

MIBM

MARKETING PLAN

Module Code: ZTVM15IMA1A – IMA
International Marketing Management

Academic Year: 2018/2019
Period 4

Prof: Mariusz Soltanifar

Words Count: 2953

Name: Alessandro Collura
Student ID: 397547

***“THE POTENTIAL GROWTH OF THE
IRANIAN TRAVEL GUIDE
IN THE NEW ITALIAN MARKET”***

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1. Executive Summary:

The paper shows the potential evolution of the printed and digital Iranian travel guide in the Italian market. The long-term strategy aims at creating a lasting loyal relationship with the consumers enabling the gradual growth in the years. Because of the structure, the customers will receive the following cluster of benefits: (1) possibility to plan and control the journey thanks to a structured sequence of interlinked and interactive itineraries sub-categorised for personal interests, length of staying and financial possibilities, (2) sense of safety which is the central core of the guide and (3) continuous updates making the guide always “new”.

Furthermore, the societal value attainable with this idea includes education, respect and religious tolerance towards a culture full of beauty that has been painted as an “enemy” of the Occidental world in the last years because of the media manipulation of events.

For the fact of being digital and promoted through web channels, the overall strategy respects the regulation concerning privacy and executed in an ethical way according to decision makers' moral and company's corporate culture.

2. Situation Analysis:

The travel and tourism industry (TT) is flourishing because of globalisation and enhancement of transportation for both business and pleasure travellers (Revfine, 2018). Furthermore, the global trends of digitalisation and standardisation are transforming TT which experiences a growing expectation for a personalised approach rather than a standard one (Stfalcon.com, 2018).

Additionally, the trends gaining further TT's attention concern the systems providing *customer support* to perform multiple operations both for practical and cognitive functions and *online booking* which exceeds 57% of all of the reservations in this sector (ibid).

Specifically, Iran's tourism industry is booming because of the attention received by authorities and institutions due to the decrease of national power in the oil industry, first source of GDS until the last political developments with US restraints (Alkhalisi, 2017; Noueihed, 2018). In fact, out of all the environmental forces the agency has to consider, the most important are political and social with the addition of technological for the proposal of a digital tool. In order to give a holistic dimension to the study, both Iranian (as destination) and Italian (as market of reference) realities are analysed.

The Iranian political focus is now oriented towards the development of tourism, the creation of opportunities for new entrants and the reduction of general (11.8%) (Forbes, 2018) and youth (28.5%) unemployment rate (Euromonitor, 2018). The authorities are investing in this sector

with the constitution of new infrastructure, new jobs and the new VISA regularisation that made the access functional (IRAN Ministry of Foreign Affairs, 2019) which is in line with the governmental planning for enhancing tourism (Euromonitor, 2018). The peak registered in 2018 is of 7.8 million of tourists with a 52.5% growth rate compared with previous years (Financial, 2019). Furthermore, Iran is considered one of the safest place in the Middle-East (Doostan, 2019; Euromonitor, 2018) but the occidental perception is still diffident. For instance, when googling “Iran” from an Italian browser the first suggestions concern “Is it safe to travel to Iran?”. Additionally, some episodes of tension and violent extremism are faced in the MENA region (The Guardian, 2019) due to political instability especially at the Iranian borders (Euromonitor, 2018; Gov.UK, 2019).

However, further attention for Iran as destination is coming from Italy, whose tourism for holiday reasons (88.8%) increased to 78.940.000 in 2018 (+19.5%) (ISTAT, 2019a).

Iran tourism boom continues according to studies, becoming top popular destination analyst forecast

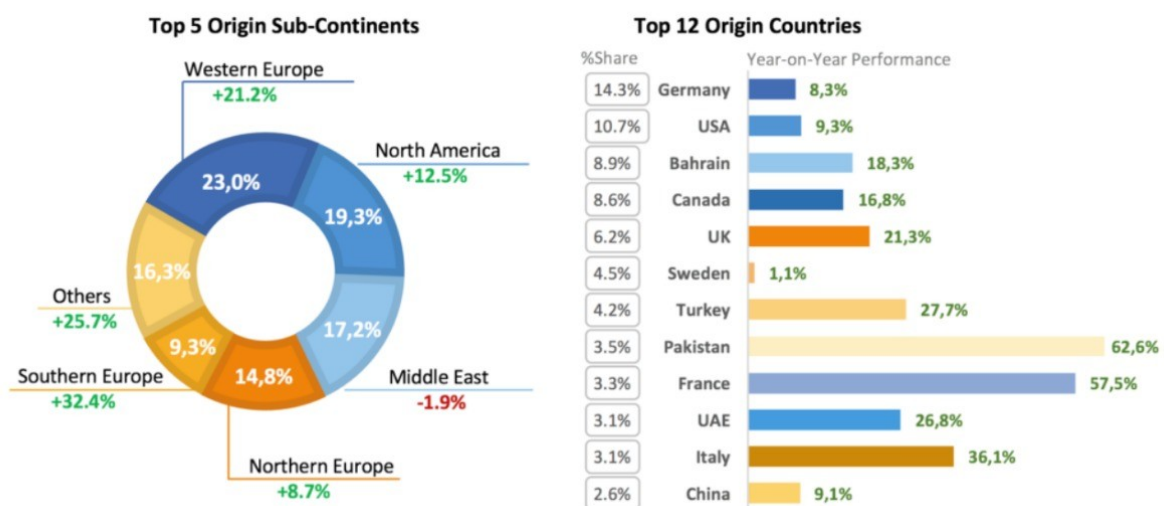


Table 1. (ForwardKeys, 2017)

According to the last data available, Iran registered 22.538 Italian visitors in 2016 (Farnesina, 2018) while 6.000 tourists resulted already in April in 2017 from the north of Italy (ANSA, 2017).

