

Workbook for companies

What does Lappi Luxus mean for your company? How do you experience and hear it?

How does it look, feel and smell?

BUSINESS MODEL WITH A TOUCH OF LAPLAND LUXURY

You are lucky!
You are surrounded by the authentic and pure nature of Lapland.

The purpose of this workbook is to help you describe your company's business in such a way that the Lapland luxury included in your company's operations emerges from it.

When describing the business model, consider how authenticity, locality, folklore and research data, storytelling, experience, natural products as well as pure raw materials, and safety, for example, can be responsibly represented in your operations. When creating the model, you should also take into account your partners and any legislation that governs the activity.

The most successful business models are based on customer value creation. It is recommended that you also approach the Lappi Luxus business model from the perspective of understanding the customer's needs.





EXPRESS YOUR THOUGHTS ABOUT WHAT LAPPI LUXUS MEANS TO YOU WITH PICTURES AND WORDS.



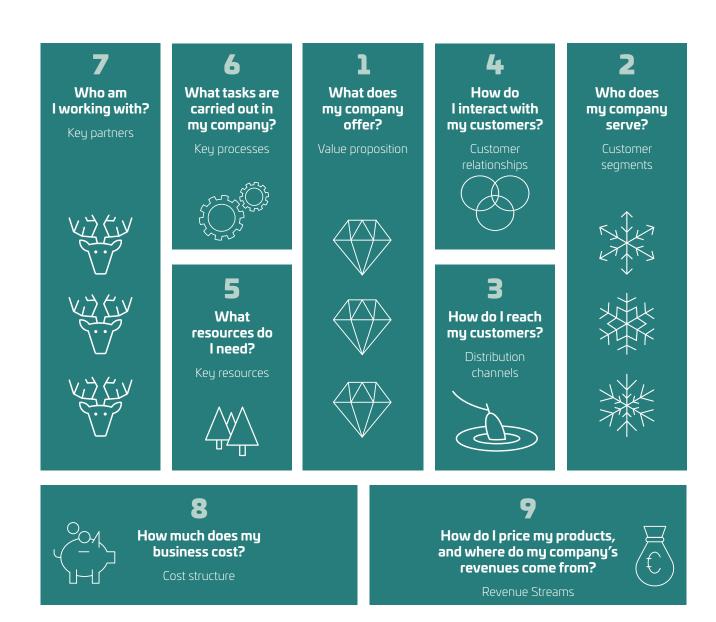


Lappi Luxus Business Model

The Lappi Luxus business model is based on the internationally used Business Model Canvas (BMC) model. The model is divided into nine different themes, which are opened in this workbook one theme at a time. By filling in the workbook, you are able to develop your business.

Think creatively! When considering the business model think about the opportunities for cooperation and what kind of new energy you can get from it.

Why the Lappi Luxus business model? The cross-sectional themes and resources of the model are pure Lapland nature, authenticity and locality. Think about how these themes will be reflected in your company's plans and activities, and bring wellbeing to your customers and you as an entrepreneur.



What does my company offer?







The value proposition determines how a company stands out from its competitors, and what the company offers to its customers. It is a promise that helps solve a customer's problem or improve the current situation.

Have you ever thought why customers choose your company from all the others? What is your company's most relevant distinguishing feature, the unique quality that makes you stand out from your competitors? Do you tell customers how they benefit from using your company's services? Have you considered the benefits a customer can gain from using your company? What kind of message do you convey? These questions will lead you to your company's value proposition. Customers will choose the company that brings them the most value. You can build the value proposition using the following questions.

- What distinguishes your company's services or products from competitors?
 The value proposition can be related to authenticity, locality, sustainability or even storytelling.
- What problem does your company's service or product solve?
 Each customer group must have its own combination of company services and products.
- What benefits does your company offer to customers?
 Benefits can be innovative or even promises of sustainability.
- How does your story support the value proposition?
 When you create a story around your company's value proposition, customers focus on it.
 A story makes it possible to stand out from the competition. An emotional story enhances customer loyalty.
- What is your value proposition to different customer groups?
 Different customer groups have different needs and expectations e.g. couples travelling without children or families with children. Therefore, you should tailor value propositions appropriately for different customer groups.

