

Raya Divers – Operations above the surface

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<p>Tiivistelmä</p> <p>Opinnäytetyö kasittelee Raya Diversin tämän hetkistä markkinointitilannetta: keita asiakkaat ovat, kenelle ja miten markkinoidaan sekä kuinka markkinoida laajemmalle yleisölle. Tavoitteena on houkutella aluksi ruotsalaisia perheitä asiakkaisiksi ja tata kautta alkaa rakentaa Raya Diversista kansainvalinen brandi.</p> <p>Teoria on hankittu kirjallisuudesta, artikkeleista sekä internetia hyödyntäen. Teoriaosuus sisältää tietoa turismista, varsinkin sukellusturismista ja sen suosiosta sekä markkinoinnin eri osa-alueista: kenelle markkinoida, kuinka markkinoida palvelua ja mitä kanavia käyttää. Teoriaosuuteen sisältyy myös asiakkuudenhallinta, joka opastaa uusien asiakkaiden hankinnassa ja kuinka säilyttää vanhat asiakkaat asiakkaina.</p> <p>Työssä on käytetty kvalitatiivista tutkimusmenetelmää, haastattelua kahdelle Raya Diversin esimiehelle, koska se antaa parhaiten vastaukset tutkimuskysymyksiin. Haastattelukysymykset on luotu teoriaosuuden pohjalta niin, että ne antaisivat mahdollisimman relevantit vastaukset markkinoinnillisiin tutkimusongelmiin.</p> <p>Kuten odotettu, vähäinen osuus Raya Diversin asiakaskunnasta on ulkomaalaisia ja markkinointia heille ei ole. Teoriakehyksen ja haastattelujen kautta työ selvittää, kuinka Raya Divers voi markkinoida myös Suomen rajojen ulkopuolelle ja tulla tunnistetuksi kansainvälisenä yrityksenä.</p>		
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<p>Abstract</p> <p>Thesis discusses the current marketing situation of Raya Divers: who are the customers, to whom and how it is being marketed and how to expand marketing to a larger growd. The objective is to attract first Swedish families as customers and from there start to build Raya Divers up as an international brand.</p> <p>Theory comes from literature and articles. Also internet has been utilized. Theory part includes tourism, especially diving tourism and its popularity, as well as different parts of marketing: whom to market, how to market a service and which channels to use. Theory part also includes managing of customer relationships: how to acquire new customers and how to keep old customers loyal.</p> <p>Qualitative research method, interview with two Raya Divers managers, has been utilized as it gives the best answers to the research questions. Interview questions come from theory base so that they answer marketing issues the best way possible.</p> <p>As expected, only a fraction of Raya Divers customers are foreigners and there is no marketing for them. With theory and interviews, thesis explains how Raya Divers can market outside of Finnish borders and become known as an international business.</p>		
Keywords Marketing, Diving industry, Diving center		
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Contents

1.	Introduction.....	2
1.1.	Objectives and motives	3
1.2.	Raya Divers as a company	4
2.	Beneath the surface	5
2.1.	Marine tourism.....	7
2.2.	Motivation to dive	7
2.3.	Impacts of diving	9
2.4.	Who travels?.....	11
2.5.	A closer look in demographics	14
3.	Marketing an experience.....	15
3.1.	Planning marketing	17
3.2.	Choosing channels	18
3.3.	Keeping customers	19
4.	Understanding the surroundings	22
4.1.	Tourism area analysis.....	23
4.2.	Competitor analysis	24
4.2.1.	Kon-Tiki Diving and Snorkeling Center.....	26
4.2.2.	South Siam Divers.....	28
4.2.3.	Scandinavian Divers	29
4.3.	Interview.....	30
4.3.1.	Questions	31
4.3.2.	Answers.....	31
5.	Results.....	33
5.1.	Raya Divers SWOT-analysis.....	34
5.1.1.	Strenghts.....	34
5.1.2.	Weaknesses	36
5.1.3.	Opportunities.....	37
5.1.4.	Threats	38
5.2.	Raya Divers on top of Phuket diving scene	38
6.	Deliberation	41
7.	References	43
8.	Figures.....	45
9.	Appendixes.....	46
8.1.	Appendix 1	46
8.2.	Appendix 2.....	47

1. Introduction

Thailand is one of the biggest tourism destinations in South-East Asia, and tourism is a huge part of the country's national income. It has great prerequisites for tourism due to its welcoming people with smiles on their faces, amazing nature and land surrounded by the beautiful Andaman Sea with plenty of peaceful small uninhabited islands and unspoiled coral reefs.

With its prime location and natural resources of beaches and coral reefs, the coastal parts of Thailand are especially suitable for marine tourism, such as diving. It comes as no surprise that there are plenty of diving centers to choose from. Diving is a growing trend all over the world, and in a popular diving destination like Phuket it will be no problem to find a diving centre that offers services even in your native language, whatever nationality you are.

A good example is Finnish Raya Divers whose slogan is "Experiences beneath and above the surface", and it offers just that. It has been successful in the area as a diving centre which is very well-known among Finnish tourists and with its quality and professionalism, has also the potential to attract markets outside Finland. There are a number of Scandinavian diving centers in Thailand, such as Kon-Tiki Diving and Snorkeling Center, Scandinavian Divers and First Buddy Divers, to name a few. Raya Divers definitely has potential of being a known brand along with these well-known diving centers.

The qualitative research on the development of Raya Divers and its surroundings is based on my knowledge of the center and other diving enterprises including the overall surrounding of the diving industry in Phuket. The data was collected through observation and interviews with the managers of Raya Divers.

Goal is to start expanding the Raya Divers brand by first contacting Swedish customers. Raya Divers, its operational environment and the marketing plan required in order to attract Swedish tourists, will be explored.

Acquiring Swedish customers is similar to acquiring Finnish customers. Finland and Sweden are very similar in terms of demographics, culture and

location. We share the same cold winter and love to take a break in an exotic, sunny country like Thailand. As Finnish tourists, Thailand is yearly visited by a great number of Swedish tourists.

Having similar backgrounds, Swedish people are psychologically identical with the Finnish. Research questions were what needs to be done inside the company in order to be able to cater for Swedish market and what kind of channels Raya Divers needs to use to market to them. The outcome of the research is an overlook of operational environment for Raya Divers in Phuket for basis of a marketing plan directed to Swedish tourists visiting Thailand, a plan that will ensure more customers and a better profit.

1.1. Objectives and motives

Objective of the work is to accomplish more customers and a better profit for Raya Divers by also attracting foreign markets. Raya Divers' customer base is mostly Finnish. According to experiences and observations of Raya Divers Koh Lanta office, there have been a few exceptions every once in a while but those have normally been spouses or other people accompanying Finnish people.

In the Koh Lanta office, I experienced however, that there is a demand from all customers, not only Finnish. Daily, foreign people usually come in and ask about the services, yet turn away due to perhaps higher prices compared to competitive diving centers or to the overall feeling they get about Raya Divers, which might subconsciously be unwelcoming. In my opinion staff members on Koh Lanta already knew foreign people could not be lured in as customers and did not even feel like giving it a go.

Marketing is a crucial part of any business and the practice from completing the thesis about marketing will be an advantage in any organization. Not only is marketing and internationality part of my degree program in Facility Management, but also subjects I am highly interested in and would love to work with in the future. Also completing thesis with Raya Divers might result in a job afterwards which suits me perfectly as I might decide to live in Thailand longer than expected.

And if I do not decide to stay in Thailand, there are plenty of other things to do and not only have I gained knowledge on Raya Divers but also will be able to integrate my new knowledge into different work places, completely different fields of work and basically in every future job.

I am interested in travel and tourism marketing especially and want to develop my skills in the area. During my second practical training period I noticed Raya Divers does not have a lot of foreign customers and I got overall interested in Raya Divers business which gives me a motive to start this work.

1.2. Raya Divers as a company

All following information is gathered from Raya Divers website (www.rayadivers.com), and most of it from own experience when working in the Raya Divers Koh Lanta office.

Raya Divers is a Finnish-owned diving company operating only in Thailand. It was unofficially founded in the year 1996 by two friends, Janne Miikkulainen from Finland and Gary Halpin from New Zealand. At the time, Raya Divers was situated in Raya Yai Island, south from Phuket, one of Thailand's biggest tourist destinations. Business was very minimal, normally one of these young men would go diving with a guest and the other one would stay on shore. Raya Divers activities continued like this for a few years, almost like as a hobby for Janne and Gary, until they realized there was much more potential in their growing business.

Officially Raya Divers was founded in the year 2000 in Raya Yai Island and after that new branches spread out in four different locations: Phuket, Khao Lak, Krabi and Koh Lanta. After that people have quickly found Raya Divers, not surprisingly, as many Finnish tourists visit Thailand on a yearly basis.