Highest Growth Origin Markets	%Var. of Total Arrivals OTB vs. Prev. Year	Average Length of Stay (Nights)	Average Pax per Booking (Persons)
Italy	+125.9%	9.9	8.1
Belgium	+81.3%	15.5	5.2
Pakistan	+74.2%	26.4	7.0
Switzerland	+34.9%	9.9	2.5
Netherlands	+32.7%	14.2	2.5

Table 2. (ForwardKeys, 2017)

And the consumer groups available in Italy are displayed:

Italian Consumer Types	Demographic	Average Age	Characteristic	Average Income (USD)	International Trip (past year)
Conservative Homebody (30%)	52% Female	39	Driven by price and value for money but eager to pay for a memorable shopping experience	40,416	57%
Secure Traditionalist (28%)	55% Female	47	Rarely make impulse purchase and look for low price	30,289	33%
Cautious Planner (24%)	56% Female	49	Like planning and carefully determine their purchase but willing to pay even more for worthy products	40,879	52%
Empowered Activists (9%)	66% Male	33	Seek for high-quality products especially with green or eco-oriented initiatives but place great value for money	47,869	86%
Undaunted Striver (9%)	57% Male	39	Self-appearance is the most important, avid followers of the latest trends, ready to spend for luxury or expensive purchases but in reality, very careful with their money and purchases	52,973	93%

Table 3. (Euromonitor, 2018)

Nevertheless, the current Italian governmental pressure might run against, whose propaganda is nationalist and based on the fear of the foreigners and immigrants (Altinier, 2018; Piccinelli, 2018). Although the current government only took 30% of the consents (IIMessaggero.it, 2019), it is a fact that the political influence has huge power over the population, especially on individuals with a lesser education degree (Berkowitz, 2018) and, thus, has to be considered.

The existence of the market-space is already an influencing force since it allows the exchange of goods and the buyer-seller transactions in a defined area (Wheeler, 2000). Then, the amount of information and accessibility from the customers alongside the possibility to compare offers requires a higher preparation from the producer's perspective (Kerin, Hartley, & Rudelius, 2014). On the other hand, even the producers have access to many more information for researching the consumers needs, structuring the value proposition accordingly and executing the marketing activities more effectively (ibid).

Furthermore, the modern programs and software solutions allow the company to design a digital guide and replace paper (Green & LoManno, 2012), to deliver it avoiding costs of physical transport and customising the service considering the legal, ethical and privacy issues related (Kerin et al., 2014).

More specifically, the focus of this paper is on the future of printed travel guides and, although it is considerable that a physical book has its advantages and charm, the comfort and practical implementation of the digital guide are of note. In fact, the interactions with platforms regarding TT are increasing (Google Insights, 2018). The digital is widely used in phase of researching, booking and in-destination planning with a flow from 50% to 80% depending on the country of origin (Google Insights, 2018, 2019). This is one of the reason why more competitors are moving towards digital solutions.

Direct	Digital	Printed	Price D.	Price P.	Deal (both)
Lonely Planet	x	x	€ 10.54	€15.05	€19.56
Iran by Hilary Smith (Bradt)	x	x	€ 16.92	€ 20.30	
Lonely Planet (Italian Version)	x	x	€ 18.99	€ 22.52	
Iran, Guida Storico-Archeologica	x	x	€ 12.99	€ 15.30	
Iran (Marco Polo)	x	x	€ 12.50	€ 8.75	
Indirect	Blogs		Travel websites		Governmental websites
	Culture Trip		InnIran.com		ANSA.it
	Travel365		Friendly Iran Travel Guide		Farnesina, Ministero degli Affari Esteri e della Cooperazione Internazionale
	Il mio Iran		World Travel Guides		
	Iran fai da te (Pimp my Trip)		Responsible Travel		

Table 4. Competitors' analysis

The selection of direct competitors has been made on the base of the date of publication, the items represent a sampling of the current tourist guides published from 2018 further since recency of information is a relevant aspect in this sector especially for a country like Iran facing quickly changes. Because of increasing of sharing economy and free platforms the indirect competitors are numerous and can be blogs, travel or governmental websites but, in the end, these only present information and are very far from the service provided by the proposed guide.

The Five Forces That Shape Industry Competition

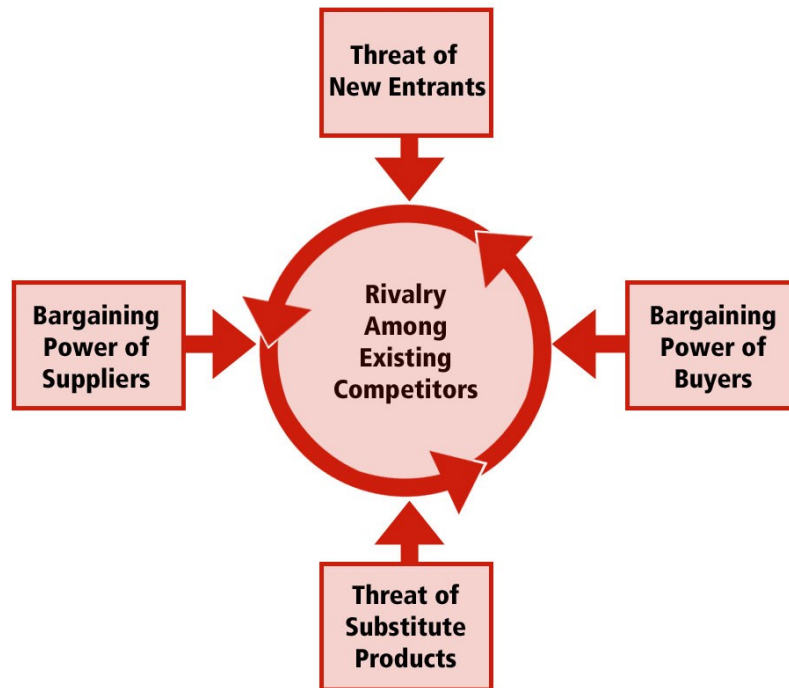


Table.5 P5F Framework (Porter, 2008),

The model to delineate the company's value proposition and to positioning in the blue ocean rather than the red one (Layton, 2009).

