

# MARKETING PLAN OF



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**Degree in tourism**

**Academic course: 2019-2020**

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## **1. EXECUTIVE SUMMARY**

Niova Travel Tours is a new retail travel agency dedicated mainly to the sale of package tours, cruises or independent services such as train, bus or air tickets and hotel reservations, also specializes in organizing IMSERSO trips, multi-activity or reduced mobility groups. This agency belongs to a group called "Grupo Star" which has all the suppliers of the agency.

In this Marketing Plan, an elaborated analysis of the internal and external environment has been carried out, where the different resources that the agency possesses have been studied and it has been determined in which point it is, due to the situation of the current environment. In addition, the competition has also been studied, in order to know where the agency stands in relation to its competitors.

Thanks to all this information, a SWOT analysis has been carried out where both the internal characteristics and the external situation of Niova have been observed. On the other hand, at the end of this analysis, three main objectives have been established for the evolution of the travel agency: Increase sales volume by 3% in 2021 compared to the current level, increase the billing level by 2% in 2021 and increase customer loyalty in 2021. In order to achieve these objectives, a series of strategies have been developed: 2 from the Ansoff Matrix and Loyalty, which will motivate, in all senses, to reach the predisposed objectives and increase their presence in the market.

Finally, an action plan has been drawn up to improve the company's growth so that it can meet the objectives set. These actions have been drawn up in detail and quantified in a schedule and budget.

## **2. SITUATION ANALYSIS**

### **2.1. INTERNAL ANALYSIS**

#### **2.1.1 MISSION**

Nova Travel Tours' mission is to offer a service that adapts to each client, that is to say, having a personalized treatment with each one and, this way, to be able to offer a specialized and adapted service so that it can satisfy the different needs. The aim of this agency is to improve its position in the market by improving the quality of its services.

#### **2.1.2. VISION**

As for the future vision, it will be to offer new or different services to its competitors in order to better position itself in this market, and to reach a wider audience. It also wants to undertake a territorial expansion to grow more as a company and brand, as well as to be noticed through the different digital platforms.

#### **2.1.3. COMPANY RESOURCES AND CAPABILITIES**

As this is a small agency that has only been on the market for a short time, we still do not have enough information to be able to analyze its different resources or previous data. So, a superficial and forward-looking analysis of each of the different resources will be made with the help of the same agency.

##### **2.1.3.1. Human resources**

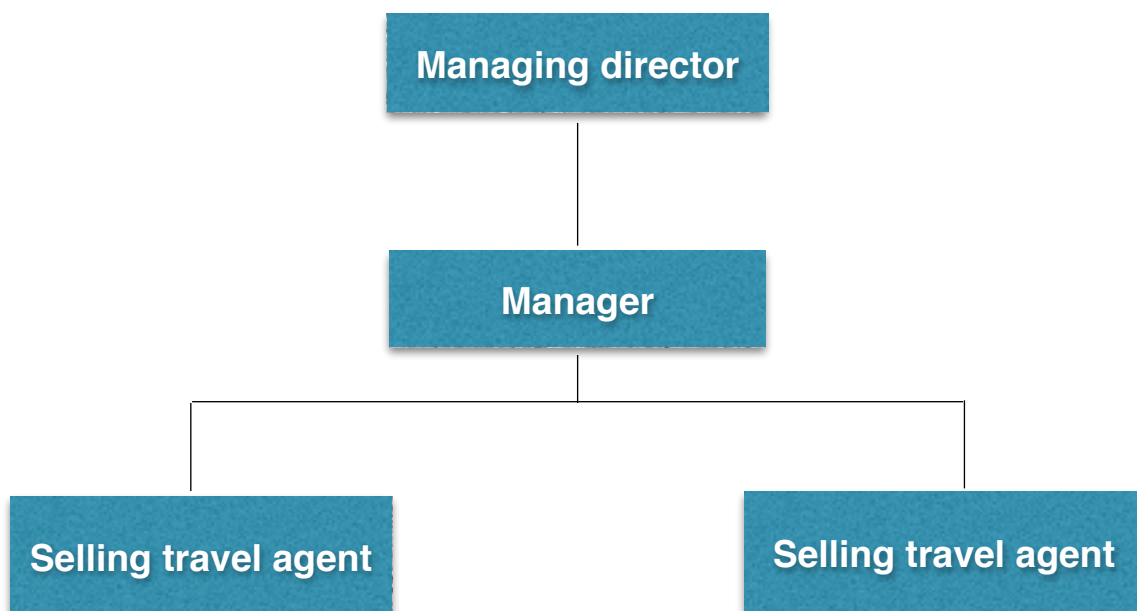
Regarding human resources, Niova currently has 2 partners: the general director who in this case is the agency's owner, and the manager. It is worth noting that, in this case, the director has more than 20 years of experience in the sector and even experience in managing and running her own company since some time ago she opened her own small agency. As for the manager, he has no experience in travel agency, but he does

have experience in how to run a business, since he worked and still works as a director of a small company that provides lights and electricity.

Besides, there are also external services such as tour guides, web maintenance (which will be created in the future) or the design of the brand but this is carried out by external companies through subcontracting. At the moment, the director is the travel agent, but in the future, they want to expand the staff and hire more travel agents and even an accountant to keep the agency's accounts.

Next we can observe the organization chart of this company (Figure 1), it is possible to say that, as it is a small retail agency the different areas or departments do not appear since they are carried out by the same director:

**Figure 1: Organization chart Niova Travel Tours**



Source: Own elaboration.

### 2.1.3.2. Material resources

Niova Travel Tours is located in the town of Madrid, in the neighborhood of Usera, is in a good location as we can see in Figure 2. As for the physical headquarters of the agency, which we can see in Figure 3, as it has been recently reformed it is in good condition, is quite modern, and has about 64 square meters. Inside, the agency has the reception, where they attend to their customers, which is quite bright. Focusing on the decoration you can see a big world map that draws quite a lot of attention at the back of the reception (you can see it in Figure 3). They also have the necessary computer equipment to be able to make reservations, searches and access the different platforms of the suppliers; and several brochures or magazines of tourist destinations so that the clients can get more information, and outside the agency has panels where they can put the offers of the different trips.

**Figure 2: Niova Travel Tours location**



Source: [www.google.com/maps](http://www.google.com/maps)



**Figure 3: Facade and interior Niova Travel Tours**



Source: Own elaboration.

### 2.1.3.3. Financial resources

The initial investment consists of about 17,000 euros provided by the agency's own partners. This initial capital is divided into various expenses which can be seen in Table 1:

**Table 1: Breakdown of contributed capital**

INITIAL CAPITAL	17.000 euros
Rent	1.600 €
Reforms	9.609,82 €
Materials	2.294 €
Computer equipment	1.914 €
Creation brand, logo, patent	375,36 €
Agency constitution	1.302,50 €
<b>Total</b>	<b>17.095,68 €</b>

Source: Own elaboration.

