



## **International Marketing Strategy for Forest Fire Extinguishing Agent**

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## Abstract

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<p>The objective of this product-oriented Thesis, commissioned by the Finnish safety technology company PPO-Elektroniikka Oy, was to create an international marketing strategy for forest fire extinguishing agent PPO® ForExt.</p> <p>Forest and wildfires are increasing around the world causing catastrophic impacts. PPO® ForExt is an innovative solution created to stop uncontrolled fires from spreading. ForExt-water-mixture together with the invented spreading technique offers a sustainable, efficient and affordable way to fight forest and wildfires. Despite this, the marketing of the product has been difficult since the common attitude towards innovations within the industry is hesitant and prejudiced due to previous failures of businesses trying to solve this global issue.</p> <p>This Thesis discusses the creation of an international marketing strategy and focuses on Business-to-Business markets from a small and medium-sized business perspective. It consists of three parts: an introduction, a theoretical section of marketing strategy creation and an empirical section, where all theoretical information is gathered and transformed into a real-life marketing strategy. The strategy includes mission, vision and values, market, customer needs, competitor, PESTEL and SWOT analyses, marketing mix and an AIDA model.</p> <p>This Thesis employs a qualitative and deductive approach to investigate the process of international marketing strategy creation. It draws upon a variety of sources, including the latest literature, topic-related podcasts, blogs, videos, websites, databases, and the commissioner's insights. Through thorough thinking and analysing, a deep understanding is gained, which is applied in the case of ForExt. The international marketing strategy as an end-product works as a base for marketing plan creation and helps the commissioner to proceed consistently on the global markets.</p>
<b>Keywords</b> International marketing, marketing strategy, forest fire, extinguishing agent

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# 1 Introduction

Our one and only globe is heating up and burning. Forest and Wildfires are increasing around the world in frequency, severity and duration. Professionals are helpless when a fire ignites on dry land. Many companies and institutions have tried to come up with solutions to help fight this global issue by developing new spreading techniques, extinguishing agents and robots of all kinds. However, the attitude towards innovations is rather reserved due to the previous failures of businesses and their products. This makes the marketing process of a new solution difficult.

The goal of this product-oriented thesis is to create an international marketing strategy for PPO® ForExt Forest Fire Extinguishing Agent – a new extinguishing innovation. The commissioner is a Finnish safety technology company PPO-Elektroniikka Oy. The marketing strategy will answer the question: How to get over prejudices caused by previous failures as a small and medium-sized enterprise and succeed in international Business-to-Business marketing? The aspect of small and medium-sized enterprises and business-to-business point of view will be considered throughout the theoretical part.

PPO® ForExt is a tested product ready to be taken into use worldwide. The marketing strategy as an end-product will help the commissioner to proceed consistently on the global markets.

## 1.1 Common Concepts

International Marketing consists of finding and satisfying global customer needs better than competition, and coordinating marketing activities within the global environment's constraints. This process requires a deep and holistic understanding of all internal and external factors from customer needs to competitors and markets. (Hollensen 2020, 15.)

Marketing strategy is seen as the logic behind the company's marketing, in which the company hopes to create customer value and achieve profitable customer relationships (Armstrong, Kotler & Opersnik, 645). It differentiates from a marketing plan, which provides the blueprint or outline of the marketing activities including the implementation, evaluation & control of those activities (Forrel, Hartline & Hochstein, 520). In other words, marketing strategy sets coherent goals and works as a support to lean on. A marketing plan is built based on the organisation's marketing strategy and is there to help the organisation achieve these goals concretely. Marketing strategy is made based on the organisation's business strategy (Markkinointisankarit, 2024).

When it comes to business-to-business (B2B) marketing and markets in general, the customer is an organisation rather than an individual consumer (Brennan, Canning & McDowell 2014, 6). These organisations can be for example resellers, institutions or governments (Forrel et al.

2021,124-125). In addition to final products, B2B companies can also sell for example raw materials and intermediate products (Wenger 19 January 2024).

Small- and medium-sized enterprises (SMEs) in the European Union are categorised based on the number of employees. A company is considered medium, when it employs fewer than 250 employees, and small, when under 50. (Hollensen 2020, 7.) SMEs represent 99% of all businesses in the EU (European Commission 2024). These organisations are often described as agile due to the flexibility that they have in comparison to large enterprises, but they often face challenges due to limited resources (Hollensen 2020, 8).

## **1.2 Goals and Limitations**

The aim is to create a functional marketing strategy for a meaningful product: PPO® ForExt Forest Fire Extinguishing Agent. This work will be a holistic overview of what has already been done, where the commissioner stands today and how they could proceed from now on in the near future. Because of the small company size and the challenges related to that, the end product will be quite simple: an overall game plan. The focus is fully on creating a coherent strategy that facilitates decision-making in the commissioner's future and works as a base for the creation of a practical marketing plan.

Since this is a bachelor's thesis, delimitation plays an important role. This thesis covers a lot of topics some of which could be thesis titles themselves. For example, analysing a certain market and conducting proper market research could well be forty pages or more alone. This means that this thesis scratches the surface of many issues, collecting the most important key factors of each topic. Also, the amount of valid marketing material out there is huge, and numerous great frameworks and models have to be left out of this work. The marketing models and frameworks included in this work are the most popular and widely used ones, also mentioned in the newest academic work.

## **1.3 Structure of This Thesis**

This thesis follows the traditional report standard. It begins with the commissioner and product introduction, where the reader gets an idea of what the marketing strategy will be built around. What is the starting point, what kind of challenges there are and why is this product in question extraordinary? After getting the answer to these questions, we will move towards the theoretical part, where factors of success are being discussed. What it requires to create a functional marketing strategy, and what kind of framework can be helpful in the creation process according to the latest academic knowledge? The theoretical part is followed by the empirical section, where all theoretical information is gathered and transformed into a real-life marketing strategy by using the chosen

frameworks from the ForExt case perspective. B2B and SME perspectives are present throughout the entire Thesis.

## **2 Commissioner and Product Introduction**

### **2.1 PPO-Elektroniikka Oy**

PPO-Elektroniikka oy is a safety technology company established in 1981 in Finland. The company focuses on hospital electronics and fire safety solutions. This SME company employs five people full-time in its main office in Helsinki. In addition, PPO has partners, subcontractors and customers in approximately thirty countries around the world.

The company has done an excellent job through four decades: it has managed to employ several people and survived through the recession and COVID-19 pandemic. When it comes to insulation level monitoring, PPO is a market forerunner and has a 95 per cent market share in Finland. Throughout the years of operation, PPO has only received a small amount of support funding. Otherwise, it has managed on its own with its large product selection.

Even though PPO is a tenacious company, its small size brings certain challenges. Hollensen (2020,8) confirms that this tends to be the case with SME companies in general. PPO's biggest struggle has been the overall small resources. The commissioner does not have the resources to for example hire as many full-time professionals that would be needed to grow. The personnel consist of the CEO, a marketing and communications person, two technical experts, and occasional interns: all of whom have an exceptionally broad task description. To cope and get enough profit monthly the company has to focus on several products simultaneously. No one is able to focus on one product or service only.

The marketing strategy created for PPO ForExt will be well documented and help the commissioner in decision-making and keeping a consistent approach in international markets. The strategy will be as well tailored to this SME company's needs as possible.

### **2.2 PPO® ForExt**

As said, the goal of this thesis is to create a marketing strategy for PPO ForExt® Forest Fire Extinguishing Agent. This subchapter discusses what this particular product is all about and what kind of issue it answers.

#### **2.2.1 Forest and Wildfires**

A forest and wildfires can be defined as unusual or extraordinary free-burning vegetation fires occurring in various types of wildland areas, which may be started maliciously, accidentally, or through natural means, that negatively influence social, economic, or environmental values (United Nations Environment Programme 2022).

To some measure forest and wildfires can be beneficial to the ecosystem: they can kill insects and diseases that harm trees, and modify the soil to become more propitious for animals and vegetation, but in today's volumes and widely spreading uncontrolled fires, the negative effects are remarkable. Wildfire smoke alone kills 339,000 people a year. (National Geographic 2023.) Long-term exposure to soot particles has been linked to higher rates of respiratory and heart problems, and the smoke plumes can travel for thousands of miles affecting air quality for people far downwind of the original fire. Fires also pose a threat to local water quality, and the loss of vegetation can lead to erosion and mudslides afterwards. (NASA 2019.) In Pantanal, the world's largest wetland area, 17 million animals died due to the fires in 2020 (Scientific Reports 2021). The annualised economic burden from wildfires for the United States alone is estimated to be up to 347.8 billion (United Nations Environment Programme 2022).

Water scarcity is a real global issue – 1.1 billion people worldwide lack access to water (WWF 2024). However, fire professionals rely mostly on pure water to extinguish demanding fires in nature. Salty seawater can be used as an extinguisher, but since it is harmful to vegetation and causes corrosion to fire equipment, it is not preferred. (Technology Org 2024.) Due to this, freshwater resources are further reduced. In addition, unfortunately, spraying water at the heat of 1200-1300°C is inefficient as well since most of the water steams up. The risk of reinitiation is enormous.

### **2.2.2 The Product**

PPO® ForExt was born as a result of the cooperation of two Finnish companies, PPO-Elektroniikka Oy and Kiilto Oy, with years of experience in safety technology and chemical industry. PPO is in charge of sales and marketing, and Kiilto takes care of the production.

This extinguishing agent is unique for many reasons. First of all, ForExt is used as a mixture with water, with a mixing ratio of 1:100. It is flame-retardant, fire-suppressive, and also prevents fires. In addition, the ForExt-water mixture can be spread with all fire equipment, including the ones with the most miniature nozzles. ForExt is environmentally friendly and fluorine-free. It does not cause damage to people, nature, aquatic ecosystems or animals according to the chemical legislation. This solution saves water, human lives, properties, animals and valuable vegetation.

PPO® ForExt was developed and brought to publicity in 2020. Due to the small resources, and therefore a lack of strategic planning, ForExt's path had a rough start. There were a couple of missteps because the commissioner aimed straight at international markets. After exploring for a while, it turned out, that fire professionals abroad are impossible to reach without a lot of test data, and the support of the national fire professionals. ForExt has only received some amount of export



development funding in the beginning. PPO has tried to apply for additional support but has not received it, because the amount of shared support funding is very limited and application processes are long and difficult. Most of the funding goes to large companies or fast-growing startups.

During the last few years, ForExt has passed multiple tests in Finland and evoked interest in Finnish fire professionals. The ForExt team has also gained new partners: Ponsse and Kesla, two Finnish experts in forest machinery. The process has been slow due to the workload related to other main products of the commissioner. No one has been able to focus fully on ForExt.

The current situation is that test orders have been completed, and sent to South America, North America, Australia, and Middle Europe for interested parties to test the product themselves. Distributorship agreements have been made with partners in the Netherlands, Greece, the UK, Canada, Colombia and Australia. The responsibility of the distributors is to adapt ForExt to the local legislation and take care of the common formalities.

