

**Czech University of Life Sciences Prague**

**Faculty of Economics and Management**

**Department of Information Technologies**



**Bachelor Thesis**

**Analysis and design of online marketing for the travel  
agency Tempo-Tours Praha s.r.o.**

**Jakub Křivanec**

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# CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Faculty of Economics and Management

## BACHELOR THESIS ASSIGNMENT

Jakub Křivanec

Business Administration

Thesis title

Analysis and design of online marketing plan for the travel agency Tempo-Tours Praha s.r.o.

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### Objectives of thesis

The main goal of this thesis is to propose an innovative online marketing plan for the travel agency Tempo-Tours Praha s.r.o. to gain more clients and achieve better results.

Partial goals are:

- To create comprehensive literature review of online marketing trends, tools and issues.
- To compare the current and the new online marketing plan.
- To evaluate proposed solution and formulate recommendations.

### Methodology

Methodology of this thesis contains a field study to see how the travel agency works. To accomplish the main goal, a number of analytical methods will be used such as SWOT analysis, PESTLE and competitors analysis. Also, comparative method will be used to evaluate the new proposed online marketing plan. Based on the outcomes of the theoretical and practical part, final recommendations and conclusions will be formulated.

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**The proposed extent of the thesis**

30 – 40 pages

**Keywords**

Online marketing, marketing strategy, social networks, SEO, retargeting, mobile application.

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**Recommended information sources**

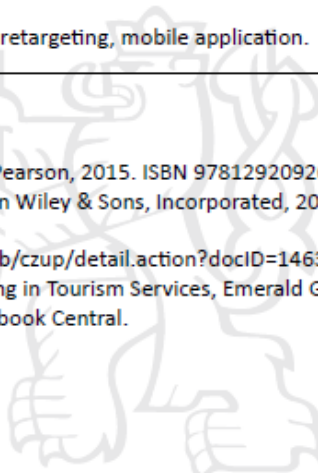
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### **Declaration**

I declare that I have worked on my bachelor thesis titled "Analysis and design of online marketing for the travel agency Tempo Tours Praha s.r.o." by myself and I have used only the sources mentioned at the end of the thesis. As the author of the bachelor thesis, I declare that the thesis does not break copyrights of any their person.

In Prague on 15.03.2018

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### **Acknowledgement**

I would like to thank Ing. Miloš Ulman, Ph.D. for his kindness, guidance and patience when providing advice. Also, I would like to thank my family for their help and support during my work on this thesis.

# **Analysis and design of online marketing for a travel agency**

## **Abstract**

The goal of this thesis was to create a new online marketing strategy for the travel agency Tempo Tours Praha s.r.o. to expand the clientele, increase the number of products sold; therefore, increase the profit.

This thesis is composed of two parts. The first part, theoretical part, points out some information about online marketing and how to reach the highest chance to achieve the goal of creating a sufficient online marketing plan. This section also describes what the trends are and how to use them in order to gain someone's attention.

The second, practical part, proposes the innovative marketing plan that could help the company to increase their customer reach. Basically, it shows how the marketing should be used be on the internet. Major segment of the practical part is about social media, video sharing sites and correspondence sites and their influence on public perception.

**Keywords:** online marketing, marketing strategy, social networks, social media, SEO, retargeting, mobile application

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# 1 Introduction

Recently, the world of internet has been making a massive progress than ever before. It has been evolving and become much more important in all parts of our lives such as work, entertainment, health and well-being, education, interpersonal relationships, and business area included. The importance of internet in business is incredible. Nowadays, majority of people is heavily dependent on electronic devices with online connection.

