Background to the Optima studies

• Over the years, Innovation Norway has conducted several Optima studies across different markets. The main objective of these studies is to get a better understanding of Norway’s key markets. This insight is used in both marketing and product development to be able to work more efficient and targeted.

• This study is conducted using Censydiam, a tool for identifying main motivations and needs for travelling abroad on holiday. The research also identify the role of holidays in people’s life, their perception of Norways as a tourist destination and the competitive landscape. We have also defined a target group for Norway based on this research.

• The research was conducted in Germany, Russia (Moscow and St. Petersburg) and the Netherlands in 2011/2012.

• We have conducted four focus groups and 1,200 web interviews in each country with respondents that have been on holiday abroad during the last two years.

For more info about the survey:
http://www.innovasjonnorge.no/Reiseliv/Markedsdata/Optima-Russland/
Executive summary

• Fundamental meaning of going on holiday - Holidays abroad must always help people to escape from their daily lives! The core of all holidays is about escapism, discovering new and interesting places and being together. All holidays must fulfil these criteria regardless of the type of holiday.

• The proportion of people who have ever visited Norway is low compared to other competing destinations and repeat visits is also lower than average. However, Norway is the most frequently considered Scandinavian holiday destination in Russia. This demonstrates that Norway has unrealized potential.

• Norway does not have a good fit with any of the motivational segments identified in the study, but is best positioned in two segments: Exploration and Broadening my Horizon.

• All the Scandinavian countries are seen as expensive, environmentally friendly and safe, and Norway is also seen as unique, adventurous, explorative and active.

• The main target group is Explorers. They are looking to discover new territories and gain new energy. At the same time, broadening their horizons and feeling enriched. Broadening their horizon and feeling enriched is more important for our target group in Russia than the other countries researched.
In the research, we found that there are some common denominators across all types of holidays and across all segments and markets:

**Holidays abroad must always help you to escape from your daily life!**

The core of all holidays is about:

- Escapism
- New and interesting places
- Being together

In Russia it’s also about learning

All holidays must **always** fulfill these criteria irrespective of the type of holiday – Then we can start looking into how we should position Norway to be unique, relevant and attractive (in relation to our competitors)

**Source:** Qualitative focus groups and quantitative survey
Why identifying main motivation for travelling?

The same person, but different situations and different motivations

As consumers, we often have different needs depending on the situation. This also applies to holidays. A weekend getaway with a partner has to fulfil different needs than a skiing weekend with friends. This report is, therefore, based on different occasions – by occasion we mean different holidays.
To get inside the consumer’s mind, we need to go deeper.

20% Conscious

80% Sub-conscious

80% of human behaviour is explained by the sub-conscious. We therefore need to use methods that enable us to dig deeper into consumers’ minds, to identify those layers of information that really govern human behaviour.

This is why we have chosen the Censydiam model for this project.
The Censydiam model

Main motivation for travelling abroad

We have identified eight motivational segments. They represent the different basic motivations for why people go on holidays.
Norway has a fragmented brand footprint – Not perfect fit with any segments

What we do here is allocate people’s perception of Norway to their dominant idea of each segment. The slide shows an index number that indicates the fit between Norway and each segment compared with competitors.

- **Perfect fit (>0.60)**
- **Good fit (0.30-0.60)**
- **Neutral fit (-0.25-0.29)**
- **Negative fit (<-0.25)**

For more info about the survey: [http://www.innovasjonnorge.no/Reiseliv/Markedsdata/Optima-Russland/](http://www.innovasjonnorge.no/Reiseliv/Markedsdata/Optima-Russland/)
Norway is best positioned with Exploration and Broadening my horizon

- Norway does not clearly 'own' any motivational segment
- However, both in Russia and across all the three markets researched, Norway is often associated with Exploration and Broadening my Horizon
- Our neighboring countries have a weak association for these 2 segments
  ⇒ But the strength of these associations for Norway is also relatively weak