#### 2.1.3.4. Technological resources

It is important to analyze these resources as the emergence of technology and innovation has led companies in different sectors to improve and increase their performance in all aspects. Niova Travel Tours performs most of its operations through the information systems (IS), through which it makes the different reservations, searches, contacts with suppliers, etc.

One of the technological resources used by Niova are the Global Distribution Systems (GDS), through these systems the agency can book and consult the different products or services offered by the different companies or suppliers. The type of GDS used by this agency is Amadeus Global Travel Distribution, which it consists of a platform through which you can consult and book with different suppliers, which are airlines, hotels and car rental.

Another technological resource used by this agency are the websites of suppliers such as “Grupo Star” a commercial network of travel agencies to facilitate to the associated agencies the different services or tourist products offered. Its main suppliers are: hotels, airlines, tour operators, car rental, insurance, cruises, etc.

Finally, Niova also has its own social networks where it publishes the different offers or events it attends, which are Facebook and Instagram. It has its own e-mail and telephone where its different clients can contact with her, or the same agency can contact with the different tourism providers.

## **2.2. EXTERNAL ANALYSIS**

### **2.2.1. GENERAL ENVIRONMENT**

In order to analyse the general environment of a company we use PESTEL analysis which consists of examining the impact of those external factors which are outside the control of the company, but which may affect the future development of the company

(Pedros & Gutiérrez 2012). This analysis is made up of 6 factors (political, economic, social, technological, ecological and legal), which we will analyze below:

#### 2.2.1.1. Political factors

Currently, Spain is a parliamentary monarchy, which means that the power of head of state falls to King Felipe VI, and as for legislative power and control of executive power falls to the Cortes Generales. Spain is therefore a social and democratic state governed by the rule of law.

Our country has gone from having a bipartisan policy, to having a multipartisan one, this means that, from the elections of 2015 new political parties arose which have marked a before and after in the Spanish politics. That is why, as Miguel, B. (2019) says, minority governments and early elections have become a regular feature of national politics. We can also observe a political instability that has been increasing over the years since both companies and citizens have a certain mistrust and concern, which comes from corruption, unemployment and the same political instability within the same parties.

With regard to tourism, it should be noted that Spain launched the Horizon 2020 Tourism Plan, which seeks to improve quality and achieve sustainability in tourism. In the Community of Madrid, where the agency is located, they have created a tourism strategy, which consists of building, strengthening and communicating an attractive Madrid. This is a task for the entire government of the community, which will work in a coordinated and transversal manner, mobilizing all areas of work under the supervision and direction of the president (Community of Madrid Tourism Strategy, 2016).

It should also be mentioned that the preferred and demanded destinations for Spanish people to spend their holidays are La Habana, Cuba; Rome, Italy; USA; Paris, France; Thailand; Mexico; Indonesia... although the majority still choose to travel within the

country and the most demanded within it are Balearic Islands, Canary Islands, Catalonia, Andalusia and Madrid.

#### 2.2.1.2. Economic factors

Spain is considered the fifth largest economy within the European Union, and the fourteenth largest in the world, as well as being one of the main tourist centres at an international level, thanks to its geographical, environmental, temporal and economic characteristics. This is increased by factors such as migration, where Spain collects about 70 million tourists during the year or the economic as the influence of the tourism sector in the PIB and unemployment.

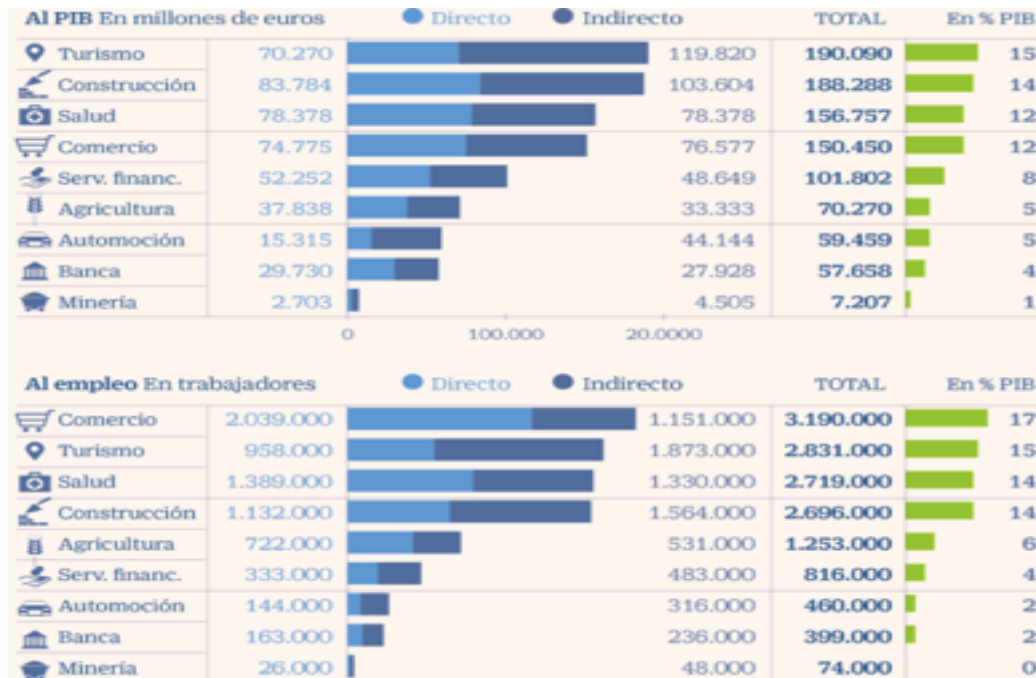
One characteristic of the Spanish population is the process of closing the stage that, since 2007, has been hitting a large part of Spanish citizens, provoking influential effects on price variations, something that presents an influence on the previously mentioned migratory part, since it is an objective flow from countries with high per capita incomes (Molina, 2019).

Tourism has been one of the driving forces that has allowed a large part of the Spanish economy to emerge from the crisis, thanks to the fact that it is one of the largest sectors of activity in Spain, as a benefit to society. This, together with the good temperatures in the area, makes it one of the first sectors of activity. But on the other hand, it doesn't generate such a clear benefit in the population, since it is a sector in which temporary short-term contracts and a salary that is close to the inter-professional minimum prevail. All this makes it an unstable sector for the worker and with little security. This increase in employment allows the effects of the crisis to be cushioned, but doesn't allow the stage to be closed.

On the other hand, tourism contributes 15% of the Spanish PIB, some 190,000 million euros per year, although it should be noted that according to the INE the Spanish economy grew by only 2%, the lowest percentage in five years. In terms of

employment, tourism is the second largest employer with some 3 million workers, both direct and indirect, contributing 17% of GDP. (See graph 1).

