifications is not entirely in the hands of the Case Company so this matter can also be considered as an external threat. It can be stated that the biggest from the Case Company's external threats after competition is the legislation.

There are many competitive and replacement products in the market which have consolidated their position in the construction. The practices and habits of the construction workers may also effect on the success of the product. Because of the high level of competition the company might suffer from the low distribution caused by limited amount of staff. External opportunity to distribute the product to other industries like clothing-, bakery-, and agriculture balance the external threats.

5 EMPIRICAL RESEARCH AND ANALYSIS

The research has proceeded from introducing the theory into the actual empirical research and analysis. The Table 14 below shows the current state of the research.

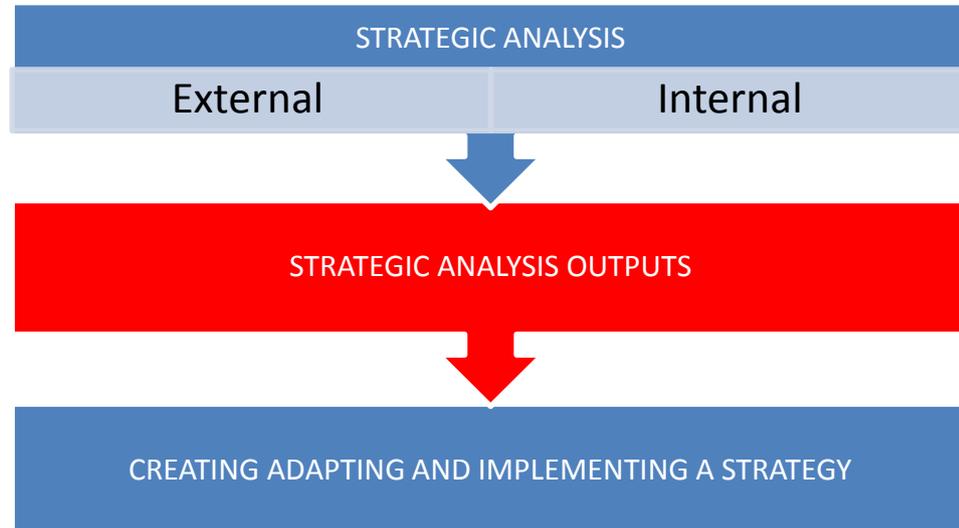


Figure 17. Strategic analysis outputs

5.1 Data collection

As mentioned in the introduction of the thesis, the research utilized interviews with the owners and construction professionals to collect the requisite field data. Questions given in Appendix 2 were sent by e-mail to five construction supervisors, but only one answer was received. The answers are not opened in the questionnaire but they are taken into consideration while making a statement whether Sanispira is suitable for construction use or not. Also, five construction workers were questioned to acquire information about how the product meets the demands in the market. The construction workers were given a week trial period of Sanispira and after the period they were given a questionnaire they could answer anonymously. The questionnaire was conducted in Finnish. The questions and answers are translated to English by the author. The original questionnaire can be found from the appendix of the thesis.

5.2 Data Analysis

Five construction workers tried Sanispira at work for one week. A questionnaire was conducted after the trial period. The construction workers gave some background information and answered questions about how they experienced the use of Sanispira. A summary is given about the background questions. In the first question the construction workers were asked to describe their work environment. According to the answers all of the construction workers were currently employed at renovation sites. Their jobs consisted demolition of floors, kitchen cabinetry and balcony. The amount of construction dust varies in different parts of the renovation.

The second question was about construction dust. More specifically the construction workers were asked if they find the construction dust irritating or if they have ever experienced any symptoms caused by it. All answered yes. This correlates to the article published in Rakennuslehti (2013). The article stated that the construction workers experience the dust as the second most harmful hazard their work environment.

The answers to the third question about the use of respirators were consistent. All answered that they use respirators in their work. The question continued with part A by asking the construction workers what kind of respirators they use and in what kind of situations. Most of the construction workers answered that they use breathing masks covering the nose and the mouth. The masks were used in demolition and cutting work. In the part B of the question the construction workers answered about the disadvantages of using breathing masks. Most of the construction workers stated that the breathing mask was sweaty. One stated that the use of the breathing mask is not convenient. Lastly, it was stated that dust blocks the breathing mask after a while.

