

Saimaa University of Applied Sciences  
Tourism and Hospitality, Imatra  
Degree in Hotel, Restaurant and Tourism Management

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## **Marketing Plan for a Hotel in Bali**

Thesis 2018

## **Abstract**

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The purpose of this thesis research was to create a marketing plan for a start-up hotel in Bali called "Sunrise Paradise". The idea of creating a strategical marketing plan was to assist the company to find a potential target market, and choose the right marketing tools to develop an action plan and moreover become a successful business.

The theoretical framework for the thesis was gathered by analysing several marketing related literature suitable for tourism and hospitality. From the theory suitable methods were selected to implement a strategical marketing plan that would support the partner company's objectives and goals. The author decided to use an eight-step process which explains how a marketing plan is implemented. The empirical part of the thesis includes an introduction of the company and its environment as well as the actual marketing plan for the company. By following the guidelines in the eight-step process, the author was able to make appropriate assumptions for the marketing plan. In addition to the gathered theory, a marketing research survey was implemented to gain a diverse view of the market. The purpose of the survey was to study the target market and their traveling preferences.

The results of the thesis show that creating a reliable marketing plan for a start-up hotel requires a lot of background research since there is no previous data of the company. The marketing plan gives the company the possible tools to make strategic decisions for their marketing. Contrary to the expectations the requirements for a reliable research were not attained, because of the scarce sample size for the survey. For a complete analysis the company needs to make further studies to conclude their marketing plan.

Key words: Marketing, Marketing plan, Target market, Action plan, Tourism and hospitality marketing, Eight-step marketing process, Marketing research survey

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Appendix 1      Customer Survey

# **1 Introduction**

The subject of the thesis was to make a marketing plan for a start-up hotel in Bali, which is called Sunrise Paradise. The hotel construction has been started in the beginning of 2018 and is planned to be opened later on during the same year. As the company is new they have not made a marketing plan so far. They will need a marketing plan in order to get potential customers and maximize their profit. A marketing research was conducted to the company, to give them an insight of what marketing strategies they could use.

This thesis has been implemented in accordance with the company's wishes to study customer preferences, and to find suitable methods that could be used for their marketing strategy. The theoretical framework of the thesis consists of gathering and selecting suitable marketing theories and approaches used in the tourism field. For the empirical part of the thesis, a customer survey has been implemented for the target group. Based on these results and conclusions, adequate marketing strategies have been applied to create a marketing plan for the hotel.

## **1.1 Aims and delimitations**

The main aim of this thesis research was to create a marketing plan that would include analysis and strategy to support the partner company's objectives and goals set for marketing. From the findings of the marketing research the partner company gained knowledge of the target market's interest and needs associated with tourism in Bali.

Delimitation for the theoretical part of the thesis was that it must reconcile with the purpose set in the beginning of the thesis process. For implementing the marketing plan, theory gathered from different resources was delimited to marketing theories set for tourism and hospitality services. This included theory about marketing and the procedures needed for implementing the marketing plan.

The purpose of the empirical part of the thesis was to implement a marketing research, with the objectives of gaining primary data that would show accurate

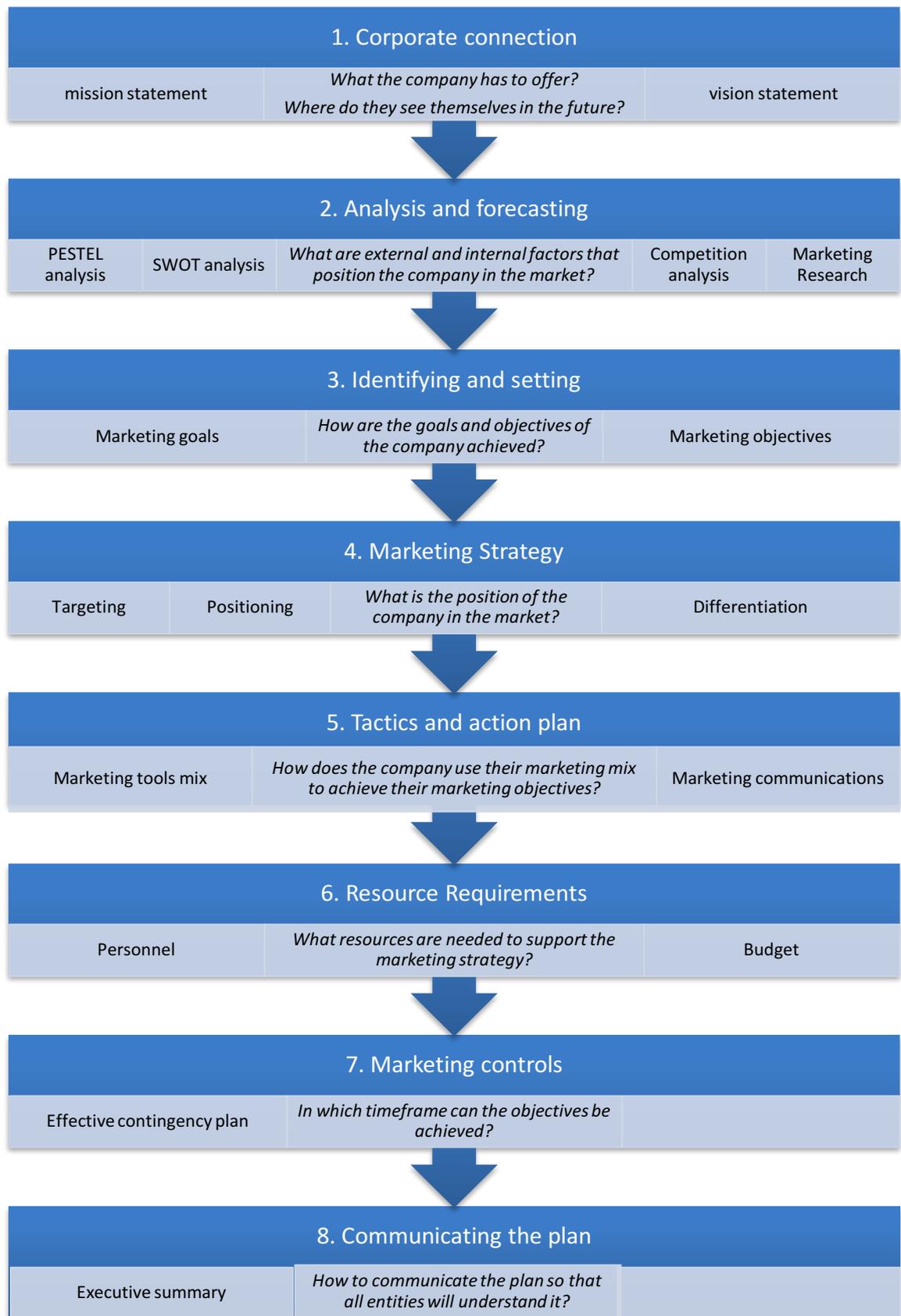
and clear results of the target group's travel preferences. Due to the limited amount of resources and time, the customer survey was targeted to Finnish customers only. Delimitations for selecting the right customer segment were decided in accordance with the customer preferences to make sure that they would meet with the concept of the hotel and the services it has to offer.

During the process it was important to measure the necessity of each piece of information that was processed, and then analyse the results as a whole structure and conduct them to the final marketing plan.

## **1.2 Research process and research questions**

The table below shows the process of the marketing plan that the author has chosen to follow. This process includes eight different steps that are explained in detail in the marketing theory section of the report. For the marketing plan to be implemented correctly, each step must be followed in order.

Under the title of each step in the middle are the *research questions* that have been set for the reader to understand better what is the aim in every step. On the sides are the marketing tools and the themes that are used and discussed in each section.



