Visit Finland
Finpro segmentation
Cross country summary
11/09/2017
Research conducted by Nepa
Agenda

• Project background and segment formation
• Which segments to focus on
  ✓ Size and value
  ✓ Current image
  ✓ Desired image
• In depth understanding of segments
Project background and segment formation
Project background

**Situation**

- Visit Finland has had a segmentation since 2012. It is based on values and attitudes.
- Visit Finland goals have changed to be more tactical. Old segmentation model does not support marketing campaigns as good as it used to.
- Main countries of interest are China, Japan, UK and Germany

**Main questions**

- How to create a segmentation that supports marketing campaigns and tactical goals?
- How to get local input for segmentation and travel trends from local partners in each country?
- How to measure what are the main motives and drivers to travel?
- What are the insights and data needed in the new segmentation?

How to segment markets to support main business goals and marketing campaigns
Situation based segmentation will answer the following...

• **What** should we communicate (Content)?

• To **whom** should we communicate (Target groups)?

• **Where** should we communicate (Channel choice)?

• **When** should we communicate (Timing for travel and decision)?
## Method

### Countries:
UK (London and Manchester area), Germany (Berlin, Bavaria and Nordhein-Westfalen area), Japan (Tokyo and Osaka area), China (nat. rep.) – notice: country specific results are presented in separate reports

### Collection Method:
Online interviews

### Population:
Consumers who have made a leisure trip to Europe last 12 month or who are planning to make a leisure trip the next 12 months

### Field Period:
Summer 2017

### Base
- UK 1005
- Germany 1000
- Japan 1005
- China 1045
With risk of being cheesy...

Focus 1

Think globally, ➔ Unified reasons in focus

Focus 2

act locally ➔ Local adaption of communication
Which segments to focus on
Which segments should we focus on?

1. Size / Value: Is the situation large enough?
2. Current image: Where are we strong today?
3. Desired image: What do we want to achieve?
Which segments should we focus on?

1. Size / Value: Is the situation large enough?
2. Current image: Where are we strong today?
3. Desired image: What do we want to achieve?
The process of the segmentation solution

Analysis conducted in the process of formatting the segmentation solution included the following:

- Frequency analysis
- Country differences
- Correlation analysis
- Factor analysis
- MDS (multidimensional scaling)
- Overlap calculations
- Drivers analysis (maxdiff)

Based on these analysis we have estimated the optimal solution for the segmentation.
Based on analysis six main segments were identified

Overview of situational segments and most relevant interests

Main segments
- City Breaker
  - Historic attractions
  - Shopping
  - Culinary experiences
- Nature Explorer
- Nature Wonder Hunter
- Activity Enthusiast
  - Extreme sports (e.g. bungee jumping)
  - Cross country skiing
  - Wild animals
- Authentic Lifestyle Seeker
  - Local events
  - Museums displaying local art
  - Sauna
  - Local culinary experiences
- Comfort Seeker
  - Germany specific
  - UK specific
  - China specific

Most relevant interests
- Historic attractions
- Shopping
- Culinary experiences
- Extreme sports (e.g. bungee jumping)
- Cross country skiing
- Wild animals
- Local events
- Museums displaying local art
- Sauna
- Local culinary experiences
- Germany specific
- UK specific
- China specific
Similar groups discovered in previous study

February 2016
Introduction to segments

**City Breaker**
- Gender distribution quite even, older age distribution.
- Does more weekend trips than other segments.

**Important when travelling**
- Safety, but also history and buildings/sights drive travelling for segment.

**Top interests include**
- Historic attractions
- Cultural places and design districts
- Culinary experiences

**Nature Explorer**
- More men than women, consumers from all age groups.

**Important when travelling**
- Safety as well as peacefulness and quietness of the destination.

**Top interests include**
- Natural parks and forests
- Northern lights
- Enjoying surrounding nature

**Nature Wonder Hunter**
- In UK and Germany more female than male, in China and Japan more male than female. Older than other segments.