The questions about Sanispira followed the background questions. The construction workers were asked to evaluate Sanispira nose filter. A scale from 1-5 was given to mark if they agreed on the statements about Sanispira (1 = totally agree, 2 = agree, 3 = neutral, 4 = disagree, 5 = totally disagree). A bar chart is drawn from the answers to each statement to demonstrate the findings.

The first question was about the use of Sanispira. All five construction workers totally agreed to the statement that Sanispira is easy to use.

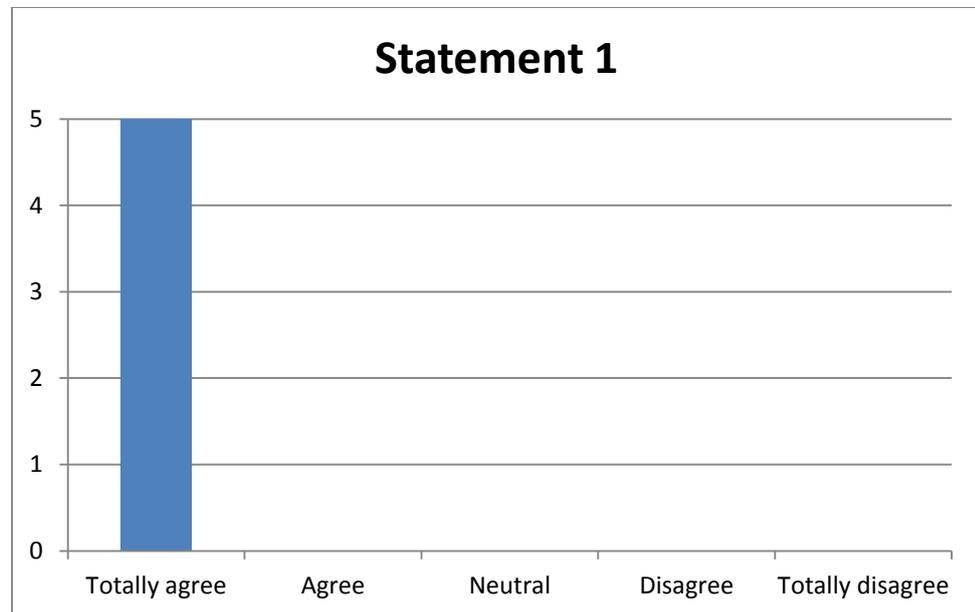


Figure 18. Answers to Statement number 1

Second, it was stated that Sanispira made breathing harder by obstructing the nostrils. All disagreed with this statement.