Especially a Finnish TV-show called Paratiisi, which filmed the Phuket branch' staff members and customers, gave Raya Divers a lot of exposure. When working for Raya Divers, I gave short presentations for Finnish tour groups arriving in Koh Lanta, and when I asked if anyone had heard about Raya Divers, more than half of the people were familiar with the company. After that, asking how many knew about TV-show called Paratiisi, everyone was

familiar with it. So the TV-show has had a big part in bringing Raya Divers into knowledge of Finnish people. And Finnish people that is. Raya Divers has a long way to go to get recognized by other nationalities.

Today Raya Divers is doing well among Finnish tourists. They offer friendly and safe service in Finnish language and many Finnish tourists choose their services solely for that reason. Raya Divers executes mostly day trips to the nearby islands and coral reefs and PADI diving courses. Also snorkeling is popular. Diving and snorkeling can sometimes be combined in one trip, making it perfect for families. Other services include fishing and sailing trips, as well as equipment sales.

The Raya Divers Phuket office is located in Chalong which is not too much of a touristic area but very close to the pier where all the trips depart from. The customers visiting Raya Divers are rarely random walk-ins. If they come to the Raya Divers office, most of them know where they are going and what services they are looking for. The office itself is welcoming, large and full of light. There are around five staff members on duty that customers can see, and they are all Finnish. Equipment is on sale all around the office area, and brochures offering information about Raya Divers and their trips are easily accessible. There is a comfortable seating area where customers can unwind and discuss future purchases or past diving experiences.

Website is clear and organized available in Finnish, Swedish and English language. It states all services and prices Raya Divers offers, and also all of the Raya Divers locations and their respective dive sites. In addition to services, accommodation can be booked via Raya Divers website. A list of recommended hotels is displayed, and after choosing one customer is redirected on Booking.com hotel reservation site to make their booking. In addition to social media links, Skype, Twitter and Facebook, address, phone number and email is provided on the website. Subscription to a free monthly newsletter is also available on the site.

2. Beneath the surface

There are five main sectors of the travel and tourism industry: accommodation, transport, travel organizer, destination organizer and attractions sector (Middleton 1994, 4). The attraction sector includes theme parks, museums, national and wildlife parks, gardens, heritage sites and sports and activity centers.

As a part of sports and activities, and especially operating in water and remote small islands, Raya Divers needs to pay a lot of attention to the ecological “use” of marine life. Many day trip visits to national parks where actually a small entrance fee is applicable to help the local government to preserve the fragile nature and sea life. No damage can be done due to Raya Divers’ actions. This can be a selling point in marketing as not all companies work according to green values.

Obviously Raya Divers’ customers are mostly families so marketing towards families is very important. As Raya Divers falls in the category of sports and activities, it will also have other certain customer segments. These customers’ motives for travel are physical and physiological. They want to be engaged in activities to stay in shape or healthy or generally experience something extraordinary such as the underwater world for relaxation.

This, of course, depends on how each individual interprets holiday. The main point is that the holiday itself and services utilized during holiday have had a positive impact on an individual. As a service company, Raya Divers offers something for everyone.

Take an example of a family of parents and two children. The children want to snorkel and see colorful marine life, the father is an experienced diver and the mother enjoys shopping and sights more than water sports. Raya Divers can combine the whole family’s needs on one daytrip, called an island excursion. There are two stops for snorkeling or diving and differently from other daytrips, on the island excursion the customers eat their lunch on the shore, and there usually is time to explore the island, see the sights or do shopping.

2.1. Marine tourism

Today, people want individualized travel experiences. They want to be doing something new and exciting, preferably something, not everyone can do. Sport tourism includes not only travelling to see sports, but also experience them by doing.

Gayle Jennings (Sport and Adventure Tourism, Simon Hudson 2003, 125) discusses marine tourism products, sports such as fishing, surfing, water skiing, canoeing, snorkeling and diving, to name a few. They all involve learning components: participants must be skilled and often continue to get further educated and experienced. They all also require specified equipment, which can result in a commitment to the sport if participants invest in their own equipment.

To become a diver, you need to/can complete different levels of training. There are many certification providers with the biggest and best-known being PADI. The first level of training with PADI is called Open Water Diver, and after completing a course, you will be a certified diver and able to dive all around the world with or without an instructor/guide. After the first stage, you can also complete various other courses to continue your diving career to be a course director, when you can open your own diving business and train other divers to be course directors.

In addition to learning components, the gear is crucial in diving. Obviously you will need a lot of specific gear, such as BCD, regulator, wet suit, mask and fins, to be able to dive which can be rather expensive. Some advanced divers also invest in a dive computer which is actually the most important investment if you dive frequently and especially without a guide or an instructor.

Luckily, all dive shops rent gear on a daily basis. For example, tourists trying out diving on a holiday can first see if this sport is for them or not, before spending fortunes on specific gear.

2.2. Motivation to dive

According to Jennings (Sport and Adventure Tourism, 2003, 140-142), diving related travel is one of the fastest growing component of tourism, with an estimated 55000 certified divers each year. Half of those are tourists. Jennings describes three different types of divers: experienced divers, tourists and potential divers.

Experienced divers dive for the challenge and the thrill of finding flora and fauna, and maybe wrecks or other things invisible to the eye above the surface. They may have completed extra courses in diving, such as photography, cave or wreck diving, deep diving or diving with enriched air, and are enthusiastic about diving in general and learning more about it. They have spent a lot of time and money on their education and usually have also invested in their own gear.

Tourists might include diving in their leisure time but it may not be the main purpose of conducting a holiday. Tourist divers may have a course or two completed, and normally go diving with a guide and do not have their own diving gear. If they are not certified, they can still go on a discovery dive with an instructor.

A potential diver might engage in diving through their resort and see if it is a hobby they would like to pursue in the future and become experienced divers after putting a great deal of enthusiasm and training into it. They are not certified yet, and will conduct a discovery dive with an instructor. They are a group that wants to see if diving is for them and have already considered it before the holiday.

Anyhow, all the three groups search for an exhilarating experience, a unique sport, an adventurous sport or are interested in marine sciences and underwater environment. For example, underwater photography is highly popular leaving even an infrequent diver with concrete memories of the holiday. Tourists being Raya Divers' biggest segment, it offers them all of that and conveniently states in their slogan as well: "Experiences beneath and above the surface".

It is inarguable that diving is a growing trend many people want to take part in. Below (Figure 1) is a modified chart showing statistics on the popularity of

diving (Garrod&Wilson 2003, 38). The left hand side shows the number of PADI certifications all over the world, and years on the bottom. This undoubtedly proves diving is a growing trend and justifies running a diving centre as a profitable business.

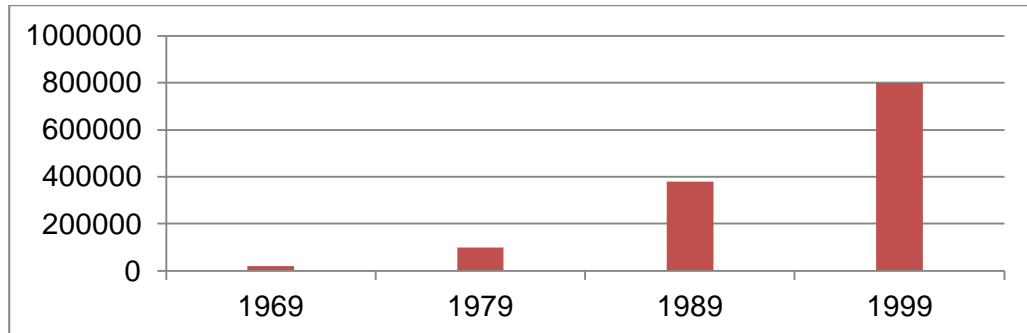


Figure 1. The growing amount of PADI-certified divers.

2.3. Impacts of diving

All diving centers must pay close attention to the impacts of their business, especially now when there is an increasing concern of the earth's wellbeing. Many of the companies do have green policies which obviously are valued by users. With a growing number of participants, however, diving as a sport can have negative impacts on the underwater world.

Unaware people often like to collect underwater delicate flora and fauna, as it is a nice souvenir to bring home. When experiencing the underwater world, it can be tempting to touch the colorful corals, soft sea cucumbers and beautiful star fish. This is, however, very unacceptable, and touching underwater beings can also often result in painful cuts, blisters or spikes in your hands.

Fin hits on the ground or pinnacle ceilings because of lack of buoyancy control, and holding on to the coral can also damage the underwater life. There is a great amount of macro life on the reef surfaces, too small for the human eye to even see, that can be damaged without anyone even knowing about it.

How to handle rubbish on a dive site should be well informed about, and any littering avoided. There are trash bins, even recycling bins, so nothing is allowed to go in the ocean. Even toilet paper has a bin provided in the toilet

which might feel weird for westerners in the beginning. Some boats, however, do have policies of throwing leftover food over the board for fish food. Raya Divers can set an example of working according to green values and also push that in their marketing.

There are diving companies who do not stress the above rules or inform them to the customers. This results in great waste of marine life, as tens of people are harming it, sometimes even without knowing about it.