**Graph 1: Sectors that contribute most to Spanish PIB and employment (2019)**



Source: World Travel and Tourism Council

Finally, it is worth mentioning a highly topical issue such as COVID-19 which has negatively affected the entire economy of our country. Spain, like many other countries, has been forced to stop all or part of its economic activity in order to combat the spread of the virus, and one of the sectors most affected has been tourism. The FMI assures that the impact of this virus on our economy is worse than the 2008 crisis and it is also estimated that for every month of confinement, world PIB falls 3 points (Aguilar, 2020).

### 2.2.1.3. Social factors

During the last years the Spanish population has opted for a more rural and natural tourism, since they look for the tranquility and to move away from the hustle and bustle of the big cities, although, the tourism of sun and beach is the one that more stands out in Spain. With respect to foreign tourists in our country, they are increasing more and

more, increasing the percentage with respect to the previous year, including the expenditure of each visitor in our country.

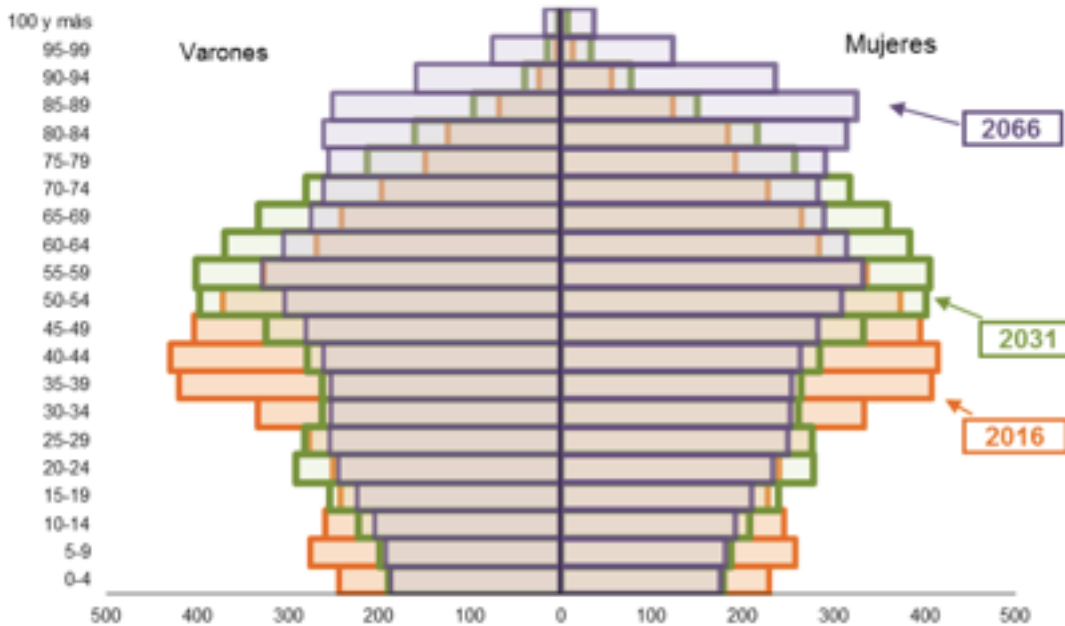
Spain is considered the country with the highest life expectancy in the European Union, thanks to various factors such as food, climate, health and public safety. Thus, the food and the climate are the factors that most attract tourism, since there is a high demand, both national and international, for sun and beach tourism. Mention that, the perception of holiday travel has changed, since, nowadays, it is a necessity and not a luxury for the population, and here travel agencies play a very important role, since they offer this type of travel.

It is important to highlight a highly topical issue such as the Coronavirus since it affects Spanish tourism and that of the entire planet. It affects in such a way that, many Spanish airlines have cancelled their flights preventing people from traveling to the most affected destinations in order to prevent possible contagion, and many travel agencies have stopped the sale of trips to such destinations, or on the other hand the tourists themselves have cancelled trips out of fear and mistrust, this has made travel agencies, airlines and hotels very affected since they are having many cancellations from their customers. In addition hundreds of tourists who visited Spain every day will also be affected and with difficulty to travel to our country; and this will affect negatively since the Asian and European visitors were important in the tourist sector in Spain where the tourist expenditure that they left according to Turespaña was of 1300 million euros per year (Godoy, 2020). It should be noted that Spain today, like many other countries, is in a state of alarm, that is in case of extreme need, it is not allowed to go out on the streets.

As for the Spanish population, as we can see in the population pyramid (graph 2), the aging process is the order of the day and this is due to the low birth rate, which is increasing more and more. We note that at present most of the population is between 40 and 44 years, but this will change from here 15 and 50 years where they highlight the ages between 60 and 70 years, it is also noteworthy that the birth rate drops over the years, this will lead to Spain is an aging nation with a smaller population. This is

caused, in large part, by the economic crisis that occurred, the difficulty in finding stable employment and in getting a home of one's own (INE, 2016).

**Graph 2: Population pyramids in Spain**



Source: INE

#### 2.2.1.4. Technological factors

It is important to analyze this factor, as technology is advancing more and more. As for the tourism sector, thanks to technological innovation, the way we travel has changed and new advances will make it possible for us to enjoy a unique experience.

The Internet plays a fundamental role, being the technology that has had the greatest impact, since most people use this medium to find out about their destination, plan and book their trip. On the contrary, there is a minority who choose to book through travel agencies, as this provides them with specialized treatment and offers them confidence. In addition these have the technology of GDS (Global Distribution Systems) that according to Bonilla (2013) are used by travel agencies for the reservation of tourist services through a database, which was incorporated into the Internet, improving the offer with better prices and greater alternatives.

As for ICT (Information and Communication Technologies) which according to Ortí (2011) "are the set of technologies that allow access, production, processing and communication of information presented in different codes such as text, image, sound...". ICTs are a fundamental tool to facilitate work, since users have easier access to information and tourism services or products are provided more quickly. Thanks to this type of technology, tourism and the different companies in the sector have been growing in several ways: improving the advertising and marketing of tourist products and services, being able to offer these services to a wider public, informing tourists in a better and more comfortable way since they can look for that same information from their homes.

Finally, most tourism companies have their own social networks like their own website, Facebook page or Instagram, in order to promote and make visible their products or services, and even reach a wider audience.

#### 2.2.1.5. Ecological factors

Nowadays, the conservation of the environment and the reduction of pollution is a great concern, not only in Spain, but all over the world. For this reason, over the years there has been an increase in the number of tourists looking for destinations that offer sustainable tourism, which is why travel agencies need to be aware of this.

Another aspect to emphasize in the ecological factors is the Corporate Social Responsibility or Business that according to Gomis-Rodríguez (2009) would be defined as "the voluntary integration, by the companies, of the social and environmental concerns in their commercial operations and their relations with their interlocutors". That is why tourism companies, being a large sector, must be aware of their impact on the environment and social concerns, and even on people.