**Table 1 Research process and research questions (Hudson 2008, p.79)**

## **2 Marketing theory**

### **2.1 Marketing**

*Marketing concept can be understood as a business philosophy, which includes the processes of finding, satisfying and maintaining customers in a way that brings profit to the company (Hudson 2008, p.9).*

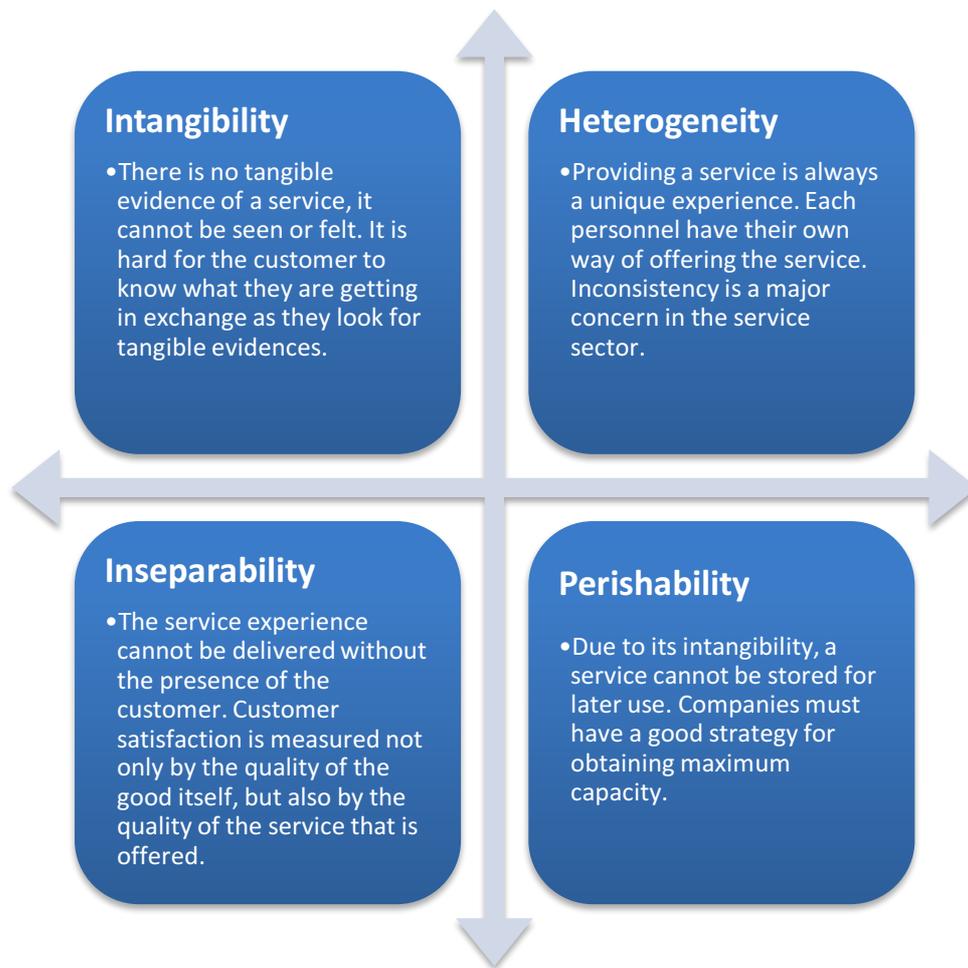
All companies and organizations need marketing in order to survive and succeed in the long-term. A company may have accomplishments without marketing but only in rare cases of monopoly or excess of demand. In order for the company to start developing their market, they should get in touch with understanding the principles and disciplines required for marketing and applying them to different situations (Meldrum & McDonald 2007, p.3-4).

Basically, what a functional marketing aims at is matching the needs and wants of the target customers with products and services the company has to offer better than the competitors. In theory it may sound simple, but in practice it can be very complicated to achieve – this is why understanding marketing is crucial for the success of every company. (Meldrum & McDonald 2007, p.3-4.)

An experienced marketer is able to understand the customer's needs, develop products that create value, meet their expectation for pricing, distribute and promote them effectively (Kotler, Bowen, Makens & Baloglu 2017, p. 31).

### **2.2 Services Marketing**

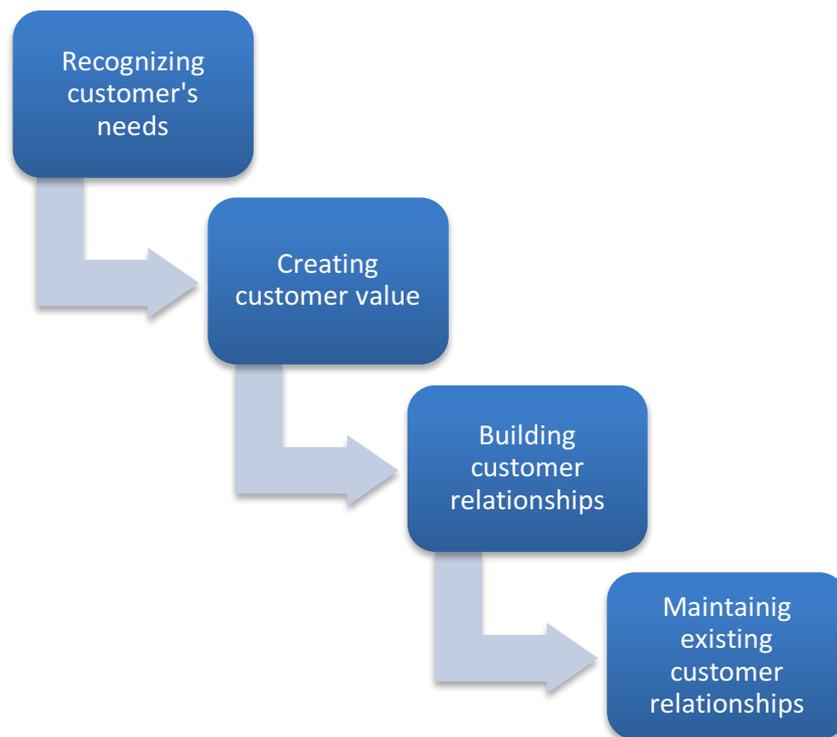
In tourism and hospitality industry there are both goods and services offered to the customer. While goods are easy to estimate and measure due to their tangibility, services on the other hand are much more difficult to distinguish. There are four characteristics that differ services from goods. (Hudson 2008, p.13.)



**Figure 1 Qualities of service marketing (Hudson 2008, p.14)**

If the company succeeds in customer relationships, they will then receive value back from the customer, this is represented in the forms of **sales, profit** and **long-term customer equity**. The offering of a tourism company goes far beyond from just selling products and services. The real value for the customers is the memories and experiences they get during their stay. Companies must find ways to meet the customer's expectations and satisfy them so that they wish to come over and over again. (Kotler et al. 2017, p. 31-33.)

At the heart of successful service's marketing is the *customer* – therefore companies should put all their effort in creating value for customers and building customer relationships. This can be defined into a process:



**Figure 2 Managing customer relationships (Kotler et al. 2017, p.31)**

### **3 Marketing plan theory**

*A marketing plan is a report that shows how a company uses its marketing mix to realize the objectives they have for marketing (Hudson 2008, p.78).*

A good marketing plan in tourism and hospitality gives a company the opportunity to know which types of marketing activities and tools to use and what is the right time to apply them. It makes sure that the marketing activities go hand in hand with the corporate strategic plan. This means that the manager can recognize all the steps in each marketing process, and use the information to match the different fields of management within the organization. (Hudson 2008, p.78-80.)

Benefits of making a marketing plan can be seen in both short and long term financial statements. The plan forces managers to think about all the marketing processes and to make sure they are communicated to the whole organization. This ensures that the marketing activities match with the corporate strategic plan of the company. It determines which marketing activities to use in the fu-

ture, this assist's the budgeting process to choose the right resources. (Hudson 2008, p.78-80.)

Marketing plan helps the managers understand the complexity of marketing, as there are several internal and external factors that affect the market. It gives the organization an opportunity to see the marketing objectives in a more rational way, rather than bringing personal opinions and feelings to guide the process. (Meldrum & McDonald 2007, p.251-253.)

The following chapters explain in detail how each of the eight steps (table 1) are implemented and what strategies are used to construct the marketing plan.

### **3.1 Step 1: Corporate connection**

In order to make a useful marketing plan, there needs to be a solid base. The aim of the marketing plan is to support the company's business strategy, therefore before starting to implement the plan, managers must set a mission and vision statement for the company. Mission describes what the business is and its overall philosophy. It can be a simple phrase that aims to communicate the company's direction to both internal and external entities within the organization. Vision statement reflects where the company sees themselves in the future. (Hudson 2008, p.80-81.)

Both mission and vision are based on the company's business strategy goals and objectives. Goals are the primary aims that the company has, like for instance; sales growth, whereas objectives are the actions that are taken to achieve these results. (Hudson 2008, p.80-81.)

### **3.2 Step 2: Analysis and forecasting**

The second step of the marketing plan is to recognize and analyse the current situation where the company is at the moment. There are several ways to do this, the most common models that marketers prefer are the SWOT analysis, competitor analysis and segmentation analysis. (Hudson 2008, p.81.)

Forecasting is a process that looks at future possibilities in factors such as sales volume and revenue trends, consumer and product profiles, price trends and

trends in the environment. Forecasting is a good tool to support the analysis, since there is no right way to predict the future. To be able to have a realistic approach in forecasting it has to rely on judgement, expectations and projections. (Hudson 2008 p.92-93.)