Firstly, the threat of new entrants is predictable if the market grows as it is foreseen and becomes profitable. However, since the Italian audience is quite brand loyal, moving in time could make feasible the creation of a loyal community and provide a compelling competitive advantage.

Secondly, the buyer is the final customer, the threat might come from macro- and micro-economical matters related to uncertainty, instability or crisis periods. Economic forces always affect purchases habits of a country (Porter, 2008).

Thirdly, when talking of a product, it can always be substituted unless it provides a unique experience or service, which is the aim of this guide. The suppliers in this case are the platform's and digital tools' providers, thus, a change in the digital market will affect all of the users.

Finally, the threat from existing competitors resides moreover in the Lonely Planet Italian version whose fame and completeness cover all of the most required aspects from tourists. Other small competitors exist but their guide is more an informative book with very little value added.

3. Market-Product Focus:

3.1 Objectives:

The intent is to take fully advantage of a little exploited market following the strategic direction of diversification (Schawel, Billing, Schawel, & Billing, 2009) where a new product for a new market is created (ibid; Kerin et al., 2014). Entering a market with growing potential and little competition can be a worthy strategy (Lisi, 2019) if the main objective is to create a long-term lasting relationship with consumers loyal to the brand.

S.M.A.R.T. Objectives	Year 1 (2019)	Year 2 (2020)	Year 3 (2021)	Year 4 (2022)	Year 5 (2023)
Influencers (to create awareness)	4	6	10	3 (best)	3 (best)
Reach (% of the estimate target market size)	24.000 (1.02%)	40.000 (1.7%)	60.000 (2.57%)	80.000 (3.45%)	100.000 (4.32%)
Customers (% of market share)	2.400 (0.10%)	4.000 (0.17%)	6.000 (0.26%)	8.000 (0.36%)	10.000 (0.43%)
Product (promotion program)	Digital guide	Digital guide (plus updates)	Digital guide (plus updates)	Digital guide (plus updates) and creation of community	Digital guide (plus updates), creation of community and printed travel guide plus guides for other destinations

Table.6

3.2 Points of Difference:

According to data personally gathered from Italian travellers who visited the Middle-East resulted that the main concern regards the sense of safety. Thus, the guide offers suggested itineraries to properly connect the place of interest considering the political and social development in real time thanks to the constant updates. Then, the guide is interactive, offering the value proposition of enabling travellers to completely plan their trip and having total control over their decisions.

3.3 Segmentation-Targeting-Positioning:

The market segmentation is made by grouping individuals with the common need to go on holiday out of Italy and that respond similarly to good deals. The segmentation is necessary because of having one product and multiple market, thus, targeting the right segment is a worthy technique to avoid wasting money and time but direct the message to an audience who is willing to listen the message and has the economic possibilities to enable the exchange of a good for money (Kerin et al., 2014).

The first segmentation is geographic, gathering prospects that correspond to a defined area (Table7.) considering the higher disposable income (Tables10.-11.-12.) and the major propensity to travel (Tables13.-14.). The second is demographic since this area house the highest rate of population (Table8.). Finally, the third segmentation is behavioural, selecting the types of customers desired for the promotional program (Tables3.-15.). The resulting market segment is the richest and biggest possible in Italy potentially interested to the value proposition offered.



Table 7. Representation of Italy divided for macro-regions (Zanichelli, n.d.)

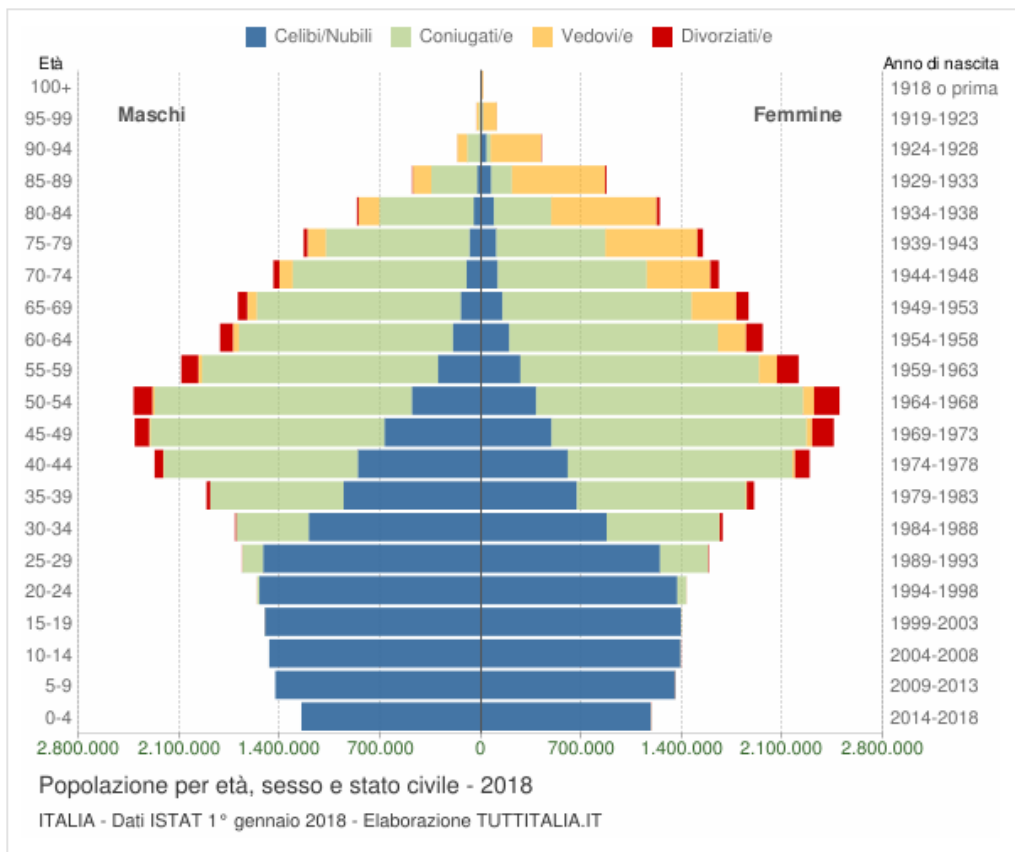


Table 8. Italian demographics (ISTAT, 2018a)

Additionally, although a slightly decrease in the recent years -see Table9., the overall disposable income is higher in the north of Italy which includes a higher expense for limited and extended purchases -see Tables10.-11.-12.