Even if diving companies work in an ethical way, congestion on a dive site can still cause damage. Best dive sites are visited by a number of different diving companies every day and some of them have very similar schedules. Raya Divers can try to schedule their dives for different times, leave earlier or later from pier or maybe change the time of breakfast or lunch, in order to shift dive time to another. This way, even if the dive site is visited by many, it will not be too crowded at one certain time.

2.4. Who travels?

To success from efficient marketing, any company needs to know who travels, and whom to market in the first place. This means taking a closer look on what kind of factors affect on people travelling. Middleton (Middleton 1994, 52) summarizes the determinants of demand for travel and tourism under eight headings:

- ***Economic***
- ***Demographic***
- ***Geographic***
- ***Socio-cultural (social attitudes)***
- ***Comparative prices***
- ***Mobility***
- ***Government/regulatory***
- ***Media communications***

By doing research on these topics and finding out reasons that drive people to their decisions, it is easier to find out who are the tourists and market to the right people through the right channels to make maximum profit.

Economics - Who travels to Thailand?

It is a question of who travels overall. People in highly developed countries have the money, and are willing to travel abroad for holidays and relaxation. They also tend to spend a fair amount of money on holiday activities. These people go abroad to do something they might not be able to do at home, such as sunbathe, dive, try local cuisines etc. It is a question of experiencing something new and different to their lifestyles in their home countries. The maximum profit is gained when services are marketed to people who are willing to travel.

Demographics - Which kind of people would travel to Thailand?

Thailand has many different tourist segments: families, honeymooners, elderly, sex tourists etc. Different types of people travel to Thailand every year, people of different ages, backgrounds and purposes.

With a flow of different type of people coming to Thailand, also Raya Divers covers many segments: athletic young adults choose them for diving to get

the thrill, active families for a fun day together with extraordinary activities, such as snorkeling, island trip or sightseeing, and elderly for memorable experiences beneath and above the surface, such as sunset sailing.

Geographies and mobility - Traveling to and in Thailand?

Climate is a huge factor when choosing a holiday destination. USA citizens can find a place in the sun within country's own borders. For example, northern Americans and Canadians might travel to southern America or to South-America for a relaxing holiday.

Northern Europeans are likely to travel to southern Europe and Mediterranean for their relaxing week of leisure. Thailand has become a very favored holiday destination too, since it is hotter than southern Europe during the coldest months in northern Europe.

Geographically countries close to Thailand, such as Russia, China, Japan and Australia, are perfect targets for Raya Divers markets. Not saying USA and Europe should be forgotten altogether: there are thrill-seeking divers there as well. Thailand as a holiday destination is popular especially among all northern European countries, such as Finland, Sweden, Norway and Denmark, due to the similar life styles these Scandinavian countries share.

Socio-cultural factors

Social attitudes have an effect on who travels to Thailand. In Europe it might be a question of status: by choosing a farther and more exotic holiday destination than southern parts of Europe, one could possibly lift up their status. It also depends on wealth of an individual, as obviously the further one goes the more it costs.

There are negative attitudes towards Thailand as well, occurring from, for example, sex tourism that many Asian countries are infamous of. The internationally broadcasted news of a 12-year-old girl working on the streets of Pattaya, could easily change one's mind of a serene holiday destination. Stories of being scammed and charged too much by local people might likewise change tourists' attitudes.

In addition, it is only natural people are more and more concerned with the ecological effects of tourism. It has an impact on global warming, area's

natural resources and damage on the area of tourism in general. Phuket has been one of the top destinations quite some time and increased in size, destroying some of the authenticity due to this popularity. This is why all touristic operations need to be executed in an ecological way, to put the least strain in the surroundings.

Comparative pricing

This is associated with the geographical factor. It counts how much it costs to get to the actual destination, and what are the holiday's costs on top of that. Flights to Thailand might be more expensive than to southern Europe, closer to home, but also holiday costs at the destination can be a bit cheaper.

Raya Divers needs to keep in mind the right pricing for their services, in order to get the customers. A good idea is to work closely with travel agents and build up travel packages that cover all holiday costs, including Raya Divers services. This way the customer does not directly pay to Raya Divers, but to their own travel agent, as a total sum for the holiday. The travel agent can then pay for the services offered by Raya Divers. Also Phuket's low season, when everything from flights to other holiday costs are cheaper, should be advertised by Raya Divers.

Governmental issues

People's opinions are affected by religion, politics and safety of a destination. Thailand is a very calm and safe destination. There are no civil wars or fear of them due to politics or religion. The top religions, Buddhists and Muslims, live peacefully together and everyone respects and loves the king (as funny as it may sound), so there are no great conflicts.

Thailand is safe, there is no more theft than in any other holiday destination, and an English speaking tourist police works in most touristic areas, such as Phuket, Pattaya and Phi Phi Islands, to name a few. All in all, Thailand seems like a friendly, calm and safe environment for a holiday.

Media communication

Like Thailand as a holiday destination, also Raya Divers needs to be seen in all media to achieve most visibility. Northern Europe sees Thailand advertised

all over and “Amazing Thailand” is a slogan seen when advertising Thailand to different countries.

Raya Divers’ slogan, “Experiences beneath and above the surface”, and their logo should be something people see continuously on TV and radio, in newspapers and magazines and social media, such as Facebook, Twitter etc.

2.5. A closer look in demographics

Demographic characteristics play a huge part in choosing a service. The market for marine tourism seems to be made of people who tend to be (Garrod&Wilson 2003, 5):

- ***Older (35-54 years)***
- ***More highly educated***
- ***Slightly more likely to be male***
- ***Prepared to pay rather more for their holiday***
- ***More frequent travelers***
- ***Travelling in couples or small groups***
- ***Drawn to tours offering personalized service***
- ***Motivated by intrinsic rather than extrinsic factors***
- ***Demanding of information and instruction on the visited destination***
- ***More likely to use cabins, lodges, inns, campsites etc. as accommodation***
- ***Seeking to experience local conditions and authentic experience***

To sum up this point of view, people who would travel for diving are most likely adults who travel quite a lot with a partner or a few friends. They have a good steady salary, and are willing to spend money on holiday itself and holiday activities. They are highly educated and looking for an authentic experience and want their travel agents and tour operators to guide them and supply information and personalized service.

3. Marketing an experience

In marketing, demand and supply must always be considered. A customer wants something and is willing to pay to get it. On the other hand, a supplier offers something and will give it up for a certain sum of money. To market to the right people, customer characteristics need to be known including their consumer behavior.

Marketing at Raya Divers is challenging. Tourism provides services, and marketing services is not as straightforward as marketing a product. “Goods are produced, services are performed” (Rathmell, 1974). Tourism is harder to define than the usual products. Because of its nature, it obviously creates challenges for marketing. Figure 2 below is about the generic characteristics distinguishing goods from services (Middleton 1994, 31).

GOODS	SERVICES
Manufactured	Performed
Made on the premises not open to customers (separable)	Performed on the producers' premises with customer participation (inseparable)
Goods are delivered to the places where customers live	Customers move to the places where services are delivered
Purchase means right of ownership to use at will	Purchasing confers a temporary right to use at a fixed time and place
Goods possess a tangible form at the point of sale; can be inspected	Services are intangible at the point of sale and can seldom be inspected
Can be stocked physically	Cannot be stocked physically

Figure 2. Differences between goods and services.

Goods obviously differ from services in many ways. A product is first manufactured and normally made in factories which are not open to the public and then on brought close to consumer; to a retail store where they can purchase the product or have delivered directly to their homes. When buying

the product, a customer can inspect it to make sure it satisfies them and after the purchasing product belongs to the buyer. Products can also be stocked physically so many customers are able to buy the exact product.

Services, on the other hand, are performed during an encounter with a customer. Instead of delivering a service to a customer, the customer moves to the place where the producer delivers a service. The purchase does not make the customer an owner of any physical subject, only the use of the service at a specified time in a certain place. Services cannot be inspected during purchasing so the customer can only decide during service if it was worth the purchase. Neither can they be stocked, which means they are different to everyone.

Marketing mix (Figure 3) is “the mixture of controllable marketing variables that the firm uses to pursue the sought level of sales in the target market” (Kotler, 1984).

Firstly the *product*, a company needs the right product for its target market, a product that certain people need and desire. Second the *price*: it needs to be set right, so that those who need the product think that the product is worth spending the money asked. Thirdly *place*: companies must consider where they will reach and contact the people who are willing to spend money on that certain product. Lastly *promotion* wraps it all together; the product needs to be promoted in a way that the people interested in the product will want it and go to the place where it is available and spend the money on it.