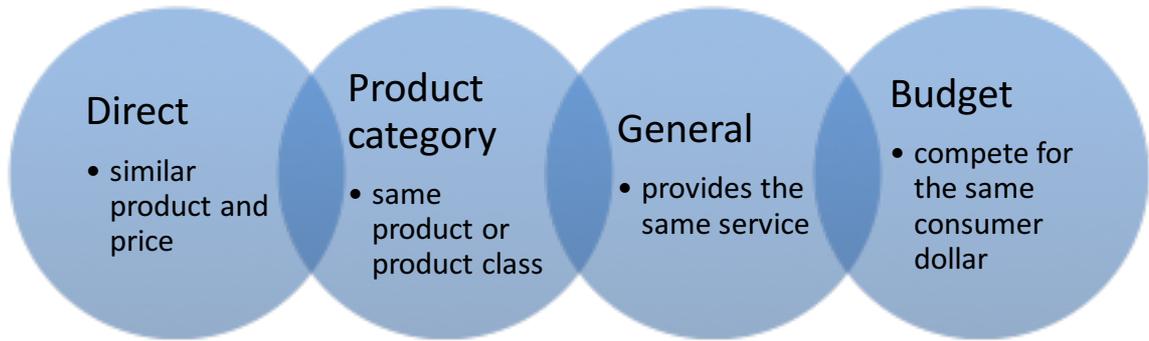
### **SWOT analysis**

SWOT stands for *strengths, weaknesses, opportunities* and *threats*. Strengths and weaknesses focus on internal factors of the company, and opportunities and threats are external factors. The main difference is that external factors cannot be completely changed like internal factors which are inside the organization. The idea of making the SWOT analysis is to look for matching strengths and opportunities to increase the company's attractiveness meanwhile trying to eliminate weaknesses and minimize the threats. (Kotler et al. 2017, p. 94-95.)

Strengths are positive internal aspects such as location or resources the company has that help achieve objectives. Weaknesses are internal limitations that the company has that have a negative output in achieving the objectives. Opportunities are positive external factors such as trends, which the company may gain advantage of. Threats are the negative factors of the environment that challenge the company. (Kotler et al. 2017, p. 94-95)

### **Competitor analysis**

At the beginning of the marketing plan process it is really important to study the competitors. The analysis examines the amount and type of competitors that exist in the market. As well as analysing the competition it also highlights market trends and the level of customer loyalty. Competitor analysis also evaluates how the competitors operate their weaknesses and strengths in the market. There are four main types of competitors that can be categorized:



**Figure 3 Four types of competitors (Hudson 2008, p.84)**

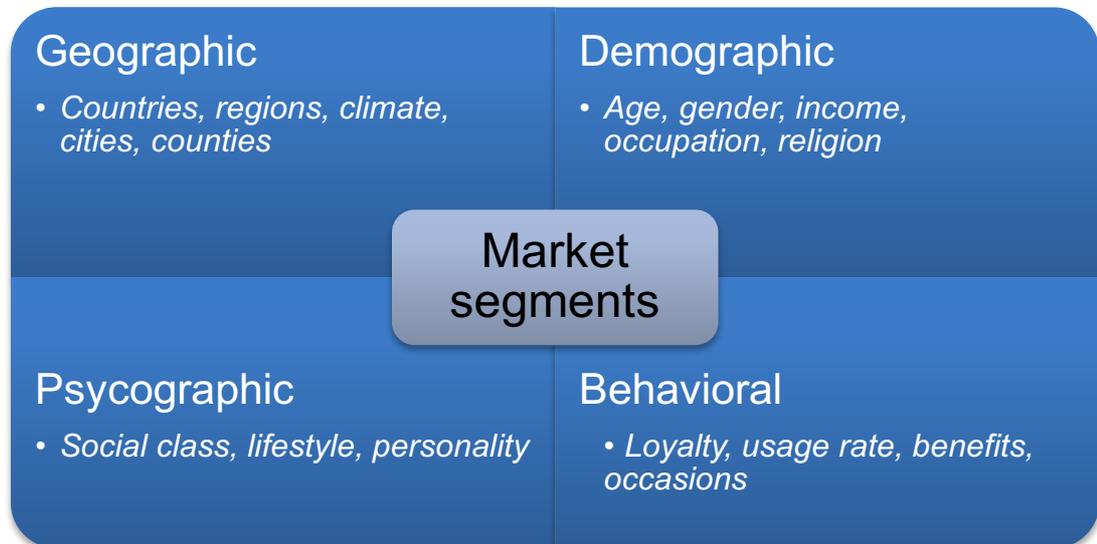
When analysing the competition, it is important to not only look at figures and physical differences. Customers recognize and analyse differences in service qualities and levels, therefore an effective competitive analysis looks at the reasons why customers decide to purchase a certain product or service (Kotler et al. 2017, p.556).

Michael Porter has created three strategies to deal with competition: *low-cost leadership*, *differentiation* and *focus*. Low-cost leadership is aiming to be the lowest possible provider in the market. In differentiation the company offers a service or product that has unique features compared to competitors, this requires innovation and being way ahead of the competition. Focusing is creating a product that meets the needs of the target group better than its competitors. (Hudson 2008, p. 84-86.)

### **Segmentation analysis**

It is impossible for a company to offer goods and services that would satisfy and meet the needs of every customer. Therefore, companies should identify different markets and then decide which of these they could serve the best and gain the most profit from. In the service sector it is important to state that a company must look for customer-centric marketing strategies if they wish to build right relationships with the right customers. Successful segmentation is the key in marketing management. First of all, the managers should recognize the potential target market they are aiming at. In order to find it, the company must divide customers into different segments. (Kotler et al. 2017, p. 224-225.)

There is no single way to segment, however the most common way of distinguishing customer needs and wants from one and other is putting them to separate groups based on *geographic, demographics, psychographic* and *behavioral factors* (Kotler et al. 2017, p. 224-225).



**Figure 4 Types of market segments (Kotler et al. 2017, p. 225).**

Effective segmentation has the following aspects; size and purchasing power can be **measured**, the segment is **accessible**, the segment is large enough to create **profit**, and to what degree an effective program can be developed to **serve different segments simultaneously** (Kotler et al. 2017, p. 233-234).

When the segmentation is done correctly, it satisfies the target customer as it is designed to meet their personal needs. Especially, in tourism business customer's social needs are pleased if like-minded people spend the vacations in the same hotel or opt for the same tours. When the company knows exactly which media to reach and what type of message affects their way of life, they are able to make huge savings in advertising costs. (Hudson 2008, p.88.)

### **3.3 Step 3: Goals and objectives**

After the company has defined its mission and made analysis of its current situation, the managers should identify marketing goals and objectives. It is usual and recommendable for a company to define more than one objective and then prioritize them from the most important to the least. Whenever possible, the ob-

jectives should be measured quantitatively as most target to financial goals. (Kotler et al. 2017 p.97.)

For example:

Hotel's goal is to increase the overall sales. The objective to achieve the goal is to have 20% increase in accommodation and 15% increase in food and beverage sales. (Hudson 2008, p.94.)

The goals the managers set should be realistic and based on the earlier analysis of the company's strengths and weaknesses. Goals can be related to sales growth, increased profitability and market leadership. (Kotler et al. 2017 p.97.)



**Figure 5 Goals, Objectives and Strategies (Hudson 2008, p. 94, 100)**

#### “TACTICAL OBJECTIVES

1. Integrated with long-term corporate goals and strategy
2. Precise in terms of sales volume and revenue or market share
3. Specific in terms of which product and segments they apply to
4. Specific in terms of time period in which they are to be achieved
5. Realistic and aggressive in terms of market trends and in relation to budgets available
6. Agreed by managers
7. Measureable directly or indirectly”

**Figure 6 Tactical objectives (Hudson 2008, p.95)**

It is also important to have sub-objectives to guide each action that happens in the sales department. These could be for example occupancy rate in certain period of time or annual sales of a salesperson. Each area such as promotion, advertising, sales etc. within the marketing department should be guided by sub-objectives that are linked to the company’s strategic goals. (Hudson 2008, p.95.)

### **3.4 Step 4: Marketing Strategy**

Based on the earlier steps of the marketing plan, in step 4 managers should use different strategies to position and target the company in the market. Positioning shows the place the company has in the market compared to its competitors. Targeting is recognizing the potential target segments. (Hudson 2008, p.94-95.)

#### **Targeting**

After the segmentation has been done, the company must analyse and estimate which of the segments would serve them the best. Finally, they might come up with more than one potential market, the importance is to make the evaluation in accordance with the company’s marketing objectives and goals. (Kotler et al. 2017, p. 233-235.)

To be able to select the right target market, the managers should consider the size and growth possibility of the segment, attractiveness of the segment (demand and competition) and that the company objectives and resources meet with the segment. Another crucial point is that companies should *only* select

target groups which they can gain more from compared to their competitors. (Kotler et al. 2017, p. 233-235.)

## **Positioning**

When the target market has been identified, the company should position themselves in the market. Positioning is a communication strategy to achieve advantage over competitors, it tells how the customers observe the product or service in the market (Hudson 2008, p.96-98).

An effective positioning method follows these three steps:



**Figure 6 Positioning strategy (Hudson 2008, p.97-98)**

Product or service differentiation is the first step in effective positioning strategy. Differentiation is gaining competitive advantages by offering products or service distinct from the competitors. These features maybe measured in: services, service quality, style or price range. Differentiation can give the company the opportunity of higher price levels by adding a little more to the product. (Hudson 2008, p.96-98.)

In service marketing it is extremely important to differentiate in service quality. Services have fewer qualities that can be measured, therefore gaining customer trust is extremely important. The decision of the customers to make a re-purchase or recommend the company is all based on the level of service quality that they experience. (Hudson 2008, p.96-98.)

