

# DEVELOPING WELLNESS TOURISM IN ROVANIEMI

Case Ounasvaara

Heidi Kurikkala & Maria Magdalena Ojeda Parkkila

Bachelor's thesis  
Degree Programme in Tourism  
Bachelor of Hospitality Management

2015

Degree Programme in Tourism

---

<b>Author(s)</b>	Heidi Kurikkala, Maria Magdalena Ojeda Parkkila	<b>Year</b>	2015
<b>Supervisor(s)</b>	Ulla Kangasniemi, Petra Paloniemi		
<b>Commissioned by</b>	Rovaniemi Regional Development Agency		
<b>Subject of Thesis</b>	Developing Wellness Tourism in Rovaniemi: Case Ounasvaara		
<b>Number of pages and appendices</b>	46 + 3		

---

Wellness tourism is perceived as a part of the bigger concept of wellbeing tourism. This thesis addresses issues concerning wellness product development and cooperation in the region of Ounasvaara, Rovaniemi, located in the Finnish Lapland. The development of wellness products is treated as an important element concerning the future development of Rovaniemi. The chosen research method was the qualitative method and therefore the information was collected through interviews. The purpose was to examine the current situation in the Ounasvaara region regarding wellness tourism.

The four tourism companies examined in this thesis were selected according to the commissioner's wishes. The results seek to ascertain the possibilities and services offered by the local businesses, their relation to wellness tourism as well as reveal the possibilities for further development. Furthermore, the aim was to analyse the importance of cooperation in the region and to show how the creation of experiences result in customer value.

The research questions focus on exposing wellness tourism in Rovaniemi, the development of new products and the cooperation between local companies. The report shows how wellness tourism is seen as a potential attraction in the tourism branch and the opportunities that the area of Ounasvaara possesses. The results of this thesis may be utilized for the possible development of the Ounasvaara area by the commissioner, the Rovaniemi Regional Development Agency.

**Keyword(s)** wellness tourism, wellbeing, customer experience, cooperation, product development

Matkailun koulutusohjelma

---

<b>Tekijä</b>	Heidi Kurikkala, Maria Magdalena Ojeda Parkkila	Vuosi	2015
<b>Ohjaaja(t)</b>	Ulla Kangasniemi, Petra Paloniemi		
<b>Toimeksiantaja</b>	Rovaniemen Kehitys Oy		
<b>Työn nimi</b>	Wellness-matkailun kehitys Rovaniemellä: Case Ounasvaara		
<b>Sivu- ja liitemäärä</b>	46 + 3		

---

Tämä opinnäytetyö käsittelee hyvinvointimatkailun nykytilaa ja kehittämistä Ounasvaaran alueella, Rovaniemellä. Hyvinvointimatkailutuotteiden kehittäminen nähdään tärkeänä osana Rovaniemen matkailun edistämistä. Tutkimusmenetelmäksi valittiin kvalitatiivinen eli laadullinen tutkimus ja tieto kerättiin haastatteluin. Tutkimuksen tarkoituksena oli kartoittaa Ounasvaaran nykyinen tilanne hyvinvointimatkailun osalta.

Neljä tutkittua matkailuyritystä valikoitiin toimeksiantajan toiveiden mukaisesti. Tutkimuksella pyrittiin selvittämään, mitä mahdollisuuksia ja palveluita nämä paikalliset matkailuyritykset tarjoavat, niiden yhteyttä hyvinvointimatkailuun ja yritysten kehitystarpeita. Sen lisäksi tavoite oli analysoida alueellisen yhteistyön merkitystä ja asiakastyytyväisyyden saavuttamista positiivisten elämysten kautta.

Tutkimuskysymykset käsitelivät hyvinvointimatkailun sekä uusien tuotteiden kehittämistä Rovaniemellä ja yhteistyötä paikallisten yritysten kesken. Raportista käy ilmi hyvinvointimatkailun mahdollisuudet potentiaalisena vetonaulana matkailualalla ja Ounasvaaran tarjoamat mahdollisuudet. Toimeksiantaja, Rovaniemen Kehitys Oy, voi hyödyntää tämän opinnäytetyön tuloksia Ounasvaaran alueen mahdolliseen kehittämiseen.

Avainsana(t) hyvinvointimatkailu, wellness, asiakaskokemus, yhteistyö, tuotekehittäminen

## **CONTENTS**

<b>1 INTRODUCTION .....</b>	<b>2</b>
<b>2 BACKGROUND.....</b>	<b>4</b>
<b>2.1 COMMISSIONER.....</b>	<b>4</b>
<b>2.2 RESEARCH METHOD.....</b>	<b>4</b>
<b>2.3 RESEARCH BACKGROUND .....</b>	<b>5</b>
<b>2.4 BUSINESSES INVOLVED IN CASE OUNASVAARA.....</b>	<b>6</b>
<b>3 UNDERSTANDING WELLNESS TOURISM.....</b>	<b>10</b>
<b>3.1 INTRODUCTION TO WELLNESS TOURISM .....</b>	<b>10</b>
<b>3.2 NATURE AND WELLBEING .....</b>	<b>14</b>
<b>3.3 WELLNESS TRAVELLER MOTIVATIONS.....</b>	<b>15</b>
<b>4 DEVELOPING WELLNESS TOURISM IN OUNASVAARA .....</b>	<b>18</b>
<b>4.1 CUSTOMER VALUES AND EXPERIENCES IN PRODUCT DEVELOPMENT.....</b>	<b>18</b>
<b>4.2 COOPERATION AND NETWORKING .....</b>	<b>25</b>
<b>5 SWOT ANALYSIS .....</b>	<b>29</b>
<b>6 RESULTS .....</b>	<b>31</b>
<b>7 CONCLUSION.....</b>	<b>40</b>
<b>BIBLIOGRAPHY .....</b>	<b>42</b>
<b>APPENDICES.....</b>	<b>46</b>

## LIST OF FIGURES

FIGURE 1. MAP OF OUNASVAARA AND COMPANIES .....	7
FIGURE 2. BUSINESSES INVOLVED IN CASE OUNASVAARA (KURIKKALA & OJEDA PARKKILA 2015).....	9
FIGURE 3. HEALTH- AND WELLBEING TOURISM (MATKAILUN EDISTÄMISKESKUS 2005 TRANSLATED BY KONU 2008) .....	11
FIGURE 4. WELLNESS TRAVELLER MOTIVATION (GLOBAL WELLNESS INSTITUTE 2014).....	16
FIGURE 5. FOUR REALMS OF EXPERIENCE (PINE & GILMORE 1998) .....	19
FIGURE 6. ELEMENTS OF EXPERIENCE (TARSSANEN 2009) .....	23
FIGURE 7. EXPERIENCE PYRAMID (TARSSANEN & KYLÄNEN 2005) .....	24
FIGURE 8. SWOT ANALYSIS (OJEDA PARKKILA 2015).....	29
FIGURE 9. WELLNESS PACKAGES (KURIKKALA 2015) .....	33

## 1 INTRODUCTION

Wellness tourism is a growing trend in the tourism branch and has countless opportunities in the future markets and product development. People focus more and more towards their own wellbeing and prefer healthy life choices as well as pay attention to environmental issues and sustainability. This research focuses on wellness tourism possibilities in the area of Ounasvaara, Rovaniemi, with nature being one of the essential attractions in product development and tourist motivators. Nature as a motivator can be seen as a competitive advantage for Rovaniemi, since the area of Ounasvaara is filled with natural resources and possibilities for the creation of nature-based services and products.

The Rovaniemi Regional Development Agency commissioned this thesis. Their interest towards the area lies on the development of wellness tourism and the cooperation between local companies. The essential idea of this research is to show how wellness tourism is exposed with a focus on the area of Ounasvaara, Rovaniemi and to propose development ideas regarding cooperation and product development. Before the analysis the key concepts and theories were studied based on literature and previous studies. The authors focus on the area of Ounasvaara with an intention to map out the current situation of cooperation among wellness tourism businesses as well as to conduct interviews among four company executives the commissioner wished for the focus to be on: The Ounasvaara Ski Centre, Santasport, Chalet Hotel and Arctic Golf. The main goals of the interviews were to obtain a deeper insight of wellness tourism in the area of Rovaniemi. In addition, the authors want to see what kind of development is needed in the area and what interests companies have towards future cooperation and product development.

The interview material was used as a primary source of information. Secondary sources such as previous studies and other literature were also utilized. Supportive theories on human motivation and experience economy are presented to expose possible motives for travelling. Development ideas are presented for better company cooperation and possible networking in the area. The research results and findings can help the commissioner as well as

the involved companies to improve the attractiveness and marketing of the area. Furthermore, new ideas for product development are proposed.

## 2 BACKGROUND

### 2.1 Commissioner

This thesis was commissioned by the Rovaniemi Regional Development Agency, a regional company that specializes in providing advice on development issues, business opportunities in the area of Rovaniemi concerning tourism, manufacturing, creative industries, trade and services. The Rovaniemi Regional Development Agency offers counseling for start up businesses, investment opportunities and associates. (Rovaniemen Kehitys Oy 2015.) The choice for this particular commissioner for this project was based on their development plan and focus for Ounasvaara which was concentrated on wellness tourism and creating a wellness tourism destination there. The results and findings of this thesis can be utilized by the Rovaniemi Regional Development Agency for destination development purposes as well as for product development. The contact person in charge was Jaakko Finne, head of development in the Department of Tourism.

### 2.2 Research Method

The chosen method to gather data for this thesis is the Qualitative research method. As a method the qualitative research (interviews) allows quantum of information with less investment in time effort and also provides more flexibility when the study is being carried out and in the interpretation of the results (Ten Have 2004, 5). The purpose was to gather relevant data of the companies and their networking and cooperation with each other with the focus being on the wellness point of view. The chosen technique was a qualitative in-person interview which was conducted among all four company executives with a relevant set of questions. In short, the qualitative research method seeks answers to the questions asked and helps to understand the research questions. The most commonly used methods for qualitative research are participant observation, in-depth interviews and ethnographic fieldwork, textual and discourse analysis. (Travers 2004, 2.) Normally the data is collected by taking field notes, using video or audio recorders and using transcripts. The qualitative method seeks to explore a certain phenomenon and is more flexible compared to the quantitative method which is more based on confirming certain hypotheses about a certain



phenomenon. The analytical objective of the qualitative method aims for a description of variation, group norms, experiences by individuals and explaining relationships. The use of open-ended questions provides the interviewees with more flexibility in the interview situation. However, it emphasizes the content on the questions asked. These questions usually lead to complex answers. (A Data Collector's Field Guide 2015.) The qualitative interview participants are usually chosen due to their importance and purposive role in relation to the studied subject and research questions. In this case company executives, or as we refer to them as CEO's (chief executive officers), were chosen to be interviewed.