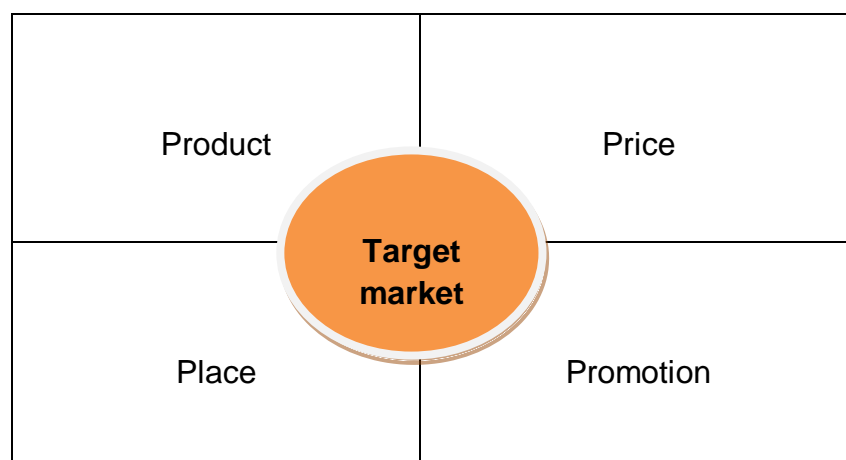


Figure 3. The marketing mix.

3.1. Planning marketing

Certain issues need to be discussed before a service or product can be marketed. In figure 4 below, these challenges in marketing planning are identified (modified from Mäntyneva 2003, 17).

Firstly the right target market: *who* are the buyers of this specified service or product? Who needs it and who will spend money to get it?

Secondly supply: *what* are we selling and why should a potential customer need or desire it? What is the advantage of getting that certain product/service for the customer?

Thirdly, the right channels: *how* is the right target market reached? Where can a company make themselves visible and intriguing for the customers who are generally interested in their area of operation?

Fourthly, timing: *when* is it the right time to approach a potential buyer? When are the customers most willing to get a hold of a product/service?

Object of planning	Challenge	Question
Target market	What is the right target market for this particular marketing?	To whom?
Supply	How to design supplies in order to make them attractive and useful for customers and also profitable?	What?
Channels	What channels can be used to reach the target market? Which channels are preferred by the target market? What are the effects on profitability?	How?
Timing	When is the right time to approach the target market?	When?

Figure 4. Challenges in marketing planning.

3.2. Choosing channels

Below is a “checklist” companies can use when selecting right channels when marketing abroad (Usunier 1992, 391-393).

- **Consumers and their characteristics**
- **Culture**
- **Character**
- **Capital**
- **Cost**
- **Competition**
- **Coverage**
- **Continuity**
- **Control**

Raya Divers services should be marketed in places where it meets its **Consumers**. This kind of places can be, for example, hotels or tour operators preferred by Swedish families. Marketing in Sweden, tour agents’ offices are prime places to market.

Marketed services should be “hidden” in everyday life, in peoples **Culture**. They need to be seen comprehensively and continuously for people to be attracted. It is easier to affect people’s minds and consumption demands by “forcing” the services, not give website info and wait for customer to seek out the services.

Marketing should capture the **Character** of the product that Raya Divers is selling. This means being able to trust marketing, so what is marketed can really be expected.

Raya Divers should use a distribution channel suitable for their **Capital**. They need financial resources to start and maintain marketing in a certain channel, such as fixed and working capital. **Cost** is linked to *Capital* meaning all operating costs in marketing.

Competition arises when choosing right channels. If for instance, Raya Divers is marketing with a stand in a hotel that is favored by other possibly Swedish diving centers, how many of the Swedish families would choose

Finnish company over their native Swedish? Then Finnish Raya Divers would need to have a different advantage point or a wow-factor to attract all customers.

Raya Divers should market in a place that attracts most of its segment to gain maximum **Coverage**, for example, that stand in a family hotel preferred by Swedish people.

The channel that Raya Divers chooses to use, must not turn out to be unsuccessful due to bankruptcy or financial difficulties, for example. Choosing a reliable, good distribution channel, Raya Divers is assured with **Continuity** in marketing.

Control over marketing is important. A written contract with the prospective distribution channel must be made.

3.3. Keeping customers

Below a modified chart (Figure 5) shows different stages of customer relationship (Mäntyneva 2003, 19). It demonstrates which customers are the most profitable and justifies the importance of marketing.

Customer starts from zero: at *Acquisition* they don't know Raya Divers and have neutral expectations towards them. At *Annexation* Raya Divers must develop lasting customer relationships during first contact, as this will make customer trust Raya Divers services and ask for more. *Development* in customer relationships ensures further bookings of services and goods. With ongoing visibility in the media, old and current customers will not forget them and decide to use the same service operator again. To *Preserve* the old customers while attracting new ones, Raya Divers must be pleasant and professional during first and all service encounters, and fulfill and exceed customer demands.

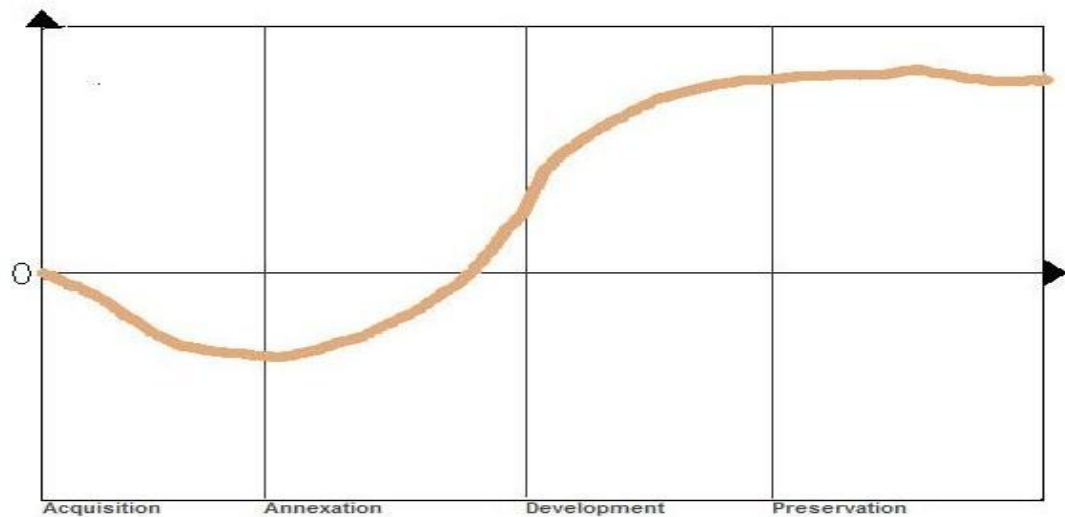


Figure 5. Different stages of customer relationships.

Managing customer relations at different stages

Below is another chart (Figure 6) on how to care for customer relations at each stage of the relation. It too, has been modified from Mikko Mäntyneva's Finnish version and also made more suitable to service business (Mäntyneva 2003, 94).

Stage of customer relation	Acquisition	Annexation	Development	Preservation
Objective	Acquisition of potential customers	Profitable customer relations with extra sales	Deepen the relation	Preserving existing customer relations
Grounds for approach	Demographics	Previous purchases	Realization of potential	Purchasing history and profile of customer
Customer demand	Suggested demand	Communicated demand	Actual demand	Actual demand
Personalized marketing	Not personalized	Aspiration to personalization	Personalization necessity	Personalization necessity

Basis of offered service	Based on service	Based on customer needs	Based on customer needs	Based on previous customer relation
Probability of sales	Low	Medium	Quite high	High

Figure 6. Managing customer relationships.

At the acquisition stage of customer relation, the objective is to get the customer, and potential customers are approached according to their demographics. For example, Raya Divers markets for Finnish, a little over average salary families because they are likely to travel to Thailand and use Raya Divers' child friendly services. Raya Divers suggests the family has a demand for their services and the content of the service is based on the service itself. Marketing is not too personalized, and probability of sales quite low.

At the annexation stage of customer relation the objective is to create profitable customers by extra sales, and grounds for approach are previous purchases. For example, a customer who has enjoyed a snorkeling trip with Raya Divers is taken back to the office for settling bill, and sold a Rash Guard sports shirt for snorkeling next time. A Raya Divers staff member communicates to the customer that they should buy a Rash Guard based on the customer's needs. This is getting more personalized, and probability of sales is at medium level.

At the development stage of customer relation the objective is to deepen the existing relation. Existing customers are approached because they can increase potential sales. These customers have visited Raya Divers before and have actual needs and expect personalization. For example, a customer wants to go diving and Raya Divers can see their diving classification and previous dive sites on their internal customer database. This gives an opportunity for Raya Divers to suggest a new, or perhaps a favorite, dive site for them. Selling is based on customer needs, and chances of sales are good.

At the preservation stage of customer relation the objective is to keep the existing customer loyal. These customers have actual needs and can be

approached according to their profile and purchasing history. Personalization comes naturally at this stage as the customer is well-known by the company. There are many customer relations like this at Raya Divers. Customers who come to dive every year are good friends with Raya Divers' experienced staff members, and also enjoy loyalty discounts. Safe to say, probability of sales is high.

4. Understanding the surroundings

The aim of the thesis is to explore how to attract Swedish customers to choose Raya Divers as an operator for their holiday activities in Thailand. Raya Divers does well among Finnish tourists, and by introducing some strategic changes in their marketing plan, while expanding beyond Finland, will increase the number of customers. Raya Divers will gain more profits and can become an international brand.