The Community of Madrid has also joined this battle with the creation of an environmental management system called "EMAS" which consists of evaluating and



improving the environmental performance of a company or organization, as well as promoting improvements in the performance of the different organizations. This community also opts for eco-labels, which are a good way to reduce environmental impact, these consist of products or services that meet a number of sustainability criteria.

#### 2.2.1.6. Legal factors

The general legislation of the tourism sector in Spain is structured as follows:

- **Leyes de Ordenación**, we are going to focus on the Community of Madrid which is where the agency is located as each community has its own Ley de Ordenación. Among them are: Law 1/1999 of March 12 on the Regulation of Tourism in the Community of Madrid, which was amended by Law 1/2003 of February 11. And, the Law 8/2009 of December 21 about Liberalizing Measures and support to the company in Madrid.
- **Leyes de Disciplina Turística**. Among the State Regulations are: Decree 1945/83 of June 22nd that regulates the infractions and sanctions in the matter of defense of the consumers and users; and the Law 28/84 of June 19th of defense of consumers and users. As for the Autonomous Regulation, Madrid, is included in its Law of Tourist Regulation, seen previously.
- **Ley sobre el libre acceso a las actividades de servicios y sus ejercicios** (Law 17/2009 of 23 November). This law aims to improve the regulation of services and the freedom to access service activities and their free exercise throughout the Spanish territory.
- **Directiva relativa a los servicios en el mercado interior** (Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006) The aim of this law is to achieve a more effective internal market by removing legal or administrative barriers to the provision of services.

As for the “Marco Normativo” for Travel Agencies, its sectorial legislation is structured through:

- **Derecho comunitario:** Directive 90/314/EEC of 13 June 1990 on package travel, package holidays and package tours And, Directive 2006/123/EC of the European Parliament and the Council of 12 December 2006 on services in the internal market.
- **Normativa estatal:** Royal Legislative Decree 1/2007 of 16 November approves the revised text of the General Law for the Defense of Consumers and Package Travel. And, Law 17/2009 on free access to activities and their exercise, which is incorporated into the General Legislation.
- **Normativa autonómica (Madrid):** Decree 99/1996 of June 27th regulates the exercise of activities of Travel Agencies. And, Decree 214/2000 of September 21 by which Decree 99/96 of June 27 is modified.

## 2.2.2 SPECIFIC ENVIRONMENT

We will then analyze the specific environment, which unlike the general environment affects our company more directly, influencing it. The main elements of this environment and which we will analyze are:

### 2.2.2.1. Consumer analysis

Over the years, the idea of the consumer in this tourist sector has changed; as there is a great tourist offer, the ease of reaching it and the experience itself, has made them more demanding and look for great quality in each service or product. Consumers seek to travel for pleasure and to be able to relax, so what mainly motivates a consumer is to be able to disconnect and have fun. In addition to being able to get to know new cultures. Most of these, more and more, are looking to travel at a cheaper price and with the "Low Cost" companies. It should be noted that most consumers book their trips through the Internet and only 20% or 30% do so through physical agencies, which is why

customers have become more demanding and value the quality of service, so the agencies have to offer a specialized treatment and get to loyalty.

The target market groups of Niova Travel Tours are people between 30 and 45 years old and between 55 and 70. The first group is looking for family trips or honeymoon trips for the newlyweds, as the latter prefer to book their trip through an agency to be more secure and confident. As for the second group, the older people, they are looking for more relaxed trips or they are looking to go on a trip through the IMSERSO, that is why they go to a travel agency to get better information, another reason is because most of this age group doesn't know how to make use of new technologies. Besides, it also offers special trips for different people such as: trips for groups with reduced mobility, personalized circuits for people looking for a more personal and special trip, multi-activity trips for the most adventurous people or end-of-year trips for the youngest ones. On the other hand there are also people who come to contract individual services such as: air, train or bus tickets, hotel reservations and cruises.

#### 2.2.2.2. Supplier analysis

The main suppliers of the travel agencies are the tour operators or also called wholesale agencies, these can not offer their product directly to the consumer, so they do it through a retail agency. Wholesalers offer all kinds of services, whether flights or hotels, package tours, tourist services, etc. It should be noted that some of the suppliers, such as airlines or hotel chains use GDS (Global Distribution System), as it is a means of distribution that is responsible for providing information on the different tourism suppliers. These systems can be found in travel agencies where through them the customer can book and buy the different tourist services.

As for Niova's suppliers or wholesalers, this agency, like many others, is part of a group called Grupo Star. This group is formed by the various wholesalers, where through a virtual platform, retailers can access it and sell the various tourism products or services to end customers. These services or products consist of: tourist packages or circuits

around the world, cruises, air tickets, hotels, insurance, car rentals, among many others. Some examples of these wholesalers or tour operators are: Travelplan, Soltour, Tui, Marsol, MSC cruceros, Viva tours, Costa, NH hotel group, Grupo VDT, Servi vuelo, etc. Besides, it also uses Amadeus, a type of GDS, by which it makes reservations with suppliers, which are: airlines, hotel chains, car rentals. To conclude, it is worth mentioning that Niova Travel Tour has the most important suppliers in the tourism sector, like the ones I mentioned before, since they are reliable, efficient and with quality products; this is very important for the agency since having good suppliers is essential to be a good company in this sector.

#### 2.2.2.3. Dealer analysis

Tourist distribution can be carried out thanks to the different means of communication that connect the client with the tourist product or service, which is why, previously, a promotion of said product or service was carried out using different information methods. It is here where the distribution channels arise, formed by intermediaries who put the service or final product where it has to be marketed. The different functions of the distribution channels are as follows: Reducing the number of contacts, matching supply and demand, creating assortments, carrying out marketing activities, transferring the right of use, financing, assuming risk and providing additional services. (Nicolau, J. L. 2011).

The travel agency, Niova Travel Tours, uses a long distribution channel, since the product or service goes from the manufacturer to the wholesaler, from the latter to the retail agency and the latter sells the product or service to the final consumer. This means that since it is a retail agency it cannot sell its tourism products or services to other agencies, but it has to be the same agency that sells them to the final consumers. It also uses an indirect distribution channel, it is the most used in the tourism sector, since this channel usually uses intermediaries to reach the end user, these are called tour operators, the ones in charge of creating the tourism package, distributing it and promoting it, some of the main intermediaries in Niova are CNTravel, TUI, Soltour, Travelplan, etc.

#### 2.2.2.4. Competition analysis

Currently, the biggest competitor of travel agencies is considered the Internet since many of the consumers choose it to book their trips. That's why, online agencies, are the biggest competitor. Let's focus and analyze four of the possible competitors. The first three are agencies that have a great track record and are very popular in this sector, so they are considered a great competition for the agency, these are: Viajes el Corte Ingles, Halcón viajes y Viajes Ecuador. These are companies that started as physical travel agencies, but when they saw the impact on the Internet, they decided to start and make themselves known in the online world. And the last agency analyzed is a direct competition for Niova Travel Tours, since it sells very similar services and in the same market as Niova.