For the theory part the focus was also to use relevant information and data. The research area and questions were chosen carefully and their relation to the topic and the research questions was pondered upon before execution. The questions were divided into different categories: the Ounasvaara area, wellness tourism, cooperation, development and future. The outcome of the interview helps to build a deeper insight into the current situation in the area as well as to understand the desires and hopes for the future from the businesses' point of view. A portable recorder was used to store the interviews.

### 2.3 Research Background

The topic was chosen based on the two authors' interests towards well-being in tourism and the case of Ounasvaara based on the wishes of the commissioner. The commissioner listed four companies that have the potential to be a part of the destination development: Chalet Hotel Rovaniemi, Santasport, Ounasvaara Ski Centre and Arctic Golf. These four companies are seen as 'the most valuable players' in the possible future wellness-centre of Rovaniemi. The commissioner has interest towards the development of the area of Ounasvaara to be more merged as a tourism destination and the potential is seen in the development of wellness features in the area and the four companies. In addition, this topic is relevant as it concerns current tourism trends and the changing society, especially in relation to the tourism business in Rovaniemi and Ounasvaara. Over time, wellbeing has become an essential factor that shapes people's lives and

have also increasingly influenced patterns of consumption and production. (Voigt & Pforr 2014, 3.) Wellbeing does not only affect the tourism destination but the wellbeing of tourists, local companies and employees as well (Rantala 2014). Wellness tourism is an explosively growing market of health goods and services, which are referred to as the wellness industry. Thus, wellness tourism should be manifested in the Ounasvaara area more efficiently with the help of local companies and concentration on their cooperation towards a better destination. (Voigt & Pforr 2014, 3.) In the case of Ounasvaara the opportunities are great based on the facilities and infrastructure. These factors can offer unforgettable experiences to tourists in the clean and beautiful nature of Rovaniemi. The biggest challenge is to create a well-connected wellness destination where all the four companies would cooperate to achieve the common goal and become a unified wellness tourism attraction.

Tourism in the Finnish Lapland and in Rovaniemi is yearly concentrated on the winter season with a peak season in Christmas. Other profitable seasons are around the autumn with its colours and late spring. (Matkailun Edistämiskeskus 2014.) The concept of wellness tourism can also yield profits for local companies, since products and services connected to wellbeing tourism are not reliant on only the winter season, but year-round. This will result in increasing demand, bringing profits for the less profitable seasons and therefore augment the wellbeing of local companies and employees. (Konu, 2010.) In the year 2000 there were over 4000 full-time jobs in Lapland due to tourism in Finland (Saarinen 2001). Creating more employment opportunities will enhance the wellbeing of locals and add to the growing role of tourism. This can be applied to the Ounasvaara area as well.

#### 2.4 Businesses Involved in Case Ounasvaara

Based on the wishes of the commissioner four interviews were conducted with the four local companies in Ounasvaara. The following companies possess the potential of being in a key role of the creation of a wellness tourism destination in Rovaniemi: Chalet Hotel Rovaniemi, Santasport, the Ounasvaara Ski Centre and Arctic Golf (Figure 1). The following is a short introduction of these companies.



Figure 1. Map of Ounasvaara and Companies

Chalet Hotel Rovaniemi, previously known as Ounasvaaran Pirtit, is a local company that offers accommodation services in apartments three kilometres away from the city centre of Rovaniemi. The hotel was renovated in 2008 and nowadays has a wide supply of quality services which include restaurants, conference rooms, saunas and physical activities for all ages. All of the apartments are located next to the longest river of Finland, Kemijoki, alongside the Ounasvaara Ski Centre. Chalet Hotel Rovaniemi focuses on nature-based experiences for different customer groups that want to leave from the city, e.g. activities for tourists, weddings or conference packages that offer safaris, saunas or other activities in the Ounasvaara area. Their nature perspective promises to bring powerful results and inspiration for company visits. The Hotel provides excellent opportunities for outdoor activities with ski trails, slopes, hiking opportunities and independent recreations. (Chalet Hotel Rovaniemi 2015.) The interview for Chalet Hotel Rovaniemi was conducted with the CEO of the company, Mika Kansanniva.

Santasport is known as the “centre of wellbeing and sports” in Rovaniemi and is located in Ounasvaara, three kilometers away from the city centre. The company offers education and training with exercise and sports in the

Santasport Institute training centre and wellbeing services in the Santasport Spa. Accommodation is also available in three different locations: the holiday apartments of Ounasvaara, Santasport Institute rooms and Sport hotel rooms. Conference services for companies are also available. Multiple free time activities can be found for the whole family as well as coaching and tuition services for individual athletes. Santasport embraces various options that their surrounding nature and environment offer and therefore they are able to offer year-round indoor and outdoor activities for their customers. Santasports client base is a combination of families, active movers, different sports organizations and sports associations, both professional and hobby-based. (Santasport 2015.) The interview with Santasport was conducted with the Development Manager Teo Jeskanen and CEO Heikki Keskitalo.

The Ounasvaara Ski Centre is located near the Rovaniemi city centre right next to the Chalet Hotel head building in the Ounasvaara hill. The main season is winter and the Ski Centre offers quality premises for adults and children with seven ski slopes, four lifts and an activity park designed for children called Werner Park. The highest peak is 140 meters tall and the longest slope over 600 meters long. For extreme freestyle and snowboarding Ounasvaara Ski Centre offers a half pipe and a street slope with pipes. The Ski Centre premises include a cafeteria and a ski equipment rental shop. During summer time the Ounasvaara Ski Centre offers a bobsleighbing track and a possibility to do downhill and cross-country bicycling. The chairlift for sightseeing is also operating during the summer season. (Ounasvaaran Hiihtokeskus 2015.) The interview was conducted with the company CEO Juhani Roininen.

Arctic Golf is a full range golf course located in Ounasvaara, approximately 4 kilometers away from the Rovaniemi city centre and can be found right next to the Ounasvaara Ski Centre. The range was built in 1997 starting with a 9-hole course and extended to an 18-hole course in 2011. The premises include the main building Club house with a Golf restaurant and a kiosk "Väyläkiosk". Arctic Golf has over 800 members and offers golf courses for beginners as well as private lessons. (Arctic Golf 2015.) The interview was conducted with the company CEO Veikko Kantola.

The picture (Figure 2) below shows the four company logos and their essential services that were previously mentioned. In comparison, the services provided by the four companies show that Chalet Hotel and Santasport stand in a more developed position concerning wellbeing. In this case, Santasport could have the potential to become the leading company in the wellness tourism revolution of Rovaniemi.



Figure 2. Businesses Involved in Case Ounasvaara (Kurikkala & Ojeda Parkkila 2015)

### 3 UNDERSTANDING WELLNESS TOURISM

#### 3.1 Introduction to Wellness Tourism

The concept of wellness tourism can be understood as a combination of wellness, health tourism and wellbeing products and services (Tiainen 2013). In Finland, the words “wellness” and “wellbeing” are used as synonyms, since they both translate as “hyvinvointi”. In a broader definition wellbeing services are combined and presented as wellness products. (Konu, Tuohino & Björk 2011.) This thesis has the focus on the abstract of wellness as a holistic sub-product of well-being tourism. As a concept, wellness tourism can be defined and understood in multiple ways that depend on the cultural and geographical differences. Thus, wellness tourism should not be mistaken for health tourism (e.g. medical tourism). Both concepts offer health related services and products but health tourism, or medical tourism, has different approaches to one’s wellbeing than wellness tourism does. Health tourism is based on a trip or travel outside of home to take care of one’s health. (García & Altés, 2005.) The difference between health tourism and wellness tourism is that wellness tourism is something one chooses to experience happiness, satisfaction and enjoyment, whereas health-tourism is realized when the motive is the need to treat an illness. In either case the main aim of the trip is to promote one's well-being. (Konu 2010.) According to Hall, (2011) Peris-Ortez & Álvarez-García (2015) define medical and health tourism as one of the most rapidly increased subject of research interest as well as in tourism as in health studies. Wellness is considered as a more complicated and multidimensional abstract. Important elements of wellness are wellbeing on physical and mental levels, lifestyle and relation to nature.

In the figure below (Figure 3), health-care and medical tourism and wellbeing tourism are presented as two separate parts of the bigger concept of Health tourism. Further on, health care and medical tourism are combined as one sector and therefore separated from wellbeing tourism. Thus, wellbeing tourism is introduced as its own sector. The chart points out how multidimensional wellbeing is as it combines several services and treatments related to health and nature. It bundles up the concepts of silence, fitness, nature health treatments and beauty treatments into one wellness package.

Hence, several wellbeing products result in wellness. On the other hand, healthcare and medical tourism are focused mostly on medical operations. Therefore, one divisive factor between these two concepts is motivation. Wellness destinations are mainly chosen based on the possible experience, pampering or to prevent illness, whereas health tourism motives are to treat an illness. (Konu, Tuohino & Björk 2011.) Combining factors in this chart between health-and wellbeing tourism are workplace health promotion services. This Finnish innovation is designed to maintain and reinforce health at the workplace. Tourism of this nature can be defined as an activity done outside of the workplace in order to maintain the work ability and is paid by the employer. This is beneficial for the employer as it supports wellbeing and prevents disablement. Thus, workplace health promotion tourism is enhancing company profitability and performance in a sustainable way. (Matkailun edistämiskeskus 2005.)