**Important when travelling**
- Safety and peacefulness. For Chinese and Japanese the destination needs to be also exotic.

**Top interests include**
- Northern lights
- Natural parks and forests
- Midnight sun and white nights

**Activity Enthusiast**
- Both male and female, young segment. Travels more with family than other segments.

**Important when travelling**
- Most important drivers for travelling are destination being safe and secure, also peacefulness valued. Food is also an important aspect.

**Top interests include**
- Experiencing winter
- Skiing
- Hiking

**Authentic Lifestyle Seeker**
- Somewhat older segment, gender distribution dependent on country.

**Important when travelling**
- Authentic Lifestyle Seekers value an opportunity to get to know a new culture or way of life. Culinary culture and safety also important.

**Top interests include**
- Experiencing local lifestyle
- Museums displaying local culture
- Local events

**Comfort Seeker**
- Younger segment, more male than female travellers.

**Important when travelling**
- Safety and culinary experiences. Also important that the destination is genuine and idyllic.

**Top interests include**
- Special accommodation
- Husky/reindeer ride
- Wellbeing treatment
In all countries largest segments City Breaker and Authentic Lifestyle Seeker

Segment size

<table>
<thead>
<tr>
<th>Segment</th>
<th>UK</th>
<th>Germany</th>
<th>Japan</th>
<th>China</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Breaker</td>
<td>22%</td>
<td>23%</td>
<td>22%</td>
<td>21%</td>
<td>22%</td>
</tr>
<tr>
<td>Nature Explorer</td>
<td>17%</td>
<td>17%</td>
<td>14%</td>
<td>16%</td>
<td>16%</td>
</tr>
<tr>
<td>Nature Wonder Hunter</td>
<td>12%</td>
<td>12%</td>
<td>8%</td>
<td>10%</td>
<td>12%</td>
</tr>
<tr>
<td>Activity Enthusiast</td>
<td>12%</td>
<td>15%</td>
<td>18%</td>
<td>10%</td>
<td>14%</td>
</tr>
<tr>
<td>Authentic Lifestyle Seeker</td>
<td>23%</td>
<td>23%</td>
<td>20%</td>
<td>21%</td>
<td>22%</td>
</tr>
<tr>
<td>Comfort Seeker</td>
<td>15%</td>
<td>9%</td>
<td>18%</td>
<td>22%</td>
<td>16%</td>
</tr>
</tbody>
</table>

All respondents are consumers who have made a leisure trip to Europe/Nordics last 12 month or who are planning to make a leisure trip the next 12 months.
Largest segments have also the highest value share

<table>
<thead>
<tr>
<th>Country</th>
<th>City Breaker</th>
<th>Nature Explorer</th>
<th>Nature Wonder Hunter</th>
<th>Activity Enthusiast</th>
<th>Authentic Lifestyle Seeker</th>
<th>Comfort Seeker</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>21%</td>
<td>18%</td>
<td>12%</td>
<td>12%</td>
<td>22%</td>
<td>15%</td>
</tr>
<tr>
<td>Germany</td>
<td>21%</td>
<td>17%</td>
<td>13%</td>
<td>16%</td>
<td>23%</td>
<td>9%</td>
</tr>
<tr>
<td>Japan</td>
<td>23%</td>
<td>14%</td>
<td>9%</td>
<td>17%</td>
<td>19%</td>
<td>17%</td>
</tr>
<tr>
<td>China</td>
<td>21%</td>
<td>15%</td>
<td>9%</td>
<td>11%</td>
<td>22%</td>
<td>22%</td>
</tr>
<tr>
<td>Average</td>
<td>22%</td>
<td>16%</td>
<td>11%</td>
<td>14%</td>
<td>22%</td>
<td>16%</td>
</tr>
</tbody>
</table>

Value share calculated as segment’s share of all respondents’ total spend.
All respondents are consumers who have made a leisure trip to Europe/Nordics last 12 month or who are planning to make a leisure trip the next 12 months.
Which segments should we focus on?