Source: <https://www.viajeselcorteingles.es>

El Corte Inglés travel agency was founded in Spain in November 1969, and today is considered one of the best agencies and the first in Spain with a recognized prestige and about 600 points of sale located both in our country and abroad, such as in: France, Italy, Argentina, USA, Dominican Republic, etc. It should be noted that this agency has won numerous awards of recognition such as: several awards as No. 1 in sales, award for best agency of the year... among many others.

Viajes el Corte Inglés seeks quality in its services and products as well as the full satisfaction of its customers, creating strategies for this. Its vision for the future is to continue to increase sales and meet the needs of its customers in both physical and online agencies, to focus on technological innovation, to improve the organization internally and to enhance partnerships with its suppliers. It also opts for corporate social responsibility to contribute to sustainable, economic and social improvement.

As for the services and products offered, this agency is specialized in group travel and also offers tailor-made trips for different consumers and selects the suppliers that best

suit its clients. Among the services offered are: circuits, flights, hotels, cruises, amusement parks, etc. It is one of the companies with the highest turnover in this sector, with some 2,360 million euros.



Source: <https://www.halconviajes.com>

The Halcón Viajes agency belongs to the Globalia group (the first tourist group formed by a group of independent companies), and this group is also a leader in the tourist sector. Its first office was created in Cáceres in 1971 and it continued to expand with the acquisition of Air Europa in 1991. This company is very focused on creating products that are innovative, advertising about them and they care about improving the professionalism of their employees.

This agency has numerous agencies spread throughout Spain and Portugal, with a total of approximately 1500. And besides, it is considered one of the best tourist web portals. This company aims to promote Spanish tourism and reach a younger audience. Halcón Viajes offers: hotels, cruises, flights, car rental, business trips, ticket sales, tours, and other activities. In terms of turnover it was around 650 million euros in 2018.



Source: <https://www.viajesecuador.com>

Viajes Ecuador S.A (1959), like the previous agency, is also part of the Globalia group. These are incorporated to the group in 2003, so the number of physical agencies in national territory begins to increase, and with the creation of their web, they come to expand more, this creation has as objective to reach a wider public with the intention of

satisfying the desires and needs of the clients. Like the previous agencies, it is also one of the most important at the national level.

This agency has more than 800 specialists in the tourism sector, and about 400 agencies distributed throughout the Spanish territory and has a turnover of 2 million euros.



Source: [facebook.com](https://www.facebook.com)

Wilson Travel Agency is a small retail agency located in the same area as Niova Travel Tours. Being an agency that sells services very similar to ours and in the same market is considered a great direct competition for Niova.

Among the services offered by Viajes Wilson, the following stand out: air, train and bus tickets, vacation packages and circuits, cruises, car rental, travel assistance insurance, excursions, etc.

**Table 2: Competition summary**

	<b>STRENGTHS</b>	<b>WEAKNESSES</b>
	<ul style="list-style-type: none"> <li>- Market leader.</li> <li>- It has an international presence.</li> <li>- Established brand and customer trust.</li> </ul>	<ul style="list-style-type: none"> <li>- No online interaction with customers.</li> <li>- Prices not suitable for all audience.</li> </ul>
	<ul style="list-style-type: none"> <li>- Market leader.</li> <li>- Brand belonging to a large group. (Globalia).</li> <li>- Successful advertising.</li> </ul>	<ul style="list-style-type: none"> <li>- Does little promotion.</li> <li>- It is not international, only national and Portugal..</li> </ul>
	<ul style="list-style-type: none"> <li>- Recognition and prestige.</li> <li>- Belongs to a group.</li> <li>- Great experience in the sector.</li> </ul>	<ul style="list-style-type: none"> <li>- Little publicity.</li> <li>- It is not international.</li> </ul>
	<ul style="list-style-type: none"> <li>- Good location.</li> <li>- Variety of services offered.</li> </ul>	<ul style="list-style-type: none"> <li>- Unfamiliar agency.</li> <li>- Low publicity.</li> <li>- It is not international.</li> </ul>

