Case Finnish Lapland

Public-Private Partnership in Barents Tourism
Activiy 2.3. Assessing of stakeholder needs and expectations for tourism development in the Barents Region

www.luc.fi/tourism
### Background information

#### Location

<table>
<thead>
<tr>
<th>Location Destinations</th>
<th>Tourism related organisations (TO)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rovaniemi</td>
<td>3</td>
</tr>
<tr>
<td>Salla</td>
<td>2</td>
</tr>
<tr>
<td>Levi/Kittilä</td>
<td>3</td>
</tr>
<tr>
<td>Ylläs</td>
<td>2</td>
</tr>
<tr>
<td>Inari (Ivalo/Saariselkä)</td>
<td>3</td>
</tr>
<tr>
<td>Organisation operates in several local destinations</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>15</strong></td>
</tr>
</tbody>
</table>

*The research process continues in a form of Bachelor Thesis and as the result seven (7) additional interviews are conducted in Western Lapland (Pello) and Utsjoki during late spring 2012.*

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## Background information

### Business Sector and Age

<table>
<thead>
<tr>
<th>Business sector within Tourism</th>
<th>TO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accommodation services</td>
<td>4</td>
</tr>
<tr>
<td>Program services</td>
<td>4</td>
</tr>
<tr>
<td>DMC/Multi-service enterprises (incl. accommodation, catering, program service and meetings)</td>
<td>4</td>
</tr>
<tr>
<td>Congress and meetings services</td>
<td>1</td>
</tr>
<tr>
<td>Transportation services</td>
<td>1</td>
</tr>
<tr>
<td>Regional tourism marketing organisation</td>
<td>1</td>
</tr>
</tbody>
</table>

**Total**  

<table>
<thead>
<tr>
<th>Age (years)</th>
<th>TO</th>
</tr>
</thead>
<tbody>
<tr>
<td>25 –</td>
<td>9</td>
</tr>
<tr>
<td>14 – 24</td>
<td>4</td>
</tr>
<tr>
<td>1 – 5</td>
<td>2</td>
</tr>
</tbody>
</table>

**Total** 15
## Background information

### Turnover, Staff, Customers

<table>
<thead>
<tr>
<th>Turnover</th>
<th>TO</th>
</tr>
</thead>
<tbody>
<tr>
<td>10–50 milj. €</td>
<td>2</td>
</tr>
<tr>
<td>2–10 milj. €</td>
<td>5</td>
</tr>
<tr>
<td>– 2 milj. €</td>
<td>7</td>
</tr>
<tr>
<td>Not known</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>15</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Staff</th>
<th>TO</th>
</tr>
</thead>
<tbody>
<tr>
<td>50–</td>
<td>2</td>
</tr>
<tr>
<td>10–49</td>
<td>4</td>
</tr>
<tr>
<td>3–9</td>
<td>7</td>
</tr>
<tr>
<td>–2</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>15</strong></td>
</tr>
</tbody>
</table>

### Market Share

- **Leisure FIT (90%)**
- **Corporate - MICE(67%)**
- **Leisure Groups (50%)**
- **Domestic (20% – 100%)**
- **International (0% – 80%)**

[www.luc.fi/tourism](http://www.luc.fi/tourism)
Background information

Business Opportunities and Challenges

Opportunities

- Relatively positive business prospects for the near future after 2-3 years of tough years after recession 2008
- Level of business activities 2007 has not been reached yet
- E-business
- Reorganising business plan
- New strategic partners

Challenges

- Accessibility
- Co-living with mining industry
- Risk management with global tour operators
- Optimising amount of staff
- Clarifying co-operation
- Keeping up with quality
- New consumer behaviour
- Creating pre-requisites for entrepreneurship
- New needs for knowledge and skills (e-business)
Perceptions of Barents Region

- Positive attitudes towards Barents region

- Barents region was perceived mostly in the right way, however, accurate definition could not be given

- Most used definitions for Barents region were the following

  "The northernmost parts of Finland, Russia, Norway and Sweden"

  In addition "Enlargen North-Calotte" or "Northern Scandinavia + Kola peninsula" were mentioned

- Barents region is difficult to perceive as an unified international destination since there is a considerable lack of general and tourism related knowledge among stakeholders
Opportunities of Tourism in Barents Region

- Barents region has potential as an international tourism destination
- Arctic attractions
  - Nature and nature related activities
  - Exotic cultural differences
  - Regional diversity
- Barents region is at the same time a tourism generating region and a destination
  - Neighbouring markets
  - Revitalising summer tourism
  - Summer / "non-snow" season inter-regional tour packages
- Inter-regional co-operation
  - Tourism organisations in Finnish Lapland have currently more co-operation between Russian than with Swedish or Norwegian tour operators / stakeholders

[www.luc.fi/tourism]
Challenges of Tourism in Barents Region

- Accessibility
  - Visa regime
  - Road infrastructure
  - Transportation/traffic connections
    - Compare connections between West-East – directions to South-North – directions
    - Budget airlines cause uncertainty
  - Access to the right information at the right time on practical issues

- Cultural differences in business e.g. practices
  - Co-operation; contracts
  - Decision making
  - Safety/security
  - Taking business risks
  - Changing legislation
  - “We make products, no projects”

- Imbalance in development resources between regions

- Marketing Barents region as one tourism destination by using name: “Barents region”
  - Instead - Arctic Lapland?
Perceptions of MICE Tourism in Barents Region

• 67% of tourism organisations had connections to MICE related tourism

• There were some challenges in understanding MICE tourism among tourism stakeholders in Finnish Lapland

• MICE tourism is perceived as potential form of tourism in Barents region especially in summer or "non-snow" season

• Exotism and diversity of regions are perceived as significant attractions for MICE tourism in Barents region

• MICE tourism is very demanding form of tourism
  • MICE customers are in average more demanding than leisure customers
  • MICE tourism requires high quality services and service infrastructure (venues, capacity etc.)
Co-operation vs. competition

Within Finnish Lapland

- Co-operation and/or co-operation in service production is local and regional
  - Subcontractors and/or partners
  - Micro/small enterprises need to cooperate and form networks in order to be able to cooperate with and/or compete against large tourism organisations
- Co-operation in marketing and sales is in most cases international
- DMOs (Destination Management/Marketing Organisation) have significant roles
  - in creating pre-requisites for companies and destinations
  - in promoting/marketing
  - in coordinating
  - in supporting

Within Barents Region

- Approx. 70% of tourism organisations had small scale cross-border co-operation in Barents region
  - Connections through own customers from Barents region
  - Own service production in an other part(s) of Barents region in co-operation with local stakeholders
  - Connections through international projects in Barents region
- Stakeholders in other parts of Barents region are seen more as potential co-operators than competitors
  - Despite the imbalance between tourism marketing and other development resources in different regions
Experiences on the Research Process

• Local research group
  • Project workers (Mari, Marlene)
  • Teachers and researchers from MTI (UoL, RAMK)
  • Several students from RAMK
    • A student completed one’s practical training as a project assistant

• Research group pre-selected 30 tourism organisations from different destinations based on their previous knowledge and expertise
  • 30 contacts resulted
    • 15 interviews
    • 5 refusal
    • 10 stakeholders could not be reached because of holiday etc. or no suitable time was found within interviewing process

• Mostly satisfying process
  • Motivated and efficient atmosphere
  • Careful planning and through instructions
  • Tight scheduling (stakeholders time tables)
  • Good practices for future research processes
  • Systematic integration of bachelor studies / study units into the process
Спасибо!

On behalf of the Research group
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