1. Size / Value: Is the situation large enough?
2. Current image: Where are we strong today?
3. Desired image: What do we want to achieve?
City- and lifestyle travers are the two largest segments, together they represent more than 40% of all travel motives.

**Segment sizes**

<table>
<thead>
<tr>
<th>Country</th>
<th>City Breaker</th>
<th>Nature Explorer</th>
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<th>Activity Enthusiast</th>
<th>Authentic Lifestyle Seeker</th>
<th>Comfort Seeker</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>22%</td>
<td>17%</td>
<td>12%</td>
<td>12%</td>
<td>23%</td>
<td>15%</td>
</tr>
<tr>
<td>Germany</td>
<td>23%</td>
<td>17%</td>
<td>12%</td>
<td>15%</td>
<td>23%</td>
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<tr>
<td>Japan</td>
<td>22%</td>
<td>14%</td>
<td>8%</td>
<td>18%</td>
<td>20%</td>
<td>18%</td>
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<tr>
<td>China</td>
<td>21%</td>
<td>16%</td>
<td>10%</td>
<td>10%</td>
<td>21%</td>
<td>22%</td>
</tr>
<tr>
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<td>12%</td>
<td>14%</td>
<td>22%</td>
<td>16%</td>
</tr>
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</table>

All respondents are consumers who have made a leisure trip to Europe/Nordics last 12 months or who are planning to make a leisure trip the next 12 months.
The consideration for Finland is the highest among Activity-, Nature-, and Comfort Seekers and among Nature Wonder Hunters

Consideration Finland

<table>
<thead>
<tr>
<th></th>
<th>City Breaker</th>
<th>Nature Explorer</th>
<th>Nature Wonder Hunter</th>
<th>Activity Enthusiast</th>
<th>Authentic Lifestyle Seeker</th>
<th>Comfort Seeker</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>44%</td>
<td>45%</td>
<td>53%</td>
<td>52%</td>
<td>45%</td>
<td>53%</td>
<td>49%</td>
</tr>
<tr>
<td>Germany</td>
<td>32%</td>
<td>31%</td>
<td>26%</td>
<td>41%</td>
<td>32%</td>
<td>38%</td>
<td>33%</td>
</tr>
<tr>
<td>Japan</td>
<td>11%</td>
<td>30%</td>
<td>27%</td>
<td>28%</td>
<td>13%</td>
<td>22%</td>
<td>22%</td>
</tr>
<tr>
<td>China</td>
<td>26%</td>
<td>29%</td>
<td>34%</td>
<td>41%</td>
<td>26%</td>
<td>26%</td>
<td>30%</td>
</tr>
<tr>
<td>Average</td>
<td>28%</td>
<td>34%</td>
<td>35%</td>
<td>41%</td>
<td>29%</td>
<td>35%</td>
<td>34%</td>
</tr>
</tbody>
</table>

Q: Which of the following countries could you consider to visit?
UK/Germany: Finland, Norway, Denmark, Sweden
Japan/China: Finland, Norway, Denmark, Sweden, France, Spain, Italy, Switzerland

All respondents are consumers who have made a leisure trip to Europe/Nordics last 12 month or who are planning to make a leisure trip the next 12 months
Finland is mainly associated with cold, snow, lakes, northern lights and with a beautiful nature in general

Q: What is the first thing you think about when you think about Finland?

All respondents are consumers who have made a leisure trip to Europe/Nordics last 12 month or who are planning to make a leisure trip the next 12 months.
Northern lights and nature experiences are top activities associated with the image of Finland in all countries.

Activities associated with Finland

Q: Please select the 3 activities that best correspond to your image of Finland?
(China excluded from famous attractions, outlier)

All respondents are consumers who have made a leisure trip to Europe/Nordics last 12 month or who are planning to make a leisure trip the next 12 months.
Compared to other travel destinations Finland stands out when it comes to Northern Lights and Nature as well as Winter experiences in general.