Source: Own elaboration

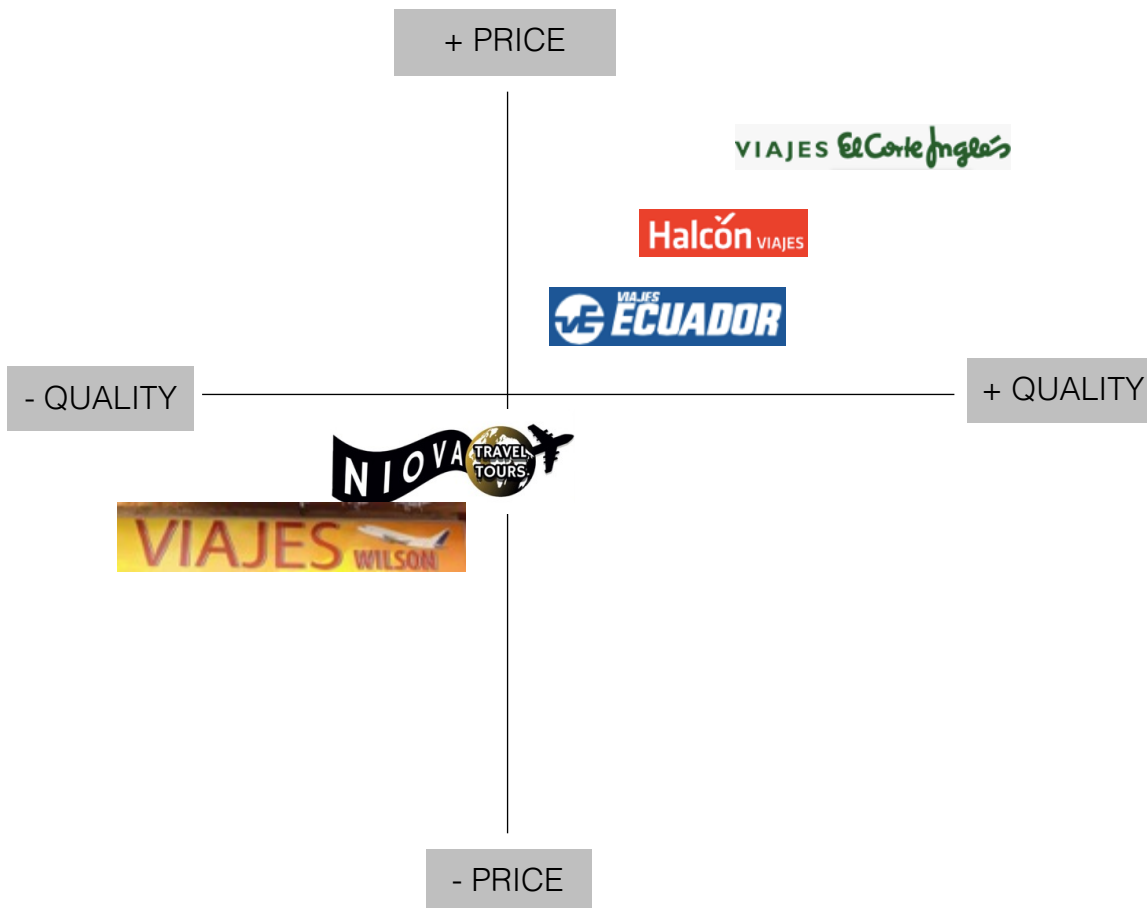
### 3. POSITIONING

As it are travel agencies, all of them usually have the same suppliers or tour operators, that is why the quality of their services will be very similar, the only difference will be the price, depending on the management costs and the sales volume of each one of



them, or by the own services and facilities they offer. Next, looking at figure 4, we can see the position of our competitors, which have been analyzed previously, in terms of price and quality; and see where Niova Travel Tours would position itself.

**Figure 4: Positioning map**



Source: Own elaboration

#### 4. SEGMENTATION AND TARGET AUDIENCE

Niova Travel Tours, being a practically new agency in the market, it is essential to identify the target audience you want to address. The services offered by the agency are aimed at all types of customers who have the desire or need to make a trip of any kind, that is, the services or products of Niova can be reached by a wide range of consumers. Although there are also some services that are aimed at a specific client, such as:

- **Families:** This segment of population usually chooses the so-called "family trips" or also adventure or multi-activity trips, since these types of trips are aimed at couples with small children who want to spend a family vacation.
- **Customers between 30 and 50 years old:** In this age group is included the population with an established purchasing power, because of this, is a niche market that spending per service or product is higher than average, this leads to this age group to be a target market for the agency.
- **Older people:** This group of the population is the one that most often resorts to agencies to book their trips, most of them choose to book IMSERSO trips, since they are suitable for their age.

## 5. SWOT ANALYSIS

**Table 3: SWOT analysis summary**

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>- High experience in the sector.</li> <li>- Previous undertaking.</li> <li>- Wide range of destinations.</li> <li>- Offers variety of services.</li> <li>- Personalized treatment with the customer.</li> </ul>	<ul style="list-style-type: none"> <li>- New and unfamiliar agency.</li> <li>- Non-existent website.</li> <li>- HHRR shortage.</li> <li>- Little publicity.</li> <li>- Doesn't have a large customer base.</li> <li>- Absence of brand and consolidation in the market.</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>- Tourism trends.</li> <li>- Constant growth of tourism.</li> <li>- Zone with diversity.</li> </ul>	<ul style="list-style-type: none"> <li>- Numerous competitors.</li> <li>- Internet.</li> <li>- Economic situation in Spain.</li> <li>- Seasonal demand.</li> <li>- Covid-19 effects.</li> </ul>

Source: Own elaboration

### 5.1. INTERNAL ANALYSIS

#### 5.1.1. Strengths

- High experience in the sector: The director of Niova Travel Tours has extensive experience in the sector, having spent more than 20 years working and managing travel agencies.
- Previous undertaking: The director has more than 10 years of experience, thanks to the previous training developing and undertaking another travel agency of her own.

- Wide range of destinations: The agency not only focuses on a single product or service, but presents a wide range of offerings such as: air tickets, cruises, package tours and many more.
- Offers variety of service: Within its wide range of services it is able to offer different services to the previous ones: multiactivity, IMSERSO, reduced mobility groups, personalized packages or honeymoons.
- Personalized treatment with the customers: It offers each client a different and personalized treatment, in order to satisfy the different desires and needs in a better way.

#### 5.1.2. Weaknesses

- New and unfamiliar agency: It is a new agency in the area, which implies little knowledge of the clients of the same, as well as an identity not yet known by the clients
- Non-existent website: The agency doesn't have a website to represent it virtually, which limits the reach to a wider audience.
- HHRR shortage: Currently the staff is limited, as the role of director and travel agent is performed by the director herself.
- Little publicity: It doesn't have a noticeable advertising expenditure, which reduces the capacity for expansion and social impact.
- Doesn't have a large customer base: Having started in a new area, the initial client portfolio is small, which causes the agency's economic growth to be slower and reduced.

- Absence of brand and consolidation in the market: A new company that is born must establish itself in the market, make customers gradually know the brand and trust it. This is a clear weakness compared to other companies that are established in the market and are known.

## **5.2. EXTERNAL ANALYSIS**

### 5.2.1. Opportunities

- Tourism trends: Thanks to holidays and free time, people want to escape from routine and take advantage of this time to book trips and discover new destinations, we could say that traveling is always in fashion.
- Constant growth of tourism: Tourism is a sector that is always booming, and more so in Spain, where every year we see how the number of the same is increasing, that benefits the businesses that are nourished by it, such as travel agencies.
- Zone with diversity: The agency is located in a nucleus with a great diversity of nationalities, which means that it is a highly predisposed area for trips to their places of origin.

### 5.2.2. Threats

- Numerous competitors: The agency, being located in the town of Madrid, the capital, has to compete with many travel agencies, since there are many in this community.
- Internet: More and more agencies are offering and selling their trips through the Internet, and this is a great threat to traditional agencies. It is also the consumers themselves who decide to hire or search for information through the Internet and not through a physical agency.

- Economic situation in Spain: This situation is detrimental to many Spanish citizens because due to economic instability and unemployment, they are reluctant to spend money on travel, they have other priorities.
- Seasonal demand: Many consumers are not looking for year-round travel, they take more weekend trips and are influenced by their holidays and days off. In addition, the summer months predominate in terms of holiday travel, as there is more tourist movement during these dates.
- Covid-19 effects: It is an issue that is the order of the day and that affects the whole planet. The tourism sector has been very affected by it, since many tourists, out of fear, have cancelled many of their trips; and this has repercussions on the airlines, hotels and travel agencies, since demand is falling and profits are not increasing. It is worth noting that many of the airlines have cancelled their flights to the most affected countries.

## **6. OBJECTIVES**

### 6.1. General objectives

The general objective of Niova Travel Tours is closely linked to the specific objectives that will be seen below. Its main objective is to grow as a company and gain the loyalty of new customers, as well as to increase sales. Also to have a greater knowledge and, products or services that make a difference in the market in which the agency is located.

### 6.2. Specific objectives

- Increase sales volume by 3% in 2021.
- Increase the billing level by 2% in 2021.

- Increase customer loyalty in 2021.