Marketing serves as a natural connection and communicator between the final customer and trading company and is definitely one of the most important aspects in every industry segment. In the recent decade people have tended to do most of their buying, selling or working activities on the internet since this is a way far more comfortable to execute these operations online. Anyone working in any type of a business segment should be aware of this fact. According to Square and Mercury Analytics (Pal, 2017), as much as 51% of Americans prefer to shop online, including travel agencies and tourism industry. Entrepreneurs need to realize this – internet and digitalization of processes is our future. In connection with our daily online presence and behaviour, there is a data issue which comes into account. Our personal data as well as industry big data are essential for all industry segments, nothing to say about travel trade. Naturally, each firm needs data for its selling activities, but it is absolutely vital for marketing purposes mainly. Companies need to get themselves somehow into people's mind and grab their attention. Since today's interest lays in the online world, a massive spending in marketing goes to the internet.

In this thesis, an online marketing plan is created to show how to execute digital advertising using social networks, search engine marketing etc. It is focused on all kinds of online advertising that can help with the company's promotion.

In these days, many companies are doing business online only, that means they produce, offer and sell their products virtually, such as vouchers or coupons for any kind of relaxing, entertaining or recovery services. This is called e-business. E-business is a new trend of modern entrepreneurship. For many reasons, it is the most convenient way how to establish functional enterprise. The best example of such a type of online service provider is a travel agency for example Booking.com, zajezy-online.cz, Invia.cz and many more.

This thesis explains all the tricks and tips how to make an ideal online marketing campaign that could be suitable for any type of travel agency or even other type of enterprise.

## **2 Objectives and Methodology**

### **2.1 Objectives**

The main objective is to create an innovative marketing plan for the travel agency Tempo Tours. It is based on current travel as well as business trends. It is important to know what the modern approach is like because of today's dynamic and fast evolving online world. This plan should be able to gain more customers in all age categories. The plan focuses just on online tools. Of course, some segments of social media such as social networks and travel trade websites are more important than others.

Partial objectives include comprehensive literature review addressing key marketing theories. The purpose of the literature review is to identify main factors that influence customer's attention and to understand importance of an online advertising in a company.

The practical part describes a company's field research comparing the current and the newly proposed online marketing plan. Based on the field research, important marketing activities and the new approach is evaluated. The aim of this part is to reveal key differences that can help to make the marketing plan more efficient.

There are lots of diverse types of online media that can help with promoting a project, company, product or service. Regarding the thesis objectives stated above, a series of research questions should be examined:

- What types of social media in particular are the most proper ones to approach for a travel agency to gain customers' attention?
- Why should a company spend high amount of time on online marketing?
- Which methods might be used to maximize the potential client's lust for offered products?

### **2.2 Methodology**

Theoretical part is done by describing the basics of online marketing that are needed for a reader to understand the practical part. It begins with more general ideas and practices used to create a sufficient marketing plan that could help company's development and expansion and goes deeper into the improvement of the firm's promotion.

In the practical part of the thesis, a few analytical methods are used such as SWOT analysis, PESTLE and competitor analysis. SWOT is a planning tool used for learning strengths, weaknesses, opportunities and threats of a company or business. Since SWOT is

used for strategic and marketing planning, it would be necessary to complement it with PESTLE and the competitor analysis. PESTLE is important to understand external forces that might support or threaten a company or business project. It is crucial to explore these factors because according to the result of this analysis the marketing plan can be created or eventually adjusted to maximize the result. That result can provide many possibilities some considered to be the most important in marketing such as attracting potential clientele.

A comparison method is used to evaluate the results of the new online marketing plan and the current one. By doing so, the evaluation of both plans could be done and measurement of improvement of company's marketing could be designed and adopted. Issue of comparative method could be provided, while some mistakes are obvious, some are not that clear and then its fate is strictly subjective.

## 3 Literature Review

### 3.1 Marketing

Philip Kotler (Kotler, and others, 2012) defines marketing as: *“Marketing is the science and art of exploring, creating, and delivering value to satisfy the needs of a target market at a profit. Marketing identifies unfulfilled needs and desires. It defines, measures and quantifies the size of the identified market and the profit potential. It pinpoints which segments the company is capable of serving best and it designs and promotes the appropriate products and services.”* Marketing is about gaining customers’ attention about an offer that the business provides. It is crucial to have a good marketing campaign. There are many methods used to influence, affect and seduce potential buyers or investors. Lots of entrepreneurs are mistaken to think that marketing is just about advertising and demonstrating the product offered, it is also about what people think about the brand, what people think of when someone says the name. Purpose of marketing is to create and maintain some kind of relationship that provides mutual help. Good marketing is a major key to improve a company for its own sake.