Raya Divers was looked at as a company, how it is seen, what kind of possibilities it has and how it should be marketed in its niche and as a service company. To understand the area of discussion, literature on tourism, specified in marine tourism, and literature on marketing tourism, was used. Also internet was utilized. Throughout the thesis, own experiences and observations gained during practical training period with Raya Divers at Koh Lanta and Phuket were used. A qualitative research method was used by conducting interviews with two Raya Divers managers.

The main point of this thesis was to show where Raya Divers stands in the diving scene in Phuket. Creating actual ads and graphic designs were left out. Also, due to lack of access in real figures, precise financial information was left out.

4.1. Tourism area analysis

Malcolm McDonald (Malcolm McDonald et al, 2011, 108-110) discusses the importance of knowing an environment the company operates in. A marketing audit, he says, provides the means for a service company to understand how it relates to the environment it operates in and basically answers the question: where does my company now lie in the operational environment? This sort of audit yields a lot of knowledge to support the company in marketing and should therefore be conducted yearly.

A marketing audit consists of internal and external factors. The external factors are described below with the help of PEST-analysis found online (www.businesscasestudies.co.uk). PEST-analysis consists of *political*, *economical*, *social* and *technological* factors.

Changes in *politics* might affect businesses. Thailand is a politically safe holiday destination and cases of crime, corruption and dangers are hardly visible to a tourist. Also tourists from most European Union countries can enter the country for an average two-week holiday without any hassle of arranging visas and paperwork (<http://www.siam-info.com/english/visa.html>). Political factors are in favor of the Raya Divers business.

Economic changes in the world have either positive or negative effects on a company. During a recess, companies struggle and during an economic growth they bloom. Raya Divers needs to consider the economic situation in northern Europe, as well as in Thailand, in order to find out when their marketing has most benefits to obtain as many customers as possible, and perhaps slow down during a recession when people are not willing to travel as much or as far as Thailand.

Social factors change over time, just as economic factors. People's tastes change according to trends. What was new and exciting yesterday might be boring and not able to create the same thrill today. Social factors change with the economics. For example, with growing wealth, life styles alter too, creating changes in social life. Raya Divers needs to be aware of social attitudes and their changes to know what to market in the first place.

Seasonality is linked with social factors. It is typical for northern Europeans to travel during Thailand's peak season, roughly from October until April. This is how they will enjoy the best time in Thailand without missing the beautiful summer at home. Economically, it is cheaper to come to Thailand during the low season, May until September, and Raya Divers could take this into consideration to boost up their low season marketing.

Companies need to constantly follow advancing *technological* factors to stay ahead of their competitors. New technologies help Raya Divers, for example, large developed airplanes carry more and more tourists, who could be their customers. Raya Divers can record information so selling can be more personalized using the previous data of a customer. Customers can be easily reached through media tools like social media. Customers also can and normally will in the modern world look for information themselves through the Internet which means Raya Divers website and online marketing have to be in order.

Environmental aspects should be added in the above analysis. Environmental issues are a much discussed topic in Phuket. There is a lot of talk and many opinionated posts on local newspapers concerning the "use" of marine life. For example, the story about a company who took customers sea walking under water and while doing so, harmed and caused the death of sea corals that will take years to grow back

(http://www.phuketgazette.net/phuket_news/2013/Corals-allegedly-damaged-by-seawalking-company-to-take-years-to-grow-back-20999.html). Raya Divers needs to market their "green policies" to tell the world they are working in an ethical and a conscientious way.

4.2. Competitor analysis

In addition to the operational environment in itself, a company also has to consider its constituent parts, such as competitors, in their marketing.

According to Kotler (Philip Kotler et al, 2004, 90) a company must provide more value for its customers than its competitors do. Companies must know exactly who their customers are and what they want in order to win customers over the competitors' product.

Kotler shows six steps to prepare competitor analysis (Philip Kotler et al, 2004, 494):

- 1. Identify the company's competitors*
- 2. Determine competitors' objectives*
- 3. Identify competitors' strategies*
- 4. Assess competitors' strengths and weaknesses*
- 5. Estimate competitors' reaction patterns*
- 6. Select competitors to attack and to avoid*

There are plenty of diving centers all over Thailand's coasts, especially in Phuket. That said, the threat of competition is substantial. Some of the biggest competitors, presumably, would be Kon-Tiki Diving and Snorkeling Center, South Siam Divers and Scandinavian Divers.

Kotler urges companies to determine the competitors' objectives. Each company has their own objectives and goals, which they find important. He argues, for example, that a company with a low-cost strategy would react differently to its competitor by either reducing prices or increasing advertisement. If that company was looking to be the leading low-cost company, it would definitely react strongly in case one of the competitors reduced prices. On the contrary, if that competitor started advertising more, perhaps it would not react at all (Philip Kotler et al, 2004, 498).

Companies with similar strategies create a strategic group. It is a group that has the same target market and very similar strategies in working. In the diving scenario, for example, there are diving centers with average prices and then there are so called diving resorts that offer the same services in luxurious settings for more money. There are also large diving centers that have their offices at every street corner and their diver groups are rather large when they go on day trips with their own boats. On the other hand, there are small "boutique" diving centers that have small offices and book their seats in big boats according to number of divers they have as customers, which typically is something from one to five divers.

Companies need to figure out competitors' strengths and weaknesses. It might be hard to collect this information and usually one has to rely on word of

mouth and one's own experiences. As guidance for finding out the background and image of the three selected main competitors, own experiences and visits to their websites and offices was used.

Estimating competitors' reaction patterns is also hard to predict. Kotler discusses the ways companies react to changes in the market, for example, decreasing price, increasing advertisement or introducing a new product. There are companies who will react to any change quickly and strongly, some that only react to certain changes that they feel have influence on them, and some who do not react at all for various reasons. These reasons can be lack of funding or capability, or simply thinking their customers' loyalty will keep them with the company (Philip Kotler et al, 2004, 501).

Next, a company needs to select which companies to attack and avoid. Kotler encourages companies to fight their competitors. Weak competitors are easy to attack but the gain is modest. Attacking strong competitors and finding out their weakness to win customers over is much more profitable. He says it is good to fight against strong competitors, in order to enhance one's own abilities in marketing (Philip Kotler et al, 2004, 501-502). Companies must also consider who is a distant and who is a close competitor. This relates to strategic groups: the companies with similar strategic plans are closer together than those with differentiating strategic plans.

4.2.1. Kon-Tiki Diving and Snorkeling Center

All the information on this chapter is from Kon-Tiki's website, <http://www.kontiki-thailand.com>, and from observations and experiences when walking in to the Phuket office to see what is going on.

Stepping inside a Kon-Tiki office in Phuket, there is a feeling of space and light. Decorations are of light color and there are display shelves all around the office for small diving gear, such as masks and snorkels. There are bigger items, such as wetsuits and BCD-vests on the walls. The office must draw in many tourists every day, as it is located on the busy Patong beach area of Phuket.

They also have two extra display shops set up in Phuket Orchid Resort in Karon and in luxurious 5-star Centara Grand West Sands Resort and Villas in Mai Khao, for easier access for customers staying far away from Patong.

Staff members at Kon-Tiki seem young and laid-back, and there are at least two Scandinavian looking employees. Service can be conducted in English or Swedish language. At the moment, most of their customers come from Australia and China, and during high season, from October until April, the majority is Scandinavian. Staff members are friendly and offer information easily. Information is also offered on brochures that a customer can take with them.

A lot of information about Kon-Tiki is easily accessible also on various social media, and their website has the direct links to Facebook, Youtube, Twitter, TripAdvisor etc. They have a blog, customers can follow. In addition to address and phone number information, they also offer Skype contact details. Everything on website is easily accessible and very well-organized.

Services Kon-Tiki offers, are diving and snorkel trips, PADI courses and professional diver courses, technical diving and liveboards. Prices for snorkeling trips vary from 1,900THB to 4,400THB, depending on the site, and are reasonable compared to Raya Divers' 3,500THB to 5,100THB per trip (<http://www.rayadivers.com/site/hinnasto-7/>). Prices include transfers, equipment, lifejacket, lunch, fruits, water, coffee/tea and guide. Diving trip with three dives costs 4,100THB and includes transfers, equipment, lifejacket, breakfast, lunch, fruits, water, coffee/tea and a dive master guide. For extra payment, customers can request a private guide or a babysitter, for example. Also additional diving gear, such as underwater camera, computer or Nitrox-air tank can be requested for a fee.

Accommodation and transportation in Thailand can also be booked via Kon-Tiki's website. They have gathered a list of hotels they have found good and worthy, and after clicking a desired hotel, the customer will be directed on a hotel booking website called Hoteltravel.com.

4.2.2. South Siam Divers

Also for South Siam Divers, all the information is from their website, <http://www.southsiamdivers.com/>, from observations and experiences when walking in to their office to see how they operate, and from word-of-mouth in the diving scene of Phuket.