There is no existing global or national standardisation for forest fire extinguishing agents. This makes the marketing process and market entry more difficult. Challenges have occurred with international certificates, chemical research, as well as with fire professionals whose attitude towards innovation has decreased due to failure tests with potential products over the last few years. In some cases around the world, agents with harmful chemicals have been implemented in the extinguishing process without proper research. Due to this, large natural areas have been damaged and the cases have been settled in court later on with involved parties. For this reason, there is an overall lack of interest in taking responsibility in the field. Nowadays long-term scientific research plays a significant role when deciding which product will be taken into use.

### 3 Creating a Marketing Strategy

Strategy in general is a plan to create value (Harvard Business Review 23 February 2022, min 0–2). Marketing strategy is seen as the business's overall game plan for reaching prospective consumers and turning them into customers of their products (Investopedia, 2024). Analysing the marketing environment from various perspectives is an indispensable part of creating a functional marketing strategy (Hollensen 2020, 15). The marketing environment can be divided into two: competitive environment and macro-environment. Raising awareness of how the environment in which marketing takes place is changing is of central importance when developing and implementing a robust marketing strategy. (Hooley, Nicoulaud, Rudd & Lee 2020, 57.)

The process of creating a marketing strategy includes the appraisal of organisation's current position, concerning the immediate competitive environment and the wider macro-environments, establishing key strengths and weaknesses, identifying opportunities and threats, setting challenging but achievable long-term goals, assessing a range of alternative strategic options, and from selecting the best options for the organisation (Brennan et al. 2014, 93; Brennan et al. 2008). To facilitate the process of creating a coherent marketing strategy there is a great amount of updated academic knowledge, including well-proven frameworks and models that can be modified to own organisation's needs (LinkedIn 2024). Business models and frameworks are seen as methods and toolkits by which strategies are planned in businesses. They give businesses confidence and clarity, when properly formulated, by giving answers to multiple questions: where the company stands today, where is it heading, and how can it achieve the goals it has set. The greatest frameworks and models are simple and make perfect sense just as they are. (Hague 2023, 1–2.)

Marketing strategy with its contents always aims to be the organisation's long-term plan on how to create customer value and achieve profitable customer relationships. Still, there are numerous ways to document one. The strategy can be basically in any form that answers to the certain organisation's needs. It can be incorporated into one document or a visual presentation, or be highly detailed and in multiple ways documented entity, or as in some cases, it may be exclusively stored in one employee's head – usually the CEO's. Documentation of marketing strategy is highly recommendable, but it is common for especially SMEs to not have a written one. Usually, this is explained by limited time resources or the fact that the number of employees is minimal. (Markkinointisankarit 2024.) In any case, the most important thing to remember is that the strategy itself does nothing if it is not properly communicated to all necessary parties including all employees, who implement the strategy in practice in their daily work and bring the organisation closer to its goals (Kilpinen 2022, 19).

The involvement of all team members in the strategy creation process is important. One of the core tasks of any strategy is to harness the entire organisation and activities of each team member towards a common direction. When the employees' strengths and dreams meet the company's strategy and business goals, the daily work becomes more meaningful and thus productivity and results grow exponentially. (Kilpinen 2022, 19.) If documentation is not the biggest strength for most SME companies, employee involvement might just be. In bigger organisations with thousands of employees, everyone cannot be involved in praxis. In SME companies the number of employees can be so small that everyone can be in the same room and in the same meeting to discuss their thoughts and ideas. (Pelastetaan strategia 5 October 2022, min. 6–10.)

Creating a marketing strategy for a B2B company requires more theoretical work since the marketed products are typically more complex and customers often need specialised knowledge and support to effectively use and maintain the products they purchase (Hidile 2023). This topic will be further discussed in chapter five.

## 4 Mission – Vision – Values

Mission, vision and values are a well-known trio. In this chapter, the importance of this trio is discussed and evaluated in the light of creating a marketing strategy.

In order to bring authenticity to philanthropic gestures that a company intends to indulge in and maintain, the best way to inculcate them in its mission, vision and value statements. These elements should not be mere words but integral elements of the corporate DNA. Each of them answers different questions: Mission is all about why, vision is about what, and values how. (Kompella 2019, 146–147; Kotler et al. 2016.) Defining a purpose for the organisation by setting a mission, vision and values is a useful starting point in strategy formulation (Hooley et al. 2020, 30).

A mission statement is a statement of the organisation's purpose – what it wants to accomplish in the larger environment and why it started its operations and exists in the first place. It should be meaningful and specific yet motivating. (Armstrong et al. 2023, 63.) Mission delivers satisfaction, realises aspiration and practices compassion (Kompella 2019, 147; Kotler et al. 2016). When the mission statement is good, well-considered and communicated across the organisation, it provides guidelines for decision-making and increases overall clarity within the organisation. However, it is extremely important to understand that an imprudent mission statement can also cause damage to the organisation by causing derision among employees, managers or customers. (Hooley et al. 2020, 31.)

A vision statement does not aim to maintain something or combat a certain threat (Laine & Lähdemäki-Pekkinen 7 May 2018), it is there to describe an organisation's desirable future: what the organisation wants to achieve, and what it stands to create, and become, or make happen. Of central importance are three abilities: the ability to profit, return and sustain. These abilities do not just promise to deliver customer satisfaction, they strengthen the brand and make a difference in employees' lives. (Kompella 2019, 146–147; Kotler et al. 2016.) Sometimes organisations face challenges, and it may feel like being on a rollercoaster. In moments like these, vision brings hope. There is a reason why the organisation goes through it all. (Laine & Lähdemäki-Pekkinen 7 May 2018.)

Values are seen as the ethical and moral tone that guides the operation (Hooley et al. 2020, 31). They can also be seen as the organisation's institutional standards of behaviour. Values define how to be better, differentiate and make a difference. (Kompella 2019, 146–147; Kotler et al 2016.) Values should always be seen from the outside, by customers for instance. Values can be, for example, quality, responsibility and efficiency. (Hooley et al. 2020, 32.)

As said, setting a mission, vision and values is a starting point of the strategy process and therefore it plays a central role in the entire creation process of a marketing strategy. Once the purpose, desirable future and fundamental beliefs and principles of the organisation are defined, the marketing strategy can be crafted to help achieve and maintain them. The development of a marketing strategy can be divided into three main levels: establishing the core strategy, creating the company's competitive positioning, and implementing the strategy. After the mission, vision and values have been set, the formulation of a core strategy and competitive positioning can begin. These include a set of thorough analyses from the company's current stand to inner and outer environments and from competition to target markets. (Hooley et al. 2020, 33–34.) This will be discussed in the following chapter.

## 5 Core Strategy and Competitive Positioning

As mentioned in chapters three and four, the creation of a marketing strategy requires a thorough analysis of all factors in the marketing environment. In this theoretical chapter, the most important and widely used analyses and helpful tools and frameworks are introduced and explained.

### 5.1 Market Analysis & Segmentation

By analysing the market that the company is interested in, it gains vital information about the current situation, and whether the market is or is not worth entering. This sub-chapter covers market segmentation and selection of international B2B markets from the SME point of view.

Business markets, where the buyer is an organisation instead of a consumer, are a lot bigger than consumer markets (B2C). They differ by market structure, demand, and nature of the buying unit, and involve types of decisions and decision processes that consumer markets do not. (Armstrong et al. 2023, 180.) Whereas B2C companies mainly sell final products, including fast-moving goods like drinks, food and other consumables, B2B companies also sell raw materials and intermediate products. To sum up, B2B trade is slow-paced, the customers need more evidence, the brand value is earned by great relationships rather than just products, and the buying decisions are made based on needs, thorough planning and logical thinking instead of things such as emotions and desire. (Wenger 19 January 2024.)

Market segmentation means dividing a certain market into distinct groups of buyers who have different needs, characteristics, or behaviours and who require separate marketing strategies or mixes. Market targeting consists of evaluating each market segment's attractiveness and selecting one or more market segments to enter. (Armstrong et al. 2023, 198.) B2B markets consist of commercial, reseller, governmental and institutional markets (Forrel et al. 2021, 124–125). In these markets, all customers are particularly unique and shall be interacted via various channels. They are also remarkably less homogenous compared to consumer markets. However, the heart of segmentation in these markets is to understand that different and unique customers may share similar needs and behaviours. In other words, segmentation is the key to facilitating the life of B2B marketers. It enables the organisation to make choices about which groups in the markets are worthy, and it gives value through decision-making and establishing specific competitive positions. (Brennan et al. 2014, 137–153.) A successful segmentation is identifiable, measurable, substantial, accessible, responsive, viable and sustainable (Forrel et al. 2021, 132).

When evaluating different market segments and wondering which one to go for, the organisation should consider three factors: size and growth characteristics, structural factors that affect long-term segment attractiveness, and the organisation's own objectives and resources (Armstrong et al. 2023, 209–210). There are multiple ways to approach the international markets. The approach can be reactive, which means that the international markets are not proactively chosen, and the company is reactive to external drivers. The market may become chosen by the customer's initiative for instance. The neighbour approach means selecting and targeting the markets nearby, that share similar features to home markets. Many companies choose to start globalising their operations with this approach since it is often seen as an easier and less risky choice. If a company has a lot of resources, it may also approach the selection systematically and analytically. This complex and thorough approach includes gathering a lot of primary and secondary data and requires that all the existing markets are taken into consideration before narrowing them down. Companies may, however, use multiple approaches at the same time by for example entering markets in the neighbouring countries, but additionally conducting systematic research. (Walde 9 July 2018, min.11:00–13:00.)

Smaller companies may lack the skills and resources to serve larger segments. In some cases, smaller and less attractive segments are more profitable. The largest and wealthiest is not necessarily the best one (Armstrong et al. 2023, 209–210). The same applies to SMEs' approach when selecting international markets. The systematic approach may often be too time-consuming and expensive for SMEs, whereas the other approaches are simpler and give faster results in return. (Hollensen 2020, 262.)

## **5.2 Customer Needs Analysis**

Marketing in general is all about creating value for the customers. This is why understanding customer needs is one of the first steps of the marketing strategy creation process. (Armstrong et al. 2023, 30.) What do they need, what gives them value, how do they behave and how to reach them (Hooley et al. 2020, 95)? Understanding customer needs meticulously is also about going beyond identifying what they want to buy from you and diving into why they are willing to invest in what you're selling. What do they want in the bigger picture, what would they gain from implementing the product in question, what are their options, and what is the cost or risk of not making any change at all? (Schulkind 2022, chapter 2.)

Customer needs may be divided into three categories: functional, emotional and social needs. Functional needs can be satisfied by solving customer's issues by offering them a product that meets their requirements. Customer wants to choose a product that helps them achieve a specific function or task. These needs can be broad or extremely specific depending on expertise for

example. They might need a product that lasts longer than the last purchased one, one with more advanced features for more versatile use, or one that is as simple as possible. (Stobierski 1 September 2020.)

It is important to be aware that customer needs are also affected by social factors – consciously or unconsciously. These may be difficult for the company to identify. For example, a customer's buying decision can be made based on what others, including professional communities, think. Sometimes this kind of thinking can lead the customer to buy a product that they would have not chosen themselves otherwise. (Stobierski 1 September 2020.)