USE GOOGLE

Arvolupauksen suunnittelu: Kuinka suunnittelet arvolupauksen – YouTube Kohdekokemus – yhteinen näkemys Ruokamatkailun tarinallistaminen

Sources

Tuulaniemi, Juha (2013). Palvelumuotoilu.

VALUE PROPOSITION STEP BY STEP



What distinguishes your company's services or products from competitors?
What problem does your company's service or product solve?
What benefits does your company offer to customers?
How does your story support the value proposition?
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What is your value proposition to different customer groups?
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Who does my company serve?



Customer-oriented thinking is part of all the company's activities. It is important to define the customers for whom the company produces value. Customers are different and have different needs. The company defines customer groups and targets the right services and products for them.

Define and document customer profiles and make quiet information visible too. Dare to choose customer groups that will bring the most benefit to your business with a reasonable amount of resources. Then suitable services and products are offered for these selected customer segments.

Analyse the customer's purchasing behaviour. Customer feedback is very valuable, so collect it systematically. In addition, make it easy for customers to give feedback. Listen carefully to your customers' wishes and suggestions. This helps improve your business. Ask questions, listen to the answers: who, what, where, when, why and how.

- Who are your most important customers?
 Think about who you're creating value for.
- How do you take care of your customers' satisfaction?
- What are the key and superior strengths of your company that you are investing in?
 Lappi Luxus gives you the opportunity to differentiate yourself from your competitors.
- What additional sales opportunities could service and product packaging bring to your company?
- Do you see business opportunities in offering your own services and products to other companies?

USE GOOGLE

FAB analysis Visit Finland - kansainvälistymisopas

Sources

Bergström, Seija & Leppänen, Arja (2015). Yrityksen asiakasmarkkinointi. Rope, Timo (2014). Markkinoinnin segmentointi.

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FAB ANALYSIS. ANSWER THE FOLLOWING QUESTIONS IN A LAPPI LUXUS-INSPIRED WAY ACCORDING TO CUSTOMER GROUP.

What features and qualities do your customers value?	What advantages can you offer them?	What benefits your services and products offer to them?

How do I reach my customers?



Marketing promotion tools are essential to make your company well-known. The aim is to create a positive image, and thus attract potential customers to consider the company's services and products.

Be organised and goal-oriented in your customer acquisition and in interactions with existing customers. Use multichannel communication tools to convey your message. Find out which promotional tools are most effective in reaching the right customer group. Be consistent in all your communication. Be active and make authentic content creation a part of daily activities. Tell a story in your own style. Measure reachability and effectiveness with a variety of indicators. Make buying easy and analyse what determines a purchase decision. Keep in mind that passivity can cause a customer to switch to a competitor.

- Does your product have so much Lapland luxury appeal that the customer acquires
 it one way or another? What are the benefits for the customer? What are competitors'
 similar products like?
- **How do you price your product?** Does your pricing reflect Lapland luxury, company values, product authenticity, uniqueness, safety and sustainability?
- How do you reach your customer, and how does the customer get the product?
 How do your website, web shop and social media visibility convey the values of Lappi Luxus?
- What distribution channels do you use? Which distribution channels work well and are cost-effective, and what marketing promotional tools do you use?
- What are your staff's competitive factors? Has your staff adopted the company's value proposition, and how does it show in their actions?
- What is the image and reputation of your company? What is your company's position in the market? Does everything you show convey the values of Lappi Luxus?

USE GOOGLE

Markkinoinnin kilpailukeinot The 7 Ps Marketing Mix

Sources

Upola, Solja (2020). Opas markkinointiin aloittavalle yrittäjälle. Bergström, Seija & Leppänen, Arja (2015). Yrityksen asiakasmarkkinointi. Rope, Timo (2014). Markkinoinnin segmentointi.