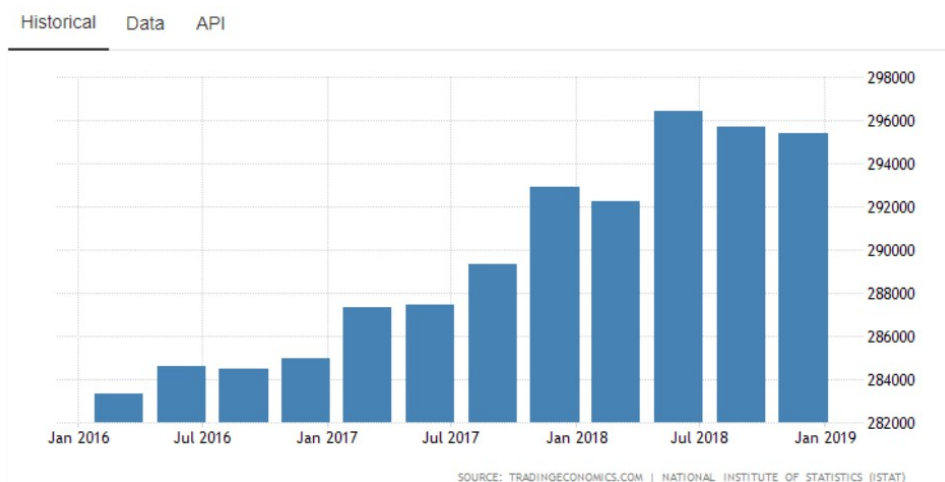


Table 9. historical data disposable personal income in Italy (TradingEconomics, 2019)

- North

Territorio	Centro-nord				
Valutazione	prezzi correnti ⓘ				
Correzione	dati grezzi				
Settore istituzionale	famiglie consumatrici ▾				
Edizione	Dic-2018 ▾				
Selezione periodo	2013	2014	2015	2016	2017
	▲ ▽	▲ ▽	▲ ▽	▲ ▽	▲ ▽
Tipo aggregato					
reddito disponibile lordo ⓘ	792 145.9	797 847.6	809 911.2	822 751.8	836 413.8
reddito disponibile netto ⓘ	753 065.4	758 199.9	769 667.3	782 047.7	795 199.2

Table 10. Translation: disposable income gross and net (ISTAT, 2019b)

- Centre

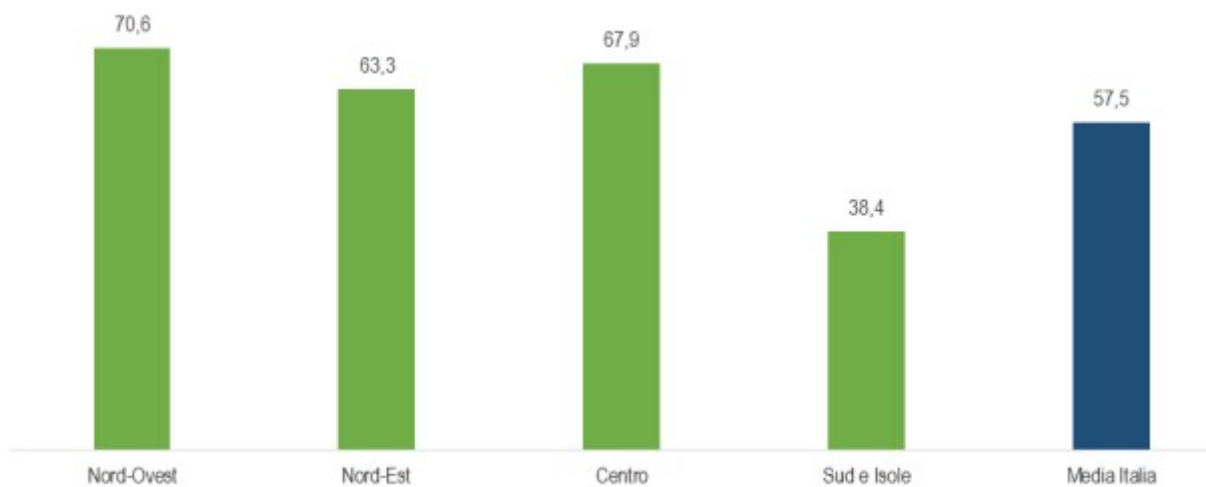
Territorio	Centro ▾				
Valutazione	prezzi correnti ⓘ				
Correzione	dati grezzi				
Settore istituzionale	famiglie consumatrici ▾				
Edizione	Dic-2018 ▾				
Selezione periodo	2013	2014	2015	2016	2017
	▲ ▽	▲ ▽	▲ ▽	▲ ▽	▲ ▽
Tipo aggregato					
reddito disponibile lordo ⓘ	222 226.1	224 420.5	226 916.8	231 502.2	234 763.3
reddito disponibile netto ⓘ	208 807.4	210 918.1	213 390.4	218 076.8	221 135.3

Table 11. (ibid)

- South and Islands

Territorio	Mezzogiorno ▾				
Valutazione	prezzi correnti ⓘ				
Correzione	dati grezzi				
Settore istituzionale	famiglie consumatrici ▾				
Edizione	Dic-2018 ▾				
Selezione periodo	2013	2014	2015	2016	2017
	▲ ▽	▲ ▽	▲ ▽	▲ ▽	▲ ▽
Tipo aggregato					
reddito disponibile lordo ⓘ	270 642.2	272 480.8	276 967.8	279 498.9	283 792.7
reddito disponibile netto ⓘ	259 126.1	260 837.7	265 091.8	267 363.0	271 504.9

Table 12. (ibid)



Fonte: elaborazioni su dati Istat

Table 13. Originating departure for international travels for macro-regions (Il Sole 24 Ore, 2018)



Fonte: elaborazioni su dati Istat

Table 14. International departures per region (ibid)

A further segmentation involves people between the 30 and 50 years old according to the findings from a study in Italy that demonstrated a stronger trustworthiness towards online sources by Italian travellers between these ages (Chiappa, 2013):

- Increased propensity of buying online with age (Law, Leung, & Wong, 2004) especially regarding travels (Chiappa, 2013)
- Experienced groups make more online purchases (Kim & Kim, 2004)
- Frequent buyers show more willingness in consulting and booking on line (Chiappa, 2013).
- Decrease in trustworthiness in physical agencies (ibid) which leads to the phenomena of dis-intermediation (Law, 2009)
- The website should contain elements designed to attract middle-aged and richer Italians (Chiappa, 2013).