Emotional needs refer to what the customer wants to feel like when using the product or service. These needs are strongly linked to social needs. When selecting a product from among certain famous brands, cheaper basic products or advanced ones, for instance, emotional factors have a great impact. If there is a strong emotional bond with a brand, and the product of this certain brand brings up memories, the person likely goes for this brand. If brands are not relevant to the customer, the decision depends on quality and price. If the customer wants to feel professional and elegant, they choose advanced high-quality products. If the product comes to light, relaxing free-time use, they are more likely to go for cheaper options. (Stobierski 1 September 2020.)

Customer needs can be analysed with the help of creating a buyer persona. A buyer persona is a story built around the potential customers' buying decisions. It reveals insight into buyer's expectations and concerns as they decide whether to do business with you, choose a competitor, or opt to do nothing at all. A Buyer Profile alone allows you to focus on who your buyer is through demographic data assigned to a fictional name and portrait. When you combine the buyer profile with buying insights, you will have clear guidance for the decisions you need to make to win their business. (Ravella 2015, 13.) Even though a persona includes some fictional information, it should be made based on collected data from real users. The creation process of a persona includes demographics, psychographics and webographics of potential customers on the market. (Hanlon 31 May 2023, min. 1:30–06:00.) When creating a persona, it is essential to use as many sources as possible to get as valid results as possible. Sources can be for example internet searches, LinkedIn, Google analytics and real-life interviews. (Hague 2023, 230.)

Even though customer needs are not always easy to identify, it is worth putting effort into. Understanding customer needs by hearing the customers themselves can make the customer feel valuable and important, and help the company in product development. This builds trust and brings the customer closer to the supplier, which gives value to both parties. (Hooley et al. 2020, 97.) Analysing customer needs by creating a persona may also save a considerable amount of money since it helps the company to identify groups of people who have the needs that the company believes it



can satisfy. Marketing is expensive, especially if the wrong groups of people are targeted. (Hague 2023, 229.)

### 5.3 Competitor Analysis

Competition is an inevitable factor in the business world and it is often seen as a bad thing. However, the fact that there is competition in every marketplace has also many advantages. It encourages innovation, speeds up responses, and makes the companies understand and serve their customers better and better. It is worthy to see competition as a possibility instead of a threat because it can be used in the company's favour. (Hague 2023, 6–7.) Competitor analysis gives vital information about what the organisation has up against in the markets. As already said, the heart of marketing strategy, as in all strategic planning, is to find ways to differentiate and therefore be better than competitors. (Haaga-Helia 2024.)

One of the good ways to analyse the competition environment is with the help of Porter's five forces model. It focuses on five basic competition forces: new entrants, suppliers, buyers, substitutes and market competitors. The goal of this analysis is to find a position in the industry where the company can best defend itself against these five forces, or influence them in a way that makes them work in the organisation's favour. (Hollensen 2020, 107–108.) This widely appreciated model encourages strategic thinking, where the company is positioned in an environment where competitive forces can be controlled. With this model, companies can analyse their current industry or alternatively, an industry in which they would be interested in expanding. Each of the five forces shall be analysed individually and rated from weak and low to very high based on different factors. The weaker the forces are, the better competitive advantage the company has. (Vuorinen & Huikkola 2023, 228–230.)

*The threat of substitution* describes the replaceability. If there are numerous substitute products the overall attractiveness and profitability of the industry may decrease. (Hollensen 2020, 109.) In addition, some products may be at risk of being replaced entirely by innovations. This has been the case with for example paper posts and faxes that are mostly dealt with by email today. (Vuorinen & Huikkola 2023, 231.) This threat can be lowered especially by building up switching costs (Hollensen 2020, 109). Switching costs are costs incurred from switching brands, products, services, or suppliers. They can be psychological, time or effort-based costs. When the switching costs are high, the change of product or supplier is not worth it for the buyer due to the extra work that the process includes. This can mean for example additional paperwork, queuing, exit fees, and giving up of a pleasing brand and practice – possibly all this for just a small change. (CFI 2024.)

The threat of new entry and its severity depends on six factors: Economy of scale, product differentiation, capital needs, supplier switching costs, distribution channel accessibility, and legal barriers

(Vuorinen & Huikkola 2023, 228–230). All of these can work as entry barriers. For example, suppose the companies already in the industry have a lot of headway, have created strong brands, and have mastered multiple distribution channels. In that case, the market is less attractive or even impossible for new entries. The fewer new entrants there are, the lower the degree of the competition is. (Hollensen 2020, 109–110.)

Buyer power is especially high when there is no balance between customers and suppliers. Some industries have far too few customers in relation to the number of supplier companies. Nowadays it is very quick and simple for the buyer to compare products and prices and change suppliers. (Vuorinen & Huikkola 2023, 230–231.) To prevent the threat of buyers integrating backwards, and generally lower the buyer power, companies can try to increase the number of buyers to sell to, threaten to integrate forward and focus on producing highly differentiated products (Hollensen 2020, 109).

When the supplier power, also known as the supplier bargaining power, is high, the overall costs are high as well. The circumstances in which this power will be higher are for example as follows: dominated supply by few companies, unique or differentiated products, possibly created switching costs, there is no threat of integrating backwards into supply by the buyers, and the supplier is not obligated to contend with other products for sale in the industry. However, there are ways to reduce the risk level of the supplier power. The company can seek new sources of supply and threaten the supplier by integrating backwards into supply by designing products that many suppliers are capable of producing. (Hollensen 2020, 108.)

The intensity of the competition in the existing market is probably the most obvious force: the more competition there is and the more intensive it is, the harder it is for a single company to succeed. This force is often placed and shown in the centre of Porter's model (see Figure 1.1). Sometimes companies may get stuck in tight competition because resources have been used so widely to reach the current market share that it would be expensive to stop operating. In this kind of situation, it is better to slightly change the product type or make changes in pricing rather than changing the entire industry. (Vuorinen & Huikkola 2023, 232.) This phenomenon is also called the exit barrier. If the companies competing in the same industry do not have profitable possibilities elsewhere, the rivalry is more intense. Also, other factors such as the concentration of the industry, rate of market growth, degree of differentiation, structure of costs and switching costs have an effect on the level of intensity within the market. There will be less rivalry when there is a clear market leader, products are highly differentiated, switching costs are set and market growth is fast. (Hollensen 2020, 108.)

In Figure 1, all the factors that increase the level of the forces are listed based on Hollensen's (2020, 107–110) view. As said, the weaker the forces are the better it is for the organisation. When all possible risks are named, it is easy for the organisation to start analysing, which ones are and are not a real threat to them.



Figure 1. Porter's Five Forces (adapted from Hollensen 2020, 108–110).

## 5.4 PESTEL Analysis

The PESTEL Analysis can be used to evaluate the most important macroeconomic factors of the marketing environment that may influence the further development of the organisation under review. These factors include political, economical, sociological, technological, environmental and legal points of view. (50Minuten.de 2018, 9–12.) This analysis can be considered a good starting point for examining an organisation's strategic position (Vuorinen & Huikkola 2023, 47). PESTEL can be applied to establishing a new business, developing new products, implementing a project, questioning and updating the structure of the organisation and the decision-making process of a marketing strategy (50Minuten.de 2018, 33–35).

The idea of the PESTEL analysis is not to list all possible external factors such as wars or governmental decisions that affect some businesses and potentially yours after a few decades. To get the most out of this analysis, the listed factors should have a clear impact on the organisation today. By conducting a PESTEL analysis together with SWOT and the competitor analysis of five forces,

the organisation gains an excellent insight and understanding of the external business environment. When the company becomes aware of the possible threats, it may prepare to receive them or implement actions to avoid them (Vuorinen & Huikkola 2023, 47.)

The political aspect of the PESTEL analysis covers all governmental policies of the country in which the company operates and in the bigger picture international agreements as well. These include for example monetary policy, level of unemployment, interest rate, subsidies, government intervention and international trade regulations. (50Minuten.de 2018, 18–19.)

The economic factors include the general economic situation and its fluctuations that cannot be influenced by a single organisation, such as GDP development, tax rates, growth rate and purchasing power of consumers (50Minuten.de 2018, 19–20).

The sociological factor is one of the most important ones in PESTEL analysis since knowing the characteristics of the population to understand purchasing behaviour is essential when conquering a new market (50Minuten.de 2018, 20). Population structure, lifestyle changes, consumption habits and ethnical factors like religion and diversity, just to name a few, have an inevitable effect on the market (Vuorinen & Huikkola 2023, 47).

The fourth industrial revolution emphasises technological competence. Nowadays every company has to be a tech company in a way. (CNBC 2019.) Technological factors in PESTEL analysis include for example investments in product development and research, cybersecurity, patents, and energy costs (50Minuten.de 2018, 20–24).

The environmental aspect covers the increasing knowledge of environmental matters within the people and companies in general. Global warming, climate change, environmental pollution – people are more and more worried about the globe's current stand. Nowadays consumers expect that the environment is considered in all business operations from sold products to the actions in the actual workplaces including cleaning products, how much paper is consumed, how the company recycles et cetera. Proven tests and certificates are also more important to the customers. (50Minuten.de 2018, 21–22.)

There are a lot of legal regulations that affect the operation of businesses. Companies want to avoid costly lawsuits and ensure that they are operating within the legal framework. The only way to do this is to stay up to date with the regulations of the country where the company is located. (50Minuten.de 2018, 22.) For example, tax issues, product safety, consumerism, labour legislation, and consumer rights are legal factors in PESTEL (Vuorinen & Huikkola 2023, 47).

Illustrative Figure 2 summarises all the PESTEL factors. It is important to remember that most markets are subject to continuous change, and therefore, the organisation should regularly analyse and update its strategy with the help of PESTEL and other tools (50Minuten.de 2018, 34).