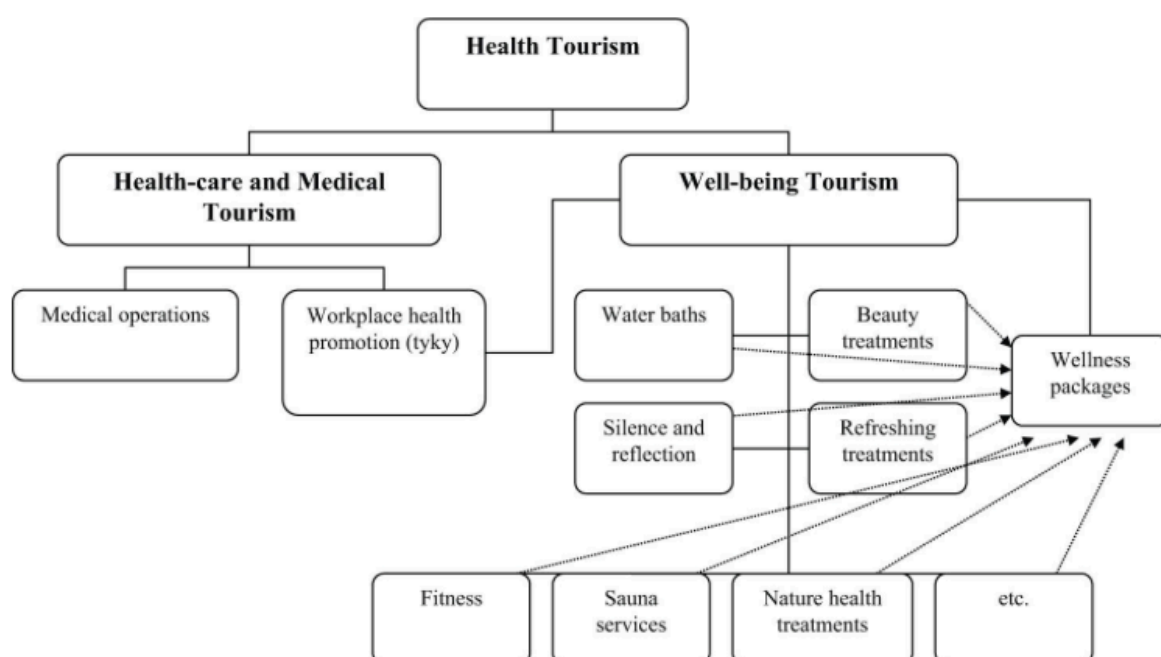


Figure 3. Health- and Wellbeing Tourism (Matkailun Edistämiskeskus 2005  
Translated by Konu 2008)

In means of health, wellness tourism is also seen more as a preventative method, whereas health tourism is presented as curative. Thus, wellness tourism is more targeted for healthy people who are interested in their own wellbeing and willing to maintain good health in physical and mental dimensions. Additionally, health tourism is targeted for people suffering from

an illness of some kind and are seeking for cure and treatment. However, both abstracts of tourism are considered to have a common goal, which is promoting overall health. (Tiainen 2013.)

The definition of wellness depends on culture as well. Smith & Puczko (2014) present different approaches towards wellness lifestyles and definitions which depend on the nationality of the tourist. According to the authors such outdoor activities as cross-country skiing, lake swimming and walking are highly emphasized especially in Scandinavia. They present the Finnish sauna as an example of everyday wellness activities in Finland. In Germany, Austria and Switzerland, physical and mental wellbeing is more integrated. Moreover, physical activities are combined with optimal nutrition habits and even meditation or yoga. Thus, spiritual activities such as meditation or yoga are usually seen as normal part of lifestyle especially in Asian countries and wellbeing gets more integrated in everyday life compared to Western countries. (Smith & Puczko 2014.) Ardell (1986) has defined five dimensions of wellness: 1) nutrition 2) stress control 3) environment 4) physical health and 5) taking charge on one's own life. With these five dimensions, wellness is seen as a dynamic and ongoing process in life, almost as a philosophic element suitable for achieving both physical and mental wellbeing. The author clearly supports the idea of a wellness product as a holistic and ongoing experience and not as a singular treatment done occasionally. Therefore, wellness becomes more a part of a lifestyle as well as a part of the mentality.

Authors Smith & Puczko (2014) present four dimensions to define the concept and the inner core of wellness. The authors state that wellness is a multidimensional and holistic concept that changes over time and along a continuum. It is individual yet environmentally influenced and has relation to self-responsibility. As they propose in the wellness tourism experience, 'deliberate or (pro)active contribution has to be made to psychological, spiritual or emotional wellbeing in addition to healing or resting the physical body' (Smith & Puczko 2014). However, beach holidays in the sun and relaxation are not the ultimate goals in wellness tourism, yet improving health and life quality are indeed such things. In Finland the concept of wellness is



mostly seen in relation to relaxation. Thus, Finnish wellness tourism companies have primary selections of spas and saunas, different treatments and activities related to relaxation and physical activities. (Konu 2010.)

This research is more focused on the outdoor recreations and nature based services and products in Ounasvaara, which include different sports such as skiing, nature trails and creating wellbeing through experiences. Wellness tourism is an intangible product, as tourism itself is already. Furthermore, it is based on the overall experience which includes the travel process and the time spent at the destination. Thus, there is no definite agreement on the absolute definition of tourism or wellness. One definition for tourism by UNWTO (World Tourism Organization) is:

“Tourism comprises the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes” (UNWTO 1995).

Tourists themselves define the product based on their reactions and experiences (Díaz 2010). Wellbeing is the pursuing of happiness, adventure, relaxation or sophistication. Tourism and touristic activities are commonly done in search of higher life satisfaction. The need to escape from the daily routines is what makes wellbeing tourism relevant; most of the time the escape involves some kind of a trip, even if it is to a favorite place only fifteen kilometres away or another country. The positive effects of a trip can be contributed to overall satisfaction in social life, leisure life, family life, love life, arts and culture, work life, spiritual life, intellectual life, culinary life and travel life. (Sirgy, Kruger, Lee & Yu 2011, 271-272.) Life satisfaction then results in one's wellbeing.

The development of health and wellness tourism can also influence the quality of life of the local population of the destination due to the emerging markets of wellness tourism. This helps constitute development poles on a local and a regional scale as well. The strategic potential in these health and wellness centres depends on the variety of activities the destination has to offer, which might then result in increased destination attractiveness and customer loyalty. (Peris-Ortiz & Álvarez-García 2015.)

### 3.2 Nature and Wellbeing

The most important leisure tourism attractions in Finland on the international markets are nature, water, forests, the wilderness and the possibilities for activities that they have to offer. Especially in Northern and Eastern Finland and in the archipelago the significance of nature is highlighted. People seek tranquility and relaxation but also health- and sport elements based on one's activity level, which is something that Ounasvaara can provide. The focus on the Finnish tourism supply is mostly on nature based activities, relaxation and tranquility in different destinations. The nature, especially the Finnish forest, is closely connected to the Finnish culture: locals enjoy the surroundings and relax on their holidays in cottages that are located in the forest - that alone could be seen as a wellness tourism product. Wellness tourism is on the way of being a part of a Finnish tourism brand. This is connected to words like clean air, forests and water, stress relief, relaxing in the middle of nowhere, peace and exercise in scenic landscapes and in a good-quality, aesthetic environment where the know-how is clear (customer service, special diets, technology). People seek for comprehensive experiences that provide physical and mental satisfaction. (Matkailun edistämiskeskus, 2008.)

In Finland, the natural resources are the core of the wellbeing tourism product and therefore identified as a unique form of tourism with a specific strategy for international markets (Konu 2015). According to Kelly & Smith (2009) and Smith & Puckzo (2009), Konu (2015) emphasizes the importance of the operating environment for visitors and the destination as well and how wellbeing and wellness services depend on natural resources. Especially in Finland wellness tourism is in relation to pure environment and exercise. Elsewhere wellness tourism is understood as purely spa- and pampering services. (Juttila & Hakkarainen 2015.) Thus, Finland should focus on marketing its wellness packages of nature based services and products. This gives Lapland high advantages in promoting wellness tourism. In Finland, as well as in Japan, there have been studies on the physical and mental health benefits and other positive effects of forests. In Finland the benefits of spending time in the nature (forests, green areas) have become aware. In

Japan, a new kind of forest recreation (bathing in a forest) has shown results in stress reduction. This shows that the forest and natural areas are an ideal setting for wellness tourism, where the aim is to enhance one's wellbeing. This is where Lapland and the area of Ounasvaara can be utilized, since there are a lot of empty forests that could exploit for example forest therapy and relaxation in an authentic, natural setting. The Japanese could be one potential target group, since they practice wellbeing tourism and are the largest group of tourists that come to Finland and Lapland, outside of Europe (Konu, 2015).

Both of these arguments present an opportunity for the area of Ounasvaara, since the area is rich in natural resources. New products to take advantage of the resources are needed but in a sustainable way so that the natural aspects are respected when creating new trails, routes and tourism products.

### 3.3 Wellness Traveller Motivations

The picture below (Figure 4) shows the main motives for a wellbeing traveler: physical (e.g. health check-up, nutrition, fitness and body treatments), mental (e.g. yoga and meditation), spiritual (e.g. volunteering, spending time alone or with family and friends), emotional (e.g. retreats, stress reduction, music and arts), environmental (e.g. hiking, nature visits, walks) and social needs (Global Wellness Tourism Economy 2014). All of these are easy to integrate to the destination and are therefore motives for travelling. Other reasons for pursuing wellness tourism can be illness prevention, improvement on one's physical self or being spiritually balanced. The awareness of the world health threats together with the search for new and different experiences can create suitable wellness tourism services for people that are looking for alternative practices concerning stress reduction. More customized forms of travel are being chosen over mass tourism. (Peris-Ortiz & Álvarez-García 2015.)