In the second step the company categorizes themselves, and build an image they want to convey to their customers. It is important to set the image based on the company mission and vision since later the image is really hard to change. The company should come up with a combination of competitive advantages they want to promote to the customers. (Hudson 2008, p.96-98.)

Unique selling proposition is strategy that uses a feature of a product to distinguish it from all other products in the market. The idea of this strategy is to promote the company as the head provider of a product that is highly valued by the target group. (Hudson 2008, p.96-98.)

Finally, the aim of an effective positioning strategy is to maintain a consistent strategy and provide unique offerings to the target customers. The promotion of products and services must be continuously developed if the company wishes to alter the consumer's mind. The quality and frequency of media exposure determines how well the positioning strategy is communicated. (Hudson 2008, p.96-98.)

In tourism and hospitality branding is often used to differentiate the services from the competitors. It is a method that applies a distinctive identity for the service from the point of view of competitive differentiation. A brand creates a certain image, idea or perception in the minds of the consumers. (Hudson 2008, p.96-98.)

### **3.5 Step 5: Tactics and action plans**

Step five is about applying marketing strategies that will help the organization understand the market environment, and choose alternatives to meet the marketing goals and objectives (Hudson 2008, p.100).

#### **Marketing mix**

There are several factors that drive the decision of a consumer to purchase a certain product or service. In marketing terminology these factors are categorized in the marketing mix. There are four factors called the 4p's, that affect marketing, these are: *price, promotion, products and place*. (Meldrum & McDonald 2007, p.4.)

*Products* can be classified in terms of: range, quality, type, technical features etc. A company may have started off with a core product or service that gave them the idea of the business however, nothing lasts for ever and managers should have a flexible mind-set of always looking for new opportunities. (Meldrum & McDonald 2007, p.3-4.)

*Price* management can be a quick way of gaining profit as well as losing it. It is the art of positioning the product with the target customer's needs, so that it meets their perception in both quality and price. Product value and price consistency are both important when trying to meet the customer's needs. (Meldrum & McDonald 2007, p.3-4.)

*Promotion* is all about the communication between the supplier and the consumer. There are both personal and impersonal promotions. Personal promotion is selling face-to-face. A good sales person knows how to persuade and come up with a deal that satisfies both parties. Advertising is the tool for impersonal sales the difference being there is no physical contact involved. (Meldrum & McDonald 2007, p.3-4.)

*Place* means channels through which the purchasing takes place. The place elements must be integrated with delivery, packaging and customer service. Different channels have different costs and opportunities for the company, therefore a careful analysis should take place when looking for possible channels. (Meldrum & McDonald 2007, p.3-4.)

As a tool, the marketing mix is effective, since it helps the managers of the company to recognize all the different aspects of the product or service and how they could be developed so that the consumer is satisfied. It helps create a perfect combination that allows a successful relationship with the supplier and consumer. (Meldrum & McDonald 2007, p.3-4.)

When the marketing mix factors are understood correctly, the company managements must learn how to evaluate and manipulate all of these external and internal factors, to create a perfect match that consumer wishes to buy (Meldrum & McDonald 2007, p.3-4).

Another way of looking at the marketing mix is through the customer's eyes. An integrated marketing mix is especially important to take into consideration when creating a customer value-driven marketing strategy. The customer is not just looking for the price of the product but value and solution to their problem. For the customer a tool of 4c's can be measured looking at the: *customer solution, customer cost, convenience and communication*. (Kotler et al. 2017, p. 92-93.)

## **Marketing communication mix**

A marketing communication mix consists of different promotional techniques that companies use for communicating effectively with their customers. The main aim of these techniques is to find ways to increase customer value and build strong customer relationships. The five major tools are: *advertising, personal selling, public relations, direct and digital marketing* and *sales promotion*. (Kotler et al. 2017, p.375.)

*Advertising* is categorized as non-personal, paid promotion of goods, services and ideas that have an identified sponsor (Kotler et al. 2017, p.375).

*Personal selling* is a personal presentation done by a sales person with the aim of selling and creating customer relationships (Kotler et al. 2017, p.375).

*Public relations* focus on building positive image of the company with the public. It takes care of handling the negative aspects that might occur in the media. (Kotler et al. 2017, p.375.)

*Direct and digital marketing* takes care of communication with targeted consumers to give them quick responses and maintain customer relationships. These direct communication tools are: e-mail, mail, internet telephone, radio and Television. (Kotler et al. 2017, p.375.)

*Sales promotion* includes short-term incentives such as campaigns, coupons discounts etc. that promote the sales process (Kotler et al. 2017, p.375).

Marketing communications has never been so complicated and rapidly changing, since the rise of digital era information moves faster than ever. Needless to say – marketing is influenced not only from the supplier to buyer but also from the buyer to supplier and even between buyers. For this sake, customer relationship management is becoming more and more demanding, and companies must not underestimate the power of social media. (Kotler et al. 2017, p.31.)

Marketers must find ways to keep up with the rapid changes that the communication is facing. No longer are the mass communication tools as relevant as they used to be. Since new technologies of smartphones and tablets have been

launched, the efficiency and way to communicate has become more personal. This has given space to a more targeted and specific type of marketing. The challenges to face are how to integrate so many different communication channels and keep up with content – this change for sure has given the consumers much more power than ever to affect the brand image. (Kotler et al. 2017, p. 376-377.)

## **PEST analysis**

PEST analysis together with the SWOT analysis is an important tool which helps identify the external factors that affect the macro environment in a certain region or country. PEST stands for political, economic, social and cultural and technological factors. (Lumsdon 1997.)

*Political factors* include all the political changes in the economic environment that can change the way how people behave. For example, war zones or legal matters like visa entry requirements to certain countries both have an impact on traveling. (Lumsdon 1997.)

*Economic factors* are important to recognize and predict as they will affect the company's marketing activities. These could be changes in taxes that have an effect on airport and hotel prices, or dramatic changes in exchange rates that also have an impact on tourism. (Lumsdon 1997.)

*Social and cultural factors* are for instance; fashion trends, ecological awareness, religion and ethics, as well as other aspects that rise from the population's social and cultural backgrounds (Meldrum & McDonald 2007, p.4-5).

*Technological development* is nowadays moving towards continuous and rapid changes. Improvements in tourism technology like opening new railways or the impact of computers in technology has given the opportunity to automatized reservation systems. (Lumsdon 1997.)

A wider perspective to the PEST analysis is PESTLE analysis which also includes the legal and environmental factors that may affect the company operations. The legal factors include the current and future legislation which include employment law, consumer protections, health and safety regulations etc. Envi-

ronmental factors are about the environmental regulations, sustainability and carbon footprint which also affect the company's demand in the market. (Process Policy, n.d.)

### **3.6 Step 6: Resource requirements**

When the marketing objectives and the strategies on how to pursue them are clear, the company needs to recognize the resources used to support them. Main resources that are needed in marketing are the personnel and budget, also equipment, space, research, consultations and trainings are be required resources. (Hudson, 2008 p.100-101.)

Personnel in service business is the most important marketing resource because they sell the customer experience. Marketing budget is the amount of money that is needed to complete the goals in the marketing plan. It is important to set a realistic budget so that the company is able to reach the marketing goals they have set for the marketing plan. (Hudson 2008, p.100-101.)

It is important for the company to acknowledge what resources are required and put enough effort on them in order to succeed in the marketing plan (Hudson 2008, p.100-101).

### **3.7 Step 7: Marketing controls**

Marketing controls are important to have because they make sure that the objectives will be accomplished in the required time. Usually marketing objectives that are set are planned to a maximum of one year, corporate goals, however, can be set for a longer period. (Hudson 2008, p.101-102.)

Controls measure and evaluate the efficiency of the actions that are happening during the marketing process. To achieve the goals and objectives, control over sales forecasts and other terms that are stated in the objectives must be checked frequently during the process, this will show how well the objectives are being reached. (Hudson 2008, p.101-102.)

Part of the risk management in marketing controls is implementing an effective contingency plan. If objectives are not reached or plans change, there needs to be an alternative solution that can be considered. (Hudson 2008, p.101-102.)

### **3.8 Step 8: Communicating the plan**

Communicating the marketing plan is essential to both internal and external entities that take part. Especially in the service sector the personnel play a huge role in the customer satisfaction. Involving the staff in the planning process, will motivate them to seek for better performances in service and to reach common organizational values. (Hudson 2008, p.102-103.)

Apart from the personnel, other internal departments to communicate the plan with are the marketing and sales department, management department and advertising agencies. External entities include the stakeholders and investors that are associated with company, there might be also government funded projects that are interested to know about the company's marketing actions and objectives. (Hudson 2008, p.102-103.)

Executive summary is a report that concludes the whole process of the marketing plan to both internal and external parties. The summary leaves out the detailed analyses and summarizes only the key objectives and actions from the marketing plan. Executive summary is important to have in the plan, as not all designated have time or interest to read the whole plan. (Hudson 2008, p.102-103.)