MIRROR YOUR COMPANY'S ACTIVITIES TO THE 7 Ps MARKETING MIX



What could you develop? Is there anything you could give up? Don't hesitate to try something new!

PRODUCT	PRICE
PLACE	PROMOTION
PEOPLE	PROCESS
PHYSICAL EVIDENCE	

4

Customer relationship – How do I interact with my customers?



Customer relationships are a key resource for the company. The customer relationship has a lifecycle during which different activities are developed for the different phases of the relationship. The goal is to have a committed long-term customer base that is the bedrock for profitable business. Customer acquisition is a key goal in relationship marketing, because new customers are a prerequisite for sustainable growth.

Each customer must be met individually, based on their needs. Specified customer groups must be provided with tailor-made offerings. Think "out of the box" – there are almost 8 billion people in the world. How many of them have heard about your company? See the opportunities around you. Explore various cooperation networks and look for potential future customers. Hold on to your current customers, as it is less expensive than acquiring new ones. Learn from customers and their feedback, both positive and negative. The customer should not be allowed to leave unsatisfied. A lost customer helps develop our business.

- What kind of customer relationships does your company already have?
- What kind of relationship does each of your customer groups expect?
- How is the customer experience offered by your company, and what factors affect it?

How are the main themes of Lappi Luxus, i.e. hospitality, experience, storytelling, authenticity and locality, sustainability and safety, reflected in the customer experience? Divide the customer journey into steps; remember follow-up activities too.

- What customer engagement methods do you use?
- How can you pay attention to or reward a customer?
- Who are your potential new customers? How can you reach them?

USE GOOGLE

Asiakkaan polku Customer Journey

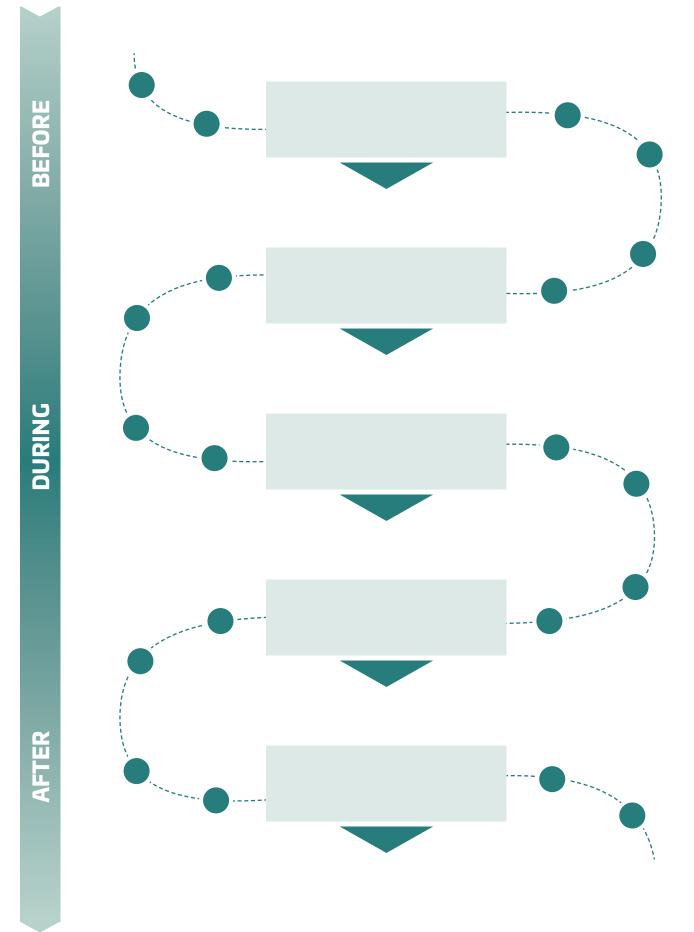
Sources

Bergström, Seija & Leppänen, Arja (2015). Yrityksen asiakasmarkkinointi. Rope, Timo (2014). Markkinoinnin segmentointi.