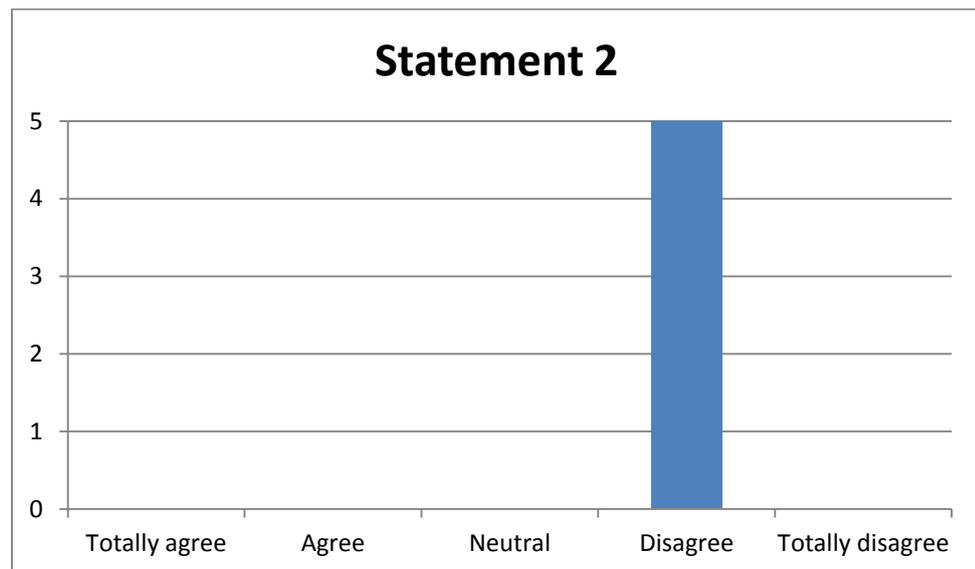


Figure 19. Answers to Statement number 2

Third statement was that Sanispira decreased the disadvantages of construction dust. To this question there were varying opinions. Three of the construction workers agreed to the statement. One of the construction workers totally agreed to the statement. The last one of the answers stated that at the construction site in question had so much concrete dust that the use of breathing mask covering both nose and the mouth was necessary. This answer disagreed to the statement.

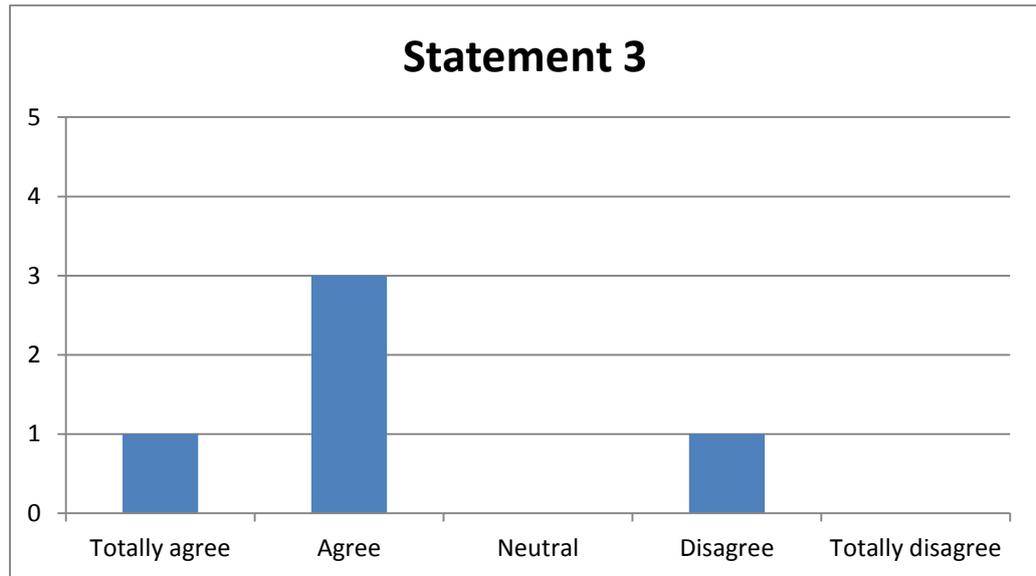


Figure 20. Answers to Statement number 3

The last statement about Sanispira was about recommending the product to other construction workers. Three of the construction workers agreed with the statement. One of five agreed if the construction site had a small amount of construction dust. The amount of dust in construction site would have an effect on one of the construction workers recommendation, but he still agreed with the statement.