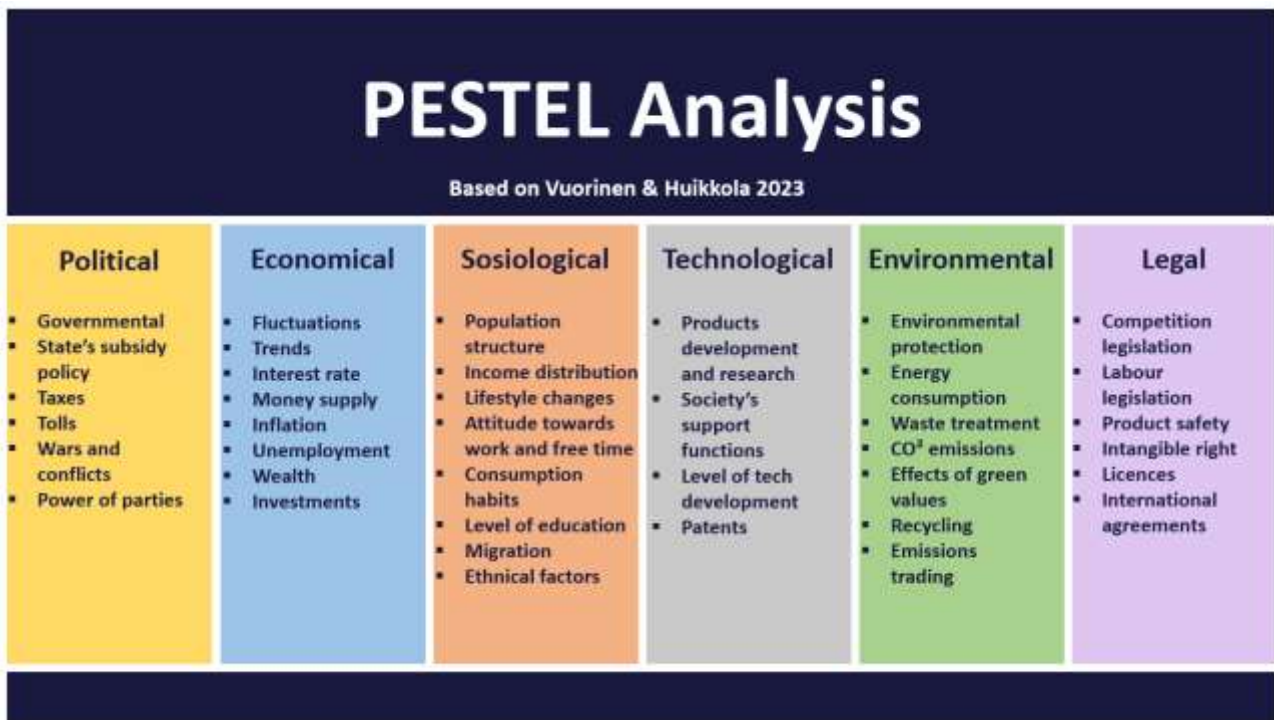


Figure 2. PESTEL Analysis (adapted from Vuorinen & Huikkola 2023, 47).

## 5.5 SWOT Analysis

SWOT Analysis is an overall evaluation of the company's strengths, weaknesses, opportunities and threats (Armstrong et al. 2023, 78). The purpose of this analysis is to identify the most significant internal and external factors that may affect the organisation and its markets. Additionally, looking at where the strengths and weaknesses align with the opportunities and threats can help in formulating the actual strategy. (Hooley et al. 2020, 40.)

Strengths are seen as an internal element that defines what we are good at relative to competitors. This can be anything positive that differentiates the organisation from others or works as an advantage — fast supply, reliable partners and customer base, uniqueness, great locations et cetera. Opportunities describe the new positive possibilities that changes in operation can create. This is an external element that can include points like emerging demand, using the possibility to expand operations with social media marketing or opening a new logistics channel. Weaknesses and threats are seen as the two danger points. Weaknesses are internal issues that are unfavourable to the organisation in competition with others. The product life cycle may be not as long as

competitors' models, products can be more expensive in relation or the supply may be slower. Threats are external elements that necessarily cannot be controlled. Global pandemics, rapidly increasing competition, labour shortages and increases in product costs can for instance challenge the organisation. (Hooley et al. 2020, 40.) If a PESTEL analysis is conducted before the creation of organisational SWOT, it can be used to capture the external elements (Vuorinen & Huikkola 2023, 47).

Conducting a SWOT analysis gives valuable insights, and helps to get a firm understanding of the current situation of the organisation. SWOT is a widely used tool that is highly recommended in every planning process. This analysis can be made regardless of the size of the organisation or industry or market in which the company operates. (Armstrong et al. 2023, 79.)



Figure 3. SWOT Analysis (adapted from Armstrong et al. 2023, 79).

## 5.6 7 P's Marketing Mix

The 7 P's marketing mix is a series of seven key variables that are varied by marketers as a part of the customer offering. These variables are product, promotion, price, place, people, process and physical evidence. (Chaffey & Ellis-Chadwick 2019, 190.) With the help of the marketing mix company translates strategy from a statement of intent into an effort in the marketplace (Hooley et al. 2020, 47). The 7 P's mix is the extended version of the first invented 4 P's model used with only four variables, leaving people, process and physical evidence out. The addition of these variables was a result of recent thinking which emphasises the importance of relationships in today's

marketing. The extended version is seen as more whole and modern and therefore, is the best one to use in the twenty-first century. (Hooley et al. 2020, 288.) People, process and physical evidence are seen as service elements. Their significance is remarkable because the level of perceived service has a great impact on satisfaction and also customer loyalty. (Chaffey & Ellis-Chadwick 2019, 221.)

The product is an element that involves researching customers' needs, developing appropriate products, and communicating their features and benefits (Chaffey & Ellis-Chadwick 2019, 193). Many characteristics such as existing brand, quality, design and packaging play an important role in customer's decision-making (Armstrong et al. 2023, 77). It is also worth thinking, about what would the customer do if the product in question was not available, and if it would be implemented, how would they use it and when would they replace it (Hague 2023, 11–12).

Promotion involves communication with customers and other stakeholders to inform them about the product and the organisation (Chaffey & Ellis-Chadwick 2019, 220). This element is all about creating awareness. How to advertise, which social media channels to use, how to promote sales and so on. (Armstrong et al. 2023, 77.)

Price is an element that involves defining product prices and pricing models (Chaffey & Ellis-Chadwick 2019, 203). Setting prices may be a difficult task since a price too high may lead to customers not buying, and a price too low may result in a lack of profitability, also in such severity that the organisation can no longer trade. (Hooley et al. 2020, 300.) According to Hooley et al (2020, 31), six factors should be taken into consideration when setting price levels: production costs, economic value to the customer, competitor price levels, desired competitive positioning, corporate objectives and the price elasticity of demand.

Place involves distributing products to customers in line with demand and minimising the cost of inventory, transport and storage. The chosen channels are of central importance: what kind of sales channels to choose, how many to have, and how to collect information about customer interactions and use it to enable channel segmentation? The company can have multiple channels of distribution including direct sales and sales via intermediaries. (Chaffey & Ellis-Chadwick 2019, 212–219.)

People, also known as the participants variable, involve the delivery of service to customers during interactions with those customers (Chaffey & Ellis-Chadwick 2019, 222). Any person coming into contact with customers can have an impact on overall satisfaction, this can be either an employee of the company or another customer (Hollensen 2020, 446). Happy, skilled and motivated staff are far more likely to serve customers well and effectively. And well and effectively served customers are more likely to recommend the company to others. This is why the company should make

personnel selections carefully, train the chosen people well, and give them feedback regularly. (Chaffey & Ellis-Chadwick 2019, 314.)

The process element is about providing the service to the customers. This includes all methods, procedures and flow of activities by which the service is produced and delivered. Marketer has to make sure that a customer understands how the process of obtaining their product or service is arranged. How to order, how long do they need to wait to be served, how long do they have to wait for the product after being served, and is the product worth the possible wait and queuing? The human mind loves simplicity and routines. If the process is simple and easy to learn, and the waiting time and effort are considered acceptable, the customer likely returns. (Hollensen 2020, 446.)

Physical evidence is an element that involves tangible expression of a product and how it is used. (Chaffey & Ellis-Chadwick 2019, 225). Sometimes customers need additional information and reassurance before making their purchasing decision, this is where tangible clues can step in. Case studies, testimonials, great packaging and well-functioning websites, all of these can support the customer to buy the product. (Hollensen 2020, 447.)

The marketing mix in international marketing can be adapted or standardised. Adaptation means that the mix is modified to match each country's needs where the company operates. Standardisation, on the contrary, is about establishing one mix that is used everywhere. (Wade 18 November 2016, min. 1:17–2:25.) The good side of standardisation is that it requires far fewer resources than adaptation, and therefore is also SME friendly. In European markets standardised mixes usually work well, but in other continents, they may result in poor performance. However, a poorly adapted mix may lead to poor performance as well. Among other things, this is again something that encourages companies to resort to the previously mentioned neighbour approach at the beginning of their globalisation process. It is less likely that neighbouring markets differ so much from each other that a standardized mix can be used from all countries. (Hollensen 2020, 447–450.) Basically, the more standardised the mix is, the easier it is for the company. In any case, it is still usual and recommended to regulate the degree of standardisation and adaptation within the mix. There is no need to redo the entire mix when the modification of a single element is enough. (Wade 18 November 2016, min. 4:00–4:25.)





Figure 4. 7P's Marketing Mix (adapted from Chaffey & Ellis-Chadwick 2019,190)

### 5.7 AIDA

As previously stated, the goal of a marketing strategy is to reach prospective consumers and turn them into customers of their products. The AIDA, marketing communications model, helps to achieve this. AIDA stands for awareness, interest, desire and action, and is one of the best-known marketing models. The model enables the organisation to review its customer journey from ignorance to purchase. (Oxford Reference 2024.)

Awareness is all about ensuring that the potential customers on the market know that the company in question exists. To ensure this the company has to analyse which channels are the best ones to reach the target audience. (Hooley et al. 2020, 306.) This is an inevitable part of a marketing strategy since the company will not succeed and make a profit if it cannot even reach the people who potentially bring all the money to the organisation. There are several focus points that a company can use in its marketing to reach their customers. If there is much competition the focus should be on differentiation. Then again, if the product is unique, the focus should be on discoverability. (Rastor-instituutti 3 November 2020, min. 0:20–2:00.) The awareness can be achieved by promotion. Typical promotion methods are TV, radio, newspapers, journals, billboards, public relations, direct marketing, point of sale, packaging and social media. It can be said, that the amount of money

used in advertising correlates directly with the level of awareness – the more money, the more visibility and awareness. (Hague 2023, 24.)

Interest is created when the potential customer becomes aware of the company and is willing to learn more. Creating interest nowadays is difficult due to the huge amount of marketing directed to potential customers daily – or even hourly. To differentiate from all others, instead of just sending a non-targeted ad and showing off the product, the company should demonstrate how and why its offer is also relevant to the customer's needs and wants. (Hooley et al. 2020, 306.) When the potential customer is only interested in the product, and not the offer, the customer can easily be lost (Hague 2023, 24).

Desire makes the customer put the chosen company ahead of others. To create desire, the company has to emphasise the particular brand and product. (Hooley et al. 2020, 306.) This is often the most difficult stage (Oxford Reference 2024). The most common failure at this point is for the company to try to cover too many benefits. This often leads to dilution of the message. When trying to create a desire, the company should choose one or two parts of the value proposition, and firmly and confidently stand behind them. (Hague 2023, 25.)

Action is the last step – the goal of the promotion. The goal can be commercial: either the customer buys the product or does not, or it can be a less commercial action such as visiting the website, ordering a catalogue, or a test batch. (Hague 2023, 25.) This stage is the most important one and is seen as the ultimate goal in all marketing and advertising (Oxford Reference 2024). Regardless of what the goal is, it can be supported and promoted by sending appealing offers and deals, and also, by arranging personal meetings. (Hooley et al. 2020, 306.)

AIDA model keeps its position among the most used marketing models year after year, decade after decade. There is also a similar model created especially for digital marketing needs, RACE, that emphasises something that AIDA does not – how to engage the customers and make them come back. (Chaffey & Ellis-Chadwick 2019, 9–11.) Customer engagement is important, but concerning this work, and the product around which the empirical section is built around, AIDA serves the needs better.