Thus, the promotion program is directed to people responding to these characteristics.

Types selected	% of Population	Income (USD)	International trip last year
Cautious Planner	24 %	40,879	52 %
Undaunted Striver	9 %	52,973	93 %
Common features: both are attracted to fancy offers that are at the same time worthy and convenient, they like new trends and are willing to pay more if the value of the offer overtakes the price. At the same time, they evaluate money and cost and, thus, if the offer highlights the advantage of the purchase and the exclusivity of the destination they will possibly take action.			

Table 15. (Euromonitor, 2018)

According to the previous data, the market size is introduced.

Available market size	Total Population (per Region)	Average age	Age 30-50 (35.6%)	Target market size -average- (33%)	International trip in the past year -average- (72.5%)
Valle d'Aosta	126.883	45.1			
Piemonte	4.392.526	46.1			
Liguria	1.565.307	48.2			
Lombardia	10.019.166	44.3			
Emilia Romagna	4.448.841	45.4			
Trentino Alto Adige	1.062.860	42.8			
Veneto	4.907.529	44.6			
Friuli Venezia Giulia	1.217.872	46.6			
Total (n° of people)	27.740.984	45.3	9.875.790	3.259.011	2.362.783

Table 16. Market available per regions considered (ComuniItaliani.it, 2019; ISTAT, 2018b, 2018a)

A more detailed analysis considering the types selected allows foreseeing the potential market growth.

Market Growth	2016	2017	2018	2019	2020	2021	2022	2023
Total Italian tourists inbound to Iran	22.538	20.792	19.940	20.558	21.195	21.852	22.529	23.227
Total Italians 30-50 in the North of Italy	9.967.250	9.921.520	9.875.790	9.830.060	9.784.330	9.738.600	9.692.870	9.674.140
Total Italian primary and secondary groups (Euromonitor, 2018)	/	/	3.259.011	3.243.920	3.228.829	3.213.738	3.198.647	3.192.466
Total Italians in the north interested in international trips	/	/	2.362.783	2.351.842	2.340.901	2.329.960	2.319.019	2.314.538

Table 17. (ISTAT, 2018a)

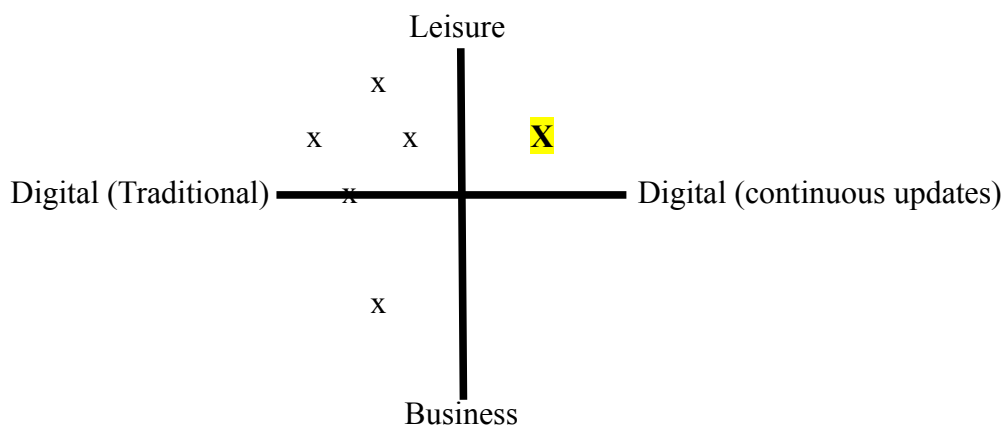
Hence, the choice of product proposed is done by executing a market-product grid to individualise the best target among the possible alternatives a travel guide can offer. The estimate market size bring to the individualisation of the most profitable target to then take marketing actions.

The voice “Safety and Control” has been added after conducting interviews with people from Italy who travelled in the Middle-East to gain insight about their perception of the place. Mainly, the feedback was positive but the sensation described outlined a lack of security in this area by actual Italian or English travel guides.

AGE	GEO	Business	Culture	Safety and Control
20-30	North	1	1	2
	South	1	1	2
30-40	N	2	2	<u>3</u>
	S	1	2	3
40-50	N	2	2	<u>3</u>
	S	1	2	3

Table 18. Estimated size of the potential markets (3 = Large Market; 2 = Medium Market; 1 = Small Market; 0 = No Market)

As previously shown, a lot of “products” within a guide might be proposed on the market and the fact of merging culture and safety is a worthy feature. However, the real POD resides in the monthly update that might provide a decisive competitive advantage.



In the customers' mind, this will be the substitute of a living guide in a foreign country. The comfort of knowing where you are, what you can do and what happens around.

4. Marketing Program:

The travel guide belongs to the category of the shopping products (ComuniItaliani.it, 2019; Euromonitor, 2018; ISTAT, 2018b, 2018a), thus, the controllable marketing mix factors suggested are the following:

Product: the new product for the new market is meant to be a revolutionary idea that enter the market for being unique. The quality of the service/content embedded in the guide is considered of value for the project.