Apparently website is where most of the bookings take place, as South Siam Divers office is in a very inconvenient place. It is located between popular Kata and Karon areas but on the busy main road, Patak road, far away from the more tourist friendly beach road. The only way for a tourist to get here is basically taking a taxi when knowing already where they are going. There are hardly any random walk-ins looking for a diving trip as Patak road is very busy and not designed for walking.

This is not a concern for South Siam Divers though, as the empty seats on their boats are typically filled with bookings through other, smaller dive centers that do not have their own boats. This is what Raya Divers did, for example, in the Koh Lanta office during season 2012-2013. Customers made bookings with Raya Divers directly and Raya Divers then found the seats for them in other, bigger diving centers' boats.

The South Siam Divers office is very small and cramped, and its purpose is clearly not to sell equipment or anything else, it is simply a place to handle and organize bookings. All staff members are Thai, with average English language skills. Guides for diving trips are either native English speaking or Thai with good English language skills.

Website is well-organized and has nice underwater pictures on it. Contact details, such as address, telephone number and email are easily accessible but there are no links to social media. They can only be reached via "conventional" means of contact.

Diving daytrips and liveaboards seem to be South Siam's most popular services. They also provide PADI-courses, like Kon-Tiki or Raya Divers, but technical diving courses and snorkeling trips are missing all together. The price for a diving daytrip is 3,400THB which is very affordable compared to Raya Divers' up to 5,100THB per trip

(<http://www.rayadivers.com/site/hinnasto-7/>). Prices include transfers, equipment, lifejacket, lunch, fruits, water, soft drinks, coffee/tea and a diving guide.

Accommodation is available through South Siam Divers. They have their own guesthouse called South Siam Guesthouse in Kata where they offer a place to stay for their customers for a very fair price. Another option can be found on their website, Karon Livingroom, an upgraded option compared to South Siam guesthouse.

4.2.3. Scandinavian Divers

All the following information is from Scandinavian Divers website, www.scandinavian-divers.com, and also from observations and experiences when walking in to the Phuket office to see how they operate.

Scandinavian Divers Phuket office seems like an average diving center in Thailand. It is not too small and cramped but not nearly as wide, bright and spacious, like Raya Divers office. There is still enough space to offer gear and other diving related items for sale. At the time of the visit, there was only one Scandinavian staff member on duty: no one else was in the office.

Scandinavian Divers office is situated in a non-touristic area near Raya Divers, however even harder to find. It is on a side road opposed to Raya Divers being on the main road leading to the pier.

Scandinavian Divers can be found on various social media sites, such as Facebook, MySpace and Twitter that are linked directly on website. They have a newsletter that customers can sign up to, to get the latest news and information. In addition to conventional address and phone number information, they also offer Skype contact details for alternative way of contact.

Scandinavian Divers website is in English language but they offer services in Swedish, Finnish, Norwegian and Danish, and also urge to contact them by fax, email or phone in any of those languages.

Snorkeling trip prices vary from 2,400THB to 4,600THB depending on the site. As normal, round trip transfers from hotel, lunch, coffee/ tea, drinking water, fresh fruit, mask, snorkel, fins and professional snorkel guides, are included.

Diving trip prices range from 3,400THB to 6,800THB depending on the site and number of dives which normally is two to four dives per trip. Also diving trips include round trip transfers from hotel, breakfast, lunch, coffee/tea, cake, drinking water, fresh fruit, mask, snorkel, fins, tank & weight and professional diving guides. If customer do not have their own, diving gear must be rented at the price of 800THB for a full set.

In addition to the normal snorkeling and diving trips Scandinavian Divers also offers other adventure trips on land, such as elephant trekking and national park hiking, which are very typical daytrips overall Phuket. They teach PADI courses to a professional level and multiple specialty courses.

Accommodation can be booked via Scandinavian Divers' website. They have an extensive list of different standard and price range hotels in Phuket and Khao Lak, both their locations, and when booking a customer is directed on a booking engine called R24.org.

4.3. Interview

As the research approach of this thesis is qualitative, it was decided to interview the managers of Raya Divers in order to explore the position of Raya Divers in the Phuket diving scene and to be able to make a new marketing plan. After the theoretic part, new questions have arisen and these questions need to be paid attention to.

It is important to know all about Raya Divers' present customers: who are they, where they come from and if the segments have changed drastically over time and trends. In addition to customers, the competitors also have to be analyzed: who the main competitors are and why, if Raya Divers have any language or other advantages compared to competitors. Raya Divers' present marketing also needs to be analyzed: how is it marketed, where, and are there different strategies for different segments. Business trends and Raya Divers SWOT-analysis in their point of view need to be explored. Also the question if Raya Divers is setting themselves beyond their office needs to be asked. Do they, or are they planning to, set up display shops in resorts in touristic areas, and if not, why not?

The managers of Raya Divers have proven to be busy and hard to get hold of. Therefore, email interviews were conducted with two of Raya Divers' managers. Firstly, Jani Makinen gave me all the basic answers to my questions and a quick insight to Raya Divers business. The following interview with Mikko Rauhanen was a little more specified and included some additions needed to the previous questions. The full interviews can be seen in Appendixes 1 and 2.

4.3.1. Questions

What is your main customer segment?

Where do most customers come from?

Has the customer segments changed over time?

Who is main competitor?

What is the advantage they hold?

How is Raya Divers marketed?

Where is Raya Divers marketed?

Are there different strategies for marketing to different segments?

What are the trends in diving business?

How does Raya Divers' SWOT analysis look in your opinion?

Are you in social media such as Skype, Twitter, TripAdvisor etc.?

Do you have any small display shops within resorts? (Example of Kon-Tiki's "daughter shops" inside Orchid and Centara resorts)

Where/ Why not?

What languages are available for customers purchasing dive guiding and dive instructing?

4.3.2. Answers

The most important customers for Raya Divers are Finnish tourists arriving in Phuket on a holiday package deal, with travel agent, such as Finnmatkat, Aurinkomatkat, Tjareborg or Apollo. There are also some customers who are traveling by themselves and foreigners. One of the managers believes a great majority of customers are Finnish but Russian tourists are increasing. The other manager confirmed 79% of customer base is Finnish, 6% Russian,

1%Thai, 1% Chinese, 1% German, 2% other nationalities and 6% nationality information is not available.

Customer segments have not changed drastically in the past years, excluding the beginning when Raya Divers was still a small unknown business with no contracts with the above mentioned Finnish travel agents.

Main competitor would be Scandinavian Divers as their customer base consist of all of Scandinavia, excluding Finland. In one of the managers' opinion, Scandinavian Divers is not too much of competition, as Finnish tourists will still choose a Finnish tour operator. Also the other manager cannot state serious competition, especially in Phuket, as Finnish customers find their way to Raya Divers without exploring other options. According to the manager, the Raya Divers Khao Lak office, however, has more competitors, as many small Finnish diving centers are located there.

Raya Divers is mostly marketed by partners, such as these Finnish travel agents like Finnmatkat, Aurinkomatkat, Tjareborg and Apollo. They also send out newsletters to subscribers, normally people who are former Raya Divers customers. There is also plenty of information on their website and social media like Facebook and Twitter for new customers. Some Raya Divers ads can be found on a Finnish website for diving enthusiasts (www.snorkkeli.net).

Marketing is boosted with different campaigns from time to time, for example the annual Finnish travel fair in Helsinki, where Raya Divers has their booth set up. According to one of the managers, however, Raya Divers will exceptionally not be participating this year.

In addition to these marketing techniques, a large Raya Divers poster can be seen on the back wall of a local bar called Surfhouse Phuket. Surfhouse Phuket offers an artificial wave to try out surfing, and is known for its youthful, hip ambiance, which is very popular among tourists as well as Phuket expats (www.surfhousephuket.com).

Biggest trend in diving, digital underwater photography started some years back but is increasingly popular and came to stay. According to one of the managers, rebreather technique is a growing trend in diving industry.

Rebreather technique means that with specified gear, a diver can use the air

blend in their tank again, allowing more time on a dive

(<http://www.padi.com/scuba/padi-courses/professional-courses/view-all-professional-courses/rebreatherdiver/>).

The Raya Divers SWOT-analysis, according to one of the managers, consists of strong brand, well-functioning logistics and years of experience as strengths. Weakness is being “too Finnish”, and therefore not recognized among other nationalities. Opportunity is to expand customer base outside of Europe. Threats are extreme changes in Phuket, as well as in Europe.

Smaller display shops have been set up in the past but the benefit has been minimal. As a strong brand, Finnish customers know to come to Raya Divers already, without the need of display points in main touristic areas.

At the moment, diving guiding and diving courses are offered only in Finnish and English language in Phuket. Last high season 2012-2013, the Raya Divers Khao Lak office also offered services in Swedish as cooperation with one of the major travel agents, Tjareborg.

5. Results

As a conclusion, the updated information of the operational environment of Raya Divers will be discussed. Knowing the current situation in the Phuket diving industry will help in the Raya Divers marketing.

Firstly, the results of a SWOT-analysis, show all the current strengths, weaknesses, opportunities and threats of Raya Divers. The information is based on observations and interviews with the managers of Raya Divers.