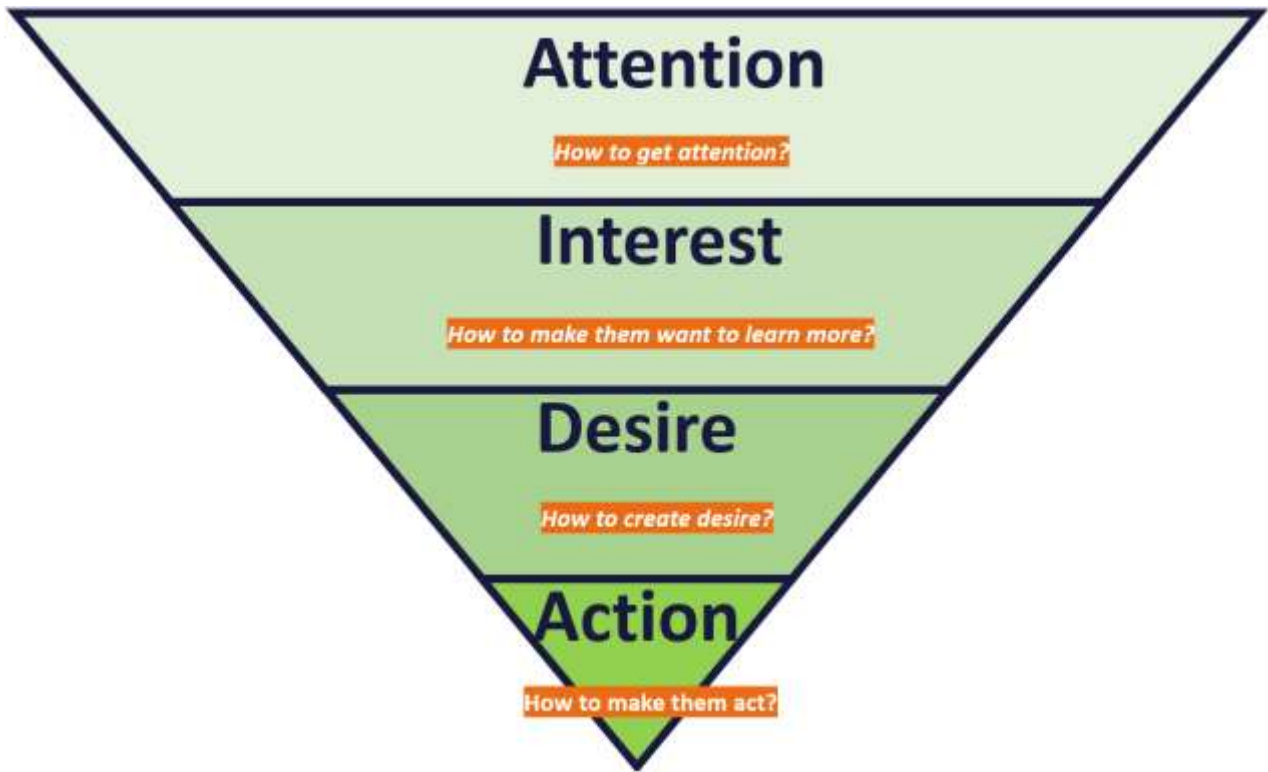


Figure 5. AIDA (adapted from Hague 2023, 23).

## 6 Implementation

The last step of the process of creating a marketing strategy is implementation. Implementing the marketing strategy means using and embedding it in daily operations to accomplish strategic marketing objectives. Marketing strategy is all about figuring out the right things to do, whereas implementation is about doing the chosen things right. (Armstrong et al. 2023, 80.) This chapter briefly discusses, how the marketing strategy is implemented, especially, in SME companies.

There are two key elements in the implementation process: internal marketing and execution of marketing activities with the help of marketing plan creation. Internal marketing is an inevitable part of strategy creation, whereas the creation of a marketing plan can be considered the next step when the entire strategy process is finished. (Hooley et al. 2020, 456–472.)

When the actual strategy is finished, the first step is to communicate one. As previously stated in Chapter Three, the marketing strategy cannot be a part of daily operations if it is not known to all employees. Internal marketing is about orienting and motivating customer-contact and support service employees to work as a team to provide customer satisfaction (Armstrong et al. 2023, 247). It includes, for example, selling the brand to employees by educating them on the organisation's long-term goals and values, showing to the employees that they are important and creating internal euphoria, because internal job satisfaction is also visible externally (Hooley et al. 2020, 461–463). As in many other examples, the fewer employees the company has, the simpler the internal marketing is. Again, in SME companies the employees can often all be in the same room, effortlessly participating and discussing, whereas in larger companies internal marketing takes more time and often also money resources. (Hollensen 2020, 7–11.)

Creating a marketing strategy, an overall game plan, and selling the ideas to employees with the help of internal marketing is not enough. To succeed in the chosen market it is necessary to create a practical marketing plan, that demonstrates how and when are the chosen marketing activities conducted. To recap, the marketing plan is created based on marketing strategy and provides the blueprint or outline of the marketing activities including the implementation, evaluation & control of those activities. (Forrel et al. 2021, 520.) In practice, a marketing plan can include, for example, a detailed budget, buying plan, production schedule, and personnel and social media plan. (Armstrong et al. 2023, 79–81.) Even though the marketing plan is restricted from this thesis, it still is worth mentioning as a part of the implementation process.

## **7 Case: International Marketing Strategy for PPO® ForExt**

The marketing strategy built for PPO ForExt® includes all points discussed in the theoretical part: mission, vision and values and all the analyses related to the core strategy and competitive positioning. The commissioner has stated that instead of the form of the end product of this thesis, the most important thing for them is to discuss and go through the topics with the entire team. However, they do appreciate a documented strategy. For these needs, a visual PowerPoint presentation seemed the best solution.

The creation process proceeded as follows: The timetable was set with the commissioner, and the first discussion about the current situation was held. Then, my job was to delve into theoretical marketing materials, search and identify the structure of the marketing strategy creation process, and choose the best frameworks and models to help create one. In addition, I made notes throughout the process about things essential in B2B marketing as an SME company. After writing it all down, the second discussion was held with the three employees who work with ForExt. In this discussion, all points and my ideas were gone through, based on what, the final version was made, and eventually attached as a PowerPoint presentation to this file.

In this chapter, I explain how I approached the topics and justify why were they essential to the strategy creation process. After reading the following subchapters the attached end product becomes very clear and easy to understand.

### **7.1 Mission, Vision and Values**

Mission, vision and values are an undeniable part of a marketing strategy. They summarise important points and bring value to the company when properly communicated. For ForExt, these elements have not been written down. Even though it may still take a while for ForExt to become a standard in all forest and wildfire extinguishing operations, a new and clear mission, vision and values give a boost to the commissioner.

The biggest risk in setting a mission, vision and values is the possibility of making them imprudently too world-embracing and unrealistic. With ForExt this trap is easy to fall into since it is a tested product that can have a great impact on the planet in the bigger picture. It was a challenge to phrase these three elements into concise sentences that are memorable, and in such a pleasant form, that they could also openly be used in marketing as they are. I was surprised to notice, that many large enterprises, that are well-known and appreciated, had quite vague statements on their websites. Visions such as becoming the market leader, or missions that are pages long instead of the recommended couple of concise sentences. This is something I paid extra attention to.

I introduced the theory behind each element to the PPO team and a brainstorming session about the important things that came to mind was held. Based on the notes that I made, the ideas were summarized and the contents of all three elements were carefully chosen.

PPO's slogan, tomorrow's safety technology, tells a lot about why the entire company was established in the first place – to create solutions for a better and safer future. ForExt's mission has a similar impression. With ForExt PPO wants to participate in protecting the forests, the lungs of the world. To sum up all this I invented the statement: We want to tackle the global threat of forest and wildfires by offering a unique solution – PPO® ForExt.

Of course, in ForExt's desirable future, the brand will be known and trusted worldwide and achieve the place as the number one forest fire extinguishing agent. Still, even more important for the commissioner in the bigger picture is that ForExt would become an influencing factor in creating a downward trend with catastrophic effects of forest and wildfires. Every company wants to be the best and richest, but none of that matters if we lose our globe. ForExt's vision aims to communicate that even though forest and wildfires cannot be stopped in the short term, they can be controlled, and the catastrophic impacts can be reduced. Every uncontrolled fire is too much. With ForExt we can buy time to fight global warming. ForExt vision from now on is that global emergency supplies globally are filled with ForExt. This means LESS destruction and MORE time to fight global warming.

The PPO team was unanimous about the ForExt values: safety, sustainability, affordability, and efficiency. Safety is and has always been a value that concerns the entire organisation as well as each product. PPO was established to promote safety, and this can be seen from each solution. Sustainability is a highly appreciated value nowadays, as long there is actual evidence behind the statement. ForExt is not classified as dangerous to humans, animals, or the environment according to the chemical legislation. Official evidence of long-term effects is currently being collected and analysed, and the first statement of an unbiased laboratory has been made. The fact that ForExt is mixed with water with a mixing ratio of 1:100 means that 99 per cent of the extinguisher is water. Only these few safe added chemicals increase the extinguishing effect of water. It can be stated that ForExt is a sustainable product, and so are the effects of using it. It saves lives, forests, valuable vegetation and various assets. ForExt is also very affordable. The price/value ratio is high since using ForExt and the invented spraying technique saves expensive working time including man and machinery hours, valuable timber and priceless nature and pure water capacities compared to other existing extinguishing methods. Efficiency goes hand in hand with affordability but is still worth mentioning as its own value. Not only does the amount of saved value make ForExt affordable – the product and the new spraying technique developed alongside are efficient. At the moment pure water is used as an extinguisher and the water is poured costly from helicopters and

aeroplanes directly to the fire, where most of the water steams up. ForExt-mixture is spread first to the outer edges of the fire, making sure, that the fire area will not enlarge, and can then be used directly to the fire, to extinguish the remaining flames on the limited fire area. Unlike pure water, the ForExt mixture will not leave the fire smouldering inside the ground.

## **7.2 Market Analysis & Segmentation**

PPO® ForExt is an extraordinary product. It is tailored to very specific needs and aims at the business market. Business market segments that concern ForExt are governmental and reseller markets.

Forest and wildfires are extinguished by fire professionals working in fire brigades, which are mostly run by governments. This means that decisions related to for example purchase and acquisition are usually made by the government, not necessarily the actual fire professionals. Since there is no global standardisation within the market of forest fire extinguishers, marketing in different countries and continents requires an understanding of complex legal entities varied by each state. This is extremely laborious for an SME company and also the reason why PPO has decided to utilise distributors. It is also a fact that higher decision-makers working for the government prefer buying products from domestic companies. PPO is active in the reseller market to find the best distributors, and the distributors work with ForExt in the governmental market. PPO, of course, supports the distributors in all stages and if necessary, is in direct contact with governmental actors.

PPO's market selection approach is reactive and opportunistic. They put themselves and their product out there, trusting the work of their distributors and waiting for the uncontrolled fires to make the customers turn to them. However, the spread of the word takes time and patience. Therefore, the PPO team actively monitors the global fire situation and seizes the opportunities. For example, Colombia's cooperation started, when the CEO of PPO monitored the real-time fire situation and noticed, that an uncontrolled fire was spreading fast in Colombia. Local actors were reached in a day through Business Finland, and a meeting was arranged within 24 hours. Today, this cooperation is fruitful and meets PPO's highest level of satisfaction.