The complexity is underpinned by reducing the amount of understanding required for the technological sophistication (consider the audience of 30 to 50 years old might include people not very able with technological devices). The social risk of doing a “stupid” purchase is high especially regarding trips because of the high level of social recognition the decision involves. Hence, the promotion has to underpin this issue alongside the physical risk of having a worthless guide or, even worse, owning a digital guide and not being able to use it.

Therefore, in order to settle an initial good reputation and positive first impression, the staff provides all of the assistance customers require with the after-selling service since the ancillary support required can influence the decision. The strength resides in the continuous update since the main resistance of this market is the feeling of lack of security in moving to Iran (Travel365, 2019). Although it is considered a safe zone, the inner driver are always powerful in customers decision phase (Court, Elzinga, Mulder, & Vetvik, 2009) and some tensions effectively exist (The Guardian, 2019), though, the “safety section” will have a relevant role both in the content of the guide and in the promotional communication.

Price: the price strategy involves a skimming pricing of € 24.50 for the digital, higher than direct competitors, in a combination of bundle pricing with the hotel booking. This strategy is to sell the guide at a sustainable price for covering the initial costs but in away that the price is wrapped and, thus, invisible. Furthermore, the price can be higher because a guide with constant updates works in a competitive monopoly situation, thus, the competitors compete on other features than price (Kerin et al., 2014).

Then, the hotels selected for the partnership averagely cost € 30/40 per night. However, the offering proposes discounted prices agreed with the hotels involved because of their advantage of receiving guests they would not host otherwise. Additionally, no further spending for their marketing promotions and the convenience of being part of the circle that systematically sends customers to them. At the same time, they can support the cause of increasing tourism in Iran and permit the

development of the tourist guide project with no effort but long-term benefits.

Thus, the offer is still convenient even including the guide for tourists who will spend more if booking somewhere else:

A) Number of guests	B) Days of staying	C) real price	D) Offer (-15%)	E) Final price (with guide)
1	4	120	€ 102	€ 126.5
	5	150	€ 127.5	€ 152
	6	180	€153	€ 177.5
	7	210	€ 154	€ 178.5
			(-20%)	
2	4	€ 240	€ 192	€ 216.5
	5	€ 300	€ 240	€ 265.5
	6	€ 360	€ 270	€ 294.5
	7	€ 420	€ 336	€ 360.5
			(-30%)	
3	4	€ 360	€ 252	€ 276.5
	5	€ 450	€ 315	€ 339.5
	6	€ 540	€ 378	€ 402.5
	7	€ 630	€ 441	€ 465.5

Table 19. Example of proposal guide+hotel and discounts

The growing advantage happens purposively when increasing the number of staying or people to trigger the long-haul travellers, a huge portion in Iran (Habibi, Rahmati, & Karimi, 2018; ForwardKeys, 2017). Then, the digital payment system implemented directs the quotes for the guide to the agency and the rest to the hotel selected with a system of automatic online booking (Craig, 2018; Masi, 2018).

Promotion: the promotional program is directed to final customers while the guide is in the introduction phase of its product life cycle, thus, the goal of the promotional activities is to inform the prospective audience of the existence of the new product.

Hence, the promotional elements combined in the promotional mix are public relations and direct marketing in a two fronts strategy (1) increase awareness about Iran and potential benefits for travellers and (2) promote the offer of guide and hotel accommodation. The first point is executed

by dealing with five tourism influencers, whereas the second is accomplished through a strategy of direct marketing and online advertising which is less expensive and can be personalised. In order to reach the target desired, an Italian marketing company is contracted since they know better the market and how to connect with it (Lisi, 2019). This company will undertake the combination of online advertising and direct marketing on Facebook as complementary promotional elements (ibid).

CPM (FaceBook ADS)	Example	Total desired 1st year
Reach (montly)	1000	50.000
Reach (yearly)	12.000	600.000
Conversion Rate (4%)	480	24.000
Effective Buyers (10%)	48	2.400
Cost (monthly)	€ 6,40	€ 320
Cost (yearly)	€ 76,80	€ 3.840

Table 20. (SEOexpert, 2019)

The promotional strategy imposes a bait and switch practice which, in this case, is conducted in an ethical and not deceptive way, where the bait is the lowest price to encourage people clicking but the switch is even recommended, since more days equal cheaper price. Furthermore, the comparison with the previous hotel price -see Table19 is well displayed to underline the convenience.

Place: for being an on-line service, the distribution works straight, avoiding additional costs for adding actors in the chain. The guide is in fact distributed to the customers through a direct channel in the form of a web platform presenting information about the content, the functionality of the guide, the benefits and the possible savings (Lisi, 2019).

<i>Frequency</i>	
New buy	Singular purchase per family plus free upload
Straight Re-buy	Buy uploads for next years
Modified Re-buy	Modify the strategy if some obstacles arise or personalisation program highlights better solutions. These decisions can only be assessed ex-post (Fleurbay & Peragine, 2013)

Table 21.

4.1 Social Responsibility:

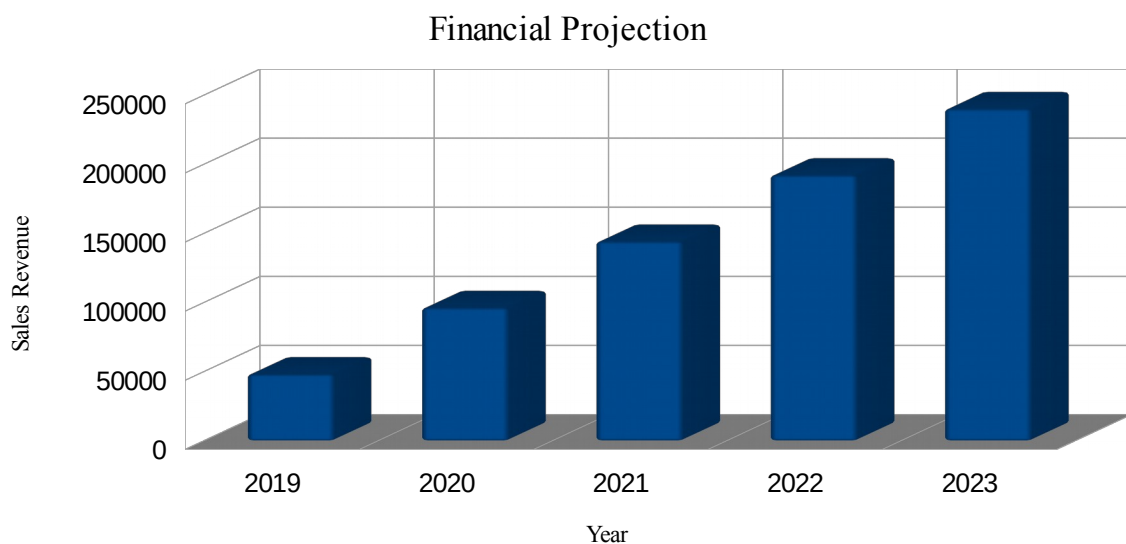
The company has the duty to maximise profit in order to gain money for further societal improvement, consequently, the stakeholders responsibility is linked with the profit. Since the marketing actions aim at improving lives of the people who are in contact with the company, employees, travellers and the side business that gain profit from this initiative will benefit.