Secondly, the overall position of Raya Divers in the Phuket diving industry will be analyzed. It builds up from the facts throughout the thesis, marine tourism, marketing, research on the operational and competitor environment and the interviews with the Raya Divers managers. It has been explained where Raya Divers stands as a diving center in Phuket and also explored some suggestions on how to move forward.

5.1. Raya Divers SWOT-analysis

The results of the SWOT-analysis were based on the interviews, and own observations and experiences, to help analyze how people see Raya Divers and why. It will also make it easier to see how Raya Divers could stand out among hundreds of other diving centers and what could be done to truly separate it from the others. All diving centers in Phuket have similar opportunities and threats, which they have no control over. The strengths and weaknesses reveal what extra Raya Divers can offer to its customers.

STRENGTHS: Reliability/Strong brand Logistics Professionalism/Experience Safety Child friendly Staff Green values	WEAKNESSES: Language skills International experience/marketing Price Seasonality in operations Too Finnish
OPPORTUNITIES: Maximum profit Expanding outside Finland World famous dive centre New daytrips, liveaboards, private boats	THREATS: Competition Seen as a small brand Damage to underwater environment Changes in Phuket

Figure 7. Raya Divers SWOT-analysis.

5.1.1. Strengths

The strengths include reliability/strong brand, logistics, professionalism/experience, safety, child friendly policies, staff and green values. All of these are extremely important in this field of business, and every customer should be ensured a reliable, safe and professional service, which most customers also know to expect.

Raya Divers has a very good reputation among Finnish tourists. It is easy to trust a company providing services in your native language, especially as the average Raya Divers customer is a Finnish tourist on a group tour, whose language skills can be somewhat limited. Raya Divers is a well-known brand in Finland and is known as a reliable company. It has clear policies about prices, discounts and cancellation fees.

For example, Raya Divers sticks to its price list and discounts, also available online (<http://www.rayadivers.com/site/hinnasto/>). If a customer has more than six dives, they gain a 10% discount. More than ten dives entitle the customer to 15% discount and more than twenty dives to a 20% discount. Cancellations need to be made well in advance to get money back. If the planned day trip is cancelled before 5 PM the previous day, the guest gets half the money back. These might not be equally straightforward in other companies.

Also other things, such as pick up times and other small agreements are not always as clear as possible in Thailand. However, Raya Divers still seems to honor the so called Finnish way of doing. They are on time and everything that has been agreed on will be delivered.

The Raya Divers staff members and all the diving students will be PADI-certified, which is one of the most valued and recognized diver certifications. Raya Divers also uses appreciated and trustworthy suppliers for diving equipment, such as Mares and ScubaPro, and other well-known brands in the diving scene. Also suppliers for boats and other operational management equipment are carefully selected and trustworthy. All this adds to the professionalism of a company.

Safety is a top issue on any day trip. All staff members are first aid trained and experienced in their area of work. This also goes with professionalism and child friendly policies. If the unexpected happens, staff members are trained to act promptly and properly. In addition to training first aid with a real life size test dummy, Raya Divers normally provides a baby test dummy too.

This can be an advantage when talking about families as a market segment, Raya Divers is child friendly and all the staff members are first aid trained and know how to act in demanding situations.

All Raya Divers staff members are carefully selected and truly suitable for the field of work. They are all well educated on diving, all have the PADI standards diving qualifications, and are normally also interested in other water sports. They are not afraid of water and are overall very energetic and eager customer servants. As a trainee with no experience of the field before, I felt

very welcome and everyone really wanted to teach me and wanted to see me learn.

Raya Divers has green policies in order to work with the least harm caused to the marine environment. The staff members are trained on these green policies in the area and obliged to inform customers on what to do and what not to do while on board, to cherish the beautiful surroundings below and sustain them. They will remind of the small details, customers would not necessarily think of, for example, not touching or picking up anything under water, not holding on to the corals and not hitting anything with their fins or other equipment. They will also tell customers to put toilet paper and all other trash in the trash bins provided and recycle everything that can be recycled on board. It is most interesting that the little tin caps that open soda and beer cans, are actually recycled to be material for artificial limbs.

5.1.2. Weaknesses

Weaknesses include lack of language skills or international experience/marketing, prices and seasonality in operations. Also, opinion of one of the manager's on being "too" Finnish to be recognized by other nationalities, poses as a weakness.

Raya Divers is known in Finland, however, not much elsewhere. It still lacks of experience in international markets and part of that must be insufficient marketing and language skills of the staff members. On various occasions, foreign customers have been interested in diving courses in the Koh Lanta office. Unfortunately, there is no instructors available skilled enough to teach in English or in Swedish. Obviously knowing this, the staff members do not have anything to catch the attention of the potential customer. It might be the bland attitude of the staff members or the highly priced course that eventually turns the customer away.

Prices for daytrips and courses are highly priced compared to other diving centers. This is understandable too, as Finnish tourists are willing to pay more for Finnish services. Raya Divers could, however, get some non-Finnish staff, drop the prices and double the amount of customers. They would be seen as international competition to other diving centers.

Seasonality is an issue in all diving centers in Thailand. During rainy months tourism doesn't flow like high peaks. However, with marketing abroad at least some more customers can be attracted in. People do travel in low season too: it is just not as hectic. Thailand is visited by many Australians, Chinese and Koreans during low season. Russians travel to Thailand all year round.

5.1.3. Opportunities

Opportunities include maximum profits, expanding outside Finland, being a leading diving centre and creation of new daytrips. Attracting foreign markets outside of Finland would ensure maximum profit, and also help build an international brand to be able to be a leading diving centre.

Like stated in previous chapter, there is a demand for foreign customers. Those customers are walk-ins, they just happen to walk past Raya Divers office and decide to see what is on offer. With hiring some Swedish speaking staff and targeting ads specifically to Swedish tourists, Raya Divers would profit from not only Finnish, and could start build up an international image. After all, Swedish tourists have all the same group tour travel agents, just in different names: Fritidsresor, Ving and Apollo. It would be easy to start marketing for them too.

To be a leading diving centre would ensure a steady customer flow. Raya Divers needs to be marketed in a right way to get it into foreign knowledge, in social media all over the world and in word of mouths on the streets. After gaining more customers, great opportunity is to create new daytrips.

With bigger customer flows, more different types of daytrips could be provided and marketed, for example, liveboards or private boat rentals. Liveboard is a trip where customers go on a boat for a few to ten days, purpose solely on diving. Breakfast is served in the morning, then diving. Next up is lunch, and again diving. Liveboards also offer a great place for night dives, and overall diving enthusiasts to communicate and share their experiences. Everything revolves around diving and this is a place for experienced, so called hard core divers.

A boat rental is another profitable option. A group of people, a family or friends, might want to rent a whole boat for a day packed with activities

suitable for everyone. Maybe organize a family party or gathering on the sea, why not even a wedding party.

5.1.4. Threats

Threats include competition, image as a small brand, possible damage to the underwater world and changes in Phuket. With such amazing surroundings and prerequisites for diving and other underwater exploring, it comes as no surprise there are hundreds of competitive diving centers in Thailand.

However, lots of Finnish tourists choose Raya Divers for their holiday activities. Raya Divers is well-known brand among Finnish people and known to be safe and fun. As an “All Finnish” brand, Raya Divers is threatened to stay as a small or even unknown brand for anyone outside of Finland. Making their brand known to Swedish markets would make Swedish tourists choose Raya Divers over other diving centers as well. Marketing to Swedish tourists would also start changing the view of Raya Divers’ image as a small or unknown brand.

The delicate underwater world is at risk of being damaged due to growing number of diving centers. Especially popular, highly visited dive sites might suffer congestion. Raya Divers works according to green values to minimize the harm and this should be addressed in Raya Divers marketing.

Changes in Phuket affect the tourism overall. With growing tourism and overflowing hotels, increasing street sellers, taxi drivers and prices during high season, Phuket is in danger to turn from a pleasant leisurely paradise into a too touristic and hectic centre of life. The changes in tourism all over Phuket affect the decisions of tourists who might find peaceful holiday destination now stressful. Fewer tourists in Phuket, also means less customers for Raya Divers.

5.2. Raya Divers on top of Phuket diving scene

Raya Divers has great prerequisites to be the leading Scandinavian diving centre in the Phuket area. Nowadays, people want to experience the new and never experienced which makes the diving business flourish. Diving is one of the fastest growing marine sport hobbies, and Raya Divers offers PADI diving

courses, just the ones you need to be able to commit to your new diving hobby that not everyone has.

Raya Divers offers diving experiences from try dives to basic courses to higher level or specialty courses. In other words, everything is on offer to capture the interest of all three traveler groups: experienced and potential divers and tourists. Of course while offering these services, it is crucial to pay attention to green values, everything ranging from recycling rubbish and nothing thrown overboard, to buoyancy control to minimize underwater damage and congestion on dive sites.