## **4 Marketing plan for Sunrise Paradise**

### **4.1 Presentation of the partner company**

The partner company for this thesis research is called Sunrise Paradise. It is a wellness village located on the east side of Bali island. The company is new and they have not started to operate yet. At the moment they are initiating the construction project that will be ready later in 2018.

#### 4.1.1 Services

Sunrise Paradise will be a four-star wellness village that will offer luxury accommodation and wellness services in an environment-friendly manner. For accommodation they offer private bungalows that have a unique architectural design of sacred geometry. Sacred geometry seeks to combine the modern academic approach of geometry with the artistic and intuitive side, which can be found in ancient architecture throughout the history such as temples and pyramids (Sacred Geometry International 2012).



**Figure 7 Hotel's main building (Sunrise Paradise 2018)**

There will be four big bungalows (50m<sup>2</sup>) that will have two double beds in separate bedrooms with the capacity for four persons and four smaller bungalows (35m<sup>2</sup>) with one bedroom that will have one double bed and a sofa bed with the maximum capacity for four persons. All villas will be equipped with a mini-kitchen, bathroom, smart-TV, Wi-Fi, air-conditioning, a private garden and a Jacuzzi.

In the main lobby there will be a reception area, restaurant and bar services. The restaurant will be a space for recreation and hanging-out. It is the place where evening activities take place such as live music events with the idea to attract guests from outside as well.



**Figure 8 Sunrise Paradise Wellness Village (Sunrise Paradise 2018)**

The wellness village will offer a variety of wellness activities which include guided yoga and meditation sessions, private nutrition- and health consultancy, a swimming pool and spa services with a traditional Finnish sauna.

The company will offer transportation services from the airport and guided day trips to the surrounding areas such as Gili- islands. Once the hotels starts to operate they will have all-inclusive yoga-retreats, which will include the flights and hotel services with accommodation and the day's program.

#### **4.1.2 Bali**

Tourism industry in Bali has been growing during the last years. The island reached nearly 5 million tourists last year which is relatively a lot for such a small island (Coconut Bali 2017).

Bali Island forms part of the over approximately 17,500 islands that Indonesia has (Lonely Planet 2017). It is situated east from the Java island and west from the island of Lombok. Bali is a natural paradise and a unique destination, as it is the only island in Indonesia that has Hinduism as its main religion. Spirituality together with Balinese culture gives the visitors an exotic and mystical holiday experience. (Indonesia travel n.d.)

Bali is a small island with only 5,780 sq. km and has a population of 4 million people. In 2016 a. 4.9M tourists visited the island that is 22.55% more than the previous year. Most tourists are Australians, Chinese and Japanese. (Global Expat 2017.)

The Sunrise Paradise wellness village is situated on the eastern side of Bali. It is just next to the town of Candidasa. There is an access to the beach which is only a few kilometres away.



**Figure 9 Bali map (Welt-atlas, n.d.)**

The Eastern side of Bali is a perfect destination for those who wish to enjoy the relaxing and calming side of Balinese culture. The area does not have as much tourism, and therefore visitors can enjoy a tranquil atmosphere with a unique local experience. It is the best area to enjoy swimming, diving and fishing, because the waves are not as strong as in other parts of the island.

#### **4.2 The eight-step model**

The model that the author has chosen for the partner company to conduct the marketing plan has been decided by comparing different approaches found from several marketing books. The decision for the model required a systematic

evaluation process that placed importance to the corporate structure as well as the goals and objectives set for the company before making the marketing plan.

The decision the author came up with was to use the eight step approach found in Simon Hudson's book: *Tourism and hospitality marketing (2008)*. What affected the decision was the simplicity of the process and the tourism point of view that the book has. Other resources used for the marketing theory and to conclude the plan was a book from Kotler et al. (2017) called *Marketing for hospitality and tourism* which represent a very similar process.

Other possible materials were found in John Westwood's book: *How to write a marketing plan*. The book had a similar approach that was also easy to follow, but it was not considered the best option due to its outdated view and that it was not specifically targeted for tourism industry.

#### **4.2.1 Mission and vision**

The company has not stated their mission yet but based on the given information and observations, the author has come up with the following statement:

*"The mission of the company is to offer luxury accommodation and wellness services to guests who look for a relaxing natural experience in the Bali island."*

Sunrise Paradise's most important values are to have excellent customer service and to be as environmentally friendly as possible with the products and services they have to offer. As a business they give great importance to success and being as profitable as possible.

Future visions the company has have not been determined since they are just starting to operate in the end of the year 2018, but if the business grows according to plan in the near future, they plan to rent more land and build more villas. They have already asked for possible land to rent next to the hotel; it is good to know in advance about the possibility of future development.

## **4.2.2 Analysis and forecasting**

### **SWOT analysis**

#### **Strengths**

Main strengths of Sunrise Paradise are their good location from the airport (60km), Ubud yoga village (40km), Ulu vatu surfing sites (80 km), the nearby beach is also only a few kilometres away from the wellness village. The location is also strategical since it is on the eastern side of Bali where there are not so many other hotels nearby. The mass tourism destinations like Kuta beach are on the southern point of Bali, but for those who are looking for relaxing and enjoying the beautiful nature, Sunrise Paradise is a perfect location. (Google maps n.d.)

The hotel is four-stars and its services are targeted to high-income guests. They offer luxury villas for accommodation which makes it a niche market (Smart insights 2015). The luxury and the fact that the hotel owners are from Finland give a lot of credit to security and reliability to the company image, especially when targeted to European and Finnish consumer markets.

The hotel and villa's architecture will be something very unique as it has elements of sacred geometry. This strength will attract curious customers from all around the world and bring along walk in guests.

#### **Weaknesses**

The fact that the company is owned by Finns and there is an international work team is a challenge for the whole organization. Misunderstandings and language barriers between the organization are all cultural factors that can become weaknesses at some point. The work morals and different religious backgrounds of the locals can be hard for the westerners to adapt.

In Bali things are done very differently than in Finland, sometimes these differences may raise insecurity and doubts. If a certain timetable is planned, it is not the same in Bali as in Finland, things might not always go according to plans, and back up plans should be made before the problems arise.

## **Opportunities**

Bali is a growing tourist market destination, more and more people are curious to get a touch of this unique culture. As the name Sunrise Paradise tells it, Bali has been identified as a true paradise island that attracts a lot of tourists around the world. Bali's versatile nature and beautiful beaches and landscapes, a warm tropical climate all year around leaves no doubt that this place has several opportunities for a tourism company.

One potentiality with high seasons is that there is a growing market of tourists coming from both Europe and Australia which happen to have different summer holiday seasons. Hotels in Bali do not have to worry too much about long periods of low occupancy rates outside the high-season, there are always tourists coming.

The company offers wellness treatments; yoga and meditation classes and personal health- and nutrition consultancy. They also aim for environmental awareness and organic food in their restaurant which are all rising market trends.

## **Threats**

Bali is located in a high risk zone, when it comes to volcano eruptions, tsunamis and earthquakes because of the transition of the tectonic plates that are situated beneath the island. The news of natural catastrophes has great environmental impacts on the tourist attractions. Tourism companies should find ways to minimize the risks, however the law of nature cannot be beaten. (Earth Observatory of Singapore n.d.)

For the international workforce it is important to state that the annual fee for work visas in Indonesia is USD 1200 which might not be too much but when compared within the local salaries this could be an issue when employing foreigners (Visa Bali, n.d.).

Bali has a tropical climate which means that there is high-humidity that brings mould that could challenge both construction process and people's health.

<p style="text-align: center;"><b>Strengths</b></p> <ul style="list-style-type: none"> <li>➤ Good location and distances</li> <li>➤ Niche market; high-income customers</li> <li>➤ Traditional Finnish Sauna</li> <li>➤ Luxury hotel brings security</li> <li>➤ Unique architecture</li> </ul>	<p style="text-align: center;"><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>➤ Cultural misunderstandings and communication with Indonesian and Bali languages</li> <li>➤ Employee's work moral differs based on cultural and religious backgrounds</li> </ul>
<p style="text-align: center;"><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>➤ Bali is a growing destination</li> <li>➤ Bali has beautiful nature and landscapes</li> <li>➤ Growing market trend in wellness tourism and ecology</li> <li>➤ Bali has warm climate all year round</li> </ul>	<p style="text-align: center;"><b>Threats</b></p> <ul style="list-style-type: none"> <li>➤ Risk area: Volcano eruptions or other natural catastrophes</li> <li>➤ Expensive visas for foreigners</li> <li>➤ High humidity brings mould problems that challenge health and constructions operations</li> </ul>

**Table 2 SWOT analysis**

### **Competitor analysis**

The competitor analysis will look at direct and substitute companies around the area of East-Bali coast.

### **Direct competitors**

In the 7km zone around Sunrise Paradise there are around 20 hotels according to TripAdvisor, from these only four are 4-star hotels that have similar service like: restaurant, air-conditioning, swimming pool and spa: **Candidasa Beach Resort and Spa, Rama Candidasa Resort and Spa, Nirwana Resort and Spa Candidasa** and **Sea Breeze**. All of these hotels are located on the Candidasa beach.