## 7. STRATEGIES

In order to analyze the different strategies that will make it possible to achieve these objectives, we will use the ANSOFF Matrix, which we can see in figure 4, and some different strategies.

**Figure 5: Ansoff Matrix**



Source: [robertoespinosa.es](http://robertoespinosa.es)

### Strategy 1: Market penetration

This strategy consists of increasing the number of sales with the current products or services and marketing them in an already existing market, and thus being able to improve and increase their market share. In order for this strategy to work well, it is proposed to carry out advertising campaigns and promotions, so that more clients reach the agency and can buy the services it offers.

### Strategy 2: Development of new markets

Business growth strategy, which consists of marketing existing products or services and developing and identifying new markets for them. To carry out this strategy, it is

proposed that the agency expand to another geographical area and open a branch offering the same services, this is an idea that the same director already had in mind to open a branch in the province of Castellón. And so, to be able to reach a new audience and improve their recognition too.

### Strategy 3: Loyalty

An essential concept in marketing is the concept of brand loyalty. We can define it simply by the loyalty that a consumer has to a service or product that the company offers. Niova Travel Tours takes care of each one of its clients, offering them the best prices and services in the market, as well as a great personalized treatment in order to try, little by little through years of experience, to establish the concept of loyalty in the mind of its own clients. To do this, a series of objectives must be achieved in order to build customer loyalty, creating a stable and lasting relationship with them. This will help the brand to generate more benefits and also improve its brand image due to the good diffusion that satisfied customers would bring.

## **8. ACTION PLAN**

### 8.1. Product decisions

#### **Action 1: Special services: Management of visa and other documents.**

**Objective to which it contributes:**

- Increase sales volume by 3% in 2021.
- Increase the billing level by 2% in 2021.
- Increase customer loyalty in 2021.

**Timeline:**

12 months

**Description:** This action is aimed at ensuring that travel documents are processed quickly and easily. It is a service that the agency will offer to avoid the worries that you have when managing the procedures, mainly those related to visas and documents in the name of the client.



Niova Travel Tours knows from the first moment which are the minimum requirements for its clients to make all the managements related to their next destinations in a comfortable and effective way

With this action we will be able to eliminate inefficiencies caused by the lack of knowledge of procedures in the clients, as well as having established the steps to follow to successfully complete the various applications for visas or other documents, whatever the destination chosen by the client.

## 8.2. Price decisions

### **Action 2: Seasonal offers. Setting new price rates.**

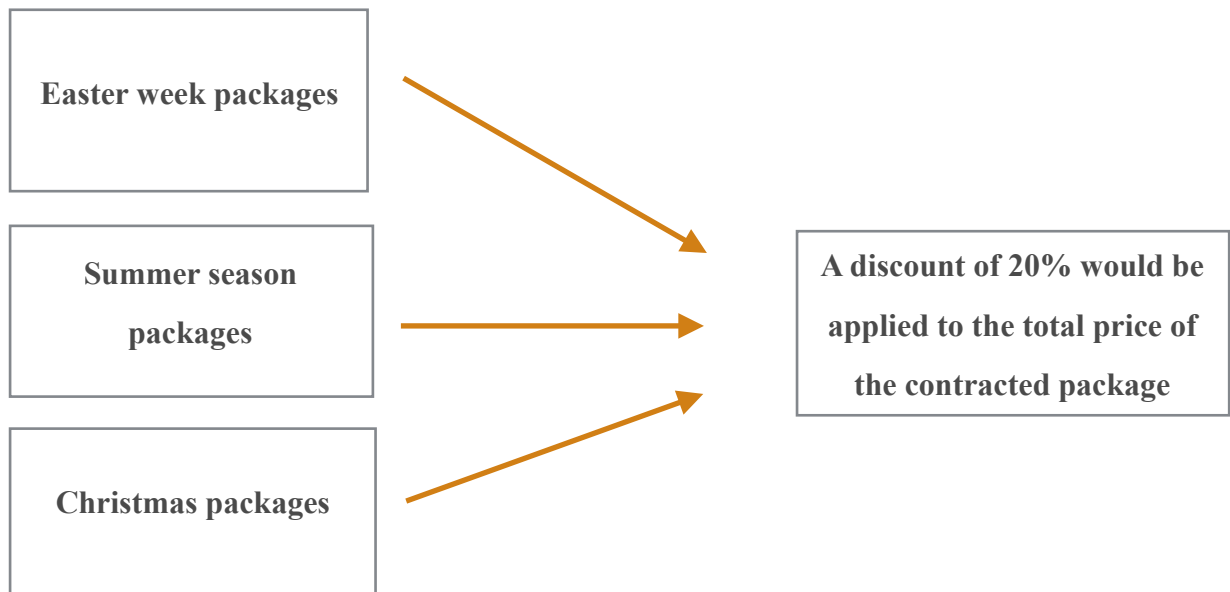
#### **Objective to which it contributes:**

- Increase sales volume by 3% in 2021.
- Increase the billing level by 2% in 2021.
- Increase customer loyalty in 2021.

#### **Timeline:**

4 months a year (April, July, August and December)

**Description:** This action would be focused on making a series of offers and discounts at designated times throughout the year. We can consider the most important dates as the following: Easter in April, summertime in July and August, and Christmas in December. Seasonal offers would be focused on packages that the agency itself contracts with suppliers; these packages would include a general discount applied by the reduction of the agency's own commission, this implies a reduction in profit, but on the other hand, it would increase the agency's own competition, thus seeing an increase in the sales flow, compensating for the reduction in commission.



**Action 3: Redefine the payment term for regular customers.**

<p><b>Objective to which it contributes:</b></p> <ul style="list-style-type: none"> <li>• Increase sales volume by 3% in 2021.</li> <li>• Increase the billing level by 2% in 2021.</li> <li>• Increase customer loyalty in 2021.</li> </ul>	<p><b>Timeline:</b></p> <p>12 months</p>
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**Description:** It would be based on providing the regular customer, a benefit over the rest; offering a form of payment in convenient installments, thus allowing the cost of the trip is more comfortable when making the payment of it.

Three types of payment deferral:

- **Payment in 2 parts:** This payment tool is focused on the total payment of the cost of the trip in 2 parts or installments. This option will be available for those clients who wish to contract a service 2 months or more from the date of the trip. It would consist of two payments, to be chosen between 50% of the trip as a first payment at the time of booking, and the other 50%, 15 days before the trip.

- **Payment in constant installments:** This payment option would be focused on trips with a reservation of 3 months or more. It would focus on paying 33.3% of the total cost on the day of booking, and every 30 days pay the remaining 33.3%. That is to say, divide the payment in 3 months.
- **Payment postponed:** This is the most risky option, since the agency itself finances the trip, 50% would be paid at the time of booking, and the other 50% would be paid the month following the return of the trip, with a supplement of 5% commission for postponement.