# Wellness Travelers...



Figure 4. Wellness Traveller Motivation (Global Wellness Institute 2014)

The components for a successful trip are the location and provided services, which need to be well connected. It is also essential to have the right kind of

people working at the destination, for example tourism employees. A definition of the target group should also be clear for the travelled destination. People visit various destinations to seek something new and to find a difference to their everyday lives. Reasons for escape-seeking can be numerous but usually people are just looking for relaxation, recharging their batteries, learning about different cultures or trying to find themselves. Also the push (escape) and pull (seeking) are relevant motives for travelling. A person might escape personal troubles or the interpersonal world for example family, friends and in return seek for personal rewards like rest and relaxation and/or interpersonal rewards like increased social interaction or interaction within a new place or with new friends. (Crompton & McKay 1997.)

Tourists also have certain expectations towards the destination. Without these services the tourist will be discontent immediately which will not then lead to wellbeing. These essential services are safety and health, comfort, information about the destination and surroundings, food and beverage services in the area. Some other services that will make the customer exceed expectations are high quality of the service, the surprise element and the unique experience. This will lead to a “feel good” factor and therefore, wellbeing.

## 4 DEVELOPING WELLNESS TOURISM IN OUNASVAARA

### 4.1 Customer Values and Experiences in Product Development

A good wellness product combines the needs of the body, soul and mind. Experiences are related to customer value and are considered as essential elements in a tourism product. The theories chosen for this thesis indicate which elements are needed for creating positive customer experiences. This research underlines the meaning of customer value and experiences in product development, introduces different customer participation levels and examines the different motives of travellers. It clarifies the processes such as of how the customer value is measured and how experiences are created. The theories can be applied to the marketing of wellness tourism in Ounasvaara and the findings will be discussed later on. All of the chosen theories are in correlation between each other and developing wellness tourism products. The experience pyramid by Kylänen & Tarssanen (2005) is modified after Maslow's Hierarchy of needs (1954). These theories are addressed more specifically later on.

Different customer participation levels are also studied. Pine and Gilmore (1998) have studied customer participation levels and formed a model based on their results. In the Four Realms of Experience-model (Figure 5) the core points are presented in four dimensions and are relatively presented in accordance to the involvement level of the customer (active- passive) as well as the level of engagement of the customer (absorption- immersion). Entertainment and esthetic dimensions are classified as passive forms of customer participation, whereas educational and escapist dimensions present the active participation of customers. (Hosany & Witham 2009.) This model can be utilised to tourism business for evaluating and managing destinations.

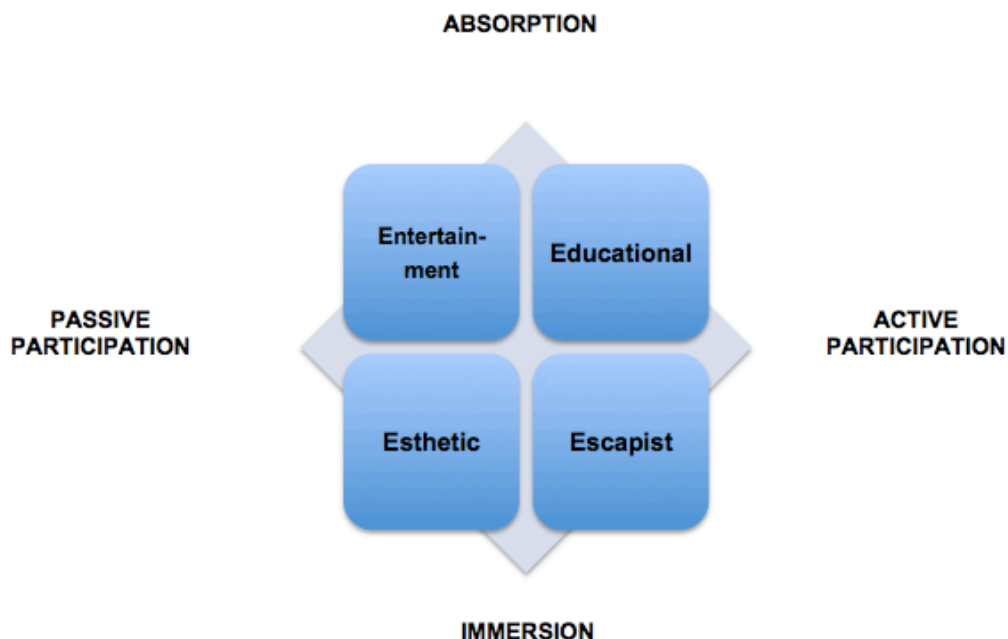


Figure 5. Four Realms of Experience (Pine & Gilmore 1998)

The entertainment experience of a tourist is passively participating in for example, a show or performance with visual and other sense observation, not by actually taking part in the performance. The esthetic participation occurs when tourists are passively enjoying their environment and surroundings and authenticity is not necessary. Sightseeing is one example of esthetic participation. Educational dimension presents tourists that want to learn something new that is related to the destination and is usually done beforehand their holiday or visit. In this case, learning about the culture and history of the destination is classified as educational participation. However, also physical skills such as learning how to ski are classified as a learning experience. The escapist experience is in relation to leisure activities done in search of a more meaningful life and to tourists who seek different perspectives towards their own lives, taking a timeout from their daily routines. The escapist experience seems to be lacking a solid definition and therefore it has been divided into three components: the escapist participation can be driven by a break-out of daily routines, an escape to a destination by the 'pull' or taking part in a certain activity in the destination. (Oh, Fiori & Jeoung 2007.) According to this model, most customers that visit Lapland are active participants and therefore the educational and escapist

experiences are the pull- factor for visiting Ounasvaara, to learn new skills and to seek escape from daily routines, which are motivations for wellness tourism.

At the moment the wellness tourism supply in Finland is not strong or internationally acknowledged. In this case recognizing weak signals and long-term trends are essential in order for the entrepreneurs and service providers to create holistic products that attract customers. The Finnish sauna is often mentioned in marketing and other relations but rarely as a part of wellness tourism or as a wellness tourism product - these kinds of resources should be taken into account more and be utilized, since they have not made a big impact on the international markets. A bigger branch in the Finnish tourism marketing are different treatments, excellent know-how in technology, healthcare, rehabilitation and the wellness field. These can be advantages in international marketing, which means that they need to be "sold" in the correct way by co-operating with Finnish companies. This can well be applied to area of Ounasvaara where the infrastructure should be applied to the demand of international markets. It is crucial to know the target groups, customer profiles and take into account the wishes of different nationalities in order to create holistic tourism products. Food and nutrition are crucial issues in wellness tourism and the Finnish food culture is being promoted abroad as organic and made by experts. Therefore it should be emphasized more or even create a product around it. The development of wellness tourism is increasing rapidly and requires attention concerning competition, product development and marketing. Continuous development should be crucial in order for the destination to offer services to the changing customer groups. (Matkailun edistämiskeskus 2008.) This should be taken into account in Ounasvaara where many products are in need of a redesign. Thus, the weak signals, customer profiles and trends are important.

The World Tourism Organization (UNWTO) and the European Travel Commission (ETC) define the key principles in tourism product development as:

- Being authentic



- Having the support of the host community
- Respecting natural and socio-cultural environments by not damaging them in any way
- Being of a sufficient scale to make a significant economic contribution, but not so large as to create high economic leakage

The future of tourism in Rovaniemi and the whole Lapland requires supportive quality for products that will enhance the customer experience. The development and focus on customer profiles that are based on motivation and value are a key element to develop the whole scenario with wellness tourism. Quality products from Lapland that are also sustainable and holistic can be a motivation for travellers regarding future travel trends (MEK 2005; Lapin matkailustrategia 2015-2018). Cooperation with local stakeholders will enhance the sense of locality and authenticity, not to mention the possibilities for employment. Lots of cooperation is already done within the Ounasvaara companies in the field of accommodation, marketing and safari services. For example, Arctic Golf sells their product via hotels in Rovaniemi as well as plan cooperation with safari companies in the near future. Safari companies are also in cooperation with Chalet Hotel as they offer different safari programmes for their customers. Visit Rovaniemi is marketing all four companies in their websites for tourists and so all four companies are marketing and promoting each other on some level. For example, Santasport has no mention of the Chalet Hotel on their websites but they are handing out brochures of Chalet Hotel from their reception to their customers.

Case studies conducted by Richards and Hall (2000) show that strong community awareness and sense of control are most likely achieved by the involvement of the local community in the tourism business as early as possible. Tourism as a business is also seen as a generator for community development. Díaz (2010) emphasizes that in order for a genuine tourist experience to happen it requires 'a complete network of services, infrastructures and elements of biophysical and socio-cultural heritage' (Díaz 2010). With these elements the author underlines the importance of local

factors in the overall and satisfying experience of a tourist. A good network of services, infrastructures and biophysical and socio-cultural heritage elements are emphasized.

Customer experiences are in relation with customer satisfaction and therefore to the profitability of company (Pine & Gilmore 1999). Presenting how successful customer experiences are created in wellness tourism the experience pyramid by Tarssanen and Kylänen (2005) can be used as a tool (Figure 7). The pyramid includes the elements of the product and how customers are impacted by them. The impact elements are individuality, authenticity, stories, multisensory perception, contrast and interaction (Figure 6). The experience pyramid is based on Maslow's hierarchy of needs. With the classification of human needs Maslow (1954) addresses the theory of self-actualization with a model, which starts from deficiency needs on the bottom. These needs are physical needs, security and sense of belonging, love, friendship and esteem. After these needs are met the model results in self-actualization. (Maslow & Herzberg 1954.) Main usage of Maslow's theory in tourism business relates to traveller's motivation. Pursuit of self-actualization and self development in both physical and mental level resulting in well-being can be motivators to wellness travellers (Kokko 2006).

All impact elements presented in the Experience Pyramid are closely related to each other and together they form a solid base for an authentic and satisfying customer experience. However, it is impossible to guarantee experiences from happening but with combining all these impact elements, favourable circumstances are created.

- Individuality. The product is customer-oriented and is unique in a way that no other product can ever be exactly the same.
- Authenticity. The product is believable and sustainable in a cultural-ethnic way. It must present the producer's own or local culture but never in an offensive way.