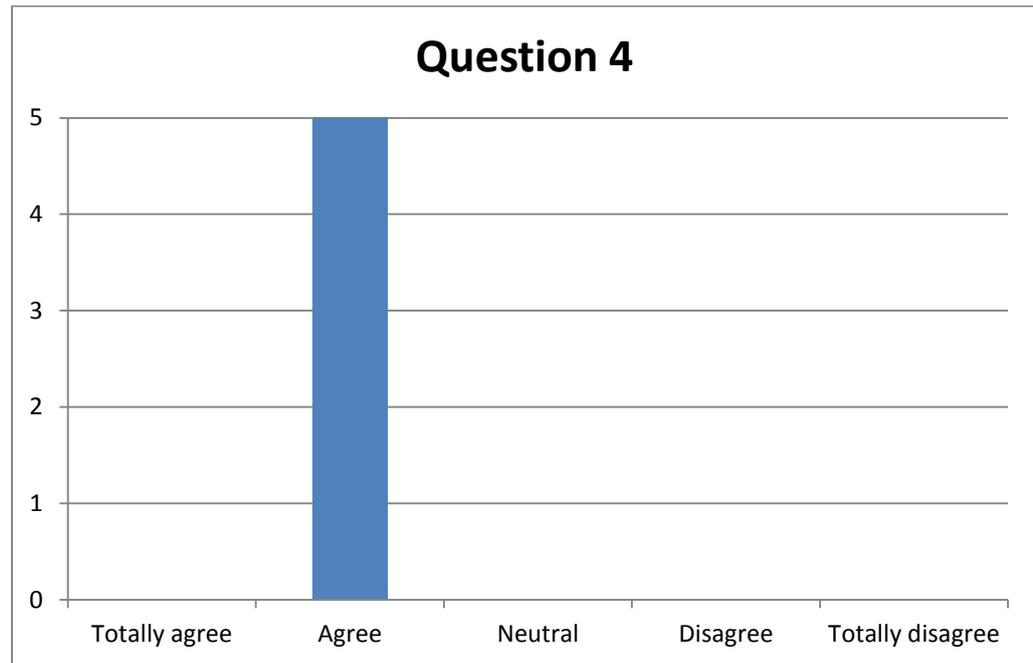


Figure 21. Answers to Statement number 4

The first objective of the research was to find out whether construction offers a growth opportunity for the Case Company. Based on these answers the author is able to make a statement that Sanispira is applicable to construction use.

6 DEVELOPMENT PLAN

In this chapter the final objective of the research can be accomplished. The research has proceeded to a phase where a suitable strategy can be created. However the strategy will be introduced as a development plan. The development plan will focus on answering the third research question.

What are the ways to reach growth in the target market in case development and growth opportunities exist? How is the ability to control and utilize the current capabilities in expanding the business?

The table above is given to help the reader to outline what areas of the strategic analysis the research has already covered and in what phase the research is now.

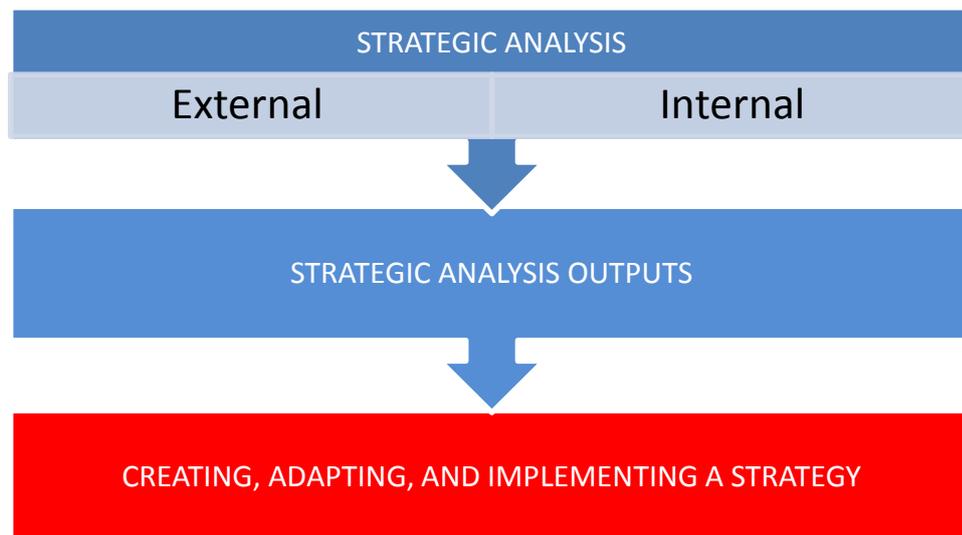


Figure 22. Creating, adapting, and implementing a strategy

Analyses conducted in the Chapter 3 as well as the SWOT analysis of the Case Company in the Chapter 4 are the basis for the development plan. Also the results of the questionnaire conducted for the construction workers in the Chapter 5 take into consideration when conducting the development plan. As mentioned, the development plan will focus on the ways the company is able to reach growth in the target market and utilize its current capabilities. The development plan will not make any financial estimation about what will be the costs of the expansion.

6.1 Strategic Competitive Advantage

The development plan is presented by utilizing the four areas of reaching SCA. The ways to reach sustainable competitive advantage were presented in the Subchapter 2.3.

