Top-up program in Economics & Business administration

COMPANY AS A WHOLE

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Abstract

Now a days due to globalization the demand and competition has been increases between firms. Ports as a figurative node cannot remain separate from this change. Demand for technological improvement, increase demand of marine transports, demand for new, bigger and more specialized vessels has created competition among ports. In this competitive business mistakes may be proved fatal where marketing strategies arises as a means for differentiation. This paper introduces a strategic framework for the development of Aalborg port’s collaboration with export and import companies as their customer to gain them and dealing with promoting their services to their target audience in Nordic countries to develop their business and hold their current strong position on Danish market. This is done by using statistical data and with use of literature that support the aim of investigating the future opportunity of the company. In order to fulfil the research objective of this research paper, we as a researcher have used semi structured interviewee with an employee of the company. For our own observation and for the secondary data we used desk research, which means collecting market research. To develop a solution for our selected problem formulation we use abductive reasoning, where we have incomplete observation and abduct the best prediction that may true. This research data is combined of concrete data from the Aalborg port’s website, magazine and literature relevant to the chosen topic. A composition is being provided, that lead Aalborg port through a series of steps to find possible new business strategy to gain successful market share in future. The suggestions are general and would be beneficial for the company to increase integration with Sweden, Norway in future. The selection of suitable strategy is also important for Aalborg port to improve their financial capability which adding value to the company. The strong economy helps the company to use suitable marketing strategy to satisfy its customer.
1. Introduction

Now a days for international trade in goods of the European Union (EU), Maritime transport plays a vital role which have influence on the economy of a Geographical area. In that case port activity has an impact due to the present business size between the major economic areas of EEA and with the third countries {non-EU countries). According to the report of Eurostat on 28 September 2016, the value of EU trade with non-EU countries by maritime transport for EU trade has increased over the last ten years which was less than 47\% in 2006. In Denmark 56.5\% imports and 46.4\% of export trade in goods with 3rd countries are carried by sea. The distribution of export and import with EU countries using maritime transport for European trade was respectively 25\% and 34\% in 2002; which was the highest number of export and import transported by sea among other geographical distribution. According to the report of Oxford Economics for the European community ship owner’s association(ECSA); around 45,000 sea based direct jobs generating in Denmark. The consequence of sea transport in international trade increase the interport competition for the purpose to achieve more market share as well as for keeping habitual. In order to increase the competitiveness of Aalborg port there’s need to figure out different strategic plan which help’s Aalborg port to compete their competitor, gain more customer and create a strong position on Danish market. The plan for the development is divided into different strategic ways. Basically, the main objective of their plan is to increase the competitiveness through the strategic solutions of the cluster, collaboration and partnership with companies in of east of Aalborg, branding, HR solution.

This paper has been done by creating an understanding of the company’s needs and supporting them with relevant solution. The analysis part will be based on relevant data and theory.

Plan like cluster solution and Partnership with companies in all around the east of Aalborg is used as strategic solution for the development of Aalborg port. The main aim of these plan is to create the Aalborg port’s services more attractive to their customer and differentiate them from their competitor. Creating awareness of the company is another plan. By promoting company, awareness has created to their potential customers which increase their network. They promote their company in a natural way; as a part of this, company is participating in different trade fairs and press conferences.

Taking into consideration of their strategic plan, we will analyse a competitive and strategic analysis of the company. Analysis part of This project is divided into different section: At the beginning, we introduce and Present the characteristics of port of Aalborg, next we will deal with Internal Analysis Which consists with Value chain, competitive advantage and the External Analysis Contains an assessment of porter’s five competitive forces regarding the maritime Transport sector of port, competitor’s analysis and PEST analysis. After doing both analysis we figure out the SWOT strategies.

Finally, Marketing strategy and recommendation will be established to reach successfully towards the aim of this research paper. In this section, we will try to go through considering potential market and customer where they can easily gain their market share and also analyse how they should connect with them.
2. Problem area and problem Formulation

This section will discuss about the reason of our research, what we were taking into consideration regarding select our problem statement and research question itself. Information gathered from the Interview (interview with Michelle –HR manager of Port of Aalborg), as well as our observation and knowledge of working with the company were taking into consideration when we were about to choosing our research area.

Problem area

This project will investigate information regarding company’s strength and business opportunities, their present relationship with customers and try to figure out a strong beneficial strategy for the company by which Aalborg port can lead and maintain a successful business on Danish market. At the same time promoting the company and their services.

After conducting interview with HR manager of Port of Aalborg we could realize the importance and need of new or extended marketing strategy for this company. We also feel the demand of the company from the words of HR manage “I think as I said before, it would be through collaboration and network, our salesmen often went to Greenland to participate in the fairs, also via media like press and then people know about us and it would be nice if they participated in different kind of networks and they might find out what is port of Aalborg in a natural way. “ and we would like to be better at having partnerships, to improve collaboration between us and the companies, and also between the companies because that can make our business better, if companies can see advantage with talking to each other” (HR manager, Appendices)

Apart of these statement is also important for every company, no matter whether they operate on B2B, B2C or B2G market, production company or service company should have a good marketing plan or strategy to gain new customer and for the development of the business.

After considering our research area we figured that it would be also advantageous for Aalborg city to achieve more customers because it can bring new tourist to the city and city will influence and develop city’s economic condition.

Research question
How can Port of Aalborg maintain and strengthen their port business within Danish market and which marketing strategy they should follow?

I. Which strategy they should follow to identifying their business opportunity?
II. How they develop their relationship with their Nordic customer?
III. Which way they get connected with their target audience?
IV. Considering future potential market where they offer their services?

3. Limitation & Delimitation

This part presents the situation and circumstances that may affect and restrict our method and analysis of research data. Therefore, for better understanding of this paper we have to develop what were our limitations and what we delimited.


**Limitation**

In this section of our research we will talk what have kept us from better performance in this project. The biggest challenge for us was meeting with the company and lack of getting required information is another obstacle throughout our entire research.

Unfortunately, it is not possible by us to contact with sales or other person from whom we can get more details about their customer. it’s because of the tight schedule of the employee. if we had chance to make a meeting with sales person we get more deeper understanding about the focus group that could help us significantly in our research.

**Delimitation**

After a deep consideration, we have decided not to include our behavioural segmentation of market parts about usage rate, loyalty status, buyer-readiness stage, and attitude because we did not think it is appropriate for Aalborg Port.

In all situation, the five forces are not equally important. Port of Aalborg is a service based company with no production and thus requires no direct suppliers. Agents can be predicted as a supplier to get customer and sell their services. Basically, buyers are connected with the port through their agents and the company providing identical solution to their customer that’s why the Bargaining power is absent both of buyers and suppliers (agents). Also, the bargaining power both of buyers and suppliers is not forces by the market demand. In this case customers are determined as import/export companies. In the port system customers can be shipping companies and forwarding agents, but to analyses this microenvironment we focus on import/export companies who use port services to transport their goods as they represent the final customer.

Another part of the project we decided to put into delimitation, is “technology” which is part of PEST analysis. As the focus of the project is to attract more customers, we decided not to use technology part of the PEST analysis, since we don't find it relevant for the project.

Furthermore, we decided to exclude part “cost” from 4 Cs since we didn't have any information about cost and we believe this is not what Port of Aalborg would be interested in us to do for them.

4. **Methodology**

This chapter describes actions to be taken to investigate research problem and the rationale for the application of specific procedure or techniques used to identify, select, process and analyse information applied to understand the problem, thereby allowing the reader to critically evaluate a study’s overall validity and reliability. The methodology section of a research paper answers two main questions: How data has been collected or generated and how it was analysed? Kallet, Eichard H. (2004)

4.1 **Philosophy of science**

Before beginning of working with the chosen topic of this study paper we must consider how we want to investigate it. our approach will depend upon how we think about the problem and how it can be studied, such findings are important for us in this discipline. Every researcher
has their own point of view regarding the establishment of truth and knowledge. In that section, we are discussing about the way of research for the selected problem. These views guide our thinking, our beliefs, and our assumption about society and ourselves, they frame our view of the world around us that called paradigm in social science. (Schwandt, 2001)

**Research paradigm**

Based on Schwandt (2001) paradigm is a shared world view that represents the beliefs and values in a discipline and that guides to solve a problem. A paradigm is a way of explaining the world view by philosophical assumption about the nature in regard to ontological and epistemological aspect. (Paton, 2002). A paradigm leads us to investigate certain question and use appropriate approach for a systematic inquiry which is methodology.

Theory here is need to develop in Inductive way. Because here we look at single case studies and develop a theory. It starts with RQ and aims and objectives that need to be achieved.

“Every paradigm is based upon its own ontological and epistemological assumptions. Since all assumptions are conjecture, the philosophical underpinnings of each paradigm can never be empirically proven or disproven. Different paradigm inherently contains different ontological and epistemological view; therefor, they have different assumption of reality and knowledge which underpin their research approach.

According to Scotland, 2012 paradigm is consisting of ontology, epistemology, methodology and methods where each component is explained and then relation between them are explored.

Together these paradigmatic aspects help us to control our own beliefs and assumptions of the research problem, investigating process and method to answer the research question.

For that research paper, we have chosen the constructivist/ interpretive paradigm. In the realm of social research, constructivist paradigm says that there is no single reality or truth and reality is created by individual in the group. In the light of epistemology, interpretive paradigm claims that reality needs to be interpreted, it is used to discover underlying meaning of events and activities. This approach has been chosen in order to interpret the written text which gives us opportunity to understand the whole situation of the company from the interview and knowledge that I get from the gathered concrete data.

**4.1.1 Ontology**

**ontology** is the assumption about nature of social reality where we focus believe about the nature of the truth. “Ontology is the study of being.” (Crotty, 1998, p.10) Ontological assumption are concerned with what constitutes reality, in other words what is. We as researchers of this paper need to take a position regarding perception of how things really are and how things really work. (Scotland, 2012)

Interpretive research rejects a foundational base to knowledge, bringing into question it's validity. Interpretive research cannot be judged by using the same criteria as the scientific paradigm. Legitimacy and trustworthiness need to be achieved without claiming uncontested certainty. However, reaching a consensus is problematic. (Scotland 2012). The ontological position of interpretivist is relativism. Relativism is the view that really is subjective and differs
from person to person. (Guba & Lincoln, 1994, p. 110). Our realities are mediated by our senses. Without consciousness world is meaningless. Reality emerges when consciousness engages with objects which are already pregnant with meaning (Crotty, 1998, p. 43) Reality is individually constructed; there are as many realities as individuals. Language does not passively label objects but actively shapes and moulds reality (Frowe, 2001, p.185). Thus reality is constructed through the interaction between language and aspects of an independent world. (Scotland, 2012)

With this paradigm, it is also important to mention hermeneutics and hermeneutic circle, because it is strongly tied with that approach of understanding the reality and the truth. Modern hermeneutics deals with the question of human understanding in general as developed by Heidegger and Gadamer. Heidegger (2002) argued that self-understanding and world understanding are inseparably interwoven. The question of leaving the hermeneutic circle when a clear meaning is reached is therefore affected by the way the hermeneutic circle is entered. A fact also important when undertaking literature reviews, as we will see below. For Gadamer (1960| 1979) human existence in general is closely related to language.

Our understanding of prior works shape the understanding of ourselves. (Boell and Cecez-Kecmanovic, 2010) anyone who has undertaken research in these areas knows that a deeper understanding of the research problem is gained as the literature review progresses, with the researcher becoming more aware of what questions are most relevant or pressing. Systematic review strategies are therefore ill equipped to address research that cannot be precisely formulated in a form of closed questions before starting the review process. (Kitchenham, 2004)

Regarding our chosen topic in that research paper there is no single reality because although many companies have same topic to discuss about, still it's different from one company to another. So, in ontology the reality is constructed in the context constructivism. As any research is not done it before we should think there is 1 reality and i need to know how people think in this single reality .so there is a single reality and as a researcher we are outside of reality and we are external so we are objectivist. Ontology is our philosophy of reality.

4.1.2 Epistemology

In epistemology nature of knowledge and truth means how do we know the truth what we know have been discussed. “Epistemology is concerned with the nature and forms of knowledge” (Cohen et al, 2007, p. 7). Epistemological assumptions are concerned with how knowledge can be created, acquired and communicated, in other words what it means to know. Guba and Lincon (1994, p. 108) explain that epistemology that epistemology asks the question, what is the nature of the relationship between the would-be knower and what can be known? (Scotland, 2012)

The interpretive epistemology is one of subjectivism which is based on real world phenomena. He world does not exist independently of our knowledge. (Grix, 2004, p. 83) Regarding trees, Vrotty (1998, p. 43) elaborates, “we need to remind ourselves here that it is human beings who have constructed it as a tree, given it the name, and attributed to it the associations we make with trees”. A tree is not a tree without someone to call it a tree. Meaning is not discovered; it is constructed though the interaction between consciousness and the world. Consciousness is always consciousness of something (Crotty, 1998, p. 44). To consciousness a world is to participate in it, simultaneously moulding and encountering it (Heron & Reason, 1997, p. 3). Intentionality refers to the interaction between consciousness and phenomena.
Regarding the same phenomenon, different people may construct meaning in different ways (Crotty, 1998, p. 9) but truth is consensus formed by co-constructors (Pring, 2000, p. 251). Therefore, knowledge has the trait of being culturally derived and historically situated. The interpretive paradigm does not question ideologies; it accepts them (Scotland 2012). Therefore, we can say that constructivists believe that knowledge is subjective, because it is socially constructed and mind dependent. Truth lies within the human experience. Statement on that what is true or false are, therefore, culture bound, historically and context dependent, although some may be universal. Within this context, community’s stories, belief systems and claims of spiritual and earth connections find space as legitimate knowledge. (Garner, Wagner and Kawulich, 2016)

For our research question, we choose to use concrete data to prove our knowledge. **Epistemology** is theory of getting reality. since there is no single reality therefore we should interpret the reality so epistemology is interpreting.

### 4.2 Methodological Approach

This methodological part will be focused on actions we have taken in that research paper for the purpose of finding solution of our chosen problem area, as well as it will describe which methods we have used and why we have chosen to use them. Let’s first define what research and methodology is.

“Methodology is the strategy or plan of action which lies behind the choice and use of particular methods (Crotty, 1998, p. 3). Thus methodology is concerned with why, what, from where, when and how data is collected and analysed. According to Guba and Lincon (1994, p. 108) methodology asks the question: how can the inquirer go about finding out whatever they believe can be known?” (Scotland, 2012)

Now to define what methodology is, we continue with stating what purpose of our research is. The purpose of research is to discover answers to questions through the application of scientific procedures. The main aim of research is to find out the truth which is hidden and which has not been discovered as yet (Kothari, 2004). Furthermore this section will also explain how these data were collected and analysed.

#### 4.2.1 Data Collection Methods

“Data collection method is an effective way of soliciting and documenting, in their own words, from their own perspective, where they can express feelings, opinions, values, attitudes and beliefs about their personal experiences and social world in addition to factual informations about their lives (Saldana, 2011).

Since we define ourselves as constructivists, we have decided to work with more than one method. After long discussion, we have agreed to use both primary and secondary data. “The primary data are those which are collected afresh and for the first time, and thus happen to be original in character, the secondary data, on the other hand are those which have already been collected by someone else and which have already passed through the statistical process” (Kothari, 2004). In our opinion combination of both data will result a successful outcome of this research. Regarding our data sources, we have been extremely careful and we used only reliable sources such as books, articles.

**Primary data**

“The interview method of collecting data involves presentation of oral-verbal stimuli and reply in terms of oral-verbal responses” (Kothari, 2004).
In order to gathered information and be able to prepare both internal and external analysis about the company, we made an interview with the HR manager of Port of Aalborg. We get our sufficient knowledge from this person to “kick start” our project. There are two types of interviews we could have chosen to apply:

- Personal interview
- Interview through phone call

For our investigation we decided to go with personal interview, as we believe that it is more personal than only a phone call. This interview will take psychically so we can easily observe her when she will answer our question. “Personal interview method requires a person known as the interviewer asking questions generally in a face to face contact to the other person or persons whom called interviewee” (Kothar, 2004).