### 8.3. Distribution decisions

#### Action 4: Recruitment and consolidation of the commercial team

##### Objective to which it contributes:

- Increase sales volume by 3% in 2021.
- Increase the billing level by 2% in 2021.

##### Timeline:

8 months

**Description:** This action is focused on an increase in personnel, both inside and outside the office, in order to be able to delegate regular company tasks to each of them. In addition, they will enhance both the company's brand and its visibility and viability.

- **Integral hiring (Travel agent):** A person with a degree in tourism and with experience in travel agencies will be hired to improve the service and the experience of the client in the office, providing better attention, availability and support.
- **Visual hiring (Social Media Manager):** As an expert in online marketing he will be in charge of creating and planning strategies for different social media, either through social networks or the web.

- Relational hiring (**Public Relations**): It will be the person in charge of establishing commercial and working relationships with potential customers and suppliers.

### Action 5: Creation of a website

#### Objective to which it contributes:

- Increase sales volume by 3% in 2021.
- Increase the billing level by 2% in 2021.

#### Timeline:

During the time of this plan and it is extendable.

**Description:** The creation of a website will promote the sale and scope of the company, as well as an added service to it. This action will enhance the visibility of the brand, making it reach a greater number of people through online marketing campaigns, focused on the visibility of the Niova brand; will offer another way of recruitment, offer an added service for all customers, online, both for potential as those who already came regularly to the agency offering them the possibility of hiring the services offered by Niova Travel Tours through its website, which we can see in Figure 5:

Figure 6: Niova Travel Tours Website cover



Source: Own elaboration

#### 8.4. Communication decisions

### **Action 6: Promotion of national tourist destinations to combat the negative impact of COVID-19**

**Objective to which it contributes:**

- Increase sales volume by 3% in 2021.
- Increase the billing level by 2% in 2021.

**Timeline:**

12 months

**Description:** This action is mainly focused on positioning the tourism sector at pre-Covid-19 levels. The tourism sector, both nationally and internationally, has been one of the hardest hit proportionally. To do this, we want to revive national tourism, promoting the various Spanish tourist destinations to help improve the economy of our country and revive both the sector and tourism enterprises.

The intention of this action is to influence several marketing and advertising campaigns about the various benefits, both cultural and economic that has to generate an internal traffic of the population. In addition to this, generate a flow in social networks through promotions, affecting the main tourist areas of the country, such as the Mediterranean coast, one of the most affected at the territorial level.

To this end, a series of posters (see figure 7) and publications will be created, as well as an emailing to Niova's customers to draw attention to the above.

**Figure 7: Posters**



Source: Own elaboration

**Action 7: Investment in advertising: brochures and business card**

**Objective to which it contributes:**

- Increase sales volume by 3% in 2021.
- Increase customer loyalty in 2021.

**Timeline:**

7 months

**Description:** Investing in brochures is a classic advertising technique, focused at the local level, where brochures are distributed with basic information about the location of the agency, as well as a brief description of its rates; it has to have a clear message and it

has to be eye-catching, either because of its color composition or because of its elaborate style. We can see examples of these in figure 8.

The business card is a way to make known the identity of the company in a more formal way; it is distributed at a personal level, not like brochures. In addition, the business card must have a unique style, which faithfully represents the company since it is the first impression that potential customers will have when they first meet Niova Travel Tours through this method. We can see an example of this in figure 9.

**Figure 8: Brochures**



Source: Own elaboration

Figure 9: Business card



Source: Own elaboration

### Action 8: Improvement of Social Networks.

**Objective to which it contributes:**

- Increase customer loyalty in 2021.

**Timeline:**

During the time of this plan and it is extendable.

**Description:** This action is focused on improving and influencing the brand Niova Travel Tours in the digital environment, with this we want to improve the quality of publications, offering our followers a variety of content, focused on both travel and information and entertainment content. With this we also include the improvement of engagement (establishing solid and lasting relationships with potential followers) or interaction with them, establishing a digital relationship between brand-customer.

Nowadays, social networks are very important due to the digitalization and globalization of businesses and companies. Therefore, an improvement, even a slight one, can lead in the long run to greater benefits, since this implies a better positioning and a better digital settlement.



## Action 9: VIP customer card

### Objective to which it contributes:

- Increase customer loyalty in 2021.

### Timeline:

12 months

**Description:** The VIP customer card, which will be called "NioVIP" (see figure 10) is a card focused on those customers most loyal to our brand, these consumers will have a number of privileges, such as exclusive attention on their trips, offers and discounts out of season or unique content.

Figure 10: VIP customer card



Source: Own elaboration

## 9. TIMELINE

**Table 4: Timeline**

<b>Actions / Months</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>
<b>Action 1: Special services: Management of visa and other documents.</b>												
<b>Action 2: Seasonal offers. Setting new price rates.</b>												
<b>Action 3: Redefine the payment term for regular customers.</b>												
<b>Action 4: Recruitment and consolidation of the commercial team.</b>												
<b>Action 5: Creation of a website.</b>		Maintenance and use of the website										
<b>Action 6: Promotion of national tourist destinations to combat the negative impact of COVID-19</b>												
<b>Action 7: Investment in advertising: brochures and business card.</b>												
<b>Action 8: Improvement of Social Networks.</b>		Update of daily publications, maintenance and use of the website										
<b>Action 9: VIP customer card</b>												

Source: Own elaboration

## 10. BUDGET

**Table 5: Budget**

Actions	Budget
<b>Action 1: Special services: Management of visa and other documents.</b>	Free
<b>Action 2: Seasonal offers. Setting new price rates.</b>	Free
<b>Action 3: Redefine the payment term for regular customers.</b>	Free
<b>Action 4: Recruitment and consolidation of the commercial team.</b>	Travel agent: 1200€/month Social Media manager: 1000€/month Public relations: 1050€/month
<b>Action 5: Creation of a website.</b>	1000 €
<b>Action 6: Promotion of national tourist destinations to combat the negative impact of COVID-19</b>	300 €
<b>Action 7: Investment in advertising: brochures and business card.</b>	100 brochures: 50 € 500 business cards: 20 €
<b>Action 8: Improvement of Social Networks.</b>	Free
<b>Action 9: VIP customer card.</b>	100 cards: 60 €
	<b>TOTAL budget: 27430 €</b>

Source: Own elaboration

## 11. CONTROL

**Table 6: Control**

Objectives	Measuring frequency	Control method
<b>1) Increase sales volumen by 3% in 2021</b>	Monthly	Analyze year-end sales and compare them with the previous year's results.
<b>2) Increase the billing level by 2% in 2021</b>	Monthly	Analyze the annual billing and compare it with the previous year's results.
<b>3) Increase customer loyalty in 2021.</b>	Bimonthly	Questionnaires to our clients to analyze their level of satisfaction.

Source: Own elaboration

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