6.1.1 The way Prevelante competes

Despite the high expense of introducing a new product to a market, Prevelante wants to be the pioneer. Prevelante's product line is innovative and interesting, offering the customer drug free treatment. The company continues discovering innovative self-care products to import to Finland. By focusing on educating the future customers about occupational diseases caused by dust, the company could carry out its social responsibility and enhance brand image.

6.1.2 Basis of Competition

The Case Company has been operating since 2001 and is developing its business know-how. The company has three shareholders who all share the same vision and the strategic goals are set together. In sales Prevelante prefers quality over quantity. At this point, Sanna Huvinen-Lindberg is responsible for product sales and promotion. The company has put an effort on increasing the awareness among doctors, nurses and pharmacists about the products. However, in the future if the company decides to go for expansion, more sales representatives are required. Investing in training good sales representatives would become an asset for Prevelante in the future.

In addition to efficient sales force, the innovative products give the company the basis of competition. Prevelante is the first company to introduce a nasal filter for industrial use that allows the user to breathe normally. Moreover, the company's central location in Lahti facilitates the distribution of the products and sales promotion.

6.1.3 What Prevelante Offers

Prevelante's distribution reaches the whole nation and the products are available for purchase in pharmacies, online store, and while the company expands the goods can be distributed directly to the business customers. The products are innovative, for example Sanispira is letting the user to breathe normally without covering the face. This feature allows free communication between employers and thus improves the efficiency at work. Sanispira can be used throughout the day without having to worry about it getting dirty.

6.1.4 Where Prevelante Competes

Prevelante should focus on attracting small businesses and making them interested about occupational health. This statement is based on the fact that most of the Finnish construction companies are small, employing maximum nine people. Connections with construction companies operating within close distance from the Case Company are suggested in order to create a customer base / pool. These connections help the Case Company to reach the nationwide market. A careful approach to the market is recommended because the company does not currently have the resources to start an aggressive distribution throughout the nation. The Construction Trade Fair organized in March 2015 in Lahti would be a potential avenue to showcase Sanispira and see how the customers respond to it.

This chapter will be followed by the conclusions of the research and also suggestions for further research will be given.

7 CONCLUSION AND SUGGESTIONS FOR FURTHER RESEARCH

This section concludes the research and answers the research questions. The purpose of this section is to summarize the thesis process and the findings of this research and also to make suggestions for further research.

The thesis process started with a suggestion from the Case Company to study the potential of a nasal filter designed for respiratory protection in industrial use. The Case Company was eager to take part in reducing the amount of occupational diseases in Finland and especially the share of allergies and respiratory diseases. The construction industry was chosen as the target market and thus, the goal of the thesis was to conduct a business development plan for the Case Company to reach growth from this specific field.

The study was performed deductively with the assistance of qualitative and quantitative methods. Various sources were utilized in collecting information and knowledge. Primary data were gathered from a questionnaire conducted for a few construction workers. Secondary data are acquired from several sources such as books, journals and internet. A business development plan was presented based on all the accumulated knowledge during the thesis process.

The research was conducted according to David. A. Aaker's model of Strategic Analysis. The model contained the internal analysis of the Case Company and external analysis of the target market. Complementing tools were utilized to support the model and organize the data. PESTEL and Porter's five forces are used to discuss the external factors, including the current situation in the market as well as competition in order to evaluate the opportunities and threats. Further, Swot analysis was used to study the current internal strengths and weaknesses of the Case Company.

It was concluded in the business development plan that construction offers a growth opportunity for the Case Company and the product could be used in construction conditions. The business development plan suggests targetting the sales to small and medium sized companies and acquiring the support of the Finnish Institute of Occupational Health and several occupational physicians.

7.1 Answers to research questions

1. What is the current state of the target market?

The target market is estimated to grow from 0 to 2 % in the year 2015. However the market has reached maturity and competition in the market will increase. The main competitors in the construction market are international companies that have already reached a stable position in the market. Society has noticed the need for developing the conditions for preventing occupational diseases and actions have been taken by companies to offer the employers better working environments.