There are three types of interviews:

- Structured
- Semi structured
- Non-structured

In term of our exam paper we take semi-structured interviews, because it provides a clear set of instructions for us as interviewer and can provide reliable, comparable qualitative data. Since we could prepare some informal, unstructured open ended questions which will allow the interviewee for a discussion rather than a straight forward answer, and at the same time it allows us to develop a keen understanding of the topic of interest necessary for developing relevant and meaningful semi structured questions. (Qualres.org, 2018)

Observations:

Another method we have used are observations, in order to gain more primary data and better details insight information of the company. According to Liu and Maitlis, 2010, Observation process is a three-stage funnel, that begins with descriptive observation in which researchers carry out broad scope observation to get an overview of the setting, next one is focus observation, in which they start to pay attention to a narrower portion of the activities that most interest them, and then selected observation where they investigate relation among the elements they have selected as being of greatest interest. Observation should end when theoretical saturation is reached, which occurs when further observations begin to add little or nothing to researcher’s understanding. This takes a period of days or months, but, depending on the phenomenon in question, sometimes several years.

In our project, we used non-participant observations. “Non-participant observation is often used in tangent with other data collection methods, and can offer a more ‘nuanced and dynamic’ appreciation of situations that cannot be as easily captured through other methods” (Liu & Maitlis, 2010).

We revealed our identity to the company and instead of participating in the activities of the company, we just observing. Though we did not get to see how the company works in a day to day basis, we have acquired a good start for our project. We spend two and half hours with the interviewee Michelle, whom we got the chance to observe during her work, as well as we got to see the company, their employee and environment in general.

Analysis of the interview

The analysis has been divided into smaller subsection to focus our attention on certain areas to figure out the investigation into our selected topic. Subsections are following:
• Company’s present position
• Perception of competition and knowledge regarding competitor
• Influences of business strategy in port business
• Experience with Customer and marketing

Company’s present position

First, we want to try to look in to company’s current situation by knowing details about the company. By this we get the full picture of the company how strength they are, their position on the current market, who are their business partner, their business strategy, their drawback etc.

Interviewee Michelle G. Bøving; HR consultant of Aalborg port said “Yes, I think you can find the list with five biggest ports in Denmark. I think we are number four so far.” From here it’s been clear that the company have a strong position on Danish market because they are number four out of five biggest ports. She again mentions that “we are number four so far. But maybe that will not be case in future because it measured on not profit, it measured in earnings” we can assume that at present the company is in a strong position because I am earning. Again, we can also predict the company’s future weakness from her speech.

“We are actually limited because the water is not that deep so it will be a limitation for us to how big ships we can get into the port. You know Everything gets bigger nowadays. So, when they want more bigger ships there can be more containers on. Emm then you have a problem because bigger ship will get lower into the water.” From that it’s been illustrate that the limitation of the water is another border for the company. By saying “ya you can do that but not that much. Because if you are digging dipper you need more space and you cannot do that because people are living here.” Michelle makes it clear to us that though they want to solve the limitation of the water there still being problem which is not possible due to the regulation of the city. But off course the company makes a different solution for their business by providing combined logistic solutions which is the strength for their successful business.

According to Michelle’s interview it’s not that much easy to start a business-like Aalborg port do and difficult to make a position on the Danish market and it is hard for a new company to substitute services as Aalborg port offers so it’s being a positive aspect for the company.

Aalborg port also have collaboration with different companies around Aalborg city for the business and promote purposes.

Perception of competition and knowledge regarding competitor

“I think it would be the port of Aarhus. Esbjerg and I would not say it’s because some of them are so big it’s not our competitors we are competing with and emm I think we are the 4TH biggest harbour in Denmark right now. so, we are competing with the one just below us and then we are competing with the one above us approximately. Number 3 or number 5 and 6 those we are competing with.” From here we can understand that Michelle is a bit confused when she is mentioning the name of their competitor at the same time it’s also being noticeable
that she also shows her sincerity when provide us all the information regarding her company. She is basically a HR consultant but still have knowledge regarding company’s competition position and their competitor. Because she knows the position of the company is based on annual income and she knows which companies are giving the same services as they do.

She also presents her consciousness about the company’s future position. “I think there is actually another area over here who is called Aalborg Portland. They are also offering some of the same elements that we do but they do it in a different way” we can interpret that there is actually company who tried to offer same services as Aalborg port do but later on when Michele said that the gathered logistic solution is their smart solution it’s indicate that the company really very much active in their business position.

The limitation of substituting their services and enter into the market make stable situation for the company.

**Influences of strategy in business**

When she has been talking regarding digging deeper of the water she said “Because if you are digging dipper you need more space and you cannot do that because people are living here. So, it will be a limitation but then we have to focus on what do we want to compete on then instead of only ships. Then it’s actually our strategy that it is collaboration and logistics solutions which are intelligent and so we have cluster where we are gathering special parts of production areas for example wings to wind mills. Then We have cements we are producing that. Blades over here producing platform who can stands in the water and then you can put the windmill on and then they are making the blades as vestas produce. But Siemens are making the wings. And then we have plat who is making like the foundation where the windmill has to stand on in the water. So, it’s like a cluster where you try to together the company is who works with those because then their logistics ways will be shorter and cheaper.” Here she explains the reason of not able to increase the depth of the water but at the same time she also mentions another way which they can cover up the competition on the market against their competitor. This strategy has influence to their business. Because of their intelligent strategy, they are not only depended on port business they have other business by which they can easily switch their competition in other areas. Their combined cluster logistic solution also make their business stronger because it saves both money and time of their customer.

Their another business strategy is to keep good relationship, partnership with different companies around east Aalborg area by that they can also promote them.

“Emm but I think so but we are definitely also trying to look other places but as I actually told you last time it likes I think 60% of our turnover it’s from areas where we are renting the area. But it is 60% and then we have 10% which is cruises, where you often see into the town and then the rest is I think split on oil and other materials which is coming in.” as they are not depended only on port business 60% of that income comes from real estate business and 10% from cruise which is due to their planned business strategy.

**Experience with Customer and marketing**

In regarding to talking about their core competences our interviewee says “they don’t have to use time on coordinating what about this and what about next and so on. So, they have
like a gathered logistic solution we have cranes and storage and we have everything before it
picked up by truck for example.” From this we can interpret that when the company offer
services to their customer who rented out their property Aalborg port also keep in mind to
provide a best service in an affordable price and time. It could be because of saving time of
their customer and get more loyal customer and keep them for a long time.

“But our salesman often took to Greenland to participated in different press meeting
and fairs and network and promote port of Aalborg and talk with people in a natural way.

They get their customer through collaboration and network because they appear all their
possible market psychically.

When we are asking Michele about their customer she was not that much familiar with
their customer like she can’t say who are their potential customer or she can’t answer
specifically regarding their relationship with their customer it’s because she is working with
HR department and not that much connected with customer. They also have different person
in sales department who are get connected with their customer.

“And then we have a lot of contact to schools and universities where they are working.
We have a case competition at a point last year. Where we are in collaboration with other
companies and other ports trying to make like a case and then the student has to come up with
solution to it.” Basically, Aalborg port promote themselves in Greenland by participating in
different press conference and fair. Which means that they are doing most by psychical
appearance to attract their customer. Make a case competition in schools and university also
being a part of their approach in different areas and they want to create awareness about the
company through this kind of method. They are also collaborating Aalborg kommune in
tourism sector which is another marketing strategy.

“there is different kind of project. Some called cool east n club 23 which is going where we are
within that network or collaboration to change the social standard of that area.” As a part of
collaborating Aalborg kommune they are involved in different project about kommune. The
company also active in different social events by which people in the society came to know
about the company.

“But We are also writing in the press and article and trying to be mentioned when we
are there trying to be mention in the papers and so” as a part of promoting the company they
use media like newspaper and magazine as a medium of create opportunities for the company.

Method
Throughout of this project, the content will be based on the primary and secondary data which
will be collected during the interviews, findings in the books, articles and online data research.
The project will be supported by the information collected during the research phase and
knowledge obtained during the studies.

The analysis section will consist of Internal and External Analysis, which will help us
to find out what company can easily change and improve and what aspects of surrounding
world cannot be changed so easily. Additionally, analysis part will assist in allowing to review
company’s operations and observe of what is being done properly and where company could
improve.
Firstly, there will be made internal analysis, which will contain Service Value Chain analysis, Competitive Advantage and SW from SWOT analysis. Service Value Chain will allow to locate which are the operating activities that creates company offered values and generates competitive advantage. It will help to find out how company creates value for their customers and in which way current activities could be improved to increase the outcome of it. In addition, it will allow to overview other activities that company is running and see if any improvements are needed in order to enhance the quality of their offered services. Further along, there will be done Competitive Advantage analysis to have a better look at what exactly are advantages that Port of Aalborg holds against their competitors and allows them to rise above them or attract new customers.

At the end of the internal analysis, there will be used SW from SWOT analysis to figure out what are the primary Strengths that company has and what are the main Weaknesses that they have balance out. It is valuable to know main strengths that company has because it might allow to use them when approaching new customers and persuading over competitor offers. Weaknesses will allow to find what are the drawbacks of the company and why potential customers might be interested in competitor services and the reasons behind it. After doing Internal analysis and having a look at how company is operating internally, there will be made External analysis, which will consist of Porter’s Five Forces, Competitor’s analysis, PEST analysis and WT from SWOT. (Mindtools.com,2018).

At the beginning of external analysis part, Porter’s Five forces will be used firstly to see where does Port of Aalborg stands among their competitors and find out the situation at market in general. It is beneficial to know with whom they are competing as it will allow to strategize and make key decision in allocating their resources and time with greatest chance of success. In order to have a better information about the competitors, there also will be made Competitors analysis. It will give a chance to see which ports have a greatest impact to the market and how can they have an impact on Aalborg Port’s business. It will also allow to have a better understanding of in which areas competitors are focusing their attention and help to observe which trends are paying off.

Afterwards, to see what is current situation inside the country, there will be made PEST analysis which will assist in seeing what kind of struggles company can face or cross the road while maintaining business. It will extensively allow to identify what is going in Denmark that can have influence on Port of Aalborg and shape the way how they are running the company. Finally, WT From SWOT analysis will determine what Opportunities and Threats company might occur in the future and what events can be expected. It will allow to review if there are any potential opportunities that could benefit company in a positive way or if there are any threats that might be harmful for the company and affect negatively.

At the end of the all analysis, there will be suggested Marketing Strategy which will contain Marketing Mix – 4 C’s and STP Model; and communication strategy to decide how they get connected with their target audience and create awareness about the company. 4-C’s strategy is an alternative to traditional Marketing Mix or also known as 4 P’s. However, 4-P’s stands for Product, Price, Place and Promotion and in this project scenario it does not suit that well because Port of Aalborg is more service company rather than manufacturing. Therefore, it is necessary to shift to 4-C’s, which means Customers, Convenience, Communication and Costs, and is more applicable to service offering company. To continue, STP Model, which is a marketing strategy allowing to specify the right audience and place on a market and analysing
how to make correct decisions regarding advance their business, will also contain Segment

After the analysis, there will be made a Conclusion from both analysis to see what actions should Aalborg Port follow to optimize their business. It will maintain key insights and suggestions that are recommended for the company.

4.3 Research quality- Validity and reliability

In order for assessment to be sound, they must be free of bias and distortion. Reliability and validity are two concepts that are important for defining and measuring bias and distortion.

Validity

Heale and Twycross define validity as the extent to which a concept is accurately measured in a quantitative study. In qualitative research sometimes also termed as credibility, is concerned about the appropriateness of the measures used, accuracy of the analysis of the research results, and generalizability of the findings.

There are three types of evidence that can be used to demonstrate a research instrument has construct validity.

- Homogeneity means that the instrument measures one construct.
- Convergence occurs when the instrument measures concept similar to that of other instruments. Although if there are no similar instruments available this will not be possible to do.
- Theory evidence is evident when behaviour is similar to theoretical propositions of the construct measured in the instrument. For example, when an instrument measures anxiety, one would expect to see that participants who scores high on the instrument for anxiety also demonstrate symptoms of anxiety in their day to day lives.

Regarding that project, we examine the research question and come up with the desire conclusion which indicate that an internally valid research study. Then Based on the assessment of the result, the validity is also being appropriate because here we are concerned with the evaluation of the judgement about an assessment of the selected problem. Correlation between conclusion and problem formulation is satisfactory. Furthermore, the design of the assessment, way of gathering data and investigation process all of them will be followed in a systematic way.

Reliability

“Reliability relates to the consistency of a measure. A participant completing an instrument meant to measure motivation should have approximately the same responses each time the test is completed. Although it is not possible to give an exact calculation of reliability, an estimate of reliability can be achieved through different measures” (Heale and Twycross, 2015).

However, our research is primarily based on a qualitative data and, the assessment of qualitative research based on reliability may not be entirely appropriate-qualitative research is
not necessarily intended to be replicable since it reflects the reality at the time when the data for the research was gathered. (Saunders et al, 2016)

On the other hand, we are focusing on the main purpose of the research to successfully explored where the result of the assessment is meaningful and the purpose of the assessment is served. The chosen methodology help us to detect the exact findings in appropriate context. All the data and sources that are used for investigation purposes, are taken from reliable sources. Like We use data from company’s own websites, interview has been taken psychically and other sources are taken from reliable sources like Oxford economic, world Bank, Euro state, statistics Denmark etc. This exam paper contains practical and real data that are rich enough and help us to achieve a satisfactory output of the chosen theme.

5. Theory on analysis’s model

For That part of our project we are explaining theories of models we applied in our investigation. This sector is important for understanding the models how it works, their uses and our deep knowledge regarding using the them.

5.1 Value chain theory

The value chain describes the full range of activities which are required to bring a product or service from conception, through the different phases of production (involving a combination of physical transformation and the input of various producer services), delivery to final consumers, and final disposal after use. (Kaplinsky and Morris, 2000)

Due to the nature of Port of Aalborg, we need to have a different version of the value chain because we consider the company as a service company. In this research, we have decided to investigate of their service area, so regarding our chosen topic we are working with their services. Therefore, we use the value chain for services. It will have five primary and four supporting attributes. The shape of the VACSE will be the same as that of porter, but the most important thing is the components of the new model. Therefore, the difference is not in shape but in components and application.

Primary attributes:

Service design

“The service provider needs to be very sure of the value customers are buying. This is crucial activity in the value chain. There is no doubt that once there is poor design there will be customer dissatisfaction. Designing a service is more complicated than a physical product since service is intangible. In the physical product. It is easy to use formulae, measurement etc where, in service product, there’s need to understand the nature of the target market and how sensitive customers are to the quality compared to price”. (Gabrial, 2005, P.17). In any cases, the designers need to be as innovative as possible. They should not only be finding more customers for the existing products but also more products for the existing and prospective customers. In the designing activity, the question of pricing arises. Pricing is crucial as once it is not done properly, it can either harm the investors or customers.

Knowledge Management

Knowledge management has two sides, just like coin. One side of the coin is about service providers knowing the intricate needs of the customers. The other side of the coin is about the customer being knowledgeable of the type of the service he or she needs and how
needs to be delivered. (Gabriel, 2005, P. 18). It is not enough to identify customers just by knowing their faces or names. In fact, knowing a customer means knowing his or her needs and psychological dynamics of his decision-making process. In some literature, this is called ‘Buyers Black Box’ (Kotler, 2000).

**Delivery Systems Management**

In the manufacturing industry, the delivery system is simple, clear and straightforward. It can be pre-planned and use as a blueprint. This is now and will never be the case in service industry. Recalling some characteristics of service: perishability and inseparability, it is evident that, customers cannot keep services in stock for future use, neither can they be separate from service provider. (Gabriel, 2005)

**Moment of truth Management**

This is the real time whereby the service provider encounters the customer. This is the real time whereby the service is delivered to the customer (remember the characteristics of inseparability). Since there is no longer pure service and pure physical goods, but a combination, even in the manufacturing sector there is a service part of the offer. Nothing is neutral about a moment of truth. It leaves a positive or negative impression on the customer’s mind. Moment of truth can build or destroy trust and confidence in the minds of prospective and existing customers. Moments of truth can and often do dictate buying decisions. Moments of truth becomes word of mouth advertising. (Gabriel, 2005, P.19)

**Service competition Management**

There should be competition in order to make all service providers alert of the fact that customer have available choices to them. This will stimulate service providers to be innovative and never complacent. This will make service providers time-sensitive hence managing the service quality (Gabriel, 2005).