MAP YOUR COMPANY'S CUSTOMER JOURNEY.



Consider your customer journey from the perspective of Lappi Luxus values.



What resources do I need?



Resources are usually divided into tangible and intangible resources. Tangible resources include the company's facilities, financial resources and various raw materials, for example. Intangible resources include employees, their skills and professional competence, as well as owners and partners, for example. The resources available are limited, so the company depends on its environment. Resources are important for the company, since they generate significant value for it.

Have you considered which resources are the most important to your company? You should think, which resources are the most significant for your customers and develop them. However, staff and interaction with partners should be at the top of the list. What kind of story do you tell about your company, or how do you highlight partners?

According to studies by Visit Finland, companies that operate responsibly have higher customer satisfaction and perceived quality level.

- How do you talk to your customers about locality and authenticity?
 These values are important for more and more customers.
- How do you take care of your staff?
 Staff is one of the most important assets of any company.
- How does ecology appear in your company's resources, and how do you
 communicate about it?
 (e.g. electricity, water, building maintenance, recycling, waste minimisation, mobility)
- How is financial responsibility reflected in your company's everyday life?

 Does the company employ local people? Does it support other companies in the region?
- How do you communicate about your partners?
 Can customers get to know your partners through digital channels?
- How do Lappi Luxus values (purity, authenticity, silence, nature) appear in your resources?

How is this reflected in your company's stories?

 How does storytelling appear in your company's both live and digital customer service situations?

USE GOOGLE

Työkaluja vastuullisuusviestintään Positiivinen työntekijäkokemus Paikallisuuden tuotteistaminen

Sources

Tuulaniemi, Juha (2013). Palvelumuotoilu.

LIST THE RESOURCES YOU USE AND DESCRIBE HOW SUSTAINABILITY IS TAKEN INTO ACCOUNT IN EACH RESOURCE.



SUSTAINABILITY

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What tasks are carried out in my company?



The company's business consists of a variety of tasks that are described through core and support processes. Core processes serve the company's external customers and enable the company to process its resources into products that create value for the customer and bring income to the company. Core processes may include product development, marketing and customer service. In addition to core processes, a company needs internal support processes, without which core processes cannot be implemented. Support processes are often related to the company's finances, the overall wellbeing of the entrepreneur and employees, property management and quality management.

Despite careful preparations and advance planning, it may come as a surprise to you how many different tasks and processes are involved in managing your business, and what kind of special expertise is also required. However, you don't have to do it all by yourself. It is recommended to outsource tasks and processes i.e. buy services from a partner if you lack expertise. It is therefore important for you to identify the core and support processes that are the most significant to your business, and decide whether to handle those processes yourself or in cooperation with another company. The success of these processes is essential for your company's competitiveness.

- What are the most important core processes in your company that create value for your customers?
- What are the most important support processes in your company that you need to support core processes?
- What core and support processes in your company do you implement on your own?
- What core or support processes in your company have you outsourced, either completely or partly?
- How could you gain a competitive advantage by using the Lappi Luxus criteria in the development of core and support processes?
- Are all processes in your company ecologically sustainable?
- When something happens, have the processes been fine-tuned to minimise the harm?