2. Does construction offer a growth opportunity for the Case Company?

Research proved that construction offers a growth opportunity for Prevelante and Sanispira could be used in construction conditions. However, further research is advisable on economic issues to ensure the profitability of the necessary investments.

3. What are the ways to reach growth in the target market in case development and growth opportunities exist? How is the case company able to control and utilize the current capabilities in expanding the business?

The business development plan suggests the Case Company should aim the sales to small and medium sized companies and acquire the support of the Finnish Institute of Occupational Health and several occupational physicians. The potential customers should be educated about occupational diseases caused by dust and inform them about the savings that can be made in a long term by investing in safe work environment. Also it is suggested that if the business expansion is to be implemented, Prevelante should hire at least one more person to carry out the sales promotion.

7.2 Suggestions for further research

Further research can be conducted on the following topics:

- Investigating other industries where the occupational diseases could be prevented by using Sanispira, for example, clothing, bakery and farming.
- In the construction business, a further research could be conducted, for example, on construction cleaning.
- Estimating the expenses of expanding the business

References

Published References

Aaker, David. 2009. Strategic Market Management 9th Edition. West Sussex: John Wiley & Sons, Inc.

Chirstensen, C., Cook, S. & Hall, T. 2005. Marketing Malpractice: The Cause and the Cure. Harvard Business Review, December 2005, 74-83.

Eriksson, Päivi & Kovalainen, Anne 2008. Qualitative Methods in Business Research. Los Angeles: SAGE Publications.

Kananen, J. 2011. Rafting Throufh the Thesis Process: Step by Step Guide to Thesis Research 1st edition. Jyväskylä: JAMK Univesity of Applied Sciences.

Porter, Michael. E 2004. Competitive Strategy: Techniques for Analyzing Industries and Competitors. New York: Free Press

Electronic References

Aaker, David. 2011. Strategic Market Management: Global Perspectives. West Sussex: John Wiley & Sons, Inc. [Retrieved 20 October 2014]. Available: https://books.google.fi/books?id=tpW22FvYvn8C&printsec=frontcover&dq=David+aaker&hl=en&sa=X&ei=ueG9VMCkEOLnywOKjYG4Cg&redir_esc=y#v=onepage&q=David%20aaker&f=false

Anonymous, 2014. Re: Kysely tradenomin opinnäytetyötä varten [email message]. Recipient anonymous project engineer, Sent 23 October 2014 [referenced 19 January 2015].

Apteekkituotteet, 2014. [retrieved 20 December 2014]. Available: <http://www.apteekkituotteet.fi/epages/Kaupat.sf/sec32e5f95986/?ObjectPath=/Shops/Eura/Products/8809201470221&ViewAction=ViewProductRating>

Capsil Oy 2014. Activities and Principles [retrieved 31 October 2014]. Available on Capsil Oy website: <http://www.capsil.fi/en/activities-and-principles>

Finnish Institution of Occupational Health 2014. Work Environment [retrieved 30 October 2014]. Available on Finnish Institution of Occupational Health website: http://www.ttl.fi/en/work_environment/Pages/default.aspx

Finnish Institution of Occupational Health 2014. 2010 statistics – Occupational diseases and suspected cases of occupational disease [referenced 3 November 2014] Available on Finnish Institution of Occupational Health website: http://www.ttl.fi/en/health/occupational_diseases/statistics_on_occupational_diseases/2010_statistics/pages/default.aspx

Free Management Books 2013. PESTLE Analysis: Strategy Skills. [retrieved 10 November 2014] Available: <http://www.free-management-ebooks.com/dldebk-pdf/fme-pestle-analysis.pdf>

Nguyen, Giag. 2014. Bachelor's Thesis in International Business. Air Freight Service Development Plan, Case: CMA CGM Logistics Vietnam. [retrieved 29 October 2014]. Available: http://www.theseus.fi/bitstream/handle/10024/79060/NGUYEN_GIANG.pdf?sequence=1

Picture of Sanispira. [retrieved 20 December 2014]. Available: <http://www.sanispira.it/eng/sanispira-dpi-ppe.html>

Picture of NOSK. [retrieved 20 December 2014]. Available: <http://www.nosk.com/>

Picture of 3M. [retrieved 20 December 2014]. Available: http://solutions.3msuomi.fi/wps/portal/3M/fi_FI/EU2/Country/?WT.mc_id=www.3M.fi