**Supporting Attributes:**

**People (Human Resource Management)**

Referring the characteristics of services discussed above, services are not tangible and need to be produced and used simultaneously. The value of the people in the service delivery system becomes extremely important in the co-creation of value (Gabriel, 2005a). If there is a mismatch of the expected value by the customers to what the customers are offered, there will be a perception gap. The intention of service providers should be to deliver the service in such a way that there would be even no gap to manage. The communication interaction Model (CIM) as propounded by Gabriel (2005a) can be one of the solution to avoid differing appreciations. (Gabriel 2005, p. 21)

**Process Information**

The service providers need to be well knowledgeable of the way the service is generated and delivered to the customers. In this case the aspects of communication, communication objectives and strategies forms part of process information. Process information is about the nature of the value creation and delivery systems.

**Punctuality & Reliability**

In the service industry, punctuality is very important. This is to say, timing is a function of service quality in the service industry. The aspect of time has a significant bearing in the value attached to the service by customers. Apart from being punctual, reliability is also necessary. Reliability implies the level of consistence and the assurance that the service delivery system will deliver what has been promised to the customers. (Gabriel, 2005, P. 22)
5.2 Porter’s five forces theory

Porter five forces is a powerful tool which helps us to understand the competitiveness on the markets as well as for identifying the firm’s strategy’s potential profitability. To find what strategy should be used for the particular firm, we could use porter’s five forces, since, it helps us to understand the forces in the environment which could affect the profitability.

These five forces are:
- Threat of new entry
- Threat of substitution
- Bargaining power of suppliers
- Bargaining power of buyer
- Rivalry among existing competitors

The model was created by professor Michael E. Porter, a marketing professor at Harvard business school, in order to analyse the industry’s attractiveness and profitability. Let us now analyse these five factors so we can understand what they are.

Competitive rivalry investigates how many competitors does a company have and what are their strength on the market. The more competitors in the market are, the more customers have to choose from. This mean that the company needs to have a good offer to attract the customers to receive services or purchase product from them. one way to attract customers is to cut the prices or use effective marketing campaign. If rivalry is weak, it is more likely that this firm would have high profits and great strength and position on the market.

Supplier power is used to analyse how easy it is for the suppliers to raise the prices. Therefore, it will describe how unique the product or service they provide actually is and how extensive it would be to change the suppliers. The more suppliers we should choose from, the better deals we may create. On the other hand, the fewer suppliers we should choose from, the stronger their position and ability to charge us more becomes. This may have an influence on the profits we make.

Buyer power helps us to detect how simple it would be for buyers to drive the prices down.

Threat of substitution refers to how possibly it is for the customers to find a similar product or service that a company offer. For example, if a company that makes chips, a similar product to substitute it could be sticks or popcorn. A substitution which is simple and cheap to make may weaken position and threaten the profitability of the firm.

Threat of new entry describes how easy it is for new companies to enter the same market. If it is cheap and requires little effort to enter the market and compete effectively, then rivals could enter the market quickly and weaken the company’s position. On the other hand, if there are strong and durable barriers to entry, then company’s position should be safer and harder compares to the competitors to replace a company.
5.3 PEST Theory

To assess the external macro-economic factors related to particular situation, we have decided to use PEST analysis. PEST is short form of Political, Economic, Social and technological factors. This analysis is used to investigate the four external facts related to particular business.

Basically, PEST is a powerful tool which shall assist us to determine how these factors affect the performance and activities of a business in a long-term period. Usually. It is used together with other analytical business tools, such as OT from SWOT analysis and porter five forces in order to provide us with a clear understanding of a situation related to external facts. Now as we know what is PEST analysis is, now we explain what each factor means.

Political facts describe government regulations and legal factors in terms of their ability to affect the business environment and trade markets. The major problems described in this section include political situation in a certain country, tax guidelines, trade regulation and tariffs, safety of the country, legal framework.

Economic factors investigate the economic issues which could have an influence on the firm and assess potential changes in the country’s economy. This includes factors such as inflation, the unemployment rate and policies, currency on the markets or gross domestic product.

Social facts help us to determine socio-economic environment of the market through elements such as demographics, education, culture and lifestyle or leisure interests. This factor basically support us to interpret what brings customer to the market for a purchase and perceive their needs.

Technological facts analyse how technology influences the introduction of a product or a service to a market. These factors may be recent technological developments, impact on cost structure, or improved product or service quality.

Pest analysis could have many different version. Let us mention PESTLE, STEEPLE or SLEPT. They are basically basic PEST analysis, extended by legal, environmental, socio-cultural or ethical factors. Since we found enough information using basic PEST analysis, we did not find necessary to use extended versions. (Contributor, 2018)

5.4 Dimensions of Hofstede Theory

Professor Hofstede created a model of national culture which consists of six dimensions. The cultural dimensions represent independent preference for one country of affairs over another which makes these countries different from one to another. Culture could be used meaningfully to see the comparison.

The dimensions are:
- Power distance index
- Individualism vs collectivism
- Masculinity vs femininity
- Uncertainty avoidance index
- Long term orientation vs short term normative orientation
- Indulgence vs restraint

Now we are discussing them to understand them better and find out what they are used for.

Power distance index
This dimension is used to express the degree a fixed hierarchy is experienced and expected in a society and thus impacts power distance in a communication setting. People in high power distance has a large comfort zone in relation to non-verbal communication and with regards to hierarchy: moreover, they have almost whimsical attitude to status. People in high power distance culture are adept at locating and communicating. (International journal of business and management; vol. 11, no.11; 2016)

**Individualism vs collectivism**

Individualism is Conformity and interdependence among groups of individuals. collectivism, stands for to what degree individual openly express pride, loyalty and cohesiveness in their families and community/ organizations.

**Masculinity vs femininity**

This sector measures to what degree a society promotes gender equality and strives to minimalize the gender gap in business roles and business communication behaviours.

**Uncertainty avoidance index**

Uncertainty Avoidance is described as the degree to which a society try to avoid risk and feels comfortable with set strategies and procedures in place in order to avoid uncertainty on both macro and micro levels in a society and thus is a matter of concern for communication strategies.

**Long term orientation vs short term normative orientation**

The term analyses how each society maintain some links with its own history while it is dealing with the challenges of the present and future. Societies which scores low on this dimension tend to keep time-honoured traditions and norms, as well as taking societal changes with suspicions. O the other hand, the ones with high degree on this dimension, prefer more pragmatic approach, thus they encourage thrift and efforts in modern education as a way to prepare for what will come in the future.

**Indulgence vs restraint**

Indulgence is used to describe a society which tends to have fun and enjoy their life while restraint stands for suppressing gratification of needs and regulates them by using strict norms. (Hofstede Insights, 2018)

### 5.5 STP model theory

STP is a relevant strategic approach in the digital marketing to develop more relevant communications for the purpose of, discovering customers and targeting them. The STP model is useful to create marketing communications plans since it helps marketers to prioritize prepositions and then develop and deliver personalized and relevant messages to engage with different audiences.

This model consists of three parts: Segmentation, Targeting and Positioning. The order is very important, since we need to segment a market at first, then target the right audience and place the services or products on the right place.

Segmentation discuss mainly demographic, psychographics, geographic and behavioural of our audience. Targeting describes criteria size, difference between segments, economic condition of the company, accessibility of segments and focus on different benefits. Positioning is where we need to create market maps in order to illustrate the new market
overview, Using two variables. It shall help us to identify current market position and identify opportunities.

5.6 Marketing Mix- 4Cs

Marketing 4Cs is one of the most common used model of marketing. While the old version of 4 Ps (Product, Price, Place and Promotion) focuses more on the product, modern version of this tool 4 Cs is more customer oriented.

It is made of 4 parts: Customer value, cost, convenience and communication.
Customer value (substitute for product) describes how to create value to customers. If customers should choose a company, company needs to provide him with more advantageous services than competitors do. Cost (substitute for price) of a service shows us the amount which customer must pay in order to get service. Appropriate cost must be set in order for the customer to buy the product. Convenience (Substitute for place) means making it simple and fast for the customers to use the services. Communication (Substitute for promotion) is the final part of 4 Cs, where we do not “promote” our services instead communicate the value to the customers. Using communication, customer shall receive meaningful content to engage them.

Nowadays, the focus is no longer on own business, but on customers. It is wiser to connect with them on more personal level. The goal of this approach is to delight them through interactive communication that will help us to increase customer value at a lower cost.

6. Company Analysis

Company analysis section is important for deeper understanding of Port of Aalborg and therefore we could use finding from these analysis to adjust suitable marketing strategies for this type of company.

6.1 Internal Analyses

In order to understand all analyses first, we should define Aalborg Port as the company. So let us start with its characteristics before any kind of internal analysis.

6.1.1 Characteristics of port of Aalborg

Denmark’s best planned port area is situated outside the city on open wide areas - with room for long –term development. Besides the facilities, Port of Aalborg owns 4.2 million square meters of area in the hinterland, where the infrastructure is closely linked to highway E45. Nearly 100 companies have already established themselves in the attractive area, out of which about half of the areas are situated near the quays. The port of Aalborg is an active and rational part of each port client’s supply chain; a hub for all types of freight and all kind of transport by ship, truck and rail- with Nordic Transport Centre, integrated into the overall service, which also includes including Danish Carriers terminal and warehouse. Together with Aalborg Portland A/S, Port of Aalborg is the 4th largest port system in terms of total cargo volume in Denmark. Port of Aalborg is also Europe’s only base-port for Greenland- with a weekly connection to Greenland, and a direct extension of the global container network through feeder route Rotterdam-Aalborg-Gothenburg. The container terminal at the port of Aalborg has
a capacity to handle 100,000 containers annually. From the special project both berth shipped ongoing offshore installations and wind turbines, handled all kinds of material. (Aalborghavn.dk, 2018)

**Mission:** Offering the harbour’s customers integrated attractive multimodal transport solutions cooperation with handling and transporting all types of goods. That solutions created value by knowledge and research with the development of collaborative relationship.

**Vision:** Become a highly competitive and leading port focusing on cooperation, network and logistic solutions along with environment friendly and long term transport solution and transport facilities including maritime facilities.

**Value:** logistics and cooperation solution along with knowledge and service to the Customer, CO2 neutral plan.

**Management and Organizational Structure of Aalborg Port**

![Management and Organizational Structure of Aalborg Port](https://aalborghavn.dk/organisation.aspx)

Figure 1: Logistic and organizational structure of Aalborg port

Source: Port of Aalborg Authority (https://aalborghavn.dk/organisation.aspx)

**Port of Aalborg Group**
Primary attributes:

**Service Design**

We cannot argue that designing product is much easier than to provide some kind of services. Producing, and therefore also product itself can be measured, using some formulas for example. However, when talking about service design in service company this part is most crucial because it can lead to customers’ dissatisfaction. Service design for the Port of Aalborg is the activity of planning and organizing people, infrastructure, communication and material components of a service in order to improve its quality and the interaction between the Port and its customers.

**Knowledge Management**

Knowledge management is the systematic management of Aalborg Port’s knowledge assets for the purpose of creating value and meeting tactical and strategic requirements. Knowledge management consists of the initiatives, processes, strategies, and systems that sustain and enhance the storage, assessment, sharing, refinement, and creation of knowledge itself. First of all knowledge management is about service providers, so in our case Port of Aalborg knowing the intricate needs of their customers. On the other hand, it is also customer being knowledgeable of the type of the service he needs and how he needs it to be delivered. In order to develop their business Aalborg Port, have to recognise both these facts and know how to use them.

**Delivery Systems Management**

There are a lot of differences in the world of manufacturing companies and service companies when talking about delivery systems management. In manufacturing world, it can
be very straight-forward, maybe even simple. It can never be like that in service providing company business as Aalborg Port. Simply put, customers cannot keep services in stock for future use, neither can they be separate from the Port. Aalborg Port is providing simple logistics solution for their customers and therefore customers will be paying for the core product ‘movement’. They will also associate the total value with the transportation system. This we could considered as the main part of the value chain of the Port of Aalborg, simply because they can use this advantage to outrun their competitors.

Moment of Truth Management

This is the time when Aalborg Port as a provider of the service and its customers meet. This meeting cannot have just a neutral moment of the truth. It leaves just a positive or negative feeling in customers’ mind and therefore these moments of truth can build or destroy trust and confidence in the minds of prospective and existing customers (Gabriel 2005). Moments of truth can and often do dictate buying decisions. Moments of truth become word-of mouth advertising that is so important for existing and future business of Aalborg Port.

Service Competition Management

Essential part of every business is competition. Without competitor, the company could lose its willingness to improve their services. After several discussions with representative of Aalborg Port we found out that they want to compete just with two ports closest to their position on market thus we would say it is most likely to be Port of Grenå and ADP A/S which we will talk about more in competitor analysis chapter of our papers.

Support attributes:

People (human resource management)

HR department can be described as the department responsible for maximizing employees’ performance, staffing (hiring and firing employees), retention of people, pay and perks setting and management, performance management, change management and taking care of exits from the company to round off the activities. Human resource management principles and techniques for people management in competitive organisations are drawn from theories found in different disciplines. “The principal component of an organization is its human resource or ‘people at work’. According to Leon C. Megginson from the national point of view.

Human Resources as, “the knowledge, skills, creative abilities, talents and aptitudes obtained in the population; whereas from the viewpoint of the individual enterprise, they represent the total of inherent abilities, acquired knowledge and skills as exemplified in the talents and aptitudes of its employees.” Human resource has a paramount importance in the success of any organization because most of the problems in organizational setting are human and social rather than physical, technical or economical failure. In the words of Oliver Shelden, “No industry can be rendered efficient so long as the basic fact remains unrecognized that it is principally human.”

Referring to the characteristics of services discussed above, services are not tangible and need to be produced and used simultaneously. This implies a tremendous need for the service providers to understand their contribution to the service quality. If there is a mismatch of the expected value by the customers to what the customers are offered, there will be a perception gap. (Gabriel 2006)

Physical Aspects (customer service)
Physical aspects also mean customer service. Therefore, providing services to customers before, during and after purchasing of a service we are offering. It is also placed at the centre of the Expanded Marketing Mix - EMM (Gabriel 2005b, forthcoming). This also means the physical appearance of the tangible part of the service offered. IN the presence, we are not aware that Port of Aalborg is providing some kind of customer service. However, we think it might be really helpful and profitable for the company to start such a service for their customers. It could be a good way to reach out for their existing and future customers.

Process Information

Aalborg Port as a service provider has to be thoroughly knowledgeable of the approach the service is generated and delivered to their customers. “In this case the aspect of communication, communication objectives and strategies forms part of process information. Process information is about the nature of the value creation and delivery systems. Since customers cannot see service they will build confidence on the information given to them by service providers about the whole process about the service.” (Gabriel, 2006) For example there can be a case when some customers will be more argumentative about the way Aalborg Port is providing their services and they will need more detailed information about it. Once, Aalborg Port as a provider of the service is not totally confident and sure about an information they are giving to their customers it can cause disapprove the offer. “Easy accessibility of the process information, forms part of the total quality of the service.” (Gabriel, 2006)

Punctuality and Reliability

As Gabriel said in the service industry, punctuality is very important. This is to say timing is a function of service quality in the service industry. The aspect of time has a significant bearing in the value attached to the service by customers.

6.1.3 SWOT

SW from SWOT analysis

In order to have a clear understanding of how does the ground, on which company is standing, looks like, it is in best interest to use SWOT analysis which will allow to understand the core of Aalborg port’s strengths and indicate weaknesses that faces right now. Additionally, it is also beneficial to realize what are external elements that can affect company in a positive, or oppositely, in a negative way. It is helpful to evaluate aspects that can have the biggest impacts on Port of Aalborg and discuss if something can be done to deal with them or seize them.