## **7.3 Competitor Analysis**

Porter's five forces model, as a matter of fact, was mentioned in all book sources used in this work. It gives a comprehensive view and understanding of the competitive situation when used thoroughly and combined with numerous sources. Again, the creation process was initiated by discussion with the commissioner and hearing their views. Supplier power, for instance, is not possible for an external person to analyse, especially, when the product in question is as complex as ForExt. The commissioner knows exactly what their ingredients are, what kind of agreements with

the supplier have been made, and has carried out profound comparisons before choosing the partner. They also know their main components, and since they started their operations on the field in 2019, they have some valuable insights, into how the industry has changed and where it might be going in the future. However, an outsider's view can be beneficial. ForExt's five forces are compiled with the help of comprehensive data: commissioners' insights combined with the collected data from multiple sources including the European Patent Office, competitor products' websites, and parties such as the European Commission's Emergency Response Coordination Centre, that monitor forest and wildfires and has an impact on a global level.

ForExt is a unique product, but created in a way that enables PPO to change suppliers, if the situation requires it. Needless to say, this is unlikely and not desirable, but it does lower the supplier power. In other words, ForExt is unique but sufficiently simple, and there always is the possibility of integrating backwards into supply. The fact that PPO is committed and loyal to its partners, and genuinely appreciates them – and in this case, their brand as well, creates switching costs that protect the supplier, but anyhow, this is not considered that remarkable. For this reason, the supplier power can be stated low.

The threat of new entry is always present, but its severity can be considered moderate. It is easy to enter the market since there is no economy of scale or switching costs present, no need for high capital investments, and no well-known brands. Suppliers are also accessible, and supply chains are obtainable. However, there is a matter that makes the potential new entrants think twice: the uncertainty of the industry. There are a lot of different kinds of products in the line, but no one knows what is about to happen next. The first products in the market, stated to be eco-friendly, have been used and are currently being processed in court due to the severe damage they have caused to nature. There are multiple possible outcomes. There might be a long pause until the next extinguisher is taken into use, a standard may be created, or several expensive certifications may become required in the future. All this uncertainty requires a lot of patience from the companies waiting to get their turn. Some have already turned around and given up.

The threat of substitution in ForExt's market is moderate. Again, since there are no special and distinctive brands and a lot of different kinds of products in the line, switching costs are non-existent. Prices may also be similar. The performance of substitutes is, however, a separate issue. Plausibility is no longer earned through promising marketing but by great evidence including real proof of efficiency and environmental friendliness. Once this kind of product is introduced and implemented, there will be no willingness for substitution.

The only force with remarkably higher power is the buyer power. As said, when it comes to purchase and acquisition in the public sector, you never know what happens next. It is unpredictable



what the decision-makers, who potentially do not have experience in the industry emphasise. Will it be price only, brand, domesticity, significant and versatile scientific proof, paid certifications, or something completely different? How much are the decision-makers willing to invest time in getting to know their options? ForExt already has a lot of impressive parties standing behind it that truly trust in it. They believe that once ForExt reaches the buyers, and becomes their choice, there is no longer nothing to worry about. The only way to reach and convince the buyers is to follow closely, where the discussion goes, and be the first one to react, once the opportunity comes and for example, a standardisation comes into force.

The intensity of competition within the existing markets can be considered moderate. On the European Patent Office website, there were 284 pending and existing patents for forest fire extinguishing agents on 15 April 2024. In Finland, there is only one competitor, whose product is not comparable with ForExt for many reasons. ForExt has been tested in Finland with fire authorities and defence forces. The forest fire working group that conducted tests in Finland with PPO have bought ForExt for their emergency supply, and will use ForExt in extinguishing forest fires in the future. The product offering worldwide is more complex. There are extinguishing foams, powders, bombs – everything imaginable. Some state to be environmentally friendly, some not, some are only suitable for a certain spreading technique, some are more versatile. Even though, after careful studying, it seems that there seriously are no other provenly environmentally friendly and as versatile products as ForExt, the competitors are equal at this stage. For now, there are no exit barriers since the industry is approached cautiously in general. B2B markets are slow, ruled by complex decision-making processes and other procedures that keep the companies on their toes. Fixed costs are low, enabling companies to keep up and wait with others. This setting works for PPO for as long as the costs and exit barriers stay low or non-existent, and their other products make enough profit. The fact that ForExt is a hundred per cent Finnish product is also an asset for PPO in the competition. European quality is trusted around the world, and the majority of the products on the Patent Office website are from Asia, especially China, and the United States.

#### **7.4 PESTEL Analysis**

Reviewing ForExt's market from PESTEL's perspective helped in getting an understanding of the external marketing environment. These facts may often go unnoticed. As noted in chapter 5.4, it is essential to list the issues only, that have a clear impact on the current situation. The most significant elements of ForExt's market are the political, sociological and environmental aspects. Economical, technological, and legal aspects do not have as strong impact, but are also shortly discussed.

Political factors were already slightly brought up in the previous chapter. The decisions made concerning fire extinguishing are made higher and higher, meaning that the fire professionals, to whom these issues matter the most, may be left out of the process. In today's politics money and environment are often seen as two competitive forces, which may lead to decisions made based on price only. There is also general ambiguity about which party pays the bills. Also, the slowness of political processing concerns in the industry. The last fire year was catastrophic, and this year is expected to be much worse since people have been suffering from extreme heat already from the beginning of April. The tension at the political level may in some cases lead to hasty, expensive decisions (Fire Science Show 31 January 2024, min. 23–24).

Forest fire extinguishers are usually ordered and paid for by the state. When reviewing countries from an economic perspective, it comes to attention that many countries have a lot of debt. The fact that many countries at the moment are indebted, has a slowing impact on buying and acquisition. When cuts and savings are discussed, prevention is often the first target.

Sociological factors explain among other things the general resistance to change. One reason, why there are prejudices against forest fire extinguishers, is the fact that the word spreads – in good and bad. I found an interesting Podcast where two fire engineers discussed wildfires. This confirmed my thoughts on how close cooperation there is among fire professionals and networks. Now that forest and wildfires have also ignited in Northern Europe, the Northern professionals rely on tips from Southern European fire networks, because they have a lot of practical experience with severe fires of wilderness. (Fire Science Show 31 January 2024, min. 19–24). This suggests that even one successful extinguishing of a bigger fire with ForExt may be enough for the word to spread. On the other hand, the spread of word of ongoing trials related to new extinguishers causes hesitation and fear to be among the first ones to implement the solution. The fact that fire professionals rely on their own fire networks so profoundly awoke interesting discussions within PPO team. We stopped together to wonder how to get in between, if Nordic professionals are, above all, interested in tips from Mediterranean areas, such as Croatia, where the only extinguisher is pure water, and the fires are still, after years uncontrollable. It is an asset, that ForExt has many Finnish fire professionals on its side. As said, they already have ForExt on their stock, and do not hesitate to use it. However, they still do hesitate to spread the word to others. Forest owners also have a say in this since they can prohibit the use of chemical extinguishers on their lands. The only things that can solve these issues are gaining more evidence and ideal distributors.

From the technological perspective noticeable is that the number of patents is increasing. Also, the value of product development and research increases all the time. The company with the most innovative and examined products, are more likely to be chosen by the customers. In any case,

research and development require financial investment and time, and is somewhat risky in this world of fast-shifting trends. PPO approaches this cautiously. ForExt is an innovative product and all tests made, which are soon to be complemented with long-term effects are enough for now.

The environmental aspect is nowadays expected to be taken into consideration despite the industry. To distinguish the actual green extinguishers from greenwashed ones, there are numerous certificates that a company can apply. However, these are extremely expensive, and because of the lack of standardisation, it is hard for companies to predict and choose which one of the certifications could give the best competitive advantage. ForExt is already proven to not cause damage to people, nature, aquatic ecosystems or animals according to the chemical legislation. As mentioned before, PPO is also conducting its own small research about the long-term effects of ForExt by collecting samples from the fire area in Mikkeli, Finland, where ForExt was tested for the first time in 2019, and sending them to tests to an unbiased laboratory in Finland. The first statement was received 24 April 2024 and it proved the safety of the purposed use. The lack of research on long-term effects has been the most crucial factor standing in the way of ForExt proceeding in the markets. This upcoming additional evidence will facilitate distributors' work in their counties and lower the threshold for fire professionals to recommend the solution to others.

The most important legal elements affecting the forest fire protection businesses are competition legislation, product safety, intangible rights, different licences and international and national agreements. Of all these PPO team is well aware of and has executed the necessary actions.

## **7.5 Customer Needs Analysis**

The persona was created with the help of Hague's (2023, 231) template, which gave an example of what kind of data can be included in the process. I created a similar one to gather data, that considered demo-, psycho- and webographics. Some data was fictional as it was supposed to be, but otherwise, the database was successful and convincing: numerous LinkedIn and X profiles, current distributors' profiles, company websites, PPO's CEO's insights and also data from the European Forest Fire Information System.

The most difficult phase of the persona creation was the beginning. It took quite a while for me and the commissioner to choose an exact target customer profile to gather data about and analyse. There are so many possible options and approaches, especially when considering the differences between different countries. It could have been someone from government risk management, national emergency supply agency, or for example European Commission's rescEU. However, they are very unlikely to buy anything, they usually do not make direct acquisitions. To them, PPO can only sell the idea – which is also important but does not necessarily serve the current short-term

goals. PPO wants to reach potential distributors in new locations who preferably are fire experts themselves, and genuinely share the common goal of intervening in the catastrophic fire situation.

As mentioned in the previous chapter, there has to be a way to convince and get the trust of fire professionals internationally. The commissioner believes that the way is easier to find with the help of distributors, who either are a large and respected safety technology actor, or a company entirely focused on the fire industry. This analysis focuses on the following. Table 1 below illustrates the data collection. Colour describes what kind of information the certain data belongs to. The orange background indicates demographics and other basic information, the yellow is about psychographics including behaviours and the green webographics. The table is about who the person is and what he thinks. It does not include all thoughts and ideas about for example their personality or other things not as relevant.

Table 1. Persona creation (adapted from Hague 2023, 231).

Name	Giuseppe
Age	50
Country	Italy
Profession	Former firefighter, current fire specialist and business professional, also involved in the municipal council
Company	PAI Soluzione s.r.l
Job title	Chief Development Officer
Work responsibilities	Promoting economic growth, seeking new business opportunities
Influence	Is in decision-maker role together with the CEO of the company
Salary	72 000 €
Family	Wife, two adult kids, retriever dog
Car	Pickup-truck

Free time activity	Works as a volunteer at the community's volunteer fire department teaching kids fire safety and first aid skills, exercises at the gym, walks the dog
Attitude towards work	Enjoys working with fire safety topics, and is interested in the future development of the industry.
Ambitions at work	Wants to promote fire safety in Italy, and find innovative solutions to resell.
Challenges at work	For an innovative person, who used to work in a practical position, the slowness of the industry and excessive bureaucracy may sometimes feel tiring. The lack of interest in prevention is also an additional challenge.
Social class	Middle
Professional events participated	Fiera Milano – SiCUREZZA International Security and Fire Exhibition  European Fire Safety Week by European Fire Safety Alliance
Things valued in a resell product	Uniqueness, versatility, sustainability
Things valued in a cooperation company	Agility and support, effortless communication, no excessive bureaucracy.
Social Media channels used	X and LinkedIn only, moderate activity level
Use of the Internet (Profession related)	Daily, is on the search for interesting products to resell
News channels used	Mostly local ones in Italian
Magazines read	International Fire Safety Journal

## 7.6 ForExt SWOT

PPO team has conducted and actively updated its company SWOT, but the very same analysis created from a product perspective was new to them. For this reason, it felt logical to introduce ForExt SWOT to the commissioner – an already well-known framework, that they find reasonable and easy to update, which also helps them to focus on one product at a time only. As said, SWOT is also highly recommended in every strategy creation process and goes hand in hand with other chosen frameworks.