- Exploration:
  - Emotional benefits sought by the tourist: Gives me rich experiences, Discover new and interesting places, Escape from my hectic daily life and Enrich my view of the world
  - Personality of the destinations: Adventurous, Explorative, Unique, Active and Friendly

- Broadening my Horizon:
  - Emotional benefits sought by the tourist: Discover new and interesting places, Broaden my horizon, Broaden my knowledge, Enrich my view of the world and Rich experiences
  - Personality of the destinations: Friendly, Authentic, Open-minded, Relaxed and Cultivated
Where do Russians go? - Regional differences but Norway fails to attract a lot of Russian visitors…

12% of Russians have ever visited Norway, which is lower than Sweden and Finland.

The Finnish penetration is extremely high in St. Petersburg. As a matter of fact; Finland is #1 destination in St. Petersburg.

Sweden has also a strong hold in St. Petersburg.

Norway also holds it’s strongest position in St. Petersburg.

$n = all$ respondents aware of the country in the quantitative sample
... but Norway is on the Russian consideration list

Which of the following countries would you consider going on holiday to (any kind of holiday) the next three years?

- 12% of the Russians in the sample have visited Norway, which is lower than for Sweden and Denmark. Finland is the strongest competitor.
- However Norway is the most frequently considered Scandinavian holiday destination in Russia. This demonstrates that Norway has unrealised potential.
Russians perception of Norway as a holiday destination

This is irrespective of segments or what type of holiday in Norway the prefer or consider.

**DESTINATION FEATURES**
(functional)
- Has beautiful nature
- Is not too warm
- Has environmentally friendly offers
- Has unspoiled nature
- Has quiet environments

**ACTIVITIES**
(functional)
- Observe the beauty of nature
- Discover local culture and lifestyle
- Discover local history and legends
- Experience wildlife
- Attend sightseeing tours

**EMOTIONAL BENEFITS**
(emotional)
- Allows me to discover new and interesting places
- Allows me to broaden my horizon
- Enriches my view of the world
- Helps me to escape from my hectic daily life
- Allows me to broaden my knowledge

**PERSONALITY**
(emotional)
- Fresh
- Cultivated
- Explorative
- Peaceful
- Harmonious
Travel behavior vs. perception of Norway

Norway is mostly associated with holidays to experience nature. In terms of actual behavior, sightseeing/roundtrip is the most important holiday type. Norway does not have such a strong association with ski (alpine skiing = 56% and cross country skiing = 53%).

<table>
<thead>
<tr>
<th>BEHAVIOUR</th>
<th>PERCEPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sightseeing/round trip</td>
<td>Holiday to experience nature, scenery and wildlife</td>
</tr>
<tr>
<td>Visiting friends and relatives</td>
<td>Sightseeing/round trip</td>
</tr>
<tr>
<td>Sun and beach holiday</td>
<td>Fishing holiday</td>
</tr>
<tr>
<td>Summer holiday/main...</td>
<td>Holiday to experience nature,...</td>
</tr>
<tr>
<td>City trip/city break</td>
<td>Cottage holiday</td>
</tr>
<tr>
<td>Ski holiday</td>
<td>Short trips/extended weekend</td>
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<tr>
<td>Hiking holiday</td>
<td>Fishing holiday</td>
</tr>
<tr>
<td>Holiday to experience nature,...</td>
<td>City trip/city break</td>
</tr>
<tr>
<td>Cottage holiday...</td>
<td>Active holiday (golf, rafting, ...)</td>
</tr>
<tr>
<td>Short trips/extended weekend</td>
<td>Cruise holiday</td>
</tr>
<tr>
<td>Fishing holiday</td>
<td>Camping holiday</td>
</tr>
<tr>
<td>Active holiday (golf, rafting, ...)</td>
<td>Backpacking</td>
</tr>
</tbody>
</table>

Norway N= 68 – Warning: Low sample size for trips to Norway
All holidays & Perception N = All holidays to any destination in the quantitative sample
What Russians want vs. perception of Norway

What Russian tourists want in general while on holiday:

- Allows me to discover new and interesting places
- Allows me to broaden my horizon
- Helps me live life to the fullest
- Enriches my view of the world
- Helps me to escape from my hectic daily life

How Norway delivers (based on how they see Norway):

**Emotional Benefits (for the tourist)**

- Norway delivers well
- Norway does not deliver very well
- Norway delivers pretty well on the emotional level…

**Personality (for Norway)**

- Friendly
- Cozy
- Harmonious
- Outgoing
- Authentic

…but not on personality
What Russians want vs. perception of Norway

What Russian tourists want in general while on holiday:

- Has friendly people
- Has beautiful nature
- Has interesting sights
- Is safe
- Has good service

How Norway delivers (based on how they see Norway):

Product characteristics (for Norway):

- Norway does not deliver very well
- Norway delivers well

Activities (in Norway):

- Norway does not deliver optimally on the functional level
  - Lack of social element, food and culture/history

- Taste local food and drink
- Attend sightseeing tours
- Observe the beauty of nature
- Visit historical buildings/sites
- Discover local history and legends
Competitor analysis - Comparison between Norway, Finland and Sweden

Common for Norway and Finland:
- Has beautiful nature
- Peaceful
- Escape for hectic daily life
- Is not too warm
- Has quiet environments
- Cultivated
- Harmonious
- Allows me to discover new places
- Allows me to broaden my horizon
- Cozy
- Gives me a safe feeling

Common for all three destinations:

Positive and distinguishing features for Norway:
- Beautiful nature
- More adventurous
- More of an experience

Negative and distinguishing features for Norway:
- Less social
- Less comfortable

Common for Finland and Sweden:
- Has good service
- Has good medical care
- Contemporary
- Friendly
- Allows me to meet new people
Optima report Russia
Conclusions
How do Norway meet generic expectations for holidays?

Norway mostly meet these expectations, except the social element.
MEET GENERIC HOLIDAY EXPECTATIONS

Address the basic expectations that Russian have when going on holiday, including basic comfort, a more social experience and more cultural content.

**A comfortable experience**
- Ease travel experience
- Easy of booking
- Take away fears of being a bit lost, left on their own

**A social experience**
- Communicate lively towns & villages
- ‘Populate’ the isolated scenes
- Tackle language barrier by group travel

**Good food, drinks and local culture**
- Talk about local food & drink traditions
- Interstring sigths and local culture
- Communicate tax free on arrival
Main target group in Russia - Explorers

Main motivation for travelling:
- Exploration & Broadening my horizon

Key competitors
Strong competitions from many markets, especially Finland and Sweden

Unique selling points
- The uniqueness of Norway – Only in Norway!
- Spectacular fjord, coast and natural treasures

Highlight in communication
- Show active engagement with nature, culture, local communities and people
- Accessibility: Infrastructure and products and services that make things easy for the tourist

Common features for explorers in Russia
- Late bookers – Need for accessibility and tactical offers
- Great interest for history, culture and intellectual enrichment
- Language barriers
- Strongest position in St Petersburg (geographic, cultural and historical closeness)
- Greater interest for Norwegian cities in Russia than other markets
- In general the Russians are not very interested in nature holidays, but Norwegian natural phenomena as a exception!
The Russian Explorer in Norway in a Nutshell

Who they are:
- A couple between 30-60 (younger during winter)
- Higher education and above average income
- Likely to have children
- Travel with their partner, with friends or with their kids (more likely to travel with kids during winter)

How they travel:
- They use more sources of information than the average Russian traveler, especially before the trip.
- Internet is their most important source of information before the trip, whereas during the trip both internet and guide books are used.
- They would typically plan their trip about 1-3 months in advance.
- Likely to stay in a medium standard hotel.
- Some will travel independently whilst others will travel in an organized tour.
- They look for unique experiences and are willing to pay for it.
- During summer they both drive and fly, whereas winter is dominated with flights.

Why they travel:
- Looking to discover new territories and gain new energy. At the same time, broadening their horizons and feeling enriched.