<table>
<thead>
<tr>
<th>Strength</th>
<th>Weakness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Logistics: one of the main port to communicate with Greenland.</td>
<td>Size of the port</td>
</tr>
<tr>
<td>Collaboration, partnership with different companies in east Aalborg.</td>
<td>Depth of the canal</td>
</tr>
<tr>
<td></td>
<td>Access limitation to the see</td>
</tr>
</tbody>
</table>

Strengths

The first thing to do in SWOT analysis is to outline the strengths that company has. This is beneficial to do because it helps to realize at what company is good at and have positive advantages over competitors. These advantages could potentially be used when approaching
or convincing new customers to choose their services rather than letting them slip to rival companies. One of the strongest advantages that Port of Aalborg has is its’ logistic position. Since Aalborg is already located at northern part of Denmark, it provides shorten distance to one of the remote island in the world, Greenland. Because of this, Aalborg is one of the one main ports used to operate business with companies from Greenland due to shorter distance between. Extensively, Port of Aalborg is situated right next to Aalborg area, in so-called “company cluster”. It means, that in this “cluster”, there are nearly 100 companies and it means that there are nearly 100 potential customers that could potentially use Port of Aalborg services. Because companies are gathered within such a close range, they automatically provide shorter distance between each other and resulting in shorter logistic cost.

**Weaknesses**

However, there are no perfect company in todays’ world and everyone have their own weaknesses to bear. Nonetheless, it is in company’s best interest to overweight them with their already established strengths. It is important to deal with vulnerability that they have, because otherwise potential clients might perceive company as weak and not suitable to do business with. One of the weakness that Port of Aalborg has, is its size. When compared to competitors, Port of Aalborg is considered to be only medium size. This can be perceived as a weakness because bigger companies with greater investments might be looking for someone who could handle their heavy and large load.

Moreover, another reason why it can be seen as a weakness is due to the fact that because company is only medium sized, it does not have strong barging power and cannot dictate the rules as they please. To this situation also contributes the depth of the canal at which Port of Aalborg is located and it is another of its weakness. Because of the depth, ship scales are limited to small and medium meaning that it automatically misses out clients with larger ships with potentially larger capital. Even though Port of Aalborg is located at company cluster, it does not have direct access to the sea. This can be perceived as a disadvantage because, once again, it is impossible for larger ships to arrive and it narrows down potential clientele. Additionally, this can be considered to be weakness because movement of ships is smaller and awareness of brand is decreased.

6.2. External analysis

External analysis investigates the business environment that affects Aalborg port’s business. This analysis provides insight into the opportunities and threats within a business environment.

6.2.1 Porter five forces

**Threat of substitute**

According to the answer of Michelle, HR consultant of Port of Aalborg the threat of substitute products in this sector is virtually zero. since there is a low degree of substitutability in the maritime transport. Service provided by the port infrastructure and facilities are often irreplaceable, so demand often has low elasticity with respect to price and quality of the services.

According to the table from Eurostat which published on 28 September 2016, illustrate that major percentage of import and export are being carried out by sea in the EU, especially in case
of imports one of the causes is lacking substitute of transport which have the same characteristics as maritime transport.

figure 3: EU international trade in goods by mode of transport, 2015

Another reason of high percentage of import by sea is because of the presence of raw materials from distant countries which need to be transported by this means due to the way of manufacturing process of goods in Asian countries. The next most used transport is air and road. The road transport is often connected with sea transport in order to carry the goods to or from the exporter or importer port respectively.

Figure 4: EU(Denmark) international trade in goods by sea, 2015


* category ‘Other’ covers: Fixed Mechanism (including pipelines), Self propulsion, Inland waterways, Post and Unknown.
Threat of new entrants

This competitive force possesses no threat to the port sector according to the porter analysis made due to low level of profitability and also based on our interviewee’s information. Along with getting permission to buy and access heavy material and heavy machinery and all the activities related with this business requires high capital to access the level of infrastructure, equipment, working capital, existing policies or special licenses which are the barrier of a new company. Another influences of new companies along with the barriers to entry is the behaviour of the currently existing companies in the market. Market share of the strong companies is different from small companies. The existing companies have their own loyal customer, their own brand which already has been created but it’s tough for a new company to create customer loyalty and establish their brand awareness in order to gain a market share, that is why it is more difficult for a new small companies to establish, compete, and gain competitive advantage.

Rivalry among existing competitors

According to the Porter’s analysis in the port sector, the level of rivalry between the competitors is high. Competition between the port of Aalborg with Port of Aarhus, Port of Esbjerg and ADP A/S has been analysed in our competitor analysis section based on the characteristics of these competitors.

This high degree of rivalry among competitors is caused by facts such as growth of the market share, increase investment, logistic solution, turnover, customer, location of the port, capability of receiving larger ship due to the depth of the water, harbour and environmental friendly plan.

Location of the port is an important element because Port of Aalborg is a river port and the water is not that much deep and if they want to be digging the river more (in order to handle bigger ship) there is a limitation because the area where port of Aalborg is situated is a place
where people are living. Which dominate the company compare with its competitor Port of Grena. (Port-of-grena.com, 2018)

According to the porter analysis and high rivalry level in port it is concluded that the port sector’s degree of profitability is low. It is concluded that although being an extremely attractive sector because of the high barriers to entry in this sector (investment, infrastructure cost, existing company’s nature), absence of the substitution of maritime transport reduces the attractiveness and competitiveness of Danish ports in recent years.

In that analysis, we try to focus on the factors that reduce competitiveness and attractiveness in ports due to missing of substitute solution and high degree rivalry among existing competitors based on their nature.

### 6.2.2 PEST Analysis

Using PEST analysis is a powerful tool which shall help us to get an overview of an external macro environment. This analysis describes political, economic, social and technological factors. Let us start with discussing political aspects.

#### Political analysis

Denmark is a kingdom with the queen Margrethe II., who currently has only formal and ceremonial function. According to World Bank, Denmark is one of the easiest places in the world to do business, you can set up the business in one day and have residence and work permit issued in 5 weeks. Also, Denmark belongs to the countries with the lowest corruption. Bribery and other corrupt practices happen rarely and therefore which makes the Danish market more attractive for potential business opportunities. (World Bank: Denmark easiest country for business in Europe, 5.11.2015)

Danish market offers many business opportunities and is considered as safe place to do business, if we look at safety of the country. Kingdom of Denmark has become a member of the European Union In 1973. Membership in EU provides member countries with many advantages mainly for doing business. Let’s discuss them now.

First of them would be competition monitoring, therefore EU encourages the companies to compete, in order to provide different products and services for customers and also watches for any taking advantage of dominant position on the market. For example, if the port with the biggest market share in Denmark would try to charge unrealistically low prices, which can be resulted in driving competitors out of the market, that would be taken as breaking the law. Furthermore, it also prevents from existence of business cartels, making sure that consumers always pay the fair price. This is a fine fact for Aalborg port as they are the 4th biggest port in Denmark and therefore are not at the dominant position, rather they are considered as “middle” sized firm among other ports in Denmark.

The most important benefit of EU membership is undoubtedly free trade agreement among the EU countries, granting the free movement of goods with no limitations or regulations from the government. Therefore all customers or potential customers within European Union do not have to pay any fees for transit of their goods to Denmark, which may encourage more and more potential customers to do business in Denmark. (Competition rules, 19.2.2018)

We can also mention that from June 15th of 2017, EU council agreed on cancelling roaming charges for mobile phones. This fact could also lead to decrease the costs for communication via mobile phones outside of Denmark. Furthermore, there is also free travel across national boundaries in member countries of EU. This means there is no requirements of Visa. For Aalborg port this could mean reducing costs and saving some time when their
employees travel for example to a business meeting outside of Denmark. (Selling within the EU, 19.2.2018)

These were some of the positive political aspects, which certainly provide our company with benefits. Nevertheless, it also has a few downsides, meaning potential threats to our business. Unfortunately, these are all macro environmental factors, thus we shall not be able to prevent them from happening. All we could do is to be ready to react to the consequences.

Currently, the biggest threat of all is definitely the breakup of European Union. If that should happen, it would have catastrophically economic consequences for all the countries mainly in EU, but also outside. The first step of this threat was “Brexit”, so Great Britain leaving EU. United Kingdom is still on this process to leave EU. The Brits are unsatisfied with the function and future of EU mainly in terms of economy, sovereignty and migration problems.

Figure 5: Danish exports to UK

![Top 10 Danish Exports to the UK](http://www.worldstopexports.com/denmarks-top-10-exports/)

As the picture above tells us, Denmark’s exports to United Kingdom are approximately 5.6 billion American dollars. Thus, when Britain leaves EU, it will have consequences on the Danish exports to UK. Possible events are decrease of exports, which comes together with likely decrease of profits, as well as redundancies of the employees. Currently, there are 53 000 Danish jobs connected to UK-bound exports. We can only assume how it will be resolved, though we may expect that both sides will make an agreements which will be reasonable for both countries. (Top Denmark exports to the world, 2018)

Migration crisis is another threat that may cause the breakup of European Union. Since many people criticize the decisions made by the EU regarding solving the migration problem, it throws a big shadow on the whole EU organization. As long as EU fails to protect its citizens from the foreign threats, its bases will be shaken and might lead to the breakup of the whole EU idea. This could have a significant economic, political and ethical consequences on all the countries in Europe. Not only ordinary people are unhappy with the situation in EU, but political leaders of countries are questioning its functionality and unity. Example of this was Brexit.
We could be discussing the political aspects and potential threats on many pages, however since all other reasons aims towards the same conclusion, we have decided to mention only the most relevant issues.

**Economic**

In this part, we will focus on economic factors. As Aalborg Port is situated in Aalborg, the focus will be just on Danish market, since other markets would not be relevant for this project. We decided to use graphs since this is the best way to show the indicators of the economy clearly. The first figure we used is gross domestic product per capita.

The Gross domestic product per capita is one of the most important indicators of country's economy situation. When GDP is growing, it shows us the positive progress in the economy; however the big growth of GDP is also not pleasant, since it might have an impact on the rising of inflation which is not always advantageous. The last record of this measure was able to find was 60268.23 US dollars in 2016.

![Figure 6: Danish economy 2000-2016](source:Trading economics, World bank [https://tradingeconomics.com/denmark/gdp])

The chart above shows us the GDP per capita in Denmark since 2000 until 2016. We decided to use this range of year in order to show the stability of Danish economy, also to see how Danish economy was before and after Global financial crisis. As we can see at the graph, Danish economy has been growing steadily since 2008, when was recorded low GDP per capita due to a Global financial crisis. Since then, it has been growing steadily, which indicates stable economy and ideal conditions for doing business. We can expect GDP per capita will hit its previous numbers from 2007 in next 5-10 years, if economy keeps working well further.

As the current situation is very important, potential business partners would also be interested in what is the forecast for the Danish economy. Let us take a look at it now using another chart.

![Figure 7: GDP per capita in Denmark](source:Trading economics, World bank [https://tradingeconomics.com/denmark/gdp])
According to Trading economics global macro models and analyst’s expectations, forecast for the end of 2018 is 60,900 US dollars and for year 2020 it is 61,700 US dollars. This is another positive aspect for doing business in Denmark. (Denmark GDP, 2018)

Unemployment rate is another important factor for determining the economic situation of the country. The relevance is due to an assumption that the more people have jobs, the more money they would be able to spend.

Figure 8: Unemployment rate in Denmark

We decided to show the graph from year 2008 until 2018, in order to see how the rate went down from 6% in 2010 to a current rate. The last recorded unemployment rate in Denmark was in December 2017 when it reached 4.2%, decreasing 0.1% from the previous month. According to econometric models, unemployment rate is projected to be 5% by 2020. (Denmark unemployment rate, January 2018)
Next important factor for determining the Danish economy condition is inflation. It is basically an increase in prices for goods and services in a country or in different words, it is the fall in purchasing value of money. If the inflation is more than 0%, the prices of goods rise over time, if it is below 0%, the prices should decrease. Now, let’s take a look at the number of inflation in Denmark.

![Denmark inflation rate](https://tradingeconomics.com/denmark/inflation-cpi)

The last recorded inflation was in February 2018 and the value was 0.7%. Therefore economy is quite stable, which means that in the near future the currency ought not to lose its value. Since most of economists agree that the most ideal inflation is below, but close to 2%, we could state that Denmark is pretty close to this number. As long as inflation is too high, it may lead to currency depreciation, thus a weaker economy. The most important is stability, without any significant changes in inflation. If that happens, consumers are willing to spend their money, because they know it is safe.

A forecast shall lead us to even more positive numbers for the Danish economy, since it shall be 2.1% in 2020, which is almost ideal. The stable economy is another very relevant factor for Aalborg port to do business and according to current inflation and forecast, we can stat that the market is stable. (Denmark inflation rate, 2018). Regarding currency, in Denmark it is currently Danish Krone, as Danish people refused Euro as their currency in referendum years ago.

### Social

So far, we examined the Danish macro environment from the economic and political perspective. Now, we would like to focus on a consumer lifestyle, which shall show us some insights from Danish buying behaviour. Focus will be especially on a matter concerning a sporting, leisure activities and free time. But firstly, let’s take a look at some basics of Danish demographics.
The population in Denmark was estimated at 5.75 million people in January 2017. As we can see at the graph, growth is steady and number of population rises by a few thousands every year. A growth ought to continue further, since according to forecast, Danish population should hit 5.80 million by the end of 2018 and 5.89 by year 2020. The last recorded waged we found was in 2016 and the value was 40,101 DKK per month, which is one of the highest average salaries in Europe. Retiring age for both women and men is 65 years. (Denmark population, January 2018)

Conclusion of PEST analysis
After completion of PEST analysis, we could state that Denmark has very positive conditions for running a business and in case of Aalborg - providing their services. Country has well-working economy, low unemployment rate, ideal inflation, as well as safety, also is part of European union which makes business go easier for member countries.

6.2.3. Danish business culture
Aalborg port is a company which operates in business to business sector. Even though sales representatives are surely aware of Danish business habits and etiquette, there are always ways to improve and gain more knowledges. Being aware of these aspects could therefore be a great importance if they wish to be more effective during their business meetings.

In Denmark, a big emphasis is focused on equality and an idea that everyone should have the same rights and respect no matter what is their social background or religion. Racist and discriminatory jokes are very inappropriate and they are not suitable for any kind of talk within a business meeting or negotiation.

The society has a successful, well-organized social structure and high acceptance of gender equality and sexual orientation. There are no strict rules between employees and management and it is casual for employees to address their supervisors by first name. Relationships among colleagues tend to be informal and relaxed.

Regarding dress code, in Denmark it is considered as more informal, therefore more relaxed, but still conservative. As long as salesmen are doing business with a persons they already know, they tend to dress more casual, otherwise they often wear suits and ties. However, even though suits are not as
common during negotiations as in USA for instance, when there are being done businesses with high-ranking executives, suits are highly expected. As to women, they tend to wear pant suits to work, but if they would be invited to a Danish home for an informal get together, appropriate would be also clean jeans and an open-neck or sports shirt. (Business Etiquette, 2014)

**Danish Business meeting etiquette**

Every meeting ought to start with a hands shake – always shake hands with women first. Another step should be exchanging of a business cards. Danes consider punctuality for business meetings very important and expect that others will do likewise. It is not common to bring gifts to business meetings, although if you are invited to someone’s private home, you ought to bring flowers or a couple of bottles of red wine.

Despite Danes tend to get straight down to business in meetings, it is still appropriate to start the meeting with informal conversation. Great advantage regarding Danes is that they have good skills in English and interpreters are rarely needed. (Business Etiquette in Denmark, 2016)

You must always plan your appointments with your Danish business partners in advance (at least couple weeks before the actual meeting). The most common holiday months for Danes are July and August and thus you should avoid trying to arrange any meetings at that time. The best way to set up a meeting is to arrange it with this person and then give a call the day before to confirm your attendance.

also, do not plan meetings during the weekends, or on national holidays. Breakfast meetings are not appropriate either. As long as you wish to discuss business while having a meal, lunch time may be the best option. If you are planning to set up a business lunch, it should take place sometimes between noon and 2 pm. Do not forget that long business lunches are uncommon in Denmark. Meetings are always expected to start and end at the agreed time. (Denmark, 2016)

Conclusion to Danish business culture Following these rules or advices may aid sales representatives of the company to improve relationships with their business partners or gain potential business partners. Even little things may have a huge effect on decision making of potential business partners so it is very important to be aware of these facts.