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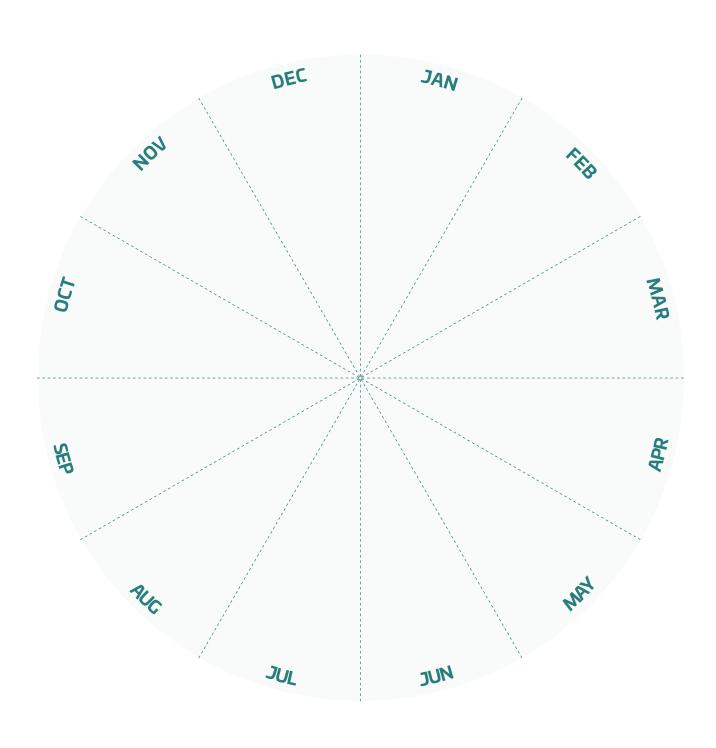
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Laamanen, Kai (2001). Johda liiketoimintaa prosessien verkkona: ideasta käytäntöön. Tuominen, Kari; Laamanen, Kai & Moisio, Jussi (2012). Asiantuntijayrityksen liiketoimintaprosessit itsearvioinnin työkirja: 38 hyvää kysymystä ja esimerkkiparia.

ILLUSTRATE YOUR COMPANY'S CORE PROCESSES ON THE ANNUAL CLOCK.





Who am I working with?



Cooperation is based on the parties' genuine willingness to work together, and on open and confidential interaction. The starting point for cooperation is a shared set of values and a goal that is relevant to everyone, and to which each party can commit. Cooperation can be based on different partnerships, projects and/or coopetition, for example. Cooperation may be contractual or informal, ongoing or ad hoc. However, cooperation is always voluntary!

You have probably noticed by now that cooperation and networks play an important role in creating social relations and improving the competitiveness of businesses. However, effective cooperation requires patience, planning and genuine commitment. By cooperating openly with tourism, wellbeing and natural product companies, you and your partners have the opportunity to create unique Lappi Luxus experiences and stand out from the competition. However, the challenge may be how to turn words into responsible joint actions that benefit everyone.

- Are you currently engaged in cooperation related to purchases and/or subcontracting?
 - If so, what kind, and with whom?
- Are you collaborating with anyone in product development?
 If so, what kind, and with whom?
- Are you involved in joint marketing? If so, with which network?
- Do you participate in networks that support entrepreneurship in your region? If so, with which networks?
- Which cooperation networks are the most important for your company now and in the near future?
- What kind of companies should you network with to get the most out of your Lappi Luxus collaboration?

USE GOOGLE

Kumppanuuskäsikirja, näkökulmia monitoimijaisen yhteistyön kehittämiseen Matkailun ABC verkostokuvaus Verkostojen merkitys pienyrityksille Yhteistyötaidot on tulevaisuuden taitoja, Juuriharja