ForExt has multiple strengths, of which the commissioner has reason to be proud. ForExt team is agile due to its small size, and it has reliable partners including a few listed companies, that can help PPO to gain visibility and trust. Together with these partners, PPO has a lot of versatile expertise in the area. In March 2024, ForExt also received a Finnish patent, that protects the product on the Finnish market. ForExt is currently the only product in the market, proven unharmed for the environment and the entire ecosystem. Its water-saving qualities, with the newly invented spreading technique, make it unique and evoke interest among professionals. It is also remarkable that the chemical itself is non-flammable, and therefore has no transport restrictions. The supply chain has been well optimised enabling efficient performance also in the case of high demand: ForExt can be produced up to a million litres per month. And as said in the previous chapter, PPO is quite independent with ForExt: no exit or entry barriers and low supplier power.

The dominant element of weaknesses from ForExt's perspective is actually the same as in PPO's company SWOT – limited resources related to company size. This stands in the way of fast growth because as said, the amount of money used in marketing usually correlates directly with success. At the moment, despite the years of experience, both PPO and ForExt are still relatively unknown around the world in forest fire actors and networks. One reason for this in addition to money is the lack of big international references. Also, the Finnish patent, will not protect ForExt in international markets where it aims to succeed.

Forest and wild fires are a global issue, and there is no relief in sight – on the contrary, fires are expected to become worse. In the last couple of years, fire season has extended to 12 months, meaning that there are burns around the world throughout the entire year. This is of course unfortunate, but is also a remarkable opportunity for ForExt. This is what ForExt was invented for in the first place. There is also a possibility of standardisation entering into force, which can additionally expedite and facilitate international sales. This was the case with PPO's insulation level monitoring equipment.

Possible threats for ForExt are the risk of new entrants and product copy, possibly remaining prejudice, responsibility avoidance, lack of interest in fire prevention and slow decision-making processes. Taking the slowness and bureaucracy of the entire fire protection industry into consideration, there should not be too high expectations regarding the possible standardisation. As the PESTEL analysis showed, decisions made by higher decision-makers, who are not industry professionals, are nonpredictable, and therefore a threat to ForExt.

To understand and summarise all this, it is necessary to look at where the strengths and weaknesses align with the opportunities and threats. We can state that ForExt has a lot of value to give to the international markets, but it is not visible enough. Nevertheless, the direction is right. There are ways to gain visibility and interest without high marketing budgets. It is surely slower, but possible. This is further discussed in ForExt AIDA.

## **7.7 ForExt Marketing Mix**

The marketing mix is not exactly a traditional part of marketing strategy, but I wanted to include it in this work, partially, to work as a facilitator in the transition from strategy to planning. It also felt reasonable from a strategy perspective since it includes all possible factors which affect on company's performance.

The advantages of ForExt as a product have already been reviewed quite extensively, but to sum up, for the last time, ForExt is unique, versatile, highly applicable, well-examined, environmentally friendly, water-saving, halogen and fluorine-free, cost-effective, flame-retardant, fire suppressive, invented and made in Finland and is supported also by listed companies and national fire professionals. ForExt answers to global and versatile needs: Firefighters need something stronger than pure water to reduce the heavy workload and increase work safety, landowners need to protect their valuable properties, and decision-makers are under pressure to find a sustainable way to put an end to increasing forest and wildfires before it is too late. If ForExt was not an option, the decision-makers would surely turn to other extinguishing solutions at some point, at the latest when the number of fires increases to an unbearable amount, and the old way of extinguishing would no longer have response at all. At the moment there are no other products like ForExt, which means they would likely implement a toxic solution with short and or long term effects to nature, or simply inefficient one. PPO believes that once ForExt is finally globally implemented, it will stay on the market for good. Once a good solution is found, it is not going to be replaced easily.

The promotion of ForExt happens via multiple channels. Due to the limited budget PPO mostly does the promotional activities on its own, but external help has also been used to some measures. The social media channels used are chosen based on which the target audience uses the most. These channels are LinkedIn and X. PPO is active on social media, but has no resources

to post daily. This is, however, not critical for succeeding in ForExt's market. What is critical is direct marketing, newsletters, news channels and networking events. PPO has run a direct international marketing campaign with an external partner, uses Newswire actively to promote ForExt globally, and sends newsletters with the help of an emailer, especially to maintain customer relations. Professional magazines have published articles about ForExt, and some commercial videos have also been made with external professionals to awaken interest. PPO has participated in, for example, the Arctic fire safety seminar and Fire safety days in Finland. Suitable international events are currently being searched. In addition to what PPO does and has done, the ten active distributors around the world are working hard to promote ForExt in their countries.

The price of ForExt varies based on for example the ordered amount. The preferred payment method is the proforma invoice. Customers perceive the value of ForExt as soon as they see it in action with their own eyes. Compared to pure water, a very small amount of ForExt-water mixture is enough to stop the fire. The fact that for one to two hectares large area, ForExt can be spread once straight from a fire engine instead of using planes and helicopters around the clock for a couple of days, refers to many times less expenses. The price cannot be directly compared to competitors' since it and its spraying technique are unique.

When it comes to place, ForExt has multiple sales channels. ForExt is present in Finland and all locations where ForExt has distributors. Most of the sales happen via distributors, but PPO can also sell directly, when necessary. It could be said that ForExt is an online product since it can only be ordered by contacting PPO or the local distributor, but there is no webstore for the customers. The PPO team and distributors are, however, willing to meet potential customers and show them in practice how the product works. The goal is that there will be standby storage all over the world so that if a forest fire ignites, there is no need to wait for a couple of days: the fire engine can refuel ForExt nearby straight away. The supplement also travels fast from Finland to the world. For example, from Finland to Colombia ForExt travelled in three days.

The number one contact in all ForExt-related inquiries is PPO's CEO. He is the inventor of the product and knows the answer to all possible questions. If the CEO is not available, there are a couple of others, who can substitute. As said many times, the PPO team is agile, responsive and language-skilled. Even though PPO has worked with multiple fire protection products, its main focus has been on electrical safety. For this reason, one fire professional is supplementing ForExt's board and external fire professionals have been heard and consulted.

ForExt's supply chain is complete, but reviewing the customer journey and all the processes that the customer goes through was insightful. I went through ForExt's website carefully, and noticed, that the only option to get in touch was via email or a phone call, both of which require effort. The



lack of webstore is rational, but there could still be more options. Sometimes it may be pivotal: if the customer has to come into contact straight away, it may feel uncomfortable, and they may move on, because of for example being worried about constant contact from sales after just asking one thing. Together with the PPO team, we started pondering how to make it easier for the customer to learn more and order. The result was simply to offer more options. Creating frequently asked questions document, and adding it and other information under a new “learn more” – tab to be created on the first page. Before there has only been two tabs: Watch the video and contact us. “Learn more”– tab may replace the previous video tab. The “Contact Us”– tab may still be left, but it could lead to a different view than before. Instead of just seeing the email and phone number, there could be a simple contact form, where the potential customer can leave an inquiry and choose how they want to be contacted by PPO. The PPO team has also noticed that many international actors prefer to use WhatsApp also in formal business purposes. That could be added to contact possibilities. After the suitable communications channel for the customer has been found, the rest of the process is easy: answering questions, sharing additional information, and eventually arranging test orders and assisting in the test use. Lastly, follow-ups are made and customers’ needs are discussed to support future cooperation. A thorough website check was good at this point because some typos and other errors and dysfunctionalities were found and corrected right away.

The importance of physical evidence cannot be overemphasised. With this kind of product, the customer very likely wants to research and get to know the product themselves before contacting anyone for more information, or, for example, before making the buying decision to seek final confirmation. In this case, customers are just and only convinced by scientific evidence and colleague recommendations. Since the second mentioned cannot be controlled, PPO has to focus on enhancing the online experience of potential customers. The amount of information on ForExt’s website is not enough, and the overall experience lacks flow. Therefore, frequently asked questions will be created and added, and the page as a whole will be modified and rearranged in order to, for example, make it easier for the customer to contact PPO, as already mentioned. PPO’s and its distributors’ activity on chosen social media channels will also be essential and should be planned further.

PPO can mostly use a standardised mix in its own marketing activities since there are distributors who adapt it to their own country's needs. This facilitates

## **7.8 ForExt AIDA**

As said in Chapter 5.7, the AIDA model is one of the most trusted frameworks ever for a reason. Its simplicity and practicality attract. AIDA enables us to go through ForExt’s customer journey as a

whole in order to understand and recognize what PPO does well and whether there is something to improve to create a better flow for the customer. This is also a great tool to bring up the marketing budget.

ForExt AIDA focuses on reaching new distributors who buy the product from the PPO and resell it. As discussed in Chapter 7.5, it is essential to market the idea of ForExt to fire professionals and higher decision-makers, still, since they prefer buying the product from a local distributor, they are not of central importance. However, it might still be possible to focus on potential distributors and create awareness on a larger scale.

As stated in Chapter 5.7, a marketing budget correlates directly with marketing success. Like most SME companies, also PPO has a low marketing budget. When the budget is low, each move should be very well-considered. The fact that PPO has not grown much during the years of operation is partially an own choice. Agility is in PPO's corporate DNA and the founder and CEO of PPO sees it as a quality worth cherishing. The company can also be considered valuable to Finnish society as it is. Unlike many others, PPO sees downsides to growth as well. With the help of distributors, PPO can keep working with its small team in Finland, even if ForExt reaches the position of number one forest and wildfire extinguishing agent worldwide. PPO wants to keep its team relatively small and management simple, but it no longer sees potential investors as a threat. Even though the marketing budget may increase sooner or later in the future, this AIDA focuses fully on the current situation – finding new distributors with the low budget and spreading the word in general.

As explained in the promotion section of the ForExt marketing mix, the awareness is aimed to be created with the help of targeted newsletters, direct marketing campaigns, LinkedIn and X posts, professional magazine articles and networking in suitable events. The fact that no one can only focus on these activities makes it more difficult, but with some external help and more precise planning of time use, it is manageable. Special attention should be paid to networking events in Finland and abroad. Professional events are effective in terms of marketing but tend to be expensive. However, there are different ways to participate: If for example, at a fair the exhibitor's participation fee does not fit into the budget, participation as a visitor can be considered. Networking is the key to creating awareness within the industry and its actors and networks. To this PPO has already received help and consultancy from Business Finland. Also worth mentioning is the ForExt's pleasing visual look created by an external designer. The colours of the brand combined with the logo are eye-catching and memorable and therefore facilitate creating awareness.