**6.2.4 Dimensions of Hofstede Analysis**

We have decided to use 6 dimensions of Hofstede models in order to compare cultures between Norway, Sweden and Denmark which helps us in our both marketing and communication strategies.

**Power distance**

All three countries score low at that dimension. Norway & Sweden have 31 score while Denmark scores 16.

countries with low score at this dimension have tend to believe in independency, human rights and employee autonomy. Power is decentralized and managers are count on the experience of their team members. Employee also expect they would be consulted. Informal workplace atmosphere with direct communication and works on a first name basis.

In terms of employee autonomy Denmark scores highest among all EU27 countries.

**Individualism**

Unlike in power distance, in this dimension these countries have high score which indicates that Sweden, Norway and Denmark are individualist societies.
With the ranking of 74 in Denmark means that there is a high performance of loosely kneed social framework in which individuals are expected to take care of themselves and their immediate families only. It is relatively easy to start doing business with the Danes. Small talk is kept at a minimum and it is not necessary to create relationships first. In Norway communication is explicit and at the same time the right to privacy is important and respected. Also, there is a clear line between work and personal life. The relationship between employer and employee is based on contract and feedback is direct and nepotism is not encouraged.

Sweden perform the same social framework as Denmark.

**Masculinity**

The scores in masculinity in Denmark is comparatively higher that Sweden and Norway; which is 16 in Denmark and 5 and 8 respectively in Sweden and Norway. This dimension indicates the feminise of a country.

In Denmark, Sweden and Norway work need to be keep balance. Effective manager is supportive to their employee and people value equality, solidarity and quality in their work lives. Conflicts are resolved by compromising and negotiation. Free time and flexible hours are favoured. Additionally, In Sweden the whole culture is based around “lagom” which means not too much, not too little. So basically, everything is balanced. Furthermore, In Norway, taking care of environment is relevant. Trying to be better than other people is not valued by material rewards or socially that mean no competition for social status. Social solidarity in life is relevant, people should always do their best. Focus is on well-being

**Uncertainty avoidance**

In that dimension, Denmark and Norway scores 23 and 29 respectively. Which means that these countries have low uncertainty avoidance. On the other hand, Norway scores 50, thus it does not indicate a preference on this dimension.

In Denmark, people do not need a lot of structure and predictability in their working environment. When plans change, Danes are fine with it. Curiosity is natural and starts from early age. This combination with high individuals and curious nation is what drive Danes to be interested in innovation and design. Also, Danes are known for their humour and creative in advertising, marketing or financial engineering.

In Sweden, low UAI societies tend to be more relaxed and people believe that there should not be more rules that are necessary. Schedules are flexible, hard work is undertaken when necessary, innovation is not seen as threatening.

**Long term orientation**

Denmark and Norway score 35 at this dimension therefore their culture is normative, while Sweden scores 53 which means Swedish do not express a clear preference in that dimension.

The performed score of Denmark and Norway is quite low so their culture is more normative than pragmatic. Individuals in such societies have a strong concern to keep the absolute truth, they are normative in thinking. They show a great respect for traditions, small propensity to save for the future and focus on making quick results.

**Indulgence**

In this dimension, Denmark scores 70, Sweden 78, so they are considered as countries with high indulgence. Norway scoring 55 does not show any obvious score, so they do not indicate a performance in that dimension.
People both in Denmark and Sweden tend to enjoy their lives very much. They have a positive attitude and tend to be optimistic. They enjoy their leisure time and spend money as they wish.

**Conclusion of 6 dimensions of Hofstede analysis**

Since we made an analysis of the countries which are historically close to each other and are even located next to one another, based on our above-mentioned culture analysis of these countries, we assumed their cultural differences would not be significant. After utilizing the cultural analysis model, we can state that all these countries are culturally similar with each other. As it’s being illustrates at the graph that there are not any significant differences among them. However, in term of uncertainty avoidance and indulgence, we could not match Norway, since it did not show any preference on this dimension. Similarly, it was with Sweden, as it did not indicate any preference about long term orientation. (Hofstede insights, 2018)

![Figure 11: Cultural comparison of Denmark, Norway and Sweden](image)

**6.2.5 Competitor analysis**

In order to operate business successfully, it is necessary to be aware of who your competitors are. By understanding with who you are competing, you can overlook the reasons what makes them your competitors. According to inlandports.eu, Aalborg is listed as the 4th largest container port in Denmark. (Inlandports.eu, 2018)

However, only ports of Aalborg and Esbjerg are considered to have largest space regarding offshore industry. This could potentially be a reason which places Port of Aalborg in this position.

As HR Consultant Michelle Bøving mentioned during interview with her, she claimed that Port of Aalborg is 4th largest port in Denmark in regard to revenue. (Emotion.dk, 2018) Denmark’s largest ports in regard to revenue. (Emotion.dk, 2018)

![Figure 12: Denmark’s largest port](image)
According from the picture above, it can be observed that Aalborg Port is in the 4th place, overtaken by largest Copenhagen Malmö Port, Port of Esbjerg and Port of Aarhus. However, since the leading ports are much more larger competitors than Port of Aalborg, it should be focused on competitors which are closer and poses a great threat to overtake the position.

As mentioned previously, Port of Aalborg is positioned behind Port of Aarhus which is Denmark’s largest container port. In addition to that, aarhushavn.dk has published an article claiming that Container Goods has experienced growth of 14.1 per cent. Director of Port of Aarhus Jakob Flyvbjerg Christensen has commented that: “In 2017 our turnover of biofuel developed positively, and this has continued in the first months of 2018”. (Aarhushavn, 2018)

It can be concluded that their decision to concentrate their attention towards biofuels has resulted in great growth and it can be expected to grow in the future as well as power plants are encouraged to shift into more environmental friendly fuels. (FROM SUSTAINABLE BIOMASS TO COMPETITIVE BIOENERGY, 2015)

Placed behind Port of Aalborg, there is ADP A/S, which connects 3 ports: Frederica, Nyborg and Middelfart. In recent years, ADP A/S has made decision to make a huge investment of 1,5 to 2 billion DKK in next decade in developing a multimodal hub between Frederica and Taulov. (Adp-as.dk, 2018)

This means that ADP A/S has managed to generate huge savings and made a decision to improve their logistic center. Additionally, if this investment is going to be successful and pay off, this can be perceived as an indication of a long-run threat that Aalborg Port’s position might be overtaken. In comparison to Port of Aalborg logistic, Aalborg Port is already located in a very convenient location, where they have 4.2 million square meters of area to operate their business and is closely linked to highway E45. In addition to that, there are nearly 100 companies already located in this area and this consequences in a high chance in finding a right business partner if intentions are to decrease logistic cost. (Aalborghavn.dk, 2018)

In the 6th place we have placed Port of Grenå which is considered to be deep water part and this means that they have an advantage over Port of Aalborg and are capable of receiving large and heavy ships which often means larger capital comparing to smaller ships. Moreover, a chairman of the board from Port of Grenå, Poul Anker Lübker, has announced that they had experienced a rose of turnover in 2016 and is expecting to increase progress in following year. Furthermore, company is aiming to continue focusing on wind project so it can be expected
that competition among wind energy might be more intense for Port of Aalborg. (Port-of-grenaa.com, 2018)

In this case, Port of Aalborg encounters their main disadvantage of depth. Since it is only river Port in Denmark, it does not have great depth and therefore larger ships cannot arrive. It results in loss of capability to handle large ships and usually large ships means large capital. Extensively, this is an issue that Port of Aalborg cannot change anything about that because deepening of the river would result in retreat of shores where people have their houses built are living. However, there is an alternative to gain money from other ways. Since Port of Aalborg is considered to be main harbour that is used to reach Greenland, this gives a great competitive edge over other competitors. This opportunity could be utilized in order to increase the profit of the company and used as an alternative in resolving the issue of the depth and limitation of heavy and large ships.

### 6.2.6 Competitive advantages

In general, competitive advantage means superior performance relative to other competitors in the same industry or superior performance relative to the industry average. Usually it is difficult to settle what exactly is the competitive advantage and it is also hard to measure for a right reason. Every company should have at least one advantage to outrun their competitors in the market. In case that the company cannot find their advantage or is not in possession of something they can consider as their competitive advantage, they will have to leave the market sooner or later.

However, a company that would be able to achieve superiority in cost or differentiation; is able to offer to their consumers the products at lower costs or with higher degree of differentiation and most importantly, is able to compete with its rivals. On the assumption of organization that is able to give better performance for a longer period of time. we are talking about sustainable competitive advantage.

But, when we are talking about Aalborg Port and their competitive advantages that could help them to grow and to outrun their competitors, we decided to mention following advantages. The first one and based on our opinion and after discussing it with the Port it is logistic solution which they can offer to their customers. This logistic solution is making transportation of customers’ goods much more easy. They do not have to contact different transportation companies in order to move their goods and there is no need to pay more for these services. Aalborg Port is providing all these kinds of services and is taking care of goods coming to their port. They are not only transporting goods, but they are also organizing transportation itself so, the company do not have to bother with organizing trucks etc.

Port of Aalborg as one of the 10 biggest ports in Denmark is also collaborating with a lot of companies, therefore it is possible for them to provide contacts for the possible partners for clients. This fact we can also take into consideration as a competition advantage.

### 6.2.7 Customer Analysis theory

Thinking about the survival of a company, it is crucial to know about the competition on the market, as mentioned in the previous chapter. An equally important part is to supply a product/service to the customers that has superior value. This means that the company needs to know who the customers are and also what they need in order to be successful. Another important part is to have a good relationship with the customers. If the company wants to be consumer oriented, the understanding and analysis of its customer is the most important part.
It is the most important part because meeting the needs of your customers more effectively than your competitors means that you will then gain an advantage on the market, which is essential to survive on any market. (Doole & Lowe, 2005, p. 65)

To be able to meet the needs of the customers, it is need to know who your current and potential customers are and also what their current and emergent needs are. In theory, there are two different types of customers, Business-to-Consumer (B2C) and Business-to-Business (B2B) customers. In our theory we will only focus on the B2B customers. (Doole & Lowe, 2005, p. 65).

Behind every single purchase by a consumer in a modern economy, there is a long network of transactions between different businesses, called business-to-business (B2B). What distinguishes a B2B market is that instead of selling products or services to an individual consumer, you sell and buy things from different organizations. One definition of B2B marketing, according to Ross Brennan, is marketing of goods and services to organizations. (Brennan, et al., 2007, pp. 1-3)

The difference between the two markets is not so much about the product, but instead who your costumers are. The behaviour of the two different types of customers makes the difference, for example an individual consumer often buy things to satisfy their individual needs, while an organization on the other hand purchase things to be able to manufacture their goods and services. B2B do not have the luxury to stop buying something like individual consumers, since if they do, they will not be able to produce their products anymore. This also means that B2B have less possibility to be sensitive to price changes than individual consumers have. (Brennan, et al., 2007, pp. 13-14)

Marketing strategies for companies in B2B can focus on different things depending on what they want to specialize in. Things that are especially important in a B2B setting is sustaining strong and long lasting customer relationships and trying to add value to the company’s products and services (Brennan, et al., 2007, pp. 88-98). Depending on the situation, both a relationship marketing that focuses on long-term customer relationships and transaction marketing, which often refers to a one-time or short-term customer relationship, might be the right option for a company in the industrial marketing. (Gummesson, 2004, p. 136).

From our analysis we already know the primary customers of Aalborg port to whom the company will market themselves when it comes to Sweden and Norway. Aalborg port will create relationship with them. Ocean leadership companies who will offer similar services as Aalborg port in Sweden and Norway will be their customer. Global leading maritime player, investors and stakeholders interested in realising ocean opportunities can be their customers.

### 6.2.7 OT from SWOT analysis

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<th>Opportunities</th>
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<td>Location of the company is near cluster.</td>
<td>Competitors position on the market.</td>
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<td>Communication with companies within cluster.</td>
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**Opportunities**

While reviewing company situation externally, it can be perceived some positive opportunities that might benefit for the company. If seized, it can bring to the company any
kind of positive inflow, for example, extra capital, new business partners or brand awareness. As mentioned previously, company is located at nearly 100 company cluster meaning that there are potential 100 clients that could be interested in doing business with Port of Aalborg. To grow and compete with bigger ports in Denmark, Aalborg Port needs to increase their communication with companies within cluster and take as much out of it as possible so they could manage to compete in the market. These can be the best opportunities for the Port of Aalborg to gain more turnover and increase their position in Denmark ports’ market.

**Threats**

In this part of the analysis it is focused on aspects that cannot be controlled that much by the company and it is something what they should be expecting or be aware of. Threats are the things that could have a negative impact on the company. One of the most disturbing threat that Port of Aalborg might face is the fact that competitors are embracing changes and making investments in future projects that might increase their position in Denmark port market. As discussed in competitor analysis, there are competitors, which are bigger in size and have greater power compared to Port of Aalborg. This is one of the biggest risks for the company to face in the future because similar ports can follow the example of bigger ports and overtake Aalborg Port’s position. Therefore, Aalborg Port must be aware of the situation in the market and always check their competition level.

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7 **Recommendation**

**Marketing strategy**

First and foremost, we should define what exactly marketing strategy means and why is it important to mention it in case of Aalborg Port. “Marketing strategy is the marketing logic by which the business unit hopes to achieve its marketing objectives. It shows how strategies for target markets and positioning build upon the firm’s differential advantages. It should detail the market segments on which the company will focus. These segments differ in their needs and wants, responses to marketing, and profitability. The company should put its effort into those market segments it can best serve from a competitive point of view. It should develop a marketing strategy for each targeted segment.” (P. Kotler, 1999, pg. 113)

Following a successful concept test, we are going to develop a preliminary three-part strategy plan for Port of Aalborg (Kotler, Keller, 2012). First of all, we are going to talk about a target group and the reasons why we chose this exact group of people as a suitable for Port of Aalborg. We should also outline a specific strategies for such marketing mix elements for Port of Aalborg. Also explain how each strategy responds to threats, opportunities and critical issues that might have happened in the plan of Aalborg Port. (P. Kotler, 1999)

7.1 **STP Model**

Important part of marketing strategy for every company, whether it is a service or production company, is to know your audience and your place on a market to make the right choices and moves in order to improve your business. “A marketer can rarely satisfy everyone in a market. Not everyone likes the same cereal, hotel room, restaurant, automobile, collage or movie. Therefore, marketers start by dividing up the market into segments” (Kotler & Keller, 2005, p.24)
7.1.1 Segmentation

Segmentation is often the key for developing a sustainable competitive advantage based on differentiation, low cost, or a focus strategy (Aaker, 1995, p.49). It is difficult to identify segments, but typically you consider five, ten or more segmentation variables. These variables need to be evaluated on the basis of their ability to identify segments for which different strategies are (or should be) pursued (Aaker, 1995, p.51). Market segmentation aims to increase a company’s precision marketing. In contrast, sellers that use mass marketing engage in the mass production, distribution, and promotion of one product for all buyers.” (Kotler 2000, p 144). Knowledge of deep understanding of the market can crucially help Port of Aalborg and therefore we will talk about 3 main segments and points of view that could help to that understanding.

Demographic

Demographic segmentation of market is mainly about defining market by personal attributes such as age, marital status, gender, ethnicity, sexuality, education, or occupation. However, customers of Aalborg Port are usually companies and not private persons meaning B2B it is hard to exactly determine these factors. On the other hand based on our problem formulation it is also important for Aalborg Port not just to raise attention of their customers because it can be a hard assignment, but also to “become more visible” in the eyes or people not working for this type of industries or businesses. We believe, that through “ordinary” people it is also possible to get a new customer through networking. Therefore, we could do demographic segmentation but not in the aspect of their actual customers (because this process is happening through agents) but in the aspect or private persons and to spread the awareness of the existing and activities of Aalborg Port.