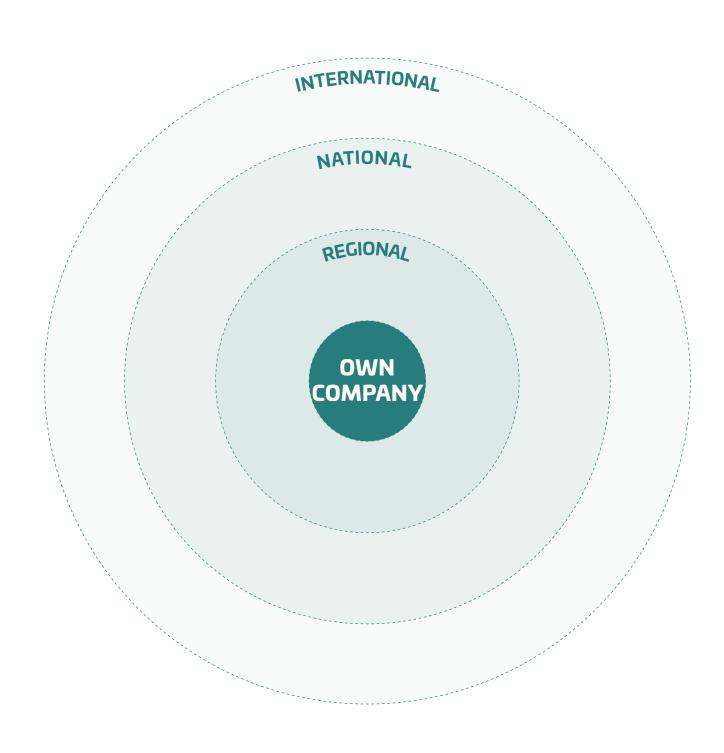
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Haapakoski, Markku (2013). Resurssiperustainen yritysyhteistyö pienten palveluyritysten verkostossa: tapaustutkimus matkailualan verkostosta.

Toiviainen, Hanna (2006). Verkostoaatteesta kumppanuuden arkeen; Monitasoinen oppiminen pienyritysverkostossa.

DESCRIBE YOUR COMPANY'S NETWORK STRUCTURE BY NAMING YOUR PARTNERS IN THE FIGURE.





How much does my business cost?



Systematic cost management is a very important tool in business management. It is very important to know how much money is invested in the core processes, and how much it costs to produce a service or product. The cost price of services and products must be calculated, i.e. total costs must be allocated to the cost price with sufficient accuracy. Cost awareness is the basis for sustainable pricing.

Have you taken a close look at your company's cost structure? Cost awareness is part of knowledge management. For example, your decisions on pricing and savings must be based on detailed information about the company's cost structure and cost factors, such as personnel costs, facilities, distribution channels, commissions, marketing, accounting, etc. As a cost-conscious entrepreneur, you should be able to allocate the company's costs to the products and services sold in the company with sufficient accuracy. Indirect costs can be difficult to allocate accurately, but it is good to use a systematic calculation method.

- What factors are causing costs in your company?
 Are value choices and Lapland luxury reflected in the choice of cost factors?
- What are the main cost factors in your company?
- How are costs divided between variable (linked to sales volume) and fixed costs?
 What is the cost structure in your company? Are the main cost factors variable or fixed costs?
- What calculation models can you use to calculate the cost price of your product or service?

USE GOOGLE

Omakustannushinnan laskeminen ja hyödyntäminen Yritystulkki – Hinnoittelu

Sources

Tomperi, Soile (2021). Toiminnan kannattavuus.

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How do I price my products and where do my company's revenues come from?



Product pricing can be examined from either market or cost perspectives. The market perspective describes how much customers are willing to pay for services or products. Whereas the cost perspective describes what is the optimal sales price which covers the costs and the desired profit in a certain sales volume.

The price of a product or service produced by your company is also affected by its lifecycle, availability, season, market position, etc. Pricing is often challenging and requires extensive knowledge based on management accounting as well as analysis on operational environment. As an entrepreneur, you also need to consider your company's price image, and other competitive factors. Are you competing with price? Price competition is difficult, and there is often another company in the market which is able to sell at a lower price. Competing with quality requires a lot from you, but it can give the best results. When pricing a product or service, it is advisable to disassemble it and standardise different functions. By defining and standardising a product or service, pricing becomes more efficient, and service profitability can be improved. Clear pricing also helps make the product real in the eyes of the customer.