Activities associated with Finland - Points of difference (POD) vs other countries

Q: Please select the 3 activities that best corresponds to your image of Finland?
(China excluded from famous attractions, outlier)

All respondents are consumers who have made a leisure trip to Europe/Nordics last 12 month or who are planning to make a leisure trip the next 12 months.
This uniqueness gives Finland the possibility to win within several segments interested in different types of nature experiences.

Interest in Points of difference (POD) Finland per Segment

Points of difference for Finland

<table>
<thead>
<tr>
<th>Experience</th>
<th>City Breaker</th>
<th>Nature Explorer</th>
<th>Nature Wonder Hunter</th>
<th>Activity Enthusiast</th>
<th>Authentic Lifestyle Seeker</th>
<th>Comfort Seeker</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experiencing Northern lights</td>
<td>High interest</td>
<td>Low interest</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Experiencing Local nature</td>
<td>High interest</td>
<td>Low interest</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Experiencing Natural Forest</td>
<td>High interest</td>
<td>Low interest</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Experiencing Lakes</td>
<td>High interest</td>
<td>Low interest</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Experiencing Winter</td>
<td>High interest</td>
<td>Low interest</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

All respondents are consumers who have made a leisure trip to Europe/Nordics last 12 month or who are planning to make a leisure trip the next 12 months.
Three segments are recommended as main motives for Finland to target considering size and possibility for Finland to win.

<table>
<thead>
<tr>
<th>Rational</th>
<th>Focus areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nature Wonder Hunters, Nature Explorers and Activity Enthusiasts are relevant on a global level due to Finland being a strong travel destination.</td>
<td><strong>Main segments</strong>&lt;br&gt;- focus on global level&lt;br&gt;  • Nature Wonder Hunter&lt;br&gt;  • Nature Explorers&lt;br&gt;  • Activity Enthusiasts</td>
</tr>
<tr>
<td>Well-being relevant on European level. However, well-being is probably difficult to drive in Asia due to the long distance.</td>
<td><strong>Additional segments</strong>&lt;br&gt;- consider to include on European level&lt;br&gt;  • Well being travellers</td>
</tr>
<tr>
<td>City Breaker and Authentic Lifestyle Seeker are large and attractive segments. However, the competition from other markets is tough and it’s difficult for Finland to stand out.</td>
<td><strong>Secondary segments</strong>&lt;br&gt;- use in combination with primary motives&lt;br&gt;  • City Breakers&lt;br&gt;  • Authentic Lifestyle Seekers</td>
</tr>
</tbody>
</table>
Which segments should we focus on?

1. Size / Value: Is the situation large enough?
2. Current image: Where are we strong today?
3. Desired image: What do we want to achieve?
Summer/Winter preference was measured through introducing both holiday experiences.
There is a great potential for Finland also as a summer destination when this type of experience is communicated

Very interested (sum 5-7)

Q: How interested would you be in making the following type of trip?

All respondents are consumers who have made a leisure trip to Europe/Nordics last 12 month or who are planning to make a leisure trip the next 12 months

Case: Many of the top interests are summer oriented (top 5 interests)

Not country specific interests, asked in general

Q: Which of the following experiences/activities would you be interested in doing?

All respondents are consumers who have made a leisure trip to Europe/Nordics last 12 month or who are planning to make a leisure trip the next 12 months
Case: Many of the top interests are summer oriented (top 5 interests)

Not country specific interests, asked in general

Q: Which of the following experiences/activities would you be interested in doing?

All respondents are consumers who have made a leisure trip to Europe/Nordics last 12 month or who are planning to make a leisure trip the next 12 months
In depth understanding of segments
With risk of being cheesy...

Focus 1

Think globally, ➔ Unified reasons in focus

Focus 2

act locally ➔ Local adaption of communication
The structure of country specific presentations

Country specific results for UK, Germany, Japan and China are presented in separate reports.