Company, location, stars	Services and amenities	Room rates
<b>Sunrise Paradise</b> , 4 km from the beach, 4 star hotel, TripAdvisor – no rates yet	Restaurant and Spa services, 8 bungalow type villas, with geometrical archetypes that include; private garden and Jacuzzi, bathroom, AC, mini kitchen, smart-TV, Wi-Fi. Activities: arranged day trips, yoga & meditation retreats, private health and nutrition consultancy. (Sunrise Paradise, 2018)	Bungalow 35m <sup>2</sup> : High-season: €120  Low-season: €108
<b>Sea Breeze</b> , beachfront, 4 star hotel, TripAdvisor 4.5	14 villas with ocean view that have a private terrace, granite floors, natural stone walls, double/twin bed, AC, safety box, LCD, DVD, free movie, Wi-Fi, Minibar, tea/coffeemaker (Sea Breeze Candidasa n.d.).	Deluxe ocean view room: High-season: €100 Low-season: €90
<b>Rama Candidasa resort and spa</b> , beachfront, 4 star hotel, TripAdvisor 4.5	Restaurant, swimming pools, garden area, meeting room, library and business centre, wellness spa, 77 artistically furnished rooms that have: private terrace/balcony, AC, safety box, minibar, tea/coffee maker, LCD, DVD Activities: nature walks, rice-paddling treks, traditional arts lessons, diving, snorkelling and yoga (Rama Candidasa Hotel n.d.).	Superior garden room 32m <sup>2</sup> : High-season: €92  Low-season: €92
<b>Candi Beach Resort and Spa</b> , beachfront, 4 star hotel, TripAdvisor 4.5	Full spa-services, 2 restaurants, 19 villas, with garden or ocean view; equipped with AC, private bathroom, minibar, satellite TV, safe box, tea and coffeemakers, telephone, terrace/balcony (Candi Beach Villas n.d.).	Deluxe garden bungalow 29m <sup>2</sup> : High-season: €118 Low-season: €100

<b>Nirwana Resort and Spa</b> , beachfront, 4 star hotel, TripAdvisor 4.0	Restaurant and spa services, the spa offers a variety of beauty and wellness treatments: from aromatherapy to massages, uses organic materials for all treatments. Room includes: king-size bed, balcony, satellite-TV, AC, tea/coffeemaker, Wi-Fi, minibar, safety box (The Nirwana n.d.).	<b>Superior garden room 20m2</b> High-season: €77 Low-season: €52
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**Table 3 Direct competitors**

**Differentiation strategy (based on direct competitors)**

**Location**

Sunrise Paradise is located just a walk away from the beach, however since it is not on the beach but surrounded by nature, it gives a possibility to market itself to customers who are looking for a quiet and relaxing atmosphere away from the city noises and crowds. The location suits well with the company’s concept of nature, yoga and meditation, because there are no other infrastructures within the 2 kilometre zone from the hotel.

**Services**

Based on the competitor analysis there are a few other hotels in the zone that offer similar service like spa and restaurant, (seen in the table 3) from these only Rama Candidasa Beach resort offers yoga lessons. The spa services that Nirwana resort and spa offers have a great variety of different services and they also use organic ingredients for the treatments.

On the “book yoga retreats” website there are four different companies that offer yoga retreats, these are Rama Candidasa, Pondok Pisang Bungalow, Puri Bagus Candidasa and Alila Manggis (Book Yoga Retreats n.d.).

The fact that there are only a few yoga retreat providers in East Bali is good for Sunrise Paradise’s differentiation strategy. Certainly there is no direct competition when compared to all the services the company will have, like the health

and nutrition consultancy, together with the yoga retreats, organic food restaurant and spa.

What comes to analysing Sunrise Paradise with the direct competitor's room facilities, the main difference that they offer is the unique architectural design, private garden and Jacuzzi.

### **Price rates**

Sunrise Paradise managers are still working with the price lists and the price rate in the table is only directional at the moment. The competitor's price rates were based on the company websites and not compared through other commercial websites as price rates in hotel industry may vary a lot. However, based on the analysis Sunrise Paradise's pricing would fit well with the competition in terms of quality, service and location.

Depending on the output when the company starts to operate and due to the fact that they offer unique qualities such as the private garden and Jacuzzi, with good service performance depending on the occupancy rate they could even categorise their bungalows' rack rates a bit higher.

### **General and substitute competitors**

In the Candidasa beach area there are quite a few companies offering accommodation for a fairly low-budget. According to TripAdvisor there are around ten different low-budget accommodations that range from €10 to €19 per night that are situated on the Jalan Raya street which is the main street of Candidasa Beach (TripAdvisor n.d.).

The Ari home Candidasa offers rooms starting from €15 per night, with a double bed and including breakfast but without air conditioning and €20 with air conditioning. It is a bed and breakfast type accommodation and they do not have swimming pool or other special services. (Ari home n.d.) Seaside cottages rent cottage with a double bed starting from €11 without air conditioning and €15 with air conditioning (Bali beachfront cottages n.d.).

The low-budget accommodation offer much fewer services compared to the direct competitors and they attract a different type of target group. Low budget accommodations which are typically bed and breakfast or hostel type are more common with pack backers because they are categorized as low-budget travelers. If analysed based on the common need of accommodation, these companies are competitors to Sunrise Paradise, however, they attract a different type of market and the real threat are the direct competitors since they compete on the same consumer market and offer similar services.

#### **4.2.3 Goals and objectives**

According to the company management, the main goal of Sunrise Paradise is to be the best hotel in eastern Bali in terms of customer service, tidiness, ecological awareness and occupancy rate.

To be able to achieve these goals the company needs to set short-term objectives that help to reach them. The company is at the moment working with the business strategy model and their strategies are not determined yet. Therefore, the following possible objectives are based on the author's own observations.

**Customer service;** to be able to perform excellent customer service, the company needs to hire professional staff that have experience in customer service and tourism sector. The superior of each department (reception, restaurant and spa) should come up with strategic customer service techniques that support customer satisfaction and value proposition. These techniques then should be communicated with the staff and make sure that everyone in customer service is familiar with this concept. Keeping the staff communicated and motivated is certainly the best way to make sure the company can provide good customer satisfaction.

**Tidiness;** the fact is that the way to attract customers in hotel business is to make them feel comfortable and safe to stay in the hotel, a big part of this is that the premises are well maintained and clean. The company must hire well trained cleaners, as well as look for a suitable laundry service in case they are outsourcing the service. Laundry service is an essential part of the hotel business, since new linen and towels are necessary all the time.

**Ecological awareness;** first of all, the company has to set up goals on terms of how ecological they want to be and are able to be. The environment has a big impact on the image of a tourism company, especially when their concept is linked to nature and the use of organic products.

Small facts like how many times the towels and linen are changed when the same guest stays for several nights, determines how much water and energy are used to wash them. The products for the hotel rooms like the soaps and toilet paper must also be carefully chosen based on the ecological factors. To encourage the guest to recycle and show an example as an organization gives a positive impact. However, to what degree to be an eco-friendly company also depends on the surrounding values and possibilities of the country where the company is in. The company itself may recycle and flourish in ecological awareness however they still have to face the challenges of environmental regulations in Indonesia.

**Occupancy rate;** The company should set goals on how much occupancy they wish to have during the first year and then think about marketing strategies on how to achieve these goal.

July and August are the driest months in Bali; also in the months before April and May and after September a nice weather can be enjoyed. From November till March are the rainy months of the year, this is when in Thailand and other countries north of Indonesia enjoy their peak season. Of course, on holiday season like Christmas there is a high demand as well. (Trip savvy n.d.) For all tourism companies, the challenge is how to have a stable profit throughout the year. In this case it is important to have a marketing strategy for both low and high season which means to lower down the prices when the demand is low.

The company should also think about when and how many times a year to organize the yoga retreats. The company should think about strategical times of the year to market the retreats so that they could gain enough interest from both European and Australian tourists who have different holiday seasons.

#### 4.2.4 Marketing strategy

##### Positioning

Based on the factors that differentiate Sunrise Paradise from the competitors, they should position themselves in terms of wellness services, unique architecture and natural location.

<b>Differentiation strategy</b>
<b>Location;</b> Tranquil in the nature
<b>Marketing strategy;</b> Yoga retreatment packages
<b>Services;</b> Private health and nutrition consultancy
<b>Restaurant services;</b> Organic food restaurant
<b>Facilities;</b> Unique architecture and traditional Finnish sauna
<b>Room services;</b> Jacuzzi, private garden, Smart-TV

**Table 4 Differentiation Strategy**

##### Targeting

The hotel will be 4 stars and its services will be targeted from middle to high income guests. This star type is based on Australian standards and what the company management has decided to set for the search engine optimization.

Sunrise Paradise is a Finnish based company and as part of the marketing research there will be a closer look at this geographical area but of course the idea is to attract customers from all around the world.