- Stories. Brings the customer closer to the product, its authenticity and gives a social meaning to it. It provides the customer with the experience on both an emotional and an intellectual level.
- Multi-sensory perception. Carefully chosen sense stimulations to support the product and its theme.
- Contrast. The creation of a completely new experience for the customer by taking his/her cultural background into consideration.
- Interaction. Important communication between customers, creating the sense of community. (Tarssanen 2009.)



Figure 6. Elements of Experience (Tarssanen 2009)

The pyramid itself consists of five levels, starting at the motivation level (Figure 7). The customer needs a certain motivator, something that evokes the desire to travel to a certain destination. In wellness tourism the interest factor could be outdoor activities, new experiences or relaxation. These motivators are usually presented in the early stage in the form of marketing. In the physical level the customer is already experiencing the destination, the surroundings and the activities with his/her sense of perception, which will lead the customer to the third level, the intellectual level. In the intellectual

level the customer is offered a chance and a possibility to learn new things and skills through the experience and so the change has begun. In the emotional level the whole experience will transform the customer journey into an authentic experience that leads to a (positive) reaction. In the mental level all positive experiences from previous levels can in best cases change the customer's whole life perception. (Tarssanen 2009.) These definitions and levels of the experience pyramid confirm the necessity of storytelling and fabula as a part of the tourism business. A great, inspiring and believable story related to wellness tourism in Ounasvaara is a motivator and attraction to people who plan a holiday. Storytelling and cooperation with major wellness businesses in the area of Ounasvaara can be uniting factors in the motivation level and a base for the strong image of Ounasvaara. As stated by Díaz (2010), tourist consumption and desires have changed during last decades from seeking 'an escape from daily life' into a search of '1) enrichment of personal life 2) happiness 3) paradise' (Díaz 2010). The core idea and meaning of the experience pyramid is following the basic rules of the 'Four realms of experience' by Pine and Gilmore (1998).

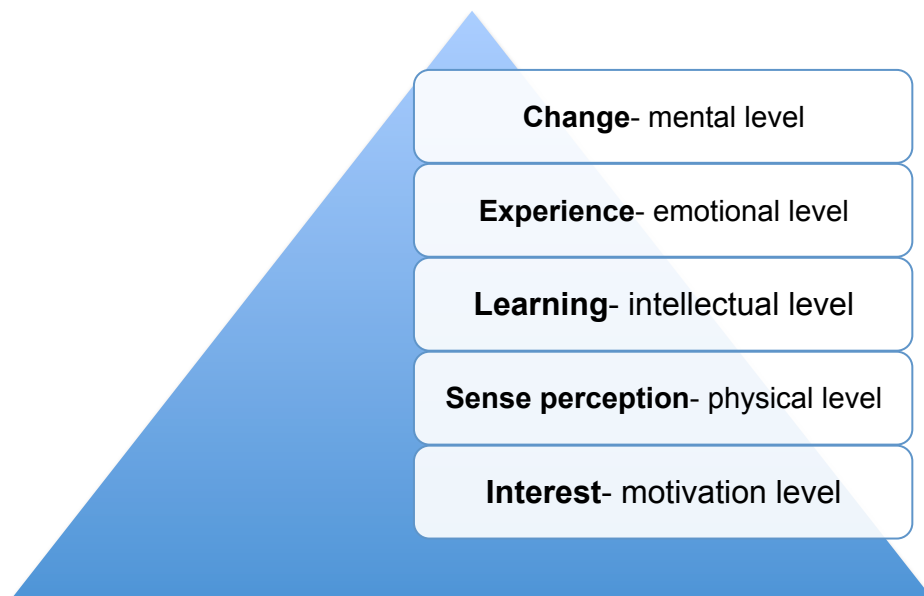


Figure 7. Experience Pyramid (Tarssanen & Kylänen 2005)

Komppula (2005) has done research on customer value as a core and purpose of a customer product. According to Komppula (2005) the customer experience should be a starting point in tourism product development and the

whole service concept of a tourism company is based on traveller's motives. The relation between customer experience and customer value is seen as strong. The author divides the concept of customer value into three different stages: the expected value, received value and experienced value. Basically this means that customer value is received before, during and after the transaction or travel. Expected value in this case represents all customer needs and goals and expected satisfaction from a tourism product before the service process. Received value includes the services experienced before and during service process such as check in, check out and guest services. Experienced value is defined by experiences received both during and after the service process. This includes post-travel follow up such as customer feedback questionnaires. The service process as well as the service concept and service system are all mentioned as prerequisites for customer satisfaction. (Komppula 2005, 83-104.)

#### 4.2 Cooperation and Networking

One objective of this thesis is to study how cooperation and networking are carried out in the four Ounasvaara companies and supplement stakeholders. Furthermore, the concept of cooperation is explained and studied. Several studies emphasize the meaning of collaboration and partnership among destination companies. Nordin (2003) has studied clusters and networking and points out how common goals and a shared vision can be a key factor on how to create a successful tourism destination. This will be further discussed in next section. However, in cooperation other important key factors are shared information capital, added value and trust towards all of the parties involved. Adding value to networking requires the ability to cooperate. Thus, cooperation is not defined only by the companies involved but more importantly by the relationship and connection between them. Cooperative moments are created by the people involved and this is referred as micro level cooperation. On the other hand, macro level cooperation is seen in organizational and company structures. Competence information is needed for assurance and fundamental values need to be in the same line within cooperative companies. Knowing these facts creates trust between companies and supports the cooperation. Finally, cooperative companies

need to be sure that all parties involved are working for mutual good and intentions are convenient towards each other. (Lehikoinen & Vuorinen 2009.)

As much as these four businesses in Ounasvaara are in cooperation with each other in a local level, it seems like there is a need for more professional networking. Networking is an effective way to combine business resources and moreover, it is done in order to obtain more competitiveness among other similar companies. It is especially beneficial for small companies which otherwise have low resources at hand. It can be done between similar companies, for example and in this case, two or more companies working in the tourism business. Traditional subcontracting is also networking when two or more businesses are not necessarily in the same branch of business but reinforce each other's businesses. Additionally this leads to an exchange of expertise on a certain area and makes a division of work. In comparison to a traditional cooperation between companies, networking is more official and binding. It binds the company's own resources as well as allows access to other companies' resources. Thus, common purchases are seen as savings on costs. The most important and essential motives for networking are seen as a possible increase of competitiveness and profit of the company. (SRHY 2015.) However, sharing benefits means also sharing risks, but this can be seen as an advantageous thing since it will create more of a solid teamwork and have all of the participants focused on mutual expectations and common goals (Gellynck & Kühne 2010). The Ounasvaara companies are clearly operating in the same field of tourism business and shifting more towards the wellness concept. Thus, a more unified image of Ounasvaara is needed in marketing and selling the area as a wellness centered destination. One problem according to the interviews is that Rovaniemi is not considered as a tourist destination compared to other destinations in Lapland. According to the interviews with Ounasvaara Ski Centre and Arctic Golf, interviewees see Santasport as the biggest and most influential company in Ounasvaara. Perhaps possible networking can be proceed through Santasport as the biggest player and other three companies as subcontractors with their services and know-how.

According to the interviews all companies are in collaboration with each other at some level and the depth of cooperation varies between companies. Other cooperative factors are companies and institutes as partners in marketing, product development and service production from outside the Ounasvaara area. These factors are for example, local educational institutes such as universities and vocational schools, travel agencies and safari companies. Santasport and Chalet Hotel Rovaniemi offer accommodation to the customers of the Ounasvaara Ski Centre and Arctic Golf. Santasport executes sports related services in cooperation with the Ounasvaara Ski Centre and the Arctic Golf premises. Chalet Hotel Rovaniemi and Arctic Golf also have shared responsibility and ownership of the Golf restaurant. Geographically, Chalet Hotel Rovaniemi, Ounasvaara Ski Centre and Arctic Golf are located within short distances (Figure 1), whereas Santasport is located on the other side of Ounasvaara. Yet, all companies operate in a horizontal network and form a cluster.

The term “cluster” is usually used in reference to a geographic concentration of interconnected companies and firms (Porter 1998). Differences between a network and a cluster are also related to geographical issues, since networking can happen among businesses situated anywhere, whereas clusters are more limited to a specific area among firms. Industry clusters are usually categorized in layers of a leading industry, a supporting industry and other actors such as transportation services and other services. Boundaries in clusters are constantly changing. (Nordin 2003.) Cunha & Cunha (2005) are referring to clusters as ‘agglomerate of enterprises involved in the region’s tourism product’ (Cunha & Cunha 2005, 50). According to Cunha & Cunha, Porter (1999, 211-212) states that in the sense of a cluster, an agglomerate includes factors in the supply chain such as producers (of products and services and producers of supplementary products and services), universities, agencies, enterprises, financial institutions and commercial associations. There is no clear definition about the concept of clusters, but this description by OECD can help to comprehend the differences between cooperation within a network and a cluster:

“The cluster concept focuses on the linkages and interdependencies among actors in the value chain in producing products and services and innovating. Clusters differ from other forms of cooperation and networks in that the actors involved in a cluster are linked in a value chain. The cluster concept goes beyond “simple” horizontal networks in which firms, operating on the same end-product market and belonging to the same industry group, cooperate on aspect such as R&D, demonstration programmes, collective marketing or purchasing policy, Clusters are often cross-sectoral (vertical and/ or lateral) networks, made up of dissimilar and complementary firms specialising around a specific link or knowledge base in the value chain” (OECD 1999).

This description includes concepts of vertical and horizontal networking. Vertical networking combines different agents, services and products. It happens within actors of the same production process organizations. Horizontal networking is more multidimensional and it connects companies and firms that operate in a mutual industry group level. The main purpose and function of horizontal networking is to combine mutual resources for added value and volume in sales. For example, using packaging that combines different services or products from the tourism businesses is considered as horizontal networking. (Taipale 2011.) Thus, in the case of Ounasvaara networking is carried out between companies in both horizontal and vertical ways. It is combining companies and firms operating in the tourism business as well as other agencies and subcontractors. Since the companies in Ounasvaara form a cluster it means they have a competitive advantage compared to other similar companies. Innovative and strong clusters usually attract more firms to operate in the area and therefore more human capital is brought along. Clusters are seen profitable for the companies in it and since clusters attract new entries, firms in clusters are usually more innovative and have faster growth in comparison to average. (Kuah 2002, 229-215.)