Geographic

When we are thinking about general geographic segmentation of a market we are thinking about dividing it by country, region, state, city, or neighbourhood. “The company can operate in one or a few geographic areas or operate in all but pay attention to local variations.” (Kotler, 2000 pg.148). Because we are completely aware of the importance of geographic segmentation we decided to focus on Norway and Sweden. Port of Aalborg can provide good logistic solution and has an advantageous position in compare of the other ports because is one of the closes ports in Denmark.

We would assume that focusing on businesses in Goteborg would be very convenient of Aalborg Port as well as for an industries in Goteborg. Therefore, we would recommend to Aalborg Port to focus in getting their customer from this city or region. By this decision, we would have covered the opportunity in cooperating with Sweden but there is also good position. Based on World Port Source, 2018 we can see that ports in Norway are more medium sized in compare with Sweden where they have large or very large sized ports it would be also good option for Aalborg Port because it is also not considering as a large port and cannot take big ships because of lower depth of water (exactly 10,4m). (Aalborghavn.dk, 2018)

Behavioural

Behavioural aspect of market segmentation is dividing market by how people use the product, how loyal they are, or the benefits that they are looking for. “Many marketers believe that behavioural variables—occasions, benefits, user status, usage rate, loyalty status, buyer-readiness stage, and attitude—are the best starting points for constructing market segments.”
(Kotler 2000, p. 185) Let us go step by step in contemplation of better understanding our audience and therefore, choosing a right marketing tools for reaching them.

First of all, we are going to talk about occasions. “Buyers can be distinguished according to the occasions on which they develop a need, purchase a product, or use a product.” (Kotler, 2000, p. 185) For example Port of Aalborg can be triggered by occasions related to business or vacation. During summer vacation, they could expect more people coming to the city and using this port.

Benefits. ”Buyers can be classified according to the benefits they seek. One study of travellers uncovered three benefit segments: those who travel to be with family, those who travel for adventure or education, and those who enjoy the “gambling” and “fun” aspects of travel.” (Kotler 2000, p. 185) Based on this statement of Kotler we could work with an idea of using for example Aalborg carnival as that “fun” aspect of travelling and therefore using Aalborg Port as their transport. This big event can be also used by different companies not just by private persons or visitors. They could have brought their goods to sell or to present their business in this time of year because it can be an opportunity for some company to address a larger number of customers from all around the country and world.

Next step in understanding behavioural segmentation of market is acknowledging user status of Port of Aalborg. “Markets can be segmented into nonusers, ex-users, potential users, first time users, and regular users of a product. The company’s market position also influences its focus.” (Kotler, 2000, p. 185) As we mentioned before Aalborg Port is not the biggest port in Denmark and has no intention to become one because of the unsuitable conditions of the depth of a water. Thus, based on our opinion they should have focus on their first-time users and try to lure customers away from the leader. (Kotler, 2000)

7.1.2 Targeting

“Having identified market segments, marketers must decide which, if any, they intend to enter. A marketing programme which covers all elements of the marketing mix can then be designed to suit the particular requirements of those segments targeted” (Backflies, 2007, p. 7)

Based on everything what we have already done in this project and what information we found out we can say that it might be profitable for Port of Aalborg to work with companies from Sweden, Norway (because the can offer advantageous location). As well as from the other countries but because of the depth of the water Aalborg Port should maybe focus more on smaller companies and businesses. We can assume, that it can also provide more stable environment for Aalborg Port. Whereas, if they would have just one or two big companies during a time it can be hard for Aalborg Port fulfil their customer’s request (because they are not able to receive bigger ships). Losing one big customer can be more dangerous than to lose one smaller business that can be more manageable.

7.1.3 Positioning

“Positioning is the act of designing a company’s offering and image to occupy a distinctive place in the minds of the target market. The goal is to locate the brand in the minds of consumers to maximize the potential benefit to the firm. A good brand positioning helps guide marketing strategy by clarifying the brand’s essence, identifying the goals it helps the consumer achieve, and showing how it does so in a unique way. Everyone in the organization should understand the brand positioning and use it as context for making decisions.” (Kotler, Keller,2012, p. 276) As was mentioned by Kotler and Keller in Marketing Management very
important for marketing strategy and when providing any kind of marketing is to locate the brand in our case to locate and understand position of Aalborg Port in the market and its main competitors.

We were talking in previous chapter about competitor analysis that Aalborg Port has two main competitors. We were told to take into consideration one port below and one port above in hypothetical cart of ports in Denmark. After thoughtful consideration we decided to go with Port of Grenå and ADP A/S which consist of 3 ports we mentioned in competitor analysis. Based on this decision we can go on with positioning Aalborg Port in a market. As we know a competitive advantage of Port of Aalborg and their product’s position (in case of Port of Aalborg we cannot talk about product but more service) can be quite different. (Kotler, 1999) Thus a competitive advantage as mentioned in chapter before is the strength of Port of Aalborg, while a “service position” is a prospect’s perception of a services they are providing. A competitive advantage, like their practical and sophisticated logistic or big expanse of their area could influence their service’s position, but in many cases, it is not central to it. (Kotler, 1999)

Figure 13: Positioning Map of Aalborg Port

7.2 Marketing Mix- 4C’s

The most using tool for defining marketing mix is 4 P’s of marketing, where P’s stand for: Product, Price, Place and Promotion. Some of the recent studies claim that 4P’s of marketing is an outdated analysis and requires a new and modern attitude towards our mind-sets. Even though the 4 C’ of marketing are in some regards quite similar to the traditional 4 P’s, they are more customer oriented, and since Aalborg Port does not make any products, only offer services, we need to work with 4 C’s marketing mix.
Section “customers” substitutes the “product” section in 4P’s analysis. In theory it suggests that rather than “Build it and they will come” strategy, we ought to pay a closer attention to customers wishes and needs. In a previous section “segmentation” we have defined that the customers we seek are Norwegian and Swedish companies along with the Danish companies, who are either new on the market or are seeking different ports to store their goods or to transport people.

What do their customers need and want? Port of Aalborg is a place where ships are sailed and where the products and people are transported. Thus, what customers need, is a safe place with the space where these products can be stored and all of this is what Port of Aalborg offers. In addition to that, they even offer their own logistic solution, which is that instead of hiring various transport companies to move their products, Port of Aalborg will do it for them.

**Convenience**

The 4C’s is mainly customer oriented approach and this section it will not be any different. It substitutes the “Place” from the 4’Ps modes, and instead focuses more on the ease of the purchase for the customer. Therefore, if they want the customers to choose them as their business partner, they need to make sure a smooth process of business. Port of Aalborg offers lots of storage room for goods to store and it doesn't experience any kind of problems with the transport or complaints from the current customers. This is the fact for them as they already have a good name on the market and therefore more customers might be willing to do business with them. The biggest problem for Port of Aalborg is their water space and depth as water is not deep enough therefore only one big ship at a time may sail and stay there. There is no solution for this problem currently since it is not possible to make the water any deeper and also spreading the area of the firm is not possible either. The reason is that if it was closer to the city, the people of Aalborg would complain, and if it was further it would be far away and therefore not good for their business. However, if we look at the big picture, Port of Aalborg offers great services for their customers and with how much space they can offer, they are doing a fine job with providing their services.

**Communication**

From the previous research, analysis and characteristics of Port of Aalborg we determine the company as service providing company mostly B2B collaboration and merchandiser with international companies as well as with domestic market. Based on these facts we propose a solution to Port of Aalborg, as our problem statement states, to strengthen their position on current market using suitable marketing strategy. After going through all of our gathered data, we as a researcher of this paper have come up with a solution that can most likely clarify this matter. We decided to propose Aalborg port to participate on as much as fairs as they can. We agreed with this strategy since we get from the company’s HR manager Michelle that, they get their customers and business partner mostly through communication and by collaboration with different companies. As it is fairly known that it is harder to reach for a customer from our focus group especially because we are talking about B2B so it would not be that advantageous to go with marketing strategy containing TV advertising, newspaper advertising or billboard commercial. Another reason is that Port of Aalborg already does newspaper and digital marketing, so there is no point for us to focus on it. We believe that it would help a bit for sure but we could not expect any drastic improvements in strengthening their business. All these things led us to conclusion that the best strategy for Port of Aalborg would be to increase their connection through cooperation, collaboration with both domestic and international port companies and participate in different conference or fairs where maritime industry have space to build up their future business and chance to gain customers. We would
highly recommend Aalborg port to participate both Nor Shipping fair, will held in Norway and DSM trade fair will held in Donsö, Sweden in order to increase their links and also create possibilities of making new customers.

Nor-shipping is the leading maritime event wee. Their top-quality exhibition, high-level conference and prime networking opportunities attract the international maritime to Oslo every year. We suggest Aalborg port to get ready for these two event properly. We would recommend to build strong brand presentation and introduce Aalborg port and their work on this fair. Nor-shipping which took place across a series of venues in 2017 held more events than ever (220), gathered a greater number of speakers than past programmes (150), and welcomed exhibitors from 48 countries. Despite ongoing tough market condition, overall visitor numbers were maintained, with people from 75 nations making the trip to Norway. (Nor-shipping, 2018)

7.4 Communication strategy

In order to connect with customers it is essential to choose the correct medium which supposed to related with the target audience. As a result, audience can easily get connected with the company’s brand and it helps to make a position of the company in their target market. By which they promoted themselves as well. Danish company Aalborg port will use the Communication strategy for Denmark, Norway and Swedish market for their existing and new customer. To reach among more people all possible ways are taking into consideration in that part.

Choice of Social Media

In this chapter, we will describe which social medias we assume would be advantageous for Aalborg port to use. As we found out that this firm already have LinkedIn and Facebook, we suggest them to create Instagram account and make some adjustment on Facebook usage.

Facebook

The best and cheapest way to reach customers and maintain and improve relationships with them are social medias. We suppose that the most popular medium nowadays is Facebook, especially in Europe. Aalborg port already has existing webpage with almost 24,000 followers and they put posts several times a week, which is sufficient, if we take into consideration that they are doing B2B business for us to focus on it.

However, we realized that they post statuses only in Danish language. We suggest, that they could also put post in English, since we are proposing to make the partnerships with the companies in Sweden and Norway. We believe that communication is very important and even this small step could make a difference. It will take a few seconds but can change the decision making of the potential partners, since they will see solidarity from Aalborg port.

Instagram

At present situation for a successful presence and to engage and connect with target audience, instagram is an amazing platform for Aalborg port. The aim of Aalborg port’s presence on instagram is to deliver right information to the right people at the right time. In their instagram profile they will share information about their business activities, services which they do. Furthermore, using of hashtags must be done as well. Thus for example, if representative would go to some business trip, let us say Nor-shipping in Oslo (which we propose in marketing strategy), they should put hashtag Nor-shipping and it will appear to the followers of this hashtag and also add their website. As Aalborg port have their own Facebook page they can post image or other activities to Facebook via instagram to receive more
engagement. To figure out the right time of posting for most engagement they need to post at least once daily. By Instagram analytics, enable the company to pay close attention what are successful and what they need to improve for the future. With the right approach and enough experiment will help Aalborg port to builds loyal engaged followers on Instagram.

Except for Facebook and Instagram, the best media to use in business environment is LinkedIn. Aalborg port already has existing LinkedIn account, with 3258 followers which was 2276 last years.

**Email**

Email is considered as a direct communication channel by which Aalborg port will easily contact with different companies in Sweden & Norway and they can increase their network and there is a possibility to get idea about Swedish and Norwegian market. Email will be used as a first stage of communication. Event, conference and Collaboration It will also beneficial for Port of Aalborg to participate in different conference and maritime trade fairs both in Sweden and Norway which helps them to increase their network and announce the presence of the brand. Collaboration with different ports of these countries also be an advantage. Nor-Shipping is one of the leading maritime event week take place in Oslo where more than 30,000 delegates from 75 countries are gathered. It will be a great opportunity for Aalborg port to attend in that event by which they are able to get connect with companies from around the world, there is a possibility to meet with investors, new clients and to find partners. “Nor-Shipping 2019” will take place in Oslo from 4 to 7 June 2019.

“Participating in that conference create a chance to meet companies with whom Aalborg port can collaborate and also can promote themselves. Opening ocean conference is a Nor Shipping event basically aimed to exploring maritime business opportunity as they are focusing on maritime business opportunities there is a probability for Aalborg port to contact new companies who will be their future potential customer in future.

Make relationship with Nor-Shipping in Norway, DSM in Donsö, Sweden, World maritime university in Malmo, Sweden and Göteborgs University, Sweden help Port of Aalborg to be more advanced regarding their business in Sweden and Norway which also favourable to get connect with their target customer.

**7.1.1 Relationship and value adding strategies**

Relationships marketing is a philosophy of doing business, which focuses on keeping and improving relationships with current customers rather than acquiring new ones. According to Gould (2012) the longer a customer remains, a customer the better for the company. The argument behind this reasoning is based on that the longer a customer is kept, the more business they are going to give to their supplier, thereby increasing the revenue and hopefully also the profit. Ahmend (2012) argue that focusing on retaining existing customers over longer time periods strengthen the relationships and enhance customer loyalty. Loyal customers are less likely to switch supplier solely because of price and will thereby contribute to long-term profit to the firm (Ahmend, 2012). According to Eggert, Ullage, & Schultz (2006) the personal interaction and relationships are the main elements of providing value for customers in the competitive industrial environments which exist today. This is particularly true when delivering a service due to its characteristics. As a service is intangible and consumed and produced simultaneously, there is always a risk involved for the customer not knowing in beforehand whether the outcome will match what was originally expected (Gould, 2012).
The personal interactions and relationships with suppliers are an important mean to lower customer’s perceived risk and thereby create value for the customer (Hutt & Speh, 2010; Zeithaml, Bitner, & Gremler, 2009; Ahmend, 2012).

According to Hutt & Speech (2010) customers can perceive benefits in terms of trust, social benefits and satisfaction when engaging in relationships with its suppliers. How customers value these benefits are individual and based on factors such as their type of products, production methods, purchasing structures, company size, location, customer requirements and the importance of the purchased product or service (Chowdhury, 2004). Trust exists when the customer has confident in the supplier’s reliability, i.e. its ability and willingness to meet the customers’ expectations (Ahmend, 2012). For this matter, the contact personnel have a powerful role of building trust through their way of communicating and approaching customers (Hutt & Speh, 2010). According to Ahmend (2012) most customers would not prefer to switch suppliers, as there is always a switching cost and risk involved in doing so. Hence, when trust is established in a buyer and seller relationship, time can be spent on other concerns and priorities. Social benefits refer to benefits such as ease of doing business and personal social sense of familiarity or even social relationships with employees at the service provider. Social benefits can be a very strong source for customer loyalty and commonly develops over time. For some customers, these ties make it less likely that they will switch between suppliers, even though they recognise a competitor that provides better quality or price. Satisfaction is defined as the customer’s perceived assurance regarding the future performance of the supplier, given that the past performance has been consistency satisfactory. In business to business research, several authors demonstrate satisfaction to be a crucial factor for maintaining customer’s purchase intentions (Ahmend, 2012).