The targeted groups are families, couples and singles who are interested in seeking new experiences anywhere from outdoor activities to holistic practices. From these targets especially middle-aged single female travellers are interested in holistic practices such as yoga and meditation. For the last decades wom-

en in western countries have gained more spending power thanks to better income and professional opportunities. (Smith & Puczko, 2009, p.77.)

A growing target group is the baby boomers who are interested to travel to exotic faraway destinations and look for ways to engage travelling and wellbeing. The growing awareness of health and long life expectancy has made it a trend for the +50 and retirees to maintain their vitality. (Health and fitness travel 2011.) Baby boomers is a marketing term to identify the people who were born from 1940's to 1960's as result of the wealth growth after the second world war. (Investopedia n.d.)

#### **4.2.5 Tactics and action plans**

The main service that Sunrise Paradise has to offer is the accommodation. The idea is to attract customers to accommodate in the hotel for 2 to 3 days which is a realistic period of time based on the hotel manager's observations of travel habits in Bali. During this time the extra services like the restaurant and spa, yoga classes and guided day trips are offered to the guests who come to the hotel.

There are potential customers staying in other hotels nearby who might visit the hotel during the day time. These customers will be offered spa and restaurant services. The live-music events that will be programmed in the hotel's restaurant area will attract guests from outside as well as the ones accommodating in the hotel.

#### **Marketing communication mix**

The most efficient way to market tourism and hospitality services nowadays is through online reservation sites. The most significant online reservations are done via booking.com, hotels.com, trivago.com, agoda.com and expedia.com etc.

Apart from this it is very important for the company to apply methods of satisfying the customers so that they will want to give good ratings on the online sites like booking.com and TripAdvisor as well as social media sites like Facebook,

Instagram and Twitter. The ratings and comments that people give will determine a big part of the success the company will have.

Important social media channels for Sunrise Paradise are: Facebook, Twitter, Instagram, YouTube and TripAdvisor.

It would also be good to invite popular travel bloggers, especially ones that are interested in yoga and wellness travel to come and stay in the hotel. Famous bloggers have a big group of followers on YouTube, Instagram and other social media channels and so for a potential to attract many customers to visit the hotel.

When the company has their websites opened they will have to optimize themselves on important search engines like google so that the customers will find them easily. A great and a trendy way to market now is with videos, as soon as the company has done constructions they should take video material to attract potential customers on the web. They could also encourage customers to share their experience in the hotel by pictures and videos. This could be done by making a social media campaign that offers for example a free tour or a hotel night.

The company should be active and network with several different channels that will gain the company brand image and free publicity. The staff should be trained to be brand advocates and have the whole organization community to be part of promoting the hotel.

Online marketing and social networks is a process that the company needs to work on a daily basis. It is really important to keep up with the feedback and ratings and always look for improvements as well as having a good communication channel and answering customer requests as quickly as possible. Having an online chat open during some hours daily is a good method to engage with potential customers.

A part from online marketing the company should plan on printing flyers and vouchers and distribute them around Bali in different travel agencies and companies with the similar concept. Ubud is the yoga town of the island and many potential customers come from there and therefore it is an important place for

marketing Sunrise Paradise's services. The hotel reception is also an important place where to have all kind of flyers since people come to visit the hotel at the day time.

It is important for the company to be active and participate in marketing events that give great opportunities to make connections and networks with potential customers and possible cooperation. There are travel exhibitions like the Nordic travel fair that is held every January in Helsinki that brings together travel companies and interested customers (Nordic travel fair n.d.). Other interesting event is the yoga festival that is also held in Helsinki in March once a year. This event could be a good place to market the yoga retreats to Finnish customers (Yoga Festival Helsinki, n.d.).

<b>Marketing communication strategies</b>	<b>Where?</b>	<b>How?</b>
Social media channels	Facebook, Twitter, Instagram, TripAdvisor, YouTube	Campaigns, competitions, sharing experiences via videos and photos
Blogs/Vlogs	Blogger.com, YouTube and other blog sites	Invite famous bloggers to stay at the hotel and use this channel to gain publicity and reach more people
Flyers, vouchers, posters	Bali Island in Travel and tour agencies; Ubud, Candidasa Beach, Airport, Kuta Beach etc.  Sunrise Paradise reception	Distribute marketing material to strategic places.
Online reservation systems	Booking.com, hotels.com, Agoda.com, expedia.com, trivago.com, bookyogaretreats.com	Build networks, be connected from TripAdvisor and search engines
Exhibitions, fairs	For Finnish events the most significant are the Nordic travel fair and the yoga festival that are both held in Helsinki once a year.	To be active and participate in important events that offer networking possibilities

**Table 5 Marketing communication strategies**

#### 4.2.6 Resource requirements

Since Sunrise Paradise has not fully started to market yet, it is impossible to know exactly how much they will spend on their marketing. The following observations are based on researched information and the author's own observations.

##### **Digital marketing budget**

A digital marketing budget is wise to be divided into two parts which are the initial costs such as: **website design, content creating, research and development and marketing systems set up**, and the maintenance costs which are ongoing fees, these include: **e-mail marketing, pay per click advertising, search visibility improvement, website maintenance and development, consulting fees, and analytics and tracking analysis** (Hotel marketing strategies n.d.).

An ongoing social media advertising on Facebook might become quite expensive for a small company, however, when creating a budget Facebooks gives the option for the company to target on a certain group based on the demography, geography, gender etc. If the company does their targeting wisely to the right audience and uses the advertising for a campaign at a certain period, it is really wise and an effective way to reach potential customers. (Fit small business 2017.)

Based on the data of *salesforce advertising index Q1 2016*, in U.S. cost for advertising on Facebook ranged from \$0.31 to \$0.61. In travel industry the CPM (click per mille) is \$7.94 and CPC (cost per click) is \$0.32. The CTR (click through rate) is 2.52%. The CPM shows the ad has reached 1000 people and the CTR shows the percentage of the impressions that result in a click. (Fit small business 2017.)

For hotel businesses using online booking systems help get a good occupancy and reach the potential customers since consumers are familiarized in using websites like booking.com. However, online travel agencies have commission rates that are anywhere from 15% to 30% of the hotel room price. This depends

on the brand value of the company and popularity of the website (Quora n.d.). In the case of Sunrise Paradise, they should try to get direct sales as the company is new and they do not have so much space to rent, however, during low season it is better to rely on the online travel agencies, than keeping a low occupancy rate. When planning the price rates, the commission should be considered in the price to avoid loss.

### **Promotional marketing**

Even though nowadays most tourism businesses use their effort and budget on online marketing, there are still traditional tactics that must be developed. Impersonal promotion cost includes advertising costs. Material costs for printing flyers and posters depend a lot on the amount of the printed material and if the company will do it with a local company in Bali or in another country.

Face to face promotional situations include POS-marketing in different events. Budgeting for fairs and exhibitions is important to plan carefully to have success. For example, the small venue place for the Nordic travel fair costs start from €168 per square meter. (Nordic travel fair n.d.)

### **Staff**

In service business the staff is the key to successful customer experiences and therefore it is an essential part of marketing as well. Sunrise Paradise should put effort on training the staff and think about the fees it requires. The company will have about 20 employees working altogether.

<b>Budget planning</b>	<b>What is needed ?</b>	<b>% of the total budget rate</b>	<b>In what timeframe ?</b>
<b>Digital marketing</b>	Web design and maintenance, social media advertising and content creating	As this is the most important marketing tool it should be at least 60% of the total budget.	Digital marketing should be started well before the hotel construction is ready and reservations start.

<b>Promotion</b>	Material costs, exhibition costs etc.	Depending on the upcoming events and amount of materials distributed from 20% to 30% of the budget.	Promoting is an ongoing process and should be started also in advance to design, print and distribute materials well before the constructions are ready.
<b>Staff</b>	Training: workshops, seminars etc.	Essential part of the marketing, should be at least 20% of the total budget.	Recruiting staff should be started well in advance. When suitable staff is employed they should be trained before the hotel starts to operate.

**Table 6 Marketing budget plan**

#### **4.2.7 Marketing controls**

Typically, short term marketing plans are done for one-year frame, but since the company in question has not started to operate, the time frame is for a longer period. According to the plan, the construction site will be ready in the end of the year 2018.

Marketing of the company has already started and the management is working on the company website and creating the marketing materials. The reservations of the hotel rooms will start when the completion date of the construction has been confirmed. Preferably this should be started as soon as possible so that there would be a high occupancy from the beginning of opening the hotel.

## **5 Marketing research; methods and data collection**

The marketing research is consumer oriented, as it is essential for the new company to recognize its potential markets and understand their behaviour in order to create a right kind of marketing strategy.

The research used primary data that was conducted through a quantitative marketing research survey. The survey was designed so that the results would show customer preferences. Since Sunrise Paradise is a start-up company, it has been crucial to carry out a customer survey so that the company can know how to link the potential customers with their marketing strategy.