## 5 SWOT Analysis

The SWOT analysis is a technique used for evaluating the strengths, weaknesses, opportunities and threats of a business or area and determine the likely risks and rewards. The analysis can be utilized to create an action plan for preparing for the weaknesses and threats as well as for emphasizing one's strengths and opportunities. It can help create a strategy for the business or in this case the area of Ounasvaara. The internal factors of the SWOT Analysis (strengths and weaknesses) include the financial resources, the company's location, HRM (Human Resource Management) and access to natural resources. The external factors consist of issues that are uncontrollable such as market trends, changes in customer needs, economic trends, demographics, political regulations and relationships with partners. (Goodrich 2015.)

A SWOT Analysis of wellness tourism in Ounasvaara:

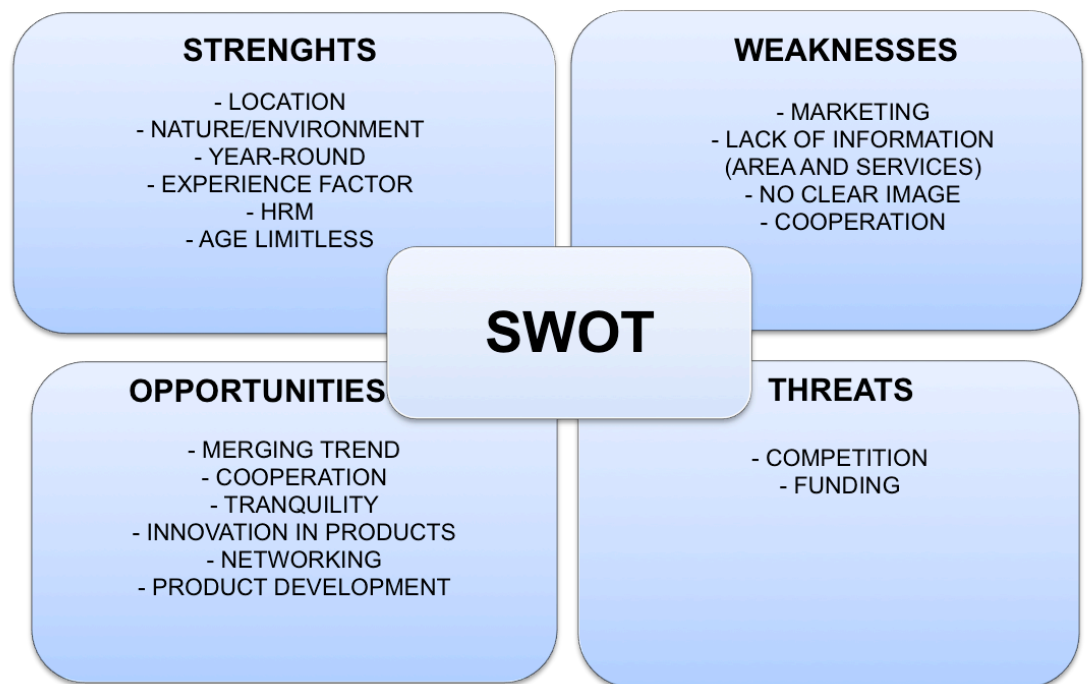


Figure 8. SWOT Analysis (Ojeda Parkkila 2015)

The SWOT analysis above (Figure 8) was made based on the four interviews conducted among the four companies that are relevant in order to create a wellness tourism centre in Ounasvaara. The Strengths include the location: the area of Ounasvaara is filled with natural resources and therefore is an

excellent location for a wellness tourism centre and perfect for outdoor activities. The natural environment creates experiences for visitors, no matter what their motives for travelling are and the year-round aspect is a huge advantage since nowadays tourism is mostly concentrated on the winter and Christmas season - this would mean more employment opportunities in the area of Rovaniemi. All of the four companies, Chalet Hotel, Santasport, the Ski centre and Arctic Golf offer services for all ages, which stands for all types of target groups - a wide market. The Weaknesses of the wellness tourism in Ounasvaara concept are the lack of information about the products the area is offering as well as inefficient marketing, since there is not much yet to market regarding wellness tourism. Ounasvaara is not yet a wellness tourism destination, since most people go to places further north like Levi, Kittilä or Saariselkä, that are more known for their ski slopes and images as vacation destinations. Cooperation at the moment can be seen as a weakness and as an opportunity: a weakness because the four companies are not working efficiently enough together to achieve a common goal and an opportunity because there are a lot of possibilities to improve the situation, which would benefit all entrepreneurs in the area. Other opportunities are tranquility from which visitors can benefit as much as locals can. Innovative products can be created from already existing ones, yet new and improved products are essential in order to make the destination attractive among the target groups. As mentioned earlier, the fact that Ounasvaara is still not seen as a wellness destination causes competition and most people that are in search of wellness services head further North of Finland or choose some other more known destination.

## 6 RESULTS

The results were obtained from the interviews conducted among the Ounasvaara company executives and the studied material support the hypothesis of a strong market potential in nature based wellness services in the future of the tourism business. All of the participants agreed that the lack of guideposts is one of the biggest issues in Ounasvaara. A coherent image on the way from the city centre to the Ounasvaara area would look pleasant to the eye and easy for the visitors, or even locals to move around the city of Rovaniemi. Unified guideposts will strengthen the image of Ounasvaara as a destination, making it appear more reliable and more like a quality destination, not just a district. All of the four companies should take advantage of the natural resources that Ounasvaara offers for their own purposes or for outdoor activities. Chalet Hotel could concentrate on the creation of menus as the wellness trend is here to stay and should be taken into account when creating new products. Some of the new products could also work around stories - all of the interviewees agreed that there could be storytelling in their products in order to make them unique, authentic and memorable, something that would bring a deeper cultural touch to their products and services. Supporting products for the already existing ones add value to the companies in a positive way.

The aim of this thesis was to exemplify how wellness tourism is implemented and marketed in the Ounasvaara area by studying four local companies: Santasport, Chalet Hotel Ounasvaara, Ounasvaara Ski Centre and Arctic Golf. The Interviews done with company CEO's gave more insight on the cooperation done in the area and among the four studied companies. Besides mapping out the current situation, research about future development was carried out. Findings revealed how all companies at some level were involved in wellness tourism, whilst none of them were completely or solely focused on the concept of wellness tourism. Sports and exercise as well as nature, nutrition and experiences became leading themes in relating the concept of wellbeing to the Ounasvaara companies. Thus, wellness tourism products are seen as overall services that combines exercise and nutrition and are leading towards a holistic customer experience. Wellness tourism is seen and experienced as potential and desirable market since it

can be marketed year round. Shortages are experienced in the marketing and branding of the Ounasvaara area. All four company executives state that Ounasvaara needs a stronger brand and image for marketing purposes.

As a development idea, the authors of this thesis created three package-ideas for the four companies in Ounasvaara based on the results of the interviews (Figure 9). All company CEO's agreed that package offerings would develop the supply of the area and help bring the four companies together in terms of cooperation. The packages should take into account the best qualities of all of the companies, highlight their products and stand out of the usual package-selection.

### *Package 1. WELLNESS PACKAGE*

- Wellness stay in Ounasvaara/ Santasport
- Accommodation with breakfast (Santasport)
- Healthy nutrition cooking course (provided by Chalet, meals designed in respect to exercise)
- Outdoor activities including element of nature (frisbee golf, cross-country skiing, depending on season)
- Sauna/ Wellness spa treatment

### *Package 2. WORKPLACE HEALTH PROMOTION PACKAGE/ SANTASPORT*

- Team day in Ounasvaara
- Healthy welcome drink and small snack
- Inbody measurements and testings (walking)
- Feedback of results
- Guided exercise (stretching)
- Relaxation in spa- and sauna section
- Dining

### *Package 3. ADVENTURE PACKAGE*

- Group activity in Ounasvaara
- Day in Santasport (wall climbing, trapeze jumps)/ Activity in Ounasvaara Ski Centre
- Frisbee Golf
- Meals included
- Cross country bicycling/ Ice swimming
- Sauna experience

Figure 9. Wellness Packages (Kurikkala 2015)

All of the packages include services from one or more companies in Ounasvaara. The ideal package would combine services from all four companies and contribute to cooperation and networking.

The packages presented are merely examples on how to combine different services and premises from the four Ounasvaara companies and what they have to offer. Collaboration in creating such package solutions is needed for successful production and these packages can be modified depending on the season. The core idea is to combine accommodation, wellbeing products and services, nutrition, experiences and activities in order to create an overall and authentic customer experience, which would result in wellness. All of the elements used in the examples are found within the four companies in Ounasvaara. By creating packages that include all of the four companies into one product will create a unity among companies as well as a base for solid marketing. The examples are based on product examples by MEK (2005) final report on mapping wellbeing and wellness travelling. The packages support the elements needed in order to create an authentic customer experience, since they include motivation factors.

All companies have positive experiences about cooperation among each other as well as with other companies in Rovaniemi. Moreover, all four companies are willing to be more involved in the future with marketing issues and product development concerning wellness tourism products. For example, there were suggestions about creating events together for which the funding would also be done together. However, most need of improvement was seen in the marketing of the entire Ounasvaara area and in cooperation.

According to Jutila & Hakkarainen (2015) recent surveys done in Ounasvaara area state how Ounasvaara has every potential to develop itself as a year round destination for tourists. For the whole Lapland the authors present marketing, product development, research, networking and cooperation as five main topics for further improvement. This thesis agrees with the authors on further improvement needs. The marketing of Ounasvaara should include pride on the area, emphasis on the safety in Lapland, cooperation and the image of a pure nature and the arctic, magical environment.

The interviews with the four Ounasvaara companies were done with the purpose of finding out their relation to wellness tourism, cooperation and product development. The findings reveal how all four companies are in relation to exercise and nature based services. Solely by location, all companies offer natural and beautiful landscapes to their customers. Product wise all companies have products and services including exercise and outdoor activities and sports.