There are three main stages in getting new customers for Aalborg port when using relationship marketing; establishing new customers, maintaining customer relationships and improving the customer relationships. The aim of relationship marketing is that all counterparts in a transaction meet their set goals and get something out of the relationship. This is achieved by keeping the promises given when the relationship is established. The promise given to costumer is a big deal in relationship marketing. It is not enough to only give a promise; the company also have to come through on the promise to be able to build a long-lasting relationship with the customer. It is not a sustainable strategy to give promises that the company cannot keep. Promising something the company cannot keep, only covers one third of the three main stages in relationship marketing (establishing new customers), while neglecting the two other ones (maintaining and improving the customer relationship). To keep promises thereby helps customer satisfaction, retention of the customer base and long-term profitability. Another important element is the trust between the parties. There has to exist a trust in the other parties’ expertise, trustworthiness and intentions to be able to do business with each other without any worries. (Grönroos, 1994, p. 9)

Aalborg port cannot build a loyal customer base as an addition. To get a working relationship marketing strategy, company must get the right mind-set integrated into the company’s strategy, which is not always a fast process. Even the process of getting new customers can be prolonged thanks to the strategy. Usually in relationship marketing, company have a long-term view on their customers, which means it can take a long time to get customers who brings in money to the company. At first, it may even result in more costs to try building up the relationship than it has income. Therefore, it is important to maintain the customer relationships so that the company in the end profits more from the relationship than it cost (Reichheld, 1993)
Another important thing to make use of is networking. This does not always only include the interaction between the company and its customers. Networking can be the relationship of Aalborg port’s customers, potential customers, distributors or even competitors. This is important to realize, since there might be benefits in co-operating with competitors, which can be called co-opetition. Which is already exist in Aalborg port’s business strategy. Networking can be divided into two different types, vertical and horizontal networking. The vertical networking includes networking with suppliers, producers and buyers. This type of networking focuses on the marketing and market accessibility aspects. Horizontal networking on the other hand aims at getting competitors to work together. By using horizontal network Aalborg port can enlarge their resources, improve their marketing and increase the production efficiency. (Kjellman, et al., 2004, pp. 111-112)

To be able to form a network with another company, there are some requirements to be filled. First of all, there need to be a common problem or opportunity between the two actors. The companies should also prefer to respond jointly, and the content of the co-operation should be important for both company’s overall income. It is also a big benefit if there is a possibility to form a strong relationship with the network before entering the new market. Some critical variables for a successful network are trust, learning, personal relationship and a communication going both ways. (Kjellman, et al., 2004, pp. 118-119).

### 7.5 Entry Mode Strategy

Depending on how much the company want to invest in the markets, there are a number of different strategies to choose from. A critical part when thinking about internationalization is having a resource-based view. This is important because ownership, control and a good use of your resources is the foundation of a functioning and successful expansion, at least in terms of value creation. (Verbeke, et al., 2014)

When choosing the right strategy for Aalborg port we pay to think about the following things:

- Goals and expectations
- Company size and available resources
- Current engagement to foreign markets
- The employee’s competence and attitude towards internationalization
- Competition on the market
- Trade barriers
- The products competitiveness
- The timing of the market entry
A decisive factor when choosing strategy is how much control company want to have and how big of a risk they are willing to take. A theory developed to decide which strategy to choose from is “The Eclectic Theory Model”. In this theory, there are three different variables to consider which will then provide the company with the appropriate strategy. These three things are; the resources they are willing to put in to the internationalization, how much control over their business they want and to which location they are planning to expand. (Woodcock, et al., 1994, pp. 257-259) It is also good to think of three other variables that can help one choose the right strategy. These are global strategic variables, environmental variables and transaction-specific variables. (Kim & Hwang, 1992, pp. 31-33) Even though there are a lot of different strategies, they all have their pros and cons, next we will go through different entry strategies to use from when going out on the international market. We will not go through them all, instead we will focus on ones that might be of help to the Company Aalborg Port. (Doole & Lowe, 2004, pp. 217-218)

7.5.1 Uppsala Model

The Uppsala model of internationalization is a model developed in Sweden that we find is especially suitable for companies from the Nordic countries. It is based on observations made on Swedish companies, these observations were that they tend to internationalize gradually, rather than in a sudden and early investment in foreign operations. Many companies follow a scheme when using the Uppsala model of internationalization. It starts with exporting through an agent, then establishing a sales subsidiary and after this proceed to think about starting to produce the product in the host country. This way, the company is able to pull out of the operation without too large investments and thus not having to jump head first in to a new market. (Verbeke, et al., 2014). This model focuses on two base components, the first one being the position the company is in when they begin internationalizing. The second component is the way to act when the internationalization continues. The second component is a big one, since it indicates that when the internationalization process is continued, it is accompanied by an increase in for example relations and market involvement. Important things to focus on when using the Uppsala model is firstly to increase the knowledge in the target market. As we have gained enough information about our target market, now we can go to the second part, which is to increase the efforts abroad, which includes gradually starting to set up more and more things so that in the end, we have operations on the foreign market. (Mura, et al., 2011).

Since Aalborg port will not exporting their services in Sweden and Norway and they will not enter the market physically, so they need to establish a different technique which they will do by cooperation with maritime companies which helps them to increase their links and getting customer to taking their services. In that way, they offer their services by those cooperative countries. It is also easier and both time and cost effective because Aalborg port can get connected with customers as those company have more details idea about their customers. Relationship with existing and new companies indicates future business growth of Aalborg port in Sweden, Denmark and Norway. We already have knowledge about the customers which we gain from our internal and external analysis part.

7.5.2 Acquisition and mergers

A merger involves two or more companies and means that they combine their resources, expertise and employees so that they become part of the same company. The company can either by the one who is taking over the other company or be the one who is taken over.
There is a number of pros to acquisitions and mergers:
- Trained labour force
- Existing customer base
- Existing supply chain
- Existing distribution network
- Immediate source of revenue (Doole & Lowe, 2004, p. 238)

A merger strategy should be used when it is assuming that there are companies that are potential candidates for this merger on the market. If there is a small amount of companies on the market who are willing to do a merger, the choice will be based on self-interest/convenience instead of the appropriateness of the company. (Doole & Lowe, 2004, pp. 238-239) The belief that it is easy and time-saving to do a merger can often be proven wrong. It requires a lot of time to go through potential targets and deciding who would be a good option to merge with. It can also take a long time for the companies merging to agree and get their managements on the same page and both strive for a common goal. Another weakness of a merger is if a company is taking over a demotivated labour force or bad reputation. It may also be a bad idea to do a merger if the company you are merging with is much behind in technology. Then the company have to adapt its technology to the other company, which can be time consuming and expensive. On the other hand, for the less developed company, this is seen as an advantage, since they then get the newer technology without having to develop it themselves. (Barkema & Vermeulen, 1998)

Aalborg port can

8. Discussion & Conclusion

8.1 Discussion

The Discussion part will discuss the entire work and phases that has been done throughout this project. Our result for this investigation will be discussed together with the background information that given in the introduction. Next, we will write about the objectives, structures of the project and about our success and challenge of Aalborg port; we also include our suggestion for the future improvement of their business. We will conclude this section by expressing short reflection regarding this project.

Objectives

The outcomes and implication of our findings will consider in that section. The aim of this paper was to create a best possible solution for Aalborg port which was constructing a marketing strategy which would assist the organization to build up their business. As stated by Michelle, Aalborg port wants to remain their top position on Danish market. The necessity of this fact is due to the regular meeting of the top 5 ports, where they can discuss essential themes of their business and have influence among them as well. In order to keep their top position among the top 5 ports, Aalborg port need to increase their revenues, this is the reason for us to choose and offer marketing solution to the company.

Project structure

The project consists of both internal analysis of the company and external analysis for the company, which disclose the strength of the company, such as their relationship and unique services for their customers; the strong business strategy and brand of Aalborg port is the most credential part to strength their business; and the challenge they are facing is also reveal, which is occurred due to the depth of Limfjorden, due to that it cannot take more than one cruise at a
time, which decrease the opportunity of Aalborg port’s to get clients who wants to invest large amount for their shipment. Next, we deal with answering our research question by applying a smart marketing strategy.

**Outcome of the exam paper**

Since Aalborg port is a service company and we are dealing with B2B market, it was a bit difficult to figure out a marketing strategy which they are not using yet. After long discussion and investigation, we have decided to suggest them to participate in different fair or conference in Sweden and Norway which are organized for the global maritime and ocean industries. Attending in that kind of meeting creates opportunities for Aalborg port to make new connection and building their collaboration and business. The most likely partners we expect for the company are from Sweden and Norway because of the location of Aalborg port which is close to Sweden and Norway.

**Uses of results**

Using the marketing strategy assist Aalborg port in finding new partners and customers for their business. It also helps them to develop their relationship with them, which helps them to reach their goal that is- maintain their current top position in Denmark. They need to be concern regarding choosing the right person to attend the fair and present themselves in the best possible way.

**Further development in future**

For a successful business in future, Aalborg port needs to carry on in getting new partners both domestically and within the target market, at the same time maintain their relationship with their current customers and business partners. In our communication strategy, we suggest to improving their social media network which is also plays a vital role to increase their connection. The best social media for business is indeed linked in, which they have on a decent level, however there is also a way to improve their Facebook profile. As we recommended finding new customer on Norwegian and Swedish market, it could be a better idea to post their status and pictures on Facebook not only in Danish but also in English. The same approach would be suggested to do in their Instagram profile. we do realise that on B2B business social media may not have strong influence as on B2C but now a day more and more business become using this platform as a great source for their business. Anyone can easily go to a company’s Facebook or Instagram profile and see the rating and customers feedback about the services. By using social media, it is easy to interact with anyone and there’s need no extra employee to post or share company’s daily basis information, it takes only few minutes of their everyday time.

**Success and challenge**

Throughout this paper, we have successfully conducted our research by using appropriate investigation, analysis and theory in regard to solve our chosen problem formulation and based on our finding able to make suggestion for the company’s successful business in future. There were indeed some limitations we had to face. One of the challenge is getting required information from the company due to the tight schedules of the responsible person who is the marketing manager and the interviewee we had was not have enough knowledge regarding customers and marketing.

Due to poor communication and lack of time management between the group members, the group members need to write it second time where the group has been distributed. This project has been developed alone.
Project reflections

We consider this research paper satisfying, since we had a chance to visit and analysis the company practically and we get the opportunity to see the environment work of this company. Even though there were limitation and challenge throughout our investigation, we could say that having all obstacle we have successfully achieved our goal.

We have achieved a plenty of information which we cannot use in this project due to the selected topic and time limitation but it will help us in future if we want to continue our research on different area of the company. If we get more information about their customer we can make use of that information in that project which will produce more interesting outcome at the end. We will take it into consideration for our future research.

8.2 conclusion

This section presents the overview of the solution for this Project. This exam paper has provided empirical results and presented practical implication regarding marketing strategy; cultural and communication practices and values for new business and opportunities in future within and with Nordic areas. We will also explain our whole project briefly here. Although the whole exam paper has been structured chronologically by using different methods and analysis, we will discuss only the most relevant parts that connect with our problem formulation.

How can Port of Aalborg maintain and strengthen their port business within Danish market as well as branding the company and which marketing strategy they should follow?

Our focusing area of this project was to build an adequate marketing strategy for Aalborg port in order to differentiate and compete with their competitors, which strength their business position on Danish market in future; and at the same time they can gain customer by promoting them.

This study paper identify that Aalborg port has a stable position on Danish market; it’s 4th largest port in Denmark. The management want to keep their position remain in top 5 ports in in future.

The biggest border for Aalborg port is the water depth; for which they can only offer services to cruises and cannot give spaces to big ships. It is not possible to solve this problem, instead of this, the company can focus on their logistic solution which is their main strength.

Based on our research and analysis as Denmark is a stable and safe country with well working economy it is ideal for business operations. Next, we analyse the difference and similarities of those countries who are close to Aalborg port and also potential market for the company. We found out that as Sweden, Norway and Denmark situated in the same geographic areas, they have historical and cultural similarities. Specially the geographical position of Aalborg port is ideal, since it is situated in the North of Denmark, close to Swedish and Norwegian ports.

After having interview with Michelle (HR manager of Aalborg port), we decided to establish a successful marketing strategy for the company by which Aalborg port can keep their business stability in Denmark and figure out future potential market for their business. Another major part we are suggesting them is to obtain customers in Norway and Sweden. According to our analysis the best possible way to successfully achieve customers is by creating
communication which can execute by attending on the biggest fairs in Europe name “Nor-Shipping 2019”, which held on 3rd June in Oslo, Norway and attending another event in Sweden named “DSM 19” which take place in September of this year. As a part of communicating, Aalborg port also need to increase their collaboration both with regional port and port companies both in Norway and Sweden which generate opportunities of gaining new customers as well. Furthermore, there needs to be some adjustment in their social media platform.
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Appendices

Interview with Michelle from HR Department (1)
Supervisor: We were discussing what kind of theories we could use and we decided on some, we would like some information from you, for example: Do you know who are your main competitors?

HR manager: I think it would be port Aarhus, Esbjerg... some of them are too big to compete with, since we are the 4th largest port in Denmark, we are competing with the ones just below us and the one above us approximately, therefore 3th, 5th and 6th largest ports in Denmark, those we are competing with, you can find the list of 5 biggest ports in Denmark, and I think we are number 4 right so far, but maybe it will not be the case in future, because it will depend on our earnings.

Student: So do you suppose you will be better or worse in the future?

HR manager: We are not getting worse, but when it is measured in turnover it also depends on what customers the other ports get in, and we are actually limited, because we have „limfjorden“, thus our water is not that deep, so it will be a limitation for us in question of how big ships we are able to get into the port. Everything gets bigger nowadays, so when customers want bigger ships to be sailed into our port, then we have a problem because bigger ships get lower into the water, so we have a problem with this when we are placed where we are now.

Supervisor: Have you considered deepening the fjord?

HR manager: Yeah, you can do that, but not that much, because people are living there. It will be a limitation, but then we have to focus on what do we want to
compete on instead of focusing on only ships. Actually our strategy is cooperation and logistics solutions, which are intelligent. We have clusters, where we are gathering special parts of production, areas for example wings to wind mills, then we are producing cement, and also platforms which can stand in the water, and we put the windmills on.

Student: Is there a possibility of spreading your area?

HR manager: We have a big area...

Student: ...but if you cannot take all the ships or the bigger ships, maybe if you spreaded your area more, you might take more ships, if that is possible?

HR manager: Yeah, it could be a solution, one port which I don't remember the name, they made a solution where they made a platform out in the water, where they can unload goods from the ships and bring it ashore on smaller boats, but still if there is nothing to come for here, why should they do it? Since it is more time they have to use on it, and it is more money they have to spend, since you have to transfer things from the ships to the boats. That is why we need to find the smart solution, in order to find the answer for „why should we choose the port of Aalborg, instead of Aarhus for example.

Student: What do you think are your core competences?

HR manager: That will be the logistics solution and also clusters. We have a lot of companies who are renting areas to do the business here, and we can give them a smart logistic solution, so they don't have to contact other agencies to get the solution, because we can offer everything to them, so they just need to contact us, and we can fix it for them.

Student: So basically they can save some money on that, they don't have to pay to agency...
HR manager: ...yeah they don't have to use time on coordinating these things, so they have gathered logistic solutions, we have cranes, storage and everything, before it is picked up by a truck.

Supervisor: Do you think it is easy for other competitors to emerge in this kind of market?

HR manager: I don't think easy, because its heavy material you are dealing with, like a crane which is expensive, most are focused on the ports that are already there, what they do and how can they make a cooperation, so I don't think its easy market do get in for new competitors. I think there is another area over here, which is called Aalborg Portland, they are also offering some of the same elements that we do, but they do it in a different way. Then we can agree or disagree on how we do it and how they do it. They are just a small competitor for us.

Student: Don't you take them as main competitor, and you don't cooperate with them?

HR manager: No we don't take them as main competitor. We have meetings with them, there we are trying to make some cooperation and I know that our people were actually working for them and helping them when they had time and they were paying for our help. So this was our relationship, but I don't think it's that much anymore. But we are going into a lot of corporations with a lot of companies. So this is what we are trying to do and also to be in a contact with the city, so how can we help the area Aalborg East, where we started the projects Cool East and Club 23, where we trying to change the social standard of this area. So people there are not missing a job, encouraging them to talk to each other, instead of making problems in the streets and also some are focused on Ice hockey area.

Supervisor: How could you perceive the customers to use your services or rent your area?

HR manager: I think as I said before, it would be through collaboration and network. Our salesmen often went to Greenland to participate in the fairs, also via media like
press and then people know about us and it would be nice if they participated in
different kind of networks and they might find out what is port of Aalborg in a natural
way. And also we have contacts to schools and universities, where we had a case
competition last year for students with collaboration with other companies and ports,
where students need to find the solutions for specific problems.

**Supervisor**: In case of a differentiation, for example in case of port of Aarhus you
would say that, you have a better logistics?

**HR manager**: We can provide combined logistics solution and also partnerships and
agreements with companies in east of Aalborg in our area.