### **5.1 Research questions and aim**

**Aim:**

*To find the potential target customers and get to know their travel preferences, so that the suitable marketing strategies can be applied to the marketing plan.*

**Research questions:**

*Who are the potential target customers?*

This research question was applied based on the aim to find the right target customers for the company's marketing strategy.

*What are their travel preferences?*

This research question concludes the previous question, since the aim of the research is not only to find the target group, but also to study their travel preferences.

### **5.2 Implementation of the survey**

The marketing research survey was designed and implemented based on the company's values, goals and objectives. Altogether the survey contained 17 questions which were classified to three different topics: background questions, traveling behaviour and service quality and price range. The survey was done by a Webropol application.

The survey had simple and multiple answer questions, rating scale questions and an open-ended question. The simple and multiple answer forms were used mainly to discover the background information and travel behaviours of the respondents. The rating scale questions were used to acknowledge the respondent's interests and opinions about the tourism services and qualities. The sur-

vey had one open-ended question in the end with the purpose of getting opinions about the service development.

### **5.3 Sampling method**

The link to the survey portal was sent via email and social media channels to different yoga studios in Finland. The idea of finding out the travel preferences and to be able to make accurate analysis was possible only by targeting the survey to the right audience. The method that was used for the sampling was convenience sampling. All the respondents were over 18 and living in Finland. As the sample group was small it also faced difficulties to find enough respondents.

The aim was to get at least 50 responses; with this amount of responses it would have been possible to make accurate and realistic analysis of the results.

### **5.4 Results and analysing the research**

The results of the survey are directional and further analysis was not possible to make, because of insufficient responses. Despite the effort and the amount of channels where the survey link was shared, it turned out to be really hard to get respondents. In the end the survey had only five responses.

The average age of the respondents was 30.8 years and 80% of the respondents were female. Based on the travel behaviours more than half of the respondents travel abroad at least twice a year, spend 1 to 2 weeks on their vacation and travel with their partner. From the respondents more than half have travelled outside Europe at least four times and from them 40% have travelled to South-East Asia. Based on the results the travel distance does not have a big impact on choosing the destination.

When travelling the respondents chose ecology and nature, and relaxation and wellness as the most important factors. When choosing a hotel, where to stay the most important factors were safety and quality-price ratio. From the hotel services the respondents listed spa, live-music events and yoga classes as the most interesting services. From the restaurant services the respondents chose local tastes and organic ingredients as the most important.

More than half (60%) of the respondents did not want to pay more than €100 per night in a hotel in Bali and the other 40% of the respondents were willing to pay from €100 to €150. What affected the most in coming back to the same hotel according to the results was tidiness, second most important factors were calm environment and nature, location and travel connections and the price. With an average of 3.4 (a scale from 1 to 5) the respondents were interested in participating in a yoga retreat.

## **6 Conclusions**

To make a marketing plan is not an easy process it requires a lot of time and investigations especially in this case since the plan was made for a start-up company. During the thesis process the partner company had not yet come up with any marketing strategies, therefore many of the realizations were based on the author's own assumptions, professional experience and the studied marketing theories.

Looking back to the beginning of the process in table 1, it can be concluded that the research process and questions were well implemented to the empiric part of the thesis. Although many of the questions like the company's future plans do not have a concrete answer yet, the assumptions that the author made based on the gathered material and professional knowledge gives the reader an idea about what the company will be like. The conclusions the author has made will also help the company understand how much work there is still ahead and what are the key issues to focus on.

In analysis and forecasting the author had to analyse the marketing environment and competition. The SWOT analysis showed clearly what the strengths and weaknesses the company has. The competition and differentiation strategy were useful because they determined what the attributes are the company should focus on in their marketing.

The goals and objectives the company had were explained and the main ideas were developed for the company to possibly use in the future. Budgeting objec-

tives were not included since the company had not made clear financial statements so far.

The targeting and positioning of the company were based on the theory and researches done. The idea was to find customers by implementing the customer survey, however it faced a challenge of not having enough respondents. The final assumptions of the target group were generalized views and further study results would have more realistic findings.

The marketing communication strategies show that in today's world there are various ways to market even with a low budget. Marketers of the company must be very active if they wish to create a successful brand. Different digital marketing tools are well explained as finding the right channels for a certain audience can be tricky.

In the resource requirements the author has shown how the budgeting for the marketing is wise to do. However, exact figures are not included in the budget due to lack of information. The timeframe for the marketing actions are also assumptions the author has made based upon earlier knowledge and experience.

The systematic and strategic way of looking at a marketing plan process is clearly presented in this thesis research. The whole process will help not only the partner company but also other tourism and hospitality companies that are looking for ways to implement their marketing plan. It can be concluded that this thesis research opens a path for start-up company managers in the tourism field to understand what steps and methods to follow when creating their own marketing plan.

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## **Appendices**

Appendix 1      Customer Survey

# Asiakaskysely

Hei,

Ystävällisesti pyydämme teitä osallistumaan kyselyyn, jonka tarkoituksena on tutkia hyvinvointimatkailusta kiinnostuneiden matkustus tottumuksia sekä kehittää pian Balilla avattavan hotellin palveluita. Tutkimus on osa Saimaan Ammattikorkeakoulun opiskelijan opinnäytetyötä. Kaikki vastaukset käsitellään anonyymeinä. Kyselyn vastaamiseen menee noin 5-10 minuuttia. Kyselyyn on mahdollista vastata 15.4.2018 asti.

Lisätietoja tutkimuksesta voi kysellä Saara Koivuselta, sähköpostitse osoitteesta:  
saara.koivunen@student.saimia.fi

Perustiedot

**1. Ikä** \_\_\_\_ vuotta

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**2. Sukupuoli**

- Mies
- Nainen
- Muu

**3. Asuinpaikkakunta (Suomessa)**

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## Matkustus tottumukset

4.

**Kuinka monta kertaa vuodessa matkustat ulkomaille?**

- kerran
- 2 kertaa
- 3 kertaa
- 4 kertaa tai enemmän

5.

**Kuinka pitkään olet ulkomaan matkalla?**

- alle viikon
- 1-2 viikkoa
- 2-3 viikkoa
- yli 3 viikkoa

**6. Matkustatko mieluiten (max. 2 vaihtoehtoa)**

- yksin
- kumppanin kanssa
- perheen kanssa
- ystävän/ystävien kanssa
- ryhmässä

## 7. Miten paljon seuraavat asiat kiinnostavat sinua matkailussa, asteikolla 1-5?

	1 	2 	3 	4 	5 
Rentoutuminen ja hyvinvointi	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Aktiviteettien harrastus	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Kulttuuri	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Laadukas majoitus ja ravintolapalvelut	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Luonto ja ekologisuus	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Kaukomatkailu

## 8. Kuinka monta kertaa olet matkustanut Euroopan ulkopuolelle?

- kerran
- 2 kertaa
- 3 kertaa
- 4 kertaa tai enemmän

## 9. Oletko matkustanut Kaakkois-Aasiaan?

- kyllä
- ei

## 10. Kuinka paljon välimatka vaikuttaa sinuun matkakohteen valinnassa, asteikolla 1-5?

	1 	2 	3 	4 	5 
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Palveluiden laatu ja hintataso

**11. Kuinka tärkeitä seuraavat asiat ovat sinulle majoituksen valinnassa, asteikolla 1-5?**

	1 	2 	3 	4 	5 
Hinta-laatu suhde	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Siisteys	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sijainti ja kulkuyhteydet	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Laadukas asiakaspalvelu	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Turvallisuus	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**12. Miten paljon sinua kiinnostaa seuraavat hotellin järjestämät palvelut, asteikolla 1-5?**

	1 	2 	3 	4 	5 
Kylpyläpalvelut	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Opastetut päiväretket	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Live-musiikki illat	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Ohjattu jooga ja meditaatio	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**13. Miten tärkeitä ovat sinulle seuraavat ravintolapalvelut, asteikolla 1-5?**

	1 	2 	3 	4 	5 
Luonnonmukaiset raaka-aineet	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Erityisruokavaliot	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Paikalliset makuelämykset	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Hyvä asiakaspalvelu	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**14. Kuinka paljon olisit valmis maksamaan yhdestä yöstä viiden tähden hotellissa Balilla? (per/hlö)**

- alle 100€
- 100€-150€
- 150€-200€
- yli 200€

**15. Miten paljon seuraavat asiat vaikuttavat siihen, että palaisit uudelleen samaan hotelliin, asteikolla 1-5?**

	1 	2 	3 	4 	5 
Laadukas asiakaspalvelu	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Harrastus mahdollisuudet	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Hintataso	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Siisteys	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Rauhallinen ympäristö ja luonto	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sijainti ja hyvät kulkuyhteydet	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**16. Kuinka paljon sinua kiinnostaisi lähteä joogaretriitille Balille, johon sisältyisi lennot, majoitus ja päiväohjelma, asteikolla 1-5?**

	1 	2 	3 	4 	5 
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**17. Kuvaile omin sanoin, mitä odotuksia sinulla on hyvinvointimatkailun palveluiden kehittämisen suhteen?**

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