Wellness is seen as a concept that includes factors for mental and physical wellbeing. In a business sense wellness tourism is seen as a potential motivator for tourism. All of the companies offer wellness related services through workplace health promotion purposes. Especially in Santasport this is seen as a way to attract individual customers to repurchase services from them. Out of all interviewed companies, Santasport offers the largest scale in services, as they obtain a broad selection of indoor and outdoor sports, accommodation, nutrition, relaxation and pampering. (Keskitalo 2015.) Thus, other interviewees see Santasport as the biggest factor in the area and are naming it as their most important cooperative partner (Kansanniva, Roininen & Kantola 2015).

Santasport, Arctic Golf and Ounasvaara Ski Centre are also operating on an educational level as they all offer training and coaching as a part of their services (Keskitalo, Jeskanen, Roininen & Kantola 2015). The cooperation between companies is seen as advantageous and especially the Arctic Golf CEO Veikko Kantola (2015) states how dependent Arctic Golf is on the cluster. The Chalet Hotel CEO Mika Kansanniva (2015) sees networking as an essential tool for product development. In means of cooperation, all four companies are willing to work together in order to create and innovate integrated wellness products. Cooperation is seen as a positive factor but deeper networking is needed. However, Roininen (2015) sees collaboration between companies also as a challenge. He proposes a need for an external agent that could market the whole Ounasvaara as unity and as a product. Since all four companies are working in a cluster within each other and also with companies and entrepreneurs outside the cluster, cooperation is manifested both vertically and horizontally. Cooperation is also essential in

the marketing sector, as a mutual concern was emphasized on the lack of appealingness of Ounasvaara image wise. This issue is seen as a weakness and falls through as a tourism attraction in the future tourism markets. (Kansanniva, Jeskanen, Keskitalo, Roininen & Kantola 2015.)

As for an appealing image, product development was seen as one biggest issues concerning the future markets. Customer feedback is collected on a yearly basis and analyzed constantly for better service quality and to discover possible development ideas. Santasport shows interest in developing new innovative ways to market already existing products and services, whereas Chalet Hotel sees potential in developing different packages and services that include wellness products. However, both Santasport and Chalet Hotel see nutrition as an essential part of wellness. (Kansanniva, Jeskanen & Keskitalo 2015.) Only Santasport wishes that cultural meaning would be integrated more deeply in their product development, since the company CEO sees highlighted culture as an attractive factor. For them a holistic approach to product development is also one subject of interest. (Keskitalo & Jeskanen 2015.) All interviewees are looking for ways to make the image of Ounasvaara more branded and coherent for marketing purposes. All company executives gave ideas on how to strengthen the image of Ounasvaara and storytelling as an image creator was mentioned by all interviewees. The unique location and infrastructure of Ounasvaara is seen as one major advantage for all four companies. Possibilities for year-round tourism is seen especially in wellness tourism, since wellness tourism related products are not necessarily dependent on seasonal factors. (Kansanniva, Jeskanen, Keskitalo & Kantola 2015.)

As a conclusion from the conducted interviews many development ideas were introduced. All four CEO's agreed on the same issues on the importance of storytelling, marketing and the overall picture of Ounasvaara. According to them the area of Ounasvaara can be utilized within the desired options which regard any kind of outdoor activities. With its versatility it makes a good opponent for competition, since there is a variety of wellness related services between short distances, which is a benefit to the customer. (Kansanniva, Jeskanen, Keskitalo & Kantola 2015.) Outdoor winter activities



can include winter sledding, snowshoeing (Roininen 2015), winter golf and safari services (Kantola 2015) and new products can be developed by modification and improvement on the already existing products. For example, skiing and the skiing school could be products offered to foreign customers and perhaps even for Finnish customers. Traditional sports and competitive sports can be also tailored for the needs of common people in order to create experiences and new learning skills. (Keskitalo & Jeskanen 2015.)

In terms of wellness tourism, Kansanniva (2015) sees opportunities in nutrition services, since wellbeing and intentional weight loss have become trends. Thus, they have to be taken into consideration and ease the access to possible markets by linking activities to wellness, for example cooking courses and non-alcoholic options for dinner. Kansanniva also states that a way to create new services in the wellness sector is aid with nutrition and exercise, so that the customer would understand what a healthy lifestyle is: as an example Kansanniva presented a package that would include instructed meals, advice on the importance of exercise and education on what ingredients are important and necessary. Santasport also emphasizes the importance of education in their services such as coaching, training, nutrition and relaxation. By creating holistic products Keskitalo & Jeskanen (2015) believe that Santasport could reduce the concept of one time-products and increase the numbers of returning customers. Also Kantola (2015) mentions that golf is seen as a wellness product that includes physical and mental aspects, as well as social interaction.

According to the findings and the material received by the interviews and studies, Ounasvaara has potential to be a future wellness tourism destination in Northern Finland. Nature, diversity in the services available, accessibility and the unique infrastructure of Rovaniemi and Ounasvaara are motivators for tourists in search of a wellness destination and are important factors in this research.

The four central companies find cooperation as a positive thing and a mutual good. However, with consideration to the current situation, the lack of structured cooperation and networking as well as the lack of stories and image is weakening the whole product of Ounasvaara as a wellness

destination. It was important to start the thesis by the creation of a thorough list of questions for the four companies to understand the situation and with a basis of background information start the analysis of the interviews.

The four interviews were conducted during the spring 2015 as face-to-face sessions at the company premises. The questions were carefully thought after and divided into three categories: wellness, cooperation and the Ounasvaara area (APPENDIX 2). Categorizing the questions made the interview more coherent and easy for the interviewee to follow as well even though there was a challenge with forming the questions so that the most valuable information would be gained. The interviews were recorded and then transcribed word for word, before the start of the analysis which was presented in a way that showed the central issues of the contents of the interviews. The results presented in this research are the author's interpretation which is based on the data analysis. The interviews as a process went smoothly and the only challenge was finding a proper time to meet, since the early spring time is still a high season for example the ski centre when most of the holidays are held.

Validity and reliability are essential topics in order to prove a research scientific. Validity refers to the collected data and whether the questions were relevant concerning this thesis. Consistency is measured by reliability. (Hammond & Wellington 2013.) Credibility issues were looked for by collecting various sources, visiting the area of Ounasvaara and meeting with the local companies. The more reliable data is usually gathered from written sources and in this thesis multiple sources were used in order to make the research scientific enough. The fact that this research was done by two people respects different points of view, different critical approaches and critical thinking. It also benefits the research so that the analysis is not short sighted but more broadly analysed and thought after. A challenge regarding the validity of this research is whether the results were reliable concerning the topics of collaboration and possible disputes.

The chosen research method (qualitative method) was justified in the beginning of the research as well as the meaning of the interviews and how they were conducted. The interviewees were chosen based on the

commissioner's wishes. All of the four interviewees offered an insight to the current situation in Ounasvaara and proposed development ideas which all were quite similar, which lead to the fact that there are clear issues that need to be considered before starting the wellness tourism revolution in Ounasvaara. The conducted interviews were done openly and the permission was given by the interviewees to use the received information in this research. The names of the interviewees are public.

## 7 CONCLUSION

As previously mentioned, there already is some existing cooperation which should be more emphasized. The whole area of Ounasvaara should focus on a coherent image provided through marketing and the enhancement of the surrounding areas (e.g. guideposts). Old products should be developed in a way that they can be offered for a wider target group that consists of both Finnish and international visitors in terms of wellness tourism. The needed supportive element is the customer experience that leads to satisfaction and the feeling of authenticity, strong branding and image creation as well as strong collaboration and cooperation.

Since Ounasvaara already forms a cluster of similar companies and a strong community involvement it needs to be strengthened with a more solid network and cooperation. The companies are more or less dependent on the cooperation with each other. Wellness tourism is seen in the services provided by the companies, since they all are offering sports related services. Interest is seen on developing these services and including other wellness related products to them. Thus, nature and sports are the central interfaces to wellness products in Ounasvaara. Utilizing the resources of the Ounasvaara area could make tourism in Rovaniemi year-round and decrease seasonality to a point where there are economical benefits for locals as well. Hence, wellness tourism has the potential to change the tourism business in Rovaniemi to a point where tourism is not only concentrated on the winter and Christmas season.

Product development is seen as a mutual interest among companies and further development of cooperation is seen as necessity, if Rovaniemi wants to develop Ounasvaara as a wellness tourism destination. Ounasvaara is seen as an exceptional place for its location near the city and yet it's natural environment and feeling of arctic surroundings. Utilizing the SWOT analysis the strengths, weaknesses, opportunities and threats of wellness tourism in Ounasvaara were exposed and analysed. It seems like Ounasvaara lacks attention as a productive year-round destination and all focus is concentrated to making Santa Claus and the Arctic Circle the main attractions of Rovaniemi. Ounasvaara can be marketed to foreign customers who are in

the search for wellness related activities as well as domestic travellers as a merging wellness destination. In relation to product development perhaps the most important issue that was brought up was storytelling. Storytelling can deepen the cultural meaning of products and services, especially in the possible markets in Finland and especially in Southern Finland. Storytelling could be a key in marketing that can be utilized among all four companies. Furthermore, one of the proposed development ideas was a coherent marketing that would take into account all four companies, their services and wellness related activities in Ounasvaara.

As a conclusion, this research answered the research questions set in the beginning of the thesis. They regarded wellness tourism definitions, their visibility in the area of Ounasvaara and product development. The topic of wellness tourism was introduced and supported by theories. The area of Ounasvaara was presented with a highlight on the four companies, which will benefit the commissioner, the Rovaniemi Regional Development Agency. Development ideas concerning product development in wellness tourism can be applied to the area of Ounasvaara where the commissioner has interest to establish a wellness tourism destination.

Further research on the topic is advised even though there is already a strong, existing base on the concepts of wellness tourism. The area of Ounasvaara needs further development and this thesis can be of use as a base to get a deeper insight on the core issues, which are product development and branding. As an example, future research could include marketing and cooperation issues as well as external agents used as strategy planners. Another research issue could be the development of wellness tourism in Finland or Lapland in general.