The Raya Divers brand could be made attractive to Swedish tourists. They are after all from similar backgrounds as Finnish tourists and are capable and willing to pay to travel to Thailand. Swedish travel agents also offer similar package tours to Swedish customers, as are offered to Finnish tourists. As they are the main segment according to one of the managers, Raya Divers should channel some marketing to these Swedish travel agents too.

Thailand, in general, is a safe and easy place for a Swedish tourist to come for a holiday. There is no political insecurity and visa is not needed for a typical two-week holiday arranged by travel agency. Thailand's low season, however, is a vice for the tourism business. On various social media and in newsletters Raya Divers could try to bring out the fact that everything is cheaper, not so crowded and definitely not only rain during the low season. Most Swedish tourists probably choose the Swedish summer but during early spring or beginning of autumn they could find a quiet and a cheap retreat in Phuket.

One of the managers explained in his interview that smaller display shops inside selected resorts are not currently used, as people already know Raya Divers brand and will find it by themselves. However, another way to compete with other, especially Scandinavian diving centers, would be just a small stand or some kind of recognition of Raya Divers in those selected resorts as they would give Swedish tourists an option against other Scandinavian diving centers: especially if this advertisement would be in the Swedish language. This would require hiring at least one Swedish speaking staff member to be in charge of advertising, be able to answer questions and offer the service in Swedish.

Raya Divers sells services, which means it cannot be inspected upon purchasing and only the procedures during and after the service will count. This is why Raya Divers needs to draw customers without the need to inspect their “product”. Due to this, Raya Divers’ marketing must be visible and reliable, and intriguing enough for a customer to buy their service. Perfect marketing channels are Swedish tour agents, such as Fritidsresor, Ving and Apollo. The existing connections of the Finnish counterparts, Finnmatkat, Aurinkomatkat, Tjareborg and Apollo, would be easy to apply to Swedish companies.

Raya Divers also needs to stay ahead of the game compared to other diving centers. According to one of the managers, a new trend in diving is the rebreather technique that ensures the diver more time underwater. This should be pointed out in Raya Divers marketing, as it would definitely catch the experienced diver’s eye and show Raya Divers to be an educated and experienced enterprise. Obviously, throughout marketing, an environmental approach should be visible. The current trend in the world is going green and Raya Divers will be left behind unless they embrace it.

As Raya Divers’ competitors, Kon-Tiki Diving and Snorkeling Center, South Siam Divers and Scandinavian Dive Center were studied. They are all in different strategic groups but still represent, and definitely something Raya Divers should take into consideration.

Kon-Tiki Diving and Snorkeling Center are very well-known among all Scandinavian, and their big office offers help in different languages. It is very easily accessible in a place daily visited by a lot of people. In addition to separate Kon-Tiki shops in two different resorts in Phuket, there is other Kon-Tiki advertising in other resorts preferred by Scandinavians, which is what also Raya Divers could be doing to get the attention of Swedish tourists.

South Siam Divers is on the list only for their prices. If a tourist is searching online, South Siam seems to be the cheapest option, with a full boat every day. The South Siam office is in an inconvenient place and gets most of their bookings online or from cooperation resorts.

Scandinavian Divers seems to be the most dangerous competition. Their office is smaller than that of Raya Divers' but in the same area, and they also offer Scandinavian instruction and guidance. Also their price range is approximately the same.

All in all, Raya Divers should advertise and be seen on Swedish travel agents' tours and on info packages. This way they can break the "too Finnish" mentality and be seen as a Scandinavian dive center instead of only Finnish. Hiring Swedish speaking staff members would now be essential.

6. Deliberation

Due to personal life changes, this thesis was very hard to finish. Neither was there any time given for interview with Raya Divers, so only short email interviews were applicable. Despite that, enough information was acquired about Raya Divers and their status and possibilities in the diving industry in Phuket.

The purpose of this thesis was to find out how Raya Divers could attract more customers, in addition to their Finnish customers. Swedish tourists seem to be an easy addition to their normal customers. Raya Divers' main customer is a Finnish tourist on a group holiday organized by a Finnish travel agent (Finmatkat, Aurinkomatkat, Tjareborg and Apollo). There are Swedish, Norwegian and Danish sister companies that Raya Divers could start cooperating with, and recruit some staff speaking these languages. After some time, Raya Divers would not be seen as an "all-Finnish" company but a Scandinavian one among the other Scandinavian diving centers.

In addition to contracts with Scandinavian travel agents, Raya Divers needs to be seen elsewhere. Social media, website and newsletters are all good platforms but only if the customers know where to look for them. It would be profitable to draw a contract with some of the preferred Scandinavian large resorts, so that Raya Divers could be seen as an option among other Scandinavian diving centers.

Raya Divers is doing well but there is always room for improvement. Being known as a Scandinavian diving centre, Raya Divers could definitely cope with the competitors. Their office is great: bright, spacious and inviting. The staff members are young and relaxed. They offer quality gear of respected brands with quality partners, such as companies taking care of transfers and boats. Everything is in place so now it would be the perfect time to expand beyond Finnish customers.

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8. Figures

Figure 1. The growing amount of PADI-certified divers.

Figure 2. Differences between goods and services.

Figure 3. The marketing mix.

Figure 4. Challenges in marketing planning.

Figure 5. Different stages of customer relationship.

Figure 6. Managing customer relationships.

Figure 7. Raya Divers SWOT-analysis.

9. Appendixes

8.1. Appendix 1

1. Who are the most important customers and what is the biggest customer segment?

- Tärkein on suomalainen joka tulee valmismatkalla Phuketiin. Jonkin verran myös omatoimimatkailijoita ja muunmaalaisia.

2. From which countries do customers come from? Do you have percentages of countries?

- Ei ole prosentteja tähän hätään, mutta veikkaus on 90% suomalaisia. Venäjä on kasvussa.

3. Have customer segments changed with time and trends?

- Alkuajoista joo kun ei ollut matkatsto-diileja, mutta viimevuosina ei merkittävästi

4. Who are the most important competitors?

- Scandinavian Divers, tosin ei sekään hirveän paha

5. What is their advantage considering Raya Divers?

- Heillä on koko Scandinavia pl Suomi, meillä lähes pelkästään Suomi

6. How is Raya Divers marketed?

- Yhteistyökumppaneiden toimesta, uutiskirjeet, kotisivut, facebook ja aikaisemmin snorkkeli.net

7. Which channels are used for marketing?

8. Is marketing different for different customer segments?

- Kampanjaluontoisesti kohdistetaan markkinointia aina välillä

9. What kind of trends are visible in the diving scene at the moment?

- Rebreather on nousmassa, muuten ei mitään ihmeellistä. Digikuvaus tuli jäädäkseen.

10. What are the strengths, weaknesses, opportunities and threats of Raya Divers?

- Vahva brändi, toimiva logistiikka, pitkä kokemus / Liian suomalainen / Asiakaskunnan laajeneminen Euroopan ulkopuolelle / Phuketin rajut muutokset, asiakkaat syöksyssä olevasta Euroopasta

11. Is Raya Divers involved in social media (Skype, Twitter, TripAdvisor etc.)?

- On

12. Does Raya Divers have smaller display shops in Phuket? If yes, where? If not, why not?

(E.g. Kon-Tikis small shops in Phuket Orchid Resort and Centara Grand West Sands Resort.)

- Ei tällä hetkellä. Pienempiä pisteitä on kokeiltu, mutta hyöty ollut minimaalinen. Asiakkaat tuntevat Rayan ja tulevat retkillemme ilman, etä

meillä olisi erillinen myyntikoju turistialueilla. Toki asiakaspinnan laajeneminen olisi mahdollista keskeisillä paikoilla olevien myyntipisteiden ansiosta.

8.2. Appendix 2

2. From which countries do customers come from? Do you have percentages of countries?

- Suomi 79 %, Venäjä 6 %, Ruotsi 3 %, Thaimaa 1 %, Kiina 1 %, Saksa 1 %, Muut 2 % ja ei tietoa 6 %

4. Who are the most important competitors? (Any other competitors? Do you consider them a big threat?)

- Suomalaisia pieniä sukelluskeskus kilpailijoita löytyy Khao lakista, Phuketista ja Lantalta. Suurtaa uhkaa heistä ei vielä ole. Tosin aina otettava heidän olemassa olonsakkin huomioon...sorry tyhjentävä vastaus mutta tästä ei juurikaan tarkkaa tietoa.

6. How is Raya Divers marketed? (What kind of image Raya Divers wants to build?)

- Markkinointi: Matkatoimistojen kautta suurinta, sosiaalinenmedia, Uutiskirje sähköpostitse, messut suomessa (huom.ei tulevana talvena). Surfhouse Phuket (iso mainos takaseinässä).

8. Is marketing different for different customer segments? (What kind of campaigns, when and for who?)

- Meillä jo olleet asiakkaat tavoitetaan uutiskirjeellä ja sosiaalisen median kautta (fb) näkyvyyttä myös uusille.

Also does Raya Divers offer diving guiding or instructing in any other language besides Finnish and English?

-Kaudella 12-13 ruotsinkielellä Krabilla (yhteistyö Tjareborgin kanssa).