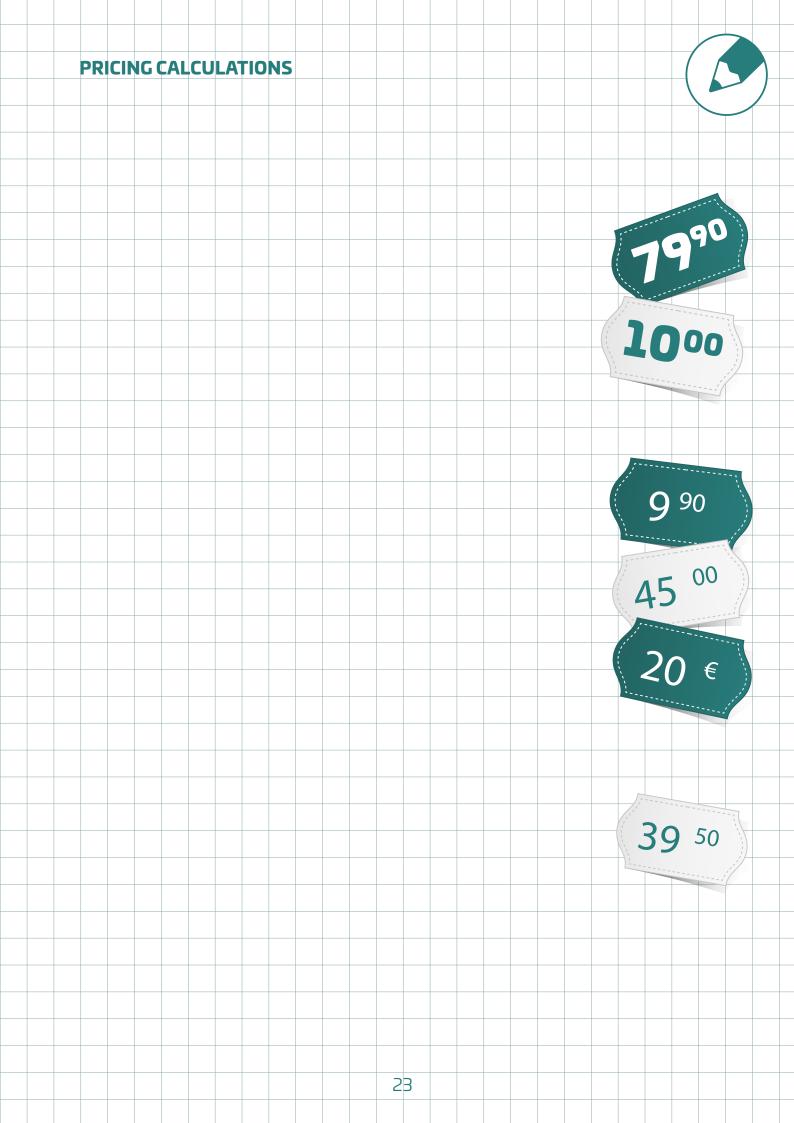
- Do you know your pricing area?
 The lower limit is set by costs, and the upper limit by demand (determined by the customer).
- Are you conscious what is the break-even point (BEP) in your company? BEP is the point at which cost or expenses and revenue are equal: no net loss or gain.
- **Do you know the price situation in the market?**What is your selling price in relation to your competitors' price level?
- Does your service or product include Lappi Luxus for which your customers are willing to pay more than the market price?
 Does this affect the gross or net profit?
- What is the proportion of the sales of different services or products in relation to annual revenue?
- If you create product packages with your partners, who is responsible for sales, and how are money transactions operated?
- Do your company's networks and choice of distribution channels affect pricing and contribution margin? What are the general commissions used?

USE GOOGLE

Yritystulkki – Hinnoittelu

Sources

Tomperi, Soile (2021). Toiminnan kannattavuus.



When will I know I have succeeded?

Illustrate and express your moments of success here, share them, and remember to celebrate those moments.



After describing the model, you can update your business plan with the template found at **oma.yrityssuomi.fi**, for example. **Additional information:** Companies and communities – **Suomi.fi**

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