## BIBLIOGRAPHY

- Ardell, D.B. 1986. High level wellness: An alternative to doctors, drugs, and disease. Berkeley CA: Ten speed press.
- Chalet Hotel Rovaniemi, 2015. Cited 16 March 2015.  
<http://www.chalethotelrovaniemi.fi/fi/>
- Crompton, J. & McKay S. 1997. Motives of visitors attending festival events. *Annals of Tourism Research*, Vol. 24 No. 2, 425-439.
- Cunha, S. K. & Cunha, J. C. 2005. Tourism Cluster Competitiveness and Sustainability: Proposal for a Systemic Model to Measure the Impact of Tourism on Local Development. Cited 7 May 2015  
<http://www.scielo.br/pdf/bar/v2n2/v2n2a05>
- Díaz, F. 2010. *Tourism and Hospitality Development and Management: Competitive Strategies and Policies for Tourism Destinations: Quality, Innovation and Promotion*. New York, NY, USA: Nova Science Publishers, Inc.
- García-Altés, A. 2005. The development of Health tourism services. *Annals of Tourism Research*, Vol. 32 No. 1, 262-266.
- Gellynck, X. & Kühne, B. 2010. Horizontal and Vertical Networks for Innovation in the Traditional Food Sector. Cited 7 May 2015  
[http://ageconsearch.umn.edu/bitstream/97229/2/P4b\\_Gellynck\\_Kühne\\_Issue\\_2\\_rev.pdf](http://ageconsearch.umn.edu/bitstream/97229/2/P4b_Gellynck_Kühne_Issue_2_rev.pdf)
- Goodrich, R. 2015. Business News Daily. SWOT Analysis: Examples, Templates & Definition. Cited 7th May 2015. Address:  
<http://www.businessnewsdaily.com/4245-swot-analysis.html>
- Hammond, M. & Wellington, J. 2013. *Research Methods: The Key Concepts*. Abingdon: Routledge.
- Jutila, S. & Hakkarainen, M. 2015. *Hyvinvointia meillä ja muualla. Matkailualan tutkimus- ja koulutusinstituutti*. Oulu: Juvenes Print.
- Kokko, T. 2006. Finnish Wellness Tourism Product for a German Traveller Product Development in an Incoming Travel Agency. Lahti University of Applied Sciences: Degree Programme in Tourism and Hospitality. Licentiate thesis.
- Komppula, R. 2005. Pursuing Customer Value in Tourism: a Rural Tourism Case-study. *Journal of Hospitality & Tourism* 2005, Vol. 3, No. 2, 83 -104.
- Konu, H. 2010. Identifying Potential Wellbeing Tourism Segments in Finland *Tourism Review*, Vol. 62 No. 2, 41-51.
- Konu, H., Tuohino, A. & Björk, P. 2011. *Wellbeing Tourism in Finland: Finland as a Competitive Wellbeing Tourism Destination*. University of Eastern Finland. Savonlinna.

- Konu, H. 2015. Developing a Forest-based Wellbeing Tourism Product Together with Customers - An Ethnographic Approach. *Elviser: Tourism Management*, Vol. 49, 1-16.
- Kuah, A. T. H. 2002. Cluster Theory and Practice: Advantages for the Small Business Locating in a Vibrant Cluster. *Journal of Research in Marketing and Entrepreneurship*, Vol. 4, No. 3, 209-215.
- Lapin matkailustrategia 2015-2018.
- Lehikoinen, E. & Vuorinen, S. 2009. Yritysyhteistyön muodot: Forms of Collaboration. *Lappeenrannan teknillinen yliopisto: Tuotantotalous. Kandidaatin työ.*
- Maslow, A. & Herzberg, A. 1954. *Hierarchy of needs. Motivation and Personality.* Harper, New York.
- Matkailun Edistämiskeskus, 2005. *Hyvinvointi- ja wellness-matkailun peruskartoitus.* Helsinki.
- Matkailun Edistämiskeskus. 2008. *Visit Finland: Suomalaisen Hyvinvointimatkailun Kehittämisstrategia kansainvälisillä markkinoilla 2009-2013.*
- Matkailun Edistämiskeskus 2014. *Tutkimukset ja tilastot.* Cited 7 May 2015. <http://www.visitfinland.fi/tutkimukset-ja-tilastot/>
- Nordin, S. 2003. *Tourism Clustering & Innovation. Paths to economic growth and development.* Sweden: European tourism research institute.
- OECD Proceedings. 1999. *Boosting Innovation, the Cluster Approach.* France: OECD Publications.
- Oh, H., Fiore, A. & Jeoung, M. 2007. *Measuring Experience economy concepts: Tourism applications.* 14.
- Peris-Ortiz, M. & Álvarez-García, J. 2015. *Health and Wellness Tourism: Emergence of a New Market Segment.* Switzerland: Springer International Publishing Switzerland.
- Pine, B. J. & Gilmore, J. H. 1998. *Welcome to the Experience Economy.* *Harvard Business Review*, Vol. 76, 96-105.
- Pine, B. J. & Gilmore, J. H. 1999. *The Experience Economy. Work Is Theatre & Every Business a Stage.* Boston: Harvard Business School Press.
- Porter, M.E. 1998. *Clusters and the new Economics of Competition.* *Harvard Business Review*, Vol. 76, No. 6, 77-90.
- Qualitative Research Methods: A data collector's field guide. 2015. Module 1. Cited 8 May 2015 <http://www.ccs.neu.edu/course/is4800sp12/resources/qualmethods.pdf>

- Rantala, O. 2014. Well-being in Tourism lecture material. Lapland University.
- Richards, G. & Hall, D. R. 2000. Tourism and Sustainable Community Development. London, GBR: Routledge.
- Rovaniemen Kehitys. 2015. Cited 19 February 2015.  
<http://www.rovaniemenkehitys.fi/In-English>
- Saarinen, J. 2001. The Transformation of a Tourist Destination: Theory and Case Studies on the Production of Local Geographies in Tourism in Finnish Lapland. Nordia Geographical Publications. Vol. 30, 105.
- Sirgy, J., S. Lee, D-J. & Yu, G.B. 2011. How Does a Travel Trip Affect Tourists' Life Satisfaction? Journal of Travel Research. Travel and Tourism Research Association: Sage publications.
- Smith, M., Puczko, L. 2014. Health, Tourism and Hospitality: Spas, Wellness and Medical Travel (2nd Edition). Florence, KY, USA: Routledge.
- SRHY Suomen Riskienhallintayhdistys. 2015. Verkostoitumisen riskit ja niiden hallinta. Cited 22 April 2015.  
<http://www.pk-rh.fi/index.php?page=verkostoitumisen-riskit>
- Taipale, M. 2011. Verkostomalli Maaseutuyritysten osaamisen ja palveluliiketoiminnan uudistajana. Tampereen ammattikorkeakoulu: Yrittäjyyden ja liiketoimintaosaamisen koulutusohjelma. Licentiate thesis.
- Tarssanen, S. & Kylänen, M. 2005. A Theoretical Model for Producing Experiences: a Touristic Perspective. Articles on Experiences 2. Rovaniemi: Lapin yliopistopaino.
- Tarssanen, S. 2009. Elämystuottajan käsikirja. LEO Lapin Elämysteollisuuden Osaamiskeskus, Rovaniemi.
- Ten Have, P. 2004. Understanding Qualitative Research and Ethnomethodology. London, GBR: SAGE Publications Inc. 5.
- Tiainen, J. 2013. Reputation Research for Country Spa & Resort Grankulla. Satakunta University of Applied Sciences: Degree Programme in Tourism. Licentiate thesis.
- Travers, M. 2004. Qualitative Research through Case Studies. London, GBR: SAGE Publications.
- Voigt, C. & Pforrs, C. 2014. Wellness Tourism: A Destination Perspective. New York: Routledge.
- Wellness Travelers Motivation. Global Wellness Institute: The Global Wellness Tourism Economy. 2014. Accessed on 23 May 2014.  
[http://www.esteswellness.com/assets/wellness\\_tourism\\_economy\\_exec\\_sum\\_final\\_10022013.pdf](http://www.esteswellness.com/assets/wellness_tourism_economy_exec_sum_final_10022013.pdf)



World Tourism Organization (UNWTO) - European Travel Commission (ETC). 2011. Handbook on Tourism Product Development. Madrid: World Tourism Organization.

World Tourism Organization (UNWTO). 2015. Collection of tourism expenditure statistics. Madrid: World Tourism Organization.

## APPENDICES

- Appendix 1. List of Interviewees
- Appendix 2. Research Question Structure

## LIST OF INTERVIEWEES

## APPENDIX 1

Kansanniva, Mika. 2015. Interview of CEO of Chalet Hotel Rovaniemi.  
Conducted 20 February 2015

Jeskanen, Teo, Keskitalo, Heikki. 2015. Interview of Development Manager and  
CEO of Santasport.  
Conducted 20 February 2015

Roininen, Juhani. 2015. Interview of CEO of Ounasvaara Ski Centre.  
Conducted 4 May 2015

Kantola, Veikko. 2015. Interview of CEO of Arctic Golf.  
Conducted 4 May 2015

## RESEARCH QUESTION STRUCTURE

## APPENDIX 2

## WELLNESS

1. What is the definition of wellness in the company?
2. What are the central services (in the company) concerning wellness tourism?
3. How are the products being marketed and to whom? (Target group, communication channels)
4. How do you measure customer satisfaction?
5. How essential is wellness tourism and its development when thinking about the future of the company?
6. To what direction wellness tourism is/would like to be developed (possible wellness tourism products as part of the big picture?)
7. What are the possibilities for product development (supporting products like local health- and wellness products)?
8. What are the challenges concerning wellness tourism?

## COOPERATION

1. Who are the most important cooperation partners in the area of Ounasvaara?
2. How can the cooperation be seen in practice?
3. What do you think about the cooperation? Justification
4. What are the biggest challenges concerning cooperation?
5. How could the cooperation be developed?
6. What is the meaning of cooperation in wellness tourism?

## OUNASVAARA AREA

1. Concerning wellness tourism, what is the significance of the location of the company?
2. What are the possible challenges concerning the Ounasvaara area? How can the area be developed?