PPO aims to create interest by giving answers to all possible questions in advance by making their website even more attractive and comprehensive. PPO truly believes in ForExt's potential and

upcoming success – and this can be seen. Most importantly all existing evidence will be placed on the front page so, that it is impossible to miss them when visiting the site. Long-term results are in soon, and then there is no longer room for hesitation about whether to trust ForExt's statements of environmental friendliness or not.

Desire to join the ForExt team as a distributor is developed with a clear message and good and agile service. The PPO team is always ready to discuss and answer questions. The opportunity to test the product and see the extinguishing power with own eyes before committing lowers the threshold. This will be emphasised more. Hearing about all the features, benefits and test results, meeting the PPO team and seeing how ForExt works in practice, are quite a convincing combination.

When the potential distributor is ready to act, PPO has to make sure that everything goes smoothly and easily. Own page could be created for potential distributors, through which they could register and book a suitable meeting time. After both parties are on the same page, agreements are made and the cooperation can begin. There will be no excessive bureaucracy.

All this summarised, the potential distributor becomes aware of the product via one or more of the used channels, they can choose how they want to learn more – getting to know comprehensive materials themselves or contacting the PPO team straight away, they can test and see how the product works in action and then reach the PPO team effortlessly to discuss the distributorship.

## **7.9 Implementation**

As said before, due to the limited time resources, I am not able to conduct a marketing plan in addition to the strategy. However, they work hand in hand, and by creating a functional strategy and ensuring that it is well communicated by internal marketing, I can support the process of creating the plan.

Firstly, the marketing strategy was introduced to the entire PPO team in the form of a PowerPoint presentation. All employees were involved in the process, so there were no big surprises, and everyone was satisfied with the result. We then discussed how certain parts such as mission, vision and values could be used in ForExt's external marketing. Some small changes to for example websites were made right away. Overall, the documented strategy was considered clarifying and motivating.

After discussing with the commissioner, they immediately got a vision for the marketing plan. That is, I have analysed ForExt and its marketing environment and chosen the things that could and

should be done. The marketing plan will then answer the questions of how and when. For example, I have suggested that they create and send a clear and concise information package including frequently asked questions and all references, and share it via chosen social media channels, articles and direct emails. Their task then is to plan the implementation and make it happen – plan the timetable and working methods, and then create the actual package and send it forward according to the timetable. As said, a well-done marketing strategy supports the plan creation process. Especially two frameworks, AIDA and marketing mix, can be considered great assistance.

## 8 Discussion

The creation of a marketing strategy requires a lot of work, and the work never becomes done – marketing strategy should be updated frequently. It is, however, worth it. With the help of thorough planning, a lot of resources can be saved, since clear goals are set, all investments considered, employees are motivated and their efforts are harnessed. This should mean less misinvestments, HR expenses and overall more focused business. The freed resources can be used, for example, to focus more on the actual customer.

There are many companies offering forest fire extinguisher agents, but the products are all highly differentiated and are therefore hard to compare with each other. The key to success is creating awareness by networking and promoting ForExt's unique features, which are for sure competitive. Additionally, the customer journey has to be thoroughly planned and considered to create flow. Agility is an important feature, an asset, that is valued globally.

Today's business world is all about fast growth and fancy and trendy start-ups reaching the sky. It is unappreciated if an SME company wants to keep its operations small and agile. Even though there is valuable expertise and competence in SME companies, which still cover 90% of the world's businesses, they are often left on their own – and this often leads to unnecessary bankruptcies. This thesis was written from an SME perspective taking the advantages and disadvantages of size into consideration. PPO has been able to proceed in its own way and pace, thanks to its other products. It is a fact that there is space for all-sized companies and they are all needed.

Another key aspect of this work was B2B marketing. The fact that the created marketing strategy was for a B2B product gave an interesting additional challenge. There are so many additional things to consider when compared to working with B2C products. The lack of an emotional aspect may sometimes be tiring since not a single decision is made because it feels right. There is a lot of rationality, calculations, slow and hierarchical information processing, and other factors that make B2B marketing more difficult in general. In any case, it is rewarding. Deals are bigger and customer relationships more profound. ForExt is a solution with a significant social impact. It is not about fast sales and creating a pleasing brand, it is about international networking and participating in common good.

The goal of this thesis was to create an international marketing strategy for B2B markets for an SME company. I am mostly satisfied with my work. The structure was reasonable and successful and the sources were versatile and up-to-date. The commissioner, product and forest and wildfires as a phenomenon were well-introduced and this gave an interesting start to this work. The theoretical strategy creation section progressed logically, and in my opinion, was comprehensive. Emphasising SME companies and B2B marketing through the entire work, worked as a red thread. The

actual strategy, as warned at the beginning of this thesis, ended up being simple and limited. However, I learned a lot, and the commissioner was satisfied too.

As a perfectionist nature, it was extremely difficult for me to submit this Thesis, as a sign of readiness, because I could still keep modifying this for months. Even though this work turned out to be more lengthy than I planned and expected, numerous interesting things had to be left out due to limited time resources. I found this project interesting and engaging: I learned a lot and would have liked to spend more time with it. The most important thing for me was that the commissioner was satisfied and actually gained new learnings and ideas based on my work. Our cooperation may continue in the future.

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## **Appendices**

### **Appendix. PPO® ForExt Marketing Strategy**

# International Marketing Strategy

PPO® ForExt Fire Extinguishing Agent



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# Mission – Vision – Values



- We want to tackle the global threat of forest and wildfires by offering a unique solution – PPO® ForExt



- Global emergency supplies filled with ForExt – LESS destruction, MORE time to fight global warming



- Sustainability
- Affordability
- Efficiency
- Safety

# Market Segmentation



# Market Selection Approach

## REACTIVE

- Letting the customers to turn to PPO

## OPPORTUNISTIC

- Following the fire situation, offering help



# Where We Are Present



# SWOT-Analysis

## STRENGTHS

- Agile Service
- Reliable partners
- A great amount of expertise
- Patent
- Production capability 1M litres per month
- Proven to work
- Ecofriendly
- Can be used with all fire equipment
- Rising number of distributors
- No transport restrictions
- Uniqueness

## WEAKNESSES

- Limited budget & resources, including a small team
- Relatively unknown company status internationally
- No big international references
- Finnish patent only

## OPPORTUNITIES

- Emerging demand and worldwide sales (Fire season now extended to 12 months)
- Possibility of standardisation entering into force
- Answering a global problem – with a unique solution

## THREATS

- Lack of standardisation
- Prejudiced attitude
- Responsibility avoidance
- No evoking interest in fire prevention
- New entrants and product copy

# Buyer Persona & Insights



**Name:** Giuseppe

**Age:** 50

**Profession:** Former firefighter, current business professional

**Influence:** In decision-making role at work and the municipal council

**Social Media:**  

*"To me, fire safety is a matter of the heart"*

*"I am in charge of business development and am constantly looking for new innovative solutions to resell"*

*"I like to cooperate with reliable people, who share my ambition and vision for the future"*

## Looking for:

- Unique and innovative products
- Affordable and cost-effective
- Does not want to compromise with quality

**Works for:** PAI Soluzione s.r.l (SME)

**Role:** Chief Development Officer

**Preferred contact method:**

Face-to-face meetings, phone calls

**Event activity:** high, enjoys networking

## Pain points:

- Slowness and bureaucracy
- Concerned of the lack of interest in prevention
- Dislikes to balance with quality and price

# PESTEL Analysis

## Forest Fire Prevention

### Political

- Decision-making rising to the political level
- Ambiguity about responsibility & payments
- Different policies globally
- Wars and conflicts

### Economical

- States increasing indebtedness slows down procurement

### Sociological

- Close cooperation and trust between fire professionals
- Prejudices towards extinguishing chemicals
- Resistance to change

### Technological

- Products development and research required
- Increasing number of patents

### Environmental

- Overall need for environmentally friendly products
- Concern about uncontrolled fires and their impact on nature

### Legal

- Competition legislation
- Product Safety
- Intangible rights
- Licences
- International & national agreements

# Porter's Five Forces

PPO®ForExt

## Supplier Power

**-Low-**

- No dominated supply
- Switching costs only through a brand
- Unique product
- Existing risk of buyers integrating backwards into supply

## Threat of New Entry

**-Moderate-**

- Economy of scales not present
- High product differentiation
- No brand identity
- No high capital investment requirements
- No switching costs
- Distribution channels accessible

Intensity of competition within the existing markets

**-Moderate-**

- Numerous equal competitors
- Slow market growth
- No high fixed costs
- High product differentiation
- No switching costs
- No exit barriers

## Threat of Substitution

**-Moderate-**

- Buyers unlikely willing to substitute
  - No switching costs
- No comparable products when it comes to features, benefits and performance

## Buyer Power

**-High-**

- No concentration
- Buyers may pose a threat to integrate backwards
- Bought products are differentiated
- High supply of suppliers
- Price may be more important than quality to buyers
- General unpredictability



ForExt AIDA

# 7P's Marketing Mix

Product	Promotion	Price	Place	People	Process	Physical evidence
<ul style="list-style-type: none"> <li>▪ Uniqueness</li> <li>▪ Versatility</li> <li>▪ Answers a global need</li> <li>▪ Excellent availability</li> </ul>	<ul style="list-style-type: none"> <li>▪ Events</li> <li>▪ Social media</li> <li>▪ Newsletters</li> <li>▪ Direct marketing campaign</li> <li>▪ Press releases</li> <li>▪ Business Finland</li> </ul>	<ul style="list-style-type: none"> <li>▪ Volume pricing</li> <li>▪ Primarily paid with proforma invoice</li> <li>▪ Gives much value in return</li> </ul>	<ul style="list-style-type: none"> <li>▪ Online</li> <li>▪ Teams present in Finland &amp; all distributors' countries</li> <li>▪ Goal to have standby storage all over the world</li> </ul>	<ul style="list-style-type: none"> <li>▪ The PPO team is agile, responsive and language-skilled</li> <li>▪ Unbiased fire professionals available for discussion</li> </ul>	<ul style="list-style-type: none"> <li>▪ Offering multiple options to learn more</li> <li>▪ Effortless contact and support</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improving online experience</li> <li>▪ Creating FAQ</li> <li>▪ Frequent promotion of ForExt's features and benefits on different channels</li> </ul>

# Conclusions & Recommendations

As a unique product, ForExt has a place in the market, despite the level of competition

The goal is to become a trusted partner globally, filling the emergency supplies with ForExt worldwide

Own page or portal for distributors

The overall fire situation is worsening, which increases the demand globally

PPO's main focus is in the reseller markets, distributors' in the governmental markets

Improving online experience

Active daily monitoring of the global forest and wildfire situation

Markets to enter are not selected through systematic search, but rather based on emerging needs

Potential customers are convinced by evidence and agile service

Engaging in societal and global discourse

Emphasising agility and flexibility – no excessive bureaucracy

More networking events

The low marketing budget requires creativity and careful planning

ForExt is a product that gives much value in return