The last responsibility is towards society as a whole, the project offers a green marketing approach, underlining the saving of paper through the purchase of a digital guide rather than in paper. After the first two years used as test for the market, the company can start displaying on the website the amount of paper saved according to the number of guides sold.

5. Financial Projection:

Financial Elements	Year 1 (2019)	Year 2 (2020)	Year 3 (2021)	Year 4 (2022)	Year 5 (2023)
Guides sold	2.400	4.000	6.000	8.000	10.000
Net sales	€ 48.000	€ 96.000	€ 144.000	€ 192.000	€ 240.000
Gross profit	€ 39.800	€ 78.000	€ 126.000	€ 174.000	€ 222.000
Operating profit	€ 3.260	€ 4920	€ 16.380	€ 27.840	€ 39.300

Table 22. Appendix 1



Graph 1. Financial projection of expected growth and future sales trend

6. Implementation Plan:

TASK NAME	START DATE	DAY OF MONTH*	END DATE	DURATION* (WORK DAYS)	DAYS COMPLETED*	DAYS REMAINING*	TEAM MEMBER
First-Third month (Preparation)							
Contact Hotels/Prepare Offer	7/1	1	7/31	31	31	0	IRM
Research on Iran	7/1	1	7/31	31	24,8	6,2	R&D
Write the Guide (and translate)	8/1	1	8/31	31	18,6	12,4	Outsourcing
Set the web page (and payment)	8/15	15	9/15	32	12,8	19,2	Outsourcing
Contact direct marketing company	10/1	1	10/31	31	6,2	24,8	IRM
Fourth-Sixth month (Execution)							
Contact and send influencers to Iran	10/1	1	10/31	31	31	0	IRM
Start direct marketing and online adv.	10/1	1	12/31	92	73,6	18,4	Outsourcing
First Updates	10/1	1	12/31	92	55,2	36,8	Outsourcing
Gather the first feedbacks	10/1	1	12/31	92	36,8	55,2	ITM
Seventh-Ninth month (Execution)							
Monthly advertising	1/1	1	3/31	91	91	0	Outsourcing
Second Updates	1/1	1	3/31	91	72,8	18,2	Outsourcing
Modify advertising (Personalising)	1/20	20	3/31	72	43,2	28,8	Outsourcing
Keep increasing awareness	1/1	1	3/31	91	36,4	54,6	Influencers
Tenth-Twelfth month (Evaluation)							
Evaluate previous months	4/1	1	4/30	30	30	0	Owner
Keep updating and advertising	4/1	1	6/30	91	72,8	18,2	Outsourcing
Analyse results	6/1	1	6/30	30	18	12	Owner
Exploit what works, Modify what does not (for next year)	6/1	1	6/30	30	0	30	Owner

Table 24. Appendix 2

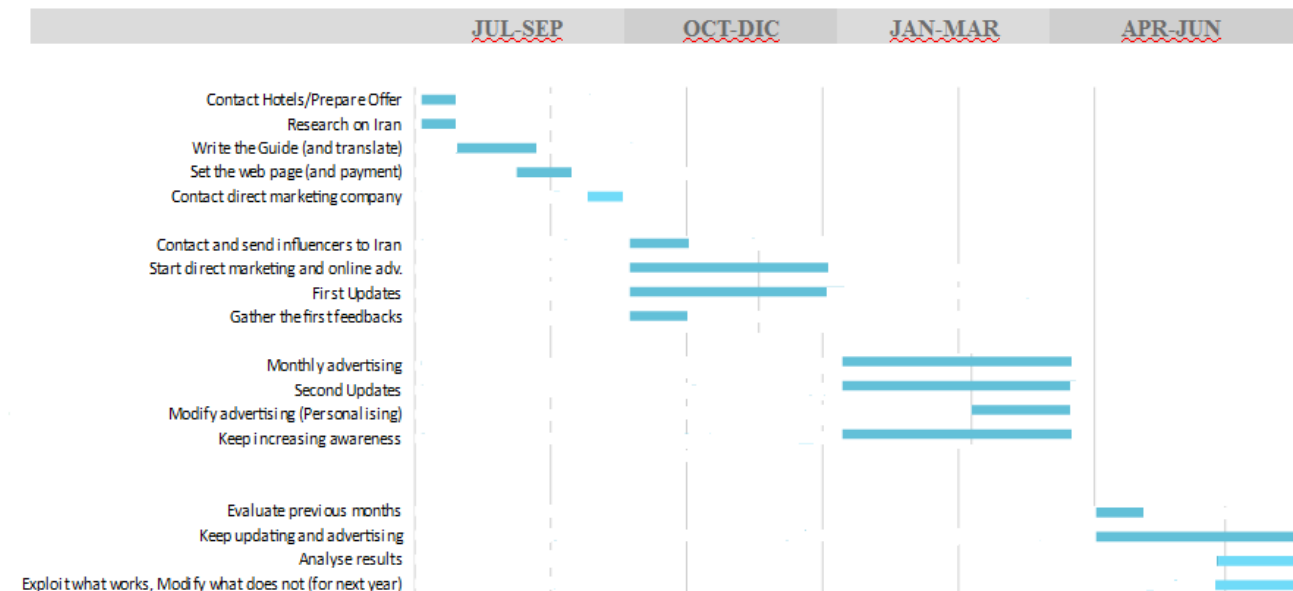


Table 25.