Porter, Michael. E. 1996. Harvard Business Review November – December 1996. What is strategy? Downloaded in January, 2014. Available: https://itunesu.mises.org/multimedia/Academy/2014_winter/managers/HBR_on_Strategy.pdf#page=25

Protocol of 2002 to the Occupational Safety and Health Convention. [Retrieved 10 November 2014] Available: http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO:12100:P12100_INSTRUMENT_ID:312338:NO

Taloussanommat 2014. Verpa Trade Oy. [retrieved 20 December 2014]. Available: <http://yritys.taloussanommat.fi/y/verpa-trade-oy/helsinki/2121558-8/>

Taloussanommat 2014. Capsil Oy. [retrieved 20 December 2014]. Available: <http://yritys.taloussanommat.fi/y/capsil-oy/lahti/1106165-0/>

Valuationacademy 2014. [retrieved 6 January 2014]. Available: <http://valuationacademy.com/competitive-rivalry-among-existing-firms/>

World Health Organization 2014. Workplace health promotion. [referenced 3 November 2014]. Available in World Health Organization webpage: http://www.who.int/occupational_health/topics/workplace/en/index1.html

World Health Organization 1999. Hazard prevention and control in the work environment: Airborne dust. [referenced 31 October 2014]. Available in World Health Organization webpage: http://www.who.int/occupational_health/publications/en/oehairbornedust.pdf?ua=1

Yritys- ja yhteisötietojärjestelmä 2014. Y-tunnus 1106165-0 [retrieved 31 October 2014]. Available: <http://www.ytj.fi/yritystiedot.aspx?yavain=924692&kielikoodi=1&tarkiste=C108AA4660925ED3F834F5BC2B8760A348D76068&path=1547>

Oral References

Sanna Huvinen-Lindberg. 2014. Product Manager. Interview 28 October 2014.

Other References

Prevelante. 2014. Sanispira. *Brochure*.

APPENDICES

APPENDICE 1. Survey for the construction workers

Taustatietokysymykset:

1. Kuvaile muutamalla sanalla työskentely-ympäristöäsi
2. Onko työympäristösi pöly joskus haitannut sinua (aiheuttanut yskähdyksiä, hengitysvaikeuksia tms. oireita)?
3. Käytätkö työssäsi joskus hengityssuojainta?

Jos käytät,

- a. missä työtehtävässä ja millaista suojainta?
- b. mitä haittoja olet kokenut suojaimen käytöstä olevan?

Kysymykset Sanispirasta:

Arvioi Sanispira-nenäsuodattimia seuraavien väittämien avulla. Pisteytä väittämät asteikolla 1 – 5 siten, että 1 = täysin samaa mieltä, 2 = samaa mieltä, 3 = En osaa sanoa, 4 eri mieltä ja 5 täysin eri mieltä.

1. Sanispiraa on helppo käyttää
2. Sanispira vaikeutti hengittämistä ahtauttamalla sieraimet
3. Sanispira vähensi pölyn aiheuttamia haittoja
4. Suosittelisin Sanispiraa muille rakennustyöntekijöille

APPENDICE 2. E-mail interview for construction supervisors

1. Miten rakennustyöntekijät mielestäsi suhtautuvat hengityssuojainten käyttöön?
2. Minkälaisia hengityssuojaimia työnantajanne velvoittaa käyttämään?
3. Mitkä asiat koet ongelmallisiksi hengityssuojainten käytössä?
4. Koulutetaanko työntekijöitä hengityssuojainten käytössä?
5. Ovatko työntekijät tietoisia pölyn aiheuttamista terveyshaitoista?
6. Miten tietoisuutta voitaisiin mielestäsi lisätä?

1. On your opinion, what is the attitude of the construction workers towards the use of respiratory protective equipment?
2. What kind of respiratory protective equipment the employees are obliged to use?
3. What are the things you experience problematic in the use of respiratory protective equipment?
4. Are employees trained to use respiratory protective equipment?
5. Are your employees aware of the health hazards caused by dust?
6. How do you think the awareness could be increased?