**Supervisor**: How would you describe your current relationships with the customers?
Is it flexible? Is it good or bad?

**HR manager**: I think it’s good, but I don’t have a contact with customers.

**Student**: Do you have loyal customers, or are you more focused on getting new
potential customers?

**HR manager**: I think we have loyal customers, but I don’t know since I am not in
Sales department. About 60% of our turnover are from renting the areas, 10% from
cruises and the rest is split on oil and other material which are coming in.

**Student**: Is there something you would like to be better at? To improve something?

**HR manager**: Yeah, we would like to be better at having partnerships, to improve
collaboration between us and the companies, and also between the companies
because that can make our business better, if companies can see the advantage
with talking to each other.

**Student**: What kind of marketing are you doing right now?

**HR manager**: We have a collaboration with the universities, also some schools I
think 6-graders, they come here and have a tour and try things, therefore when they
come home they tell their parents about it which is also a promotion, also cool East
project in Gigantium and also we have a big logo on the ice on hockey stadium, also press and articles, we are trying to be mentioned.

**Supervisor:** What limitations do you have which are stopping you business from expanding?

**HR manager:** Before Port of Aalborg was also located in some areas closer to the city but we are trying to get out of the city because when we are in the city the city tries to put you out, especially big cities which grow fast, will push your rules what you can do, for examples oil tanks, you cannot have that in the city close to a living area, also some different regulations which are pushing us out from the city. But that was before, we have a lot of areas now.

**Supervisor:** Can you tell us what kind of threats do you have?

**HR manager:** I know that there are 2 ports which have new agreements. We are threatened to not be the 4th biggest port in Denmark. There is a meeting with the 5 biggest ports in Denmark, if you are out this top 5 ports you don’t have so much influence, so it is important for us to stay between these top 5 ports.

**Supervisor:** You said that you have 10% of your turnover from cruises, how does this business work?

**HR manager:** I know that there is not much money in the cruises, so it is mostly the way to promote us. So people talk about us and they actually know that we are existing, so tourism for Aalborg is very important.

**Supervisor:** I think that’s it. Thank you for your time.

**HR manager:** Thank you too.

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**Interview with Michelle from HR Department (2)**
Interview guide

The purpose of this interview is to guide us through the process of gathering data with qualitative interview.

R: Do you know who are your main competitors?
M: I think it would be the port of Aarhus. Eshjerg and I would not say it’s because some of them are so big it’s not our competitors we are competing with and emm I think we are the 4TH biggest harbour in Denmark right now. so, we are competing with the one just below us and then we are competing with the one above us approximately. Number 3 or number 5 and 6 those we are competing with.

S: So, they are your main competitors and the others are your secondary competitors?
M: Yes, I think you can find the list with five biggest ports in Denmark. I think we are number four so far. But maybe that will not be case in future because it measured on not profit, it measured in earnings.

S: You suppose you will be better in the future or worse?
M: We are not getting worse but when it is measured in the turnovers it also depends on what customers the other port get in and we are actually limited because the water is not that deep so it will be a limitation for us to how big ships we can get into the port. You know Everything gets bigger nowadays. So, when they want more bigger ships there can be more containers on emm then you have a problem because bigger ship will get lower into the water. So, the depth of the water need to be very much higher than we can do when we are placed where we are.

R: Have you considered about Deeping the river?
M: Ya you can do that but not that much. Because if you are digging dipper you need more space and you cannot do that because people are living here. So, it will be a limitation but then we have to focus on what do we want to compete on then instead of only ships. Then it’s actually our strategy that it is collaboration and logistics solutions which are intelligent and so we have cluster where we are gathering special parts of production areas for example wings to windmills. Then We have cements we are producing that. Blades over here producing platform who can stands in the water and then you can put the windmill on and then they are making the blades as vestas produce. But Siemens are making the wings. And then we have plat who is making like the foundation where the windmill has to stand on in the water. So, it’s like a cluster where you try to together the company is who works with those because then their logistics ways will be shorter and cheaper.

Q: Is there possibility of strength your area/era?
M: WE HAVE A BIG AREA

Q: But if you cannot take all the ships or bigger ships if you cannot take them may be if you spread your area more if it’s possible you can take more ships?
M: It could be a solution. I think I CAN NOT REMEMBER WHICH PORT IT IS BUT they have worked with an innovative solution where you have like we have a port here where ships can get in then you make a platform out in the water where they can get it off the ships and sail it in smaller ships. But still if there is not something to come for here why should they do it because it’s more time you have to use on it and its more money because you have to transfer into one ship to maybe 4 others ships so that is why that we have to find say a smart solution like why should we choose port of Aalborg instead of Aarhus.

Q: what do you say are your core competences?
M: core competences that will be the logistic solutions and where we are thinking clusters
where we gathered. we have a lot of companies but who are renting areas to do the business
here but we can give them a gathered logistic solution so they don’t need to contact another
agency to get the solution. we actually offered them a gathered solution. they only have to
contact with us and then we fix it.

Q: so, they can save money and they don’t have to pay for the agency?
M: they don’t have to use time on coordinating what about this and what about next and so on.
So, they have like a gathered logistic solution we have cranes and storage and we have
everything before it picked up by truck for example.

Q: do you think it’s easy for another competitor to emerge in that kind of market?
M: I don’t think it’s easy. Because it’s heavy material that you are dealing with like a crane it’s
expensive, you don’t walk into the market and just buy a crane and get some customers and
buy location and all that. so, I think that is why that you also talk you are very focus on the port
that are already there and what are they doing and how can you make a collaboration and how
can you also compete with them and how can we get advantage so I don’t think it’s an easy
market to get in for a new competitor. I think there is actually another area over here who is
called Aalborg Portland. they are also offering some of the same elements that we do but they
do it in a different way and then we can agree or disagree on how we do and how they do but
they are just a small competitive but not something that we are afraid of.

Q: so, you don’t take them as main competitor? and you don’t cooperate with them?
M: not as competitor. we have meeting with them and so. I am not involved in that but I think
they are trying to have some kind of cooperation and I know that at a time some of our people
were actually working for them you know helping them if they had a lot of time but helping
they are paying for our help. So that was kind of relationship it was. But I don’t think it’s that
much anymore. But we are going into a lot of collaboration with all the companies so that is
with a logistics solutions in one solution but we also have collaboration. So that is I think that
is what are trying to focus on but also the contact with the city and how it develops itself. how
can we help an area for example the east of Aalborg, there is different kind of project. Some
called cool east n club 23 which is going where we are within that network or collaboration to
change the social standard of that area. so that means that people are not missing a job they get
a job and instead of having kind of ghetto areas you try to know make people talk with each
other and not only each other in that building but get them out experience something so we
don’t get guys go around makes trouble in the street and some of it also focused on ice hockey
area where they are trying to get more people because it’s the east end you could say so how
can we make it attractive to be there. So, it’s not something you talk about in the bad
relationships but in a positive tone. So, there is also a lot of collaboration with the community
as well.

Q: what kind of customers are you seeking?
M: which kind of what?
Q: which kind of customer are you seeking? for example northland, Denmark or worldwide?
M: actually, I cannot answer that because it’s actually sales department who are looking at that
so I don’t know a lot about that. Because I am in HR so.
Q: how could you perceive a company I mean the customer to use your services or rent out
your area? For example, meet a customer what do you say?
M: I think I can say it through collaboration and network we are now it had been a lot about
the Greenland thing. But our salesman often took to Greenland to participated in different press
meeting and fairs and network and promote port of Aalborg and talk with people in a natural way.

And then we have a lot of contact to schools and universities where they are working. We have a case competition at a point last year. Where we are in collaboration with other companies and other ports trying to make like a case and then the student has to come up with solution to it. Try to find out how do we approach this; how do we do that so that is also a WAY.

Q: in regard to differentiation for example-YOU WILL DIFFERENTIATE between like against port of Aarhus that you have a better logistics?
M: ya. It is like we have a collected or combined logistics solutions. And that we have a lot of collaborations, partnership agreement with the companies all around in the east of Aalborg in our area. And then how much we give to the city I think that is also like our CN an element in the CSR strategy.

Q: How many customer can you handle at the same time? like what are your capacities?
M: I don’t know. I am the wrong person to ask about that.

Q: how would you describe your current relationship with your customers? It is flexible, is it good or is it bad?
M: I think it's good. But I don’t know about it because I don’t have contact with customers.

Q: another question that you mention you offering logistics services now currently and are there any substitute for these kinds of services for example can companies reach out in another way?
M: I don’t understand the question.
Q: in another word it is like how hard it is to substitute this kind of services?
M: I think in somehow it could be easy. But it also depends on what the storage you come with. If it's bulk or dry bulk, liquid bulk? If it's fresh fish like Greenland is coming with then it not easy because we have a lot of storage houses which is like a fridge or so and it's very expensive for other ports to build storage houses. So that would be very difficult to substitute away from. But I am sure they have it in other places but maybe they are also booked up with because the other customers. So that would be hard. And when you are treating these storage that they come with then it's also some of them demands very specific solutions to how you handle the storage and then we know how to treat the materials and what is needed, what does the crane needed how much is it needed to lift. I don’t think it's a market that is very easy to substitute. But I think that you can do it if you really want to substitute. And I think for example oil or maybe sand or so would be easy to have another port making a solution for that.

Q: do you know what is the current demand for this kind of business? For examples- do companies want you? like are they often contact you for example we need your help or is it possible it’s the demand for it?
M: ya, I think that those that you can say we have many who are the same this time. But I don’t know if people are asking for. I don’t know.

Q: so, customers basically are willing to stay with you?
M: ya

Q: do you have a loyal customer or are you more focused on getting more and more potential customer?
M: I think we have loyal customers, but as I told you I am not in marketing so I don’t know. Emm but I think so but we are definitely also trying to look other places but as I actually told you last time it’s like I think 60% of our turnover it’s from areas where we are renting the area. But it is 60% and then we have 10% which is cruises, where you often see into the town and then the rest is I think split on oil and other materials which is coming in.

Q: so those big ships in Aalborg are from you.
M: they are

Q: could you, may be do you know who are your primary focus group or secondary focus group?
M: no. I don’t know. I think you need to talk with the manager of sales and marketing.

Q: what kind of weaknesses the company have?
M: the weaknesses is the short of water access.

Q: is there something you like to get better at? Would you improve something?
M: we would like to have partnership. They are working a lot with that to improve the collaboration between us and companies and also between companies. Because that can make our business better compare to other if the companies can see an advantage to talk with each other.

Q: we will focus basically our project on that problem that’s why we are discussing
M: ya
Q: are all of your information open or they are confidential? Can you share them with us?
M: YES, off course we can share it with you for using it in your project.

Q: are you aware of any opportunities that might emerge in future or maybe they are now?
M: emm there just have been. The problem is that for example business Aalborg they get a contact from a lot of businesses which can be interested in being in Aalborg and then you don’t know what company it is. you don’t know how big it is and sometimes you just know this is a big one and you would like to get that. it’s for example Tesla, Facebook, google, some of the biggest company. If they want and they have just been I think it was TESLA

WHO IS INTERESTED IN MAY BE lying out here to have a production area I don’t know what part of it but part of production or may be where they have to gather the car or something. but it actually ended up lying in Sweden I think. But we are only hearing a little because business Aalborg they actually have all the information when new big company comes out here. But I guess that if we were not then we have contact with then we have our sales department and a guy who is working with real states. We actually have 2 which is trying to retain company and walk around in networks and saying why don’t you lying in here because it would have big amount of possibility to go further into ship ways and we have rail the train and so there’s a lot of possibilities. And then we also we have been branded ourselves on that we are the 1st co2 natural port in Denmark.

Q: I wanna ask you about marketing don’t know if you can tell us. what kind of marketing do you do right now? do you do some sponsoring?
M: ya. We do. I also showed the magazine last time. We have collaboration with university and that in itself are actually very good then we have some schools out here like I think it’s 6th grader or so may be 8th or 7th grade approximately. They come out here and then they are having tour and have to make all kind of think because then they also tell about that when they
get home to their parents and then it reached parents too and then we have this Aalborg water friend which is actually to make I think I have to be careful because I am from here so but I think they are trying to make a smart city in sonderborg on the other side of the water but they are also trying to make I don't know what you called it like the action centre with water facilities it's when you go besides the house of music then you can actually go straight out in between the apartments and then you go in there then there is like a little space and they have made something in there too and then they have also make the area when you go from the house of music and the other way then you go besides the university and then you go all the way down they have also tried to make that area little more we can say together with Aalborg community and then they are participating in cool east where they have made the arrangement cool kids it's also out in Gigantium where we are branding ourselves and then it's also when people they are playing ice hockey Aalborg pirates then they have also like on the ice there is a big logo of port of Aalborg and on the you know arounds the bench or something we are also having some logo. It's some of it. And then we have some different kind of magazine/brochure but this is only our CSR point right now and then I think you have to talk again with the sales and marketing guy about what he is doing when he is out and talking and all that. But We are also writing in the press and article and trying to be mentioned when we are there trying to be mention in the papers and so.

Q: Do you know what kind of draw backs do you have that like limits your market potentiality expands?
M: Draw backs? Can you try to ask the question again?
Q: are you aware what kind of draw backs does the market have or do you have that like limit you from expanding for example you cannot deeper the water; anything else?
M: emm. we are Before the port of Aalborg was actually also located some areas closer to the city but we are trying to get out of the city because when you are in the city, the city will try to put you out because the city will almost when it's big city it will always grow and then it will push you know rules what you can where you allowed to have oil tanks you can't have that close to living areas but then down here oil tanks had been there before people start building their houses. So, there is rules for that but still then there will suddenly be some regulations or so that is pushing us out of the city. So now we have actually taken this area and then we have like lot of areas this way.

Port of Aalborg also wants to work with fossils to improve the environment. That was the limitation of us but we don't have it anymore. Because we have lot of areas now. and the city is long way before we reach the city or the city reach to us. I would say that is our limitation.

Q: does this company have any kind of threats?
M: ya. I know that there are 2 ports who are have some new agreement. So, I know that we are actually threatened to not be the 4th biggest port anymore. So, I think that would be a threat.

Q: are those port your business partner?
M: no. it's because they have like a meeting where you have the five biggest port in Denmark. And then when you are there you have a lot of influence. If you out of the 5th biggest ports then you don't have so much influence on what happens. So, it's important to be some of the 5th biggest ports. So, there is a threat but ole can say more details about it.

Q: Those friends you mentioned are your business partner or they are not owned company?
M: no, we are owned by the Aalborg kommune. But we are a private business owned by the kommune so it's a special consolation but we are not under public regulation or so. We are not affected by that. We are off course if something really happened like a new mayor or something because he is in the port but if they make a salary regulation it doesn’t have any impact on us at all.

M: we have a new project which are soon done I think. It's called I think it called container park or, no; “ports storage” or “container storage” where they are making it's are right over here they are just about to take all the dirt in the earth away. I think it's just around over there and then they want to have a container storage like a big one where you can store things and something I don’t know anything about. But I know there’s a lot more. But it's a very complex company because it's’ people are very specialised and even though they are not because I know a lot of something but I also know a little about something else but the department are very different so I know something about my area and then I know a little about the others. And we work with so many different kind of things so we have like a guy in sales who only working with cruises and with oil port. And then we have a guy who’s only the rail guy who have contact went to fix all the train of customers which is coming and then off course the shipping who have contact to the agencies who is actually in contact with the real customers.

Q: You said that you have like 10% of cruiser profit. How does this business works when the cruisers come in like they collaborate with all visiting with means attraction that they have there? because I know how it works may be the longer the ships stay in the port the more they pay. So if the cruisers have like more sites to show maybe it stay longer.
M: I think definitely there are some but I don’t know what exactly. But I know that they have talked about that. There is not so much money in the cruises. So, it's only away actually to promote us because people see it and then they know ahh then it’s port of Aalborg but it's not. It's just something where people know ok port of Aalborg is there. There’s the big ships and you know they come in sometimes. So, it's just a way to actually also get people's awareness about that we actually existing but we do a lot more than that. So, it's mostly only way to promote and then off course the tourism to Aalborg is also important. I am pretty sure that we also in that way collaborate with the kommune.

2. Exports & Imports Using maritime transport
3. Total employment in the EU shipping industry by place of work