7. Reflection:

Sources (total: 53)	%	Year (from-to)	Reliability
Journal articles (12)	22.67%	2000-2018	✓
Governmental sources (2)	3.80%	2018-2019	✓
Statistical Websites (5)	9.46%	2018-2019	✓
Official Websites (12)	22.49%	2017-2019	✓
Blogs (16)	30.23%	2017-2019	Check of comments and comparison with other websites to find discrepancies or similarities
Interviews (6)	11.35%	2019	Asking travellers from personal network who travelled in the Middle-East about their feeling during the journey (personal trustworthiness)

Table 24. Reliability of sources

8. Financial Aspects:

Sales	<i>Gross Sales</i>			58.800
	Less Returns			1.000
	<i>Net Sales</i>			57.800
Costs	Beginning Inventory at cost		5.000	
	Purchases at billed cost (web space)	3.000		
	Purchases at net cost	3.000		
	On-line payment system	2.000		
	Net cost of delivered purchases		5.000	
	Direct labour		4.500	
	Cost of goods available for sales		12.500	
	Less: Ending inventory at cost		4.000	
	<i>Cost of goods sold (COGS)</i>			18.000
	<i>Gross margin</i>			39.800
	<i>Expenses:</i>			
	- Selling expenses:			
	Funnel outsourcing	8.000		
	Advertising expenses	11.840		
	Guide updates	3.600		
	Influencers' flights (4)	2.000		
	<i>Total selling expenses:</i>		25.440	
	- Administrative expenses:			
	Owner's salary	/		
	Bookkeeper's salary	1.200		
	Office supplies	300		
	<i>Total administrative expenses:</i>		1.500	
	- General expenses:			
	Rent	2.400		
	Utility expenses	3.000		
	Insurance	2.000		
	Social security taxes	2.200		
	<i>Total general expense:</i>		9.600	
	Total expenses			36.540
Profit or Loss				(+) 3.260

Table 25. Appendix 3

8.1 Budget:

Objective and Task Budgeting	Year 1 (2019)	Year 2 (2020)	Year 3 (2021)	Year 4 (2022)	Year 5 (2023)
1) Promotion objectives	Increase awareness and obtain 2.400 customers	Increase awareness and obtain 4.000 customers	Increase awareness and obtain 6.000 customers	Maintain loyalty and create a community with existing customers plus reach 8.000 new customers	Maintain loyalty, reach 10.000 new customers and provide new products and services on a well established market
2) Tasks to accomplish objectives	Contract influencers (4) and combine online advertising with direct marketing	Contract influencers (6) and combine online advertising with direct marketing	Contract influencers (10) and combine online advertising with direct marketing	Keep the best influencers (3) and create an online area that works as community for travellers sharing	Continue with the promotional activities and the promotion program while introducing new products and services for the existing market
3) Promotion cost	€ 25.440	€ 34.700	€ 45.930	€ 52.380	€ 62.600

Table 26. Appendix 4

9. Conclusion and Recommendation:

In conclusion, regardless little decreases, expenditure by Italian outbound tourists keep increasing (OECD, 2018). Additionally, it is registered that Italians are ready to do some sacrifices to go on holiday, for instance, during summer the tourism expenditure increase of around 10% (Kraus, 2017). It means the target market already takes the action of going on holiday abroad (ISTAT, 2019a), just it does not largely consider Iran as a possibility yet.

Then, an entrance in this market with little competition and a foreseen growing interest for Iran might be a winning strategy (Lisi, 2019). Thus, the strategy proposed does not aim at making huge profit in the first stage but at creating value and loyalty for users in order to maximise profit in the long-term thanks to the relationships created and a consequent enlargement of the referring market.

The idea of starting digital is worthy for three reasons. Firstly, according to the finding on the field (Chiappa, 2013) the target market is best reachable and more eager to move digital. Secondly, the market is still small, hence, going digital is less risky and less expensive to test the market which, if responding positively, can become a very profitable source. Thirdly, digital is the mode to implement the POD (updates) and acquire market share and loyalty.

Consequently, it is rushed to enter with a printed guide when there is a strong competitor such as Lonely Planet in Italian before creating a loyal market share. Then, when the company is well established and known (prevision for the fifth year) it will be possible to attempt a ratio of 75% digital and 25% printed to be even more present in the market and acquire indeed the more traditional consumers.

Appendix 1 Net sales = price € 24.5 considering returns and allowances;

Gross profit = keeping the average cost;

Operating profit = expenses increase of 36.540 of 1st year plus cumulative (increasing cost) 50% 2nd year, 25% 3rd year, 12.5% 4th year and 6.25% 5th year

Appendix 2 IRM = International Relationship Manager; R&D = Research and Development;

ITM = Interactive technologies Manager

Appendix 3 Direct Labour = average cost per hourly payment for writer and programmers (2)

(PayScale, 2019b, 2019a)

Direct Marketing Company Outsourcing = company payment to structure the funnel system, marketing automation system and copy-writing

Advertising = CPM+online advertising = € 3.840+€ 8.000

Average Guide Update Expenses = € 30/h per average 10h/month

Appendix 4 Budgeting = funnel outsourcing € 8.000

advertising expenses I° € 8.000 II° € 8.000 III° € 5.000 IV° €

2.000 V° € 2.000,

CPM I° € 3.840 II° € 6.400 III° € 9.600 IV° € 12.800

V° € 16.000

(see Table20. For the cost and Table 22. for the reaches desired)

influencers' flights I° € 2.000 II° € 3.000 III° €5.000 IV° € 1.500

guide update € 3.6000

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