Marketing is structured in so called 4 P’s as Investopedia (Investopedia, n. d.) shows:

- Product
- Price
- Promotion
- Place

Product is the question number one. What is actually the thing that is being sold by the company. Before anything else is being dealt with, this part needs be clarified. Very often customers are the ones helping with this issue via surveys that are set to determine what would they like considering design, flavour, colour, functions etc.

Price gets evaluated the same way as product. Using surveys would possibly pay for the product, also every company knows what the lowest cost is, according to that they count the price of the result.

When the product and price is set, promotion comes to the scene. Now, there is a need of getting the final subject to everyone willing to buy it.

Place means where a company would like to sell. For example, stores, retailers but most importantly e-shops, that are more than crucial nowadays.

The other possibility according to Smart Insights (Hanlon, 2017) to divide is 7 P's marketing mix:

- Product
- Price
- Place
- Promotion
- Place
- Physical Evidence
- People
- Process

Physical evidence is mostly about creating the perfect sight on a company from a customers' point of view. Tracking their actions and getting reviews of their opinions. Throughout some time, a company's marketers can see what attract people and according to this establishment, they can furthermore improve and adjust the particular marketing plan. It is mostly about making everyone think of a company when people mention the field it is in. If someone says mobile phone, people think about iPhone or Samsung in the first place.

People are referred to both people working in a company and potential customers. Employees in a company work harder when they actually believe in a good purpose its final products. For example, if someone works in a healthcare establishment where the goal is to cure cancer these people tend to be more motivated because they are working on something that possibly could help the whole world. On the other hand, when one works as a taxi driver his motivation is not that high because he feels like he does something just for his own sake and does not help with uplifting general welfare, really. Furthermore, employees can significantly help with development of a company by giving innovative ideas on how the work could be done even better and more profitable or improve its marketing with their knowledge one may not have. For instance, actual situation in the concrete business field that wasn't spotted by its executives.

Process is quite self-explanatory. It explains the whole procedure of producing some final goods and services from the beginning till the end. Starting with raw ingredients and ending with finished product. As an example, cooking could be used. The beginning is with raw materials that has to be processed then it must be somehow modified and in the final, comes the result.

Difference between 4 P's and 7 P's might seem to be obvious but it is mostly subjective. Most of them are connected and covered by each other and some situations such as promotional event in a shopping centre where the company would like to sell its product can

be put in both promotion and place. 7 P's is more precise expanded version of the original 4 P's.

It is a vital part when making every marketing plan to really know goals of the campaign and have it well defined like knowing what promotion to use, place where to be, people to target on and so on. According to travel agency only 4 P's are needed since there is no significant process happening during selling trips or journeys. On the contrary people in an agency usually have good ideas on improving communication with customers or marketing interface.

## **3.2 Marketing plan**

- What it is
- Structure of the marketing plan
- Development and people
- Connection to other company processes

### **3.2.1 Marketing plan**

As Randy Duermyer says (Duermyer, 2017) : *“A marketing plan is a business document outlining your marketing strategy and tactics. It's often focused on a specific period of time (i.e. over the next 12 months) and covers a variety of marketing-related details, such as costs, goals, and action steps.”* In other words, a marketing plan is a structured strategy of making a company more visible and creating nice insight on the company that would attract more customers.

### **3.2.2 Structure of marketing plan**

According to Dave Lavinsky (Lavinsky, 2013) the structure of a marketing plan differs in each company according to its needs and goals. If a company in the future wants to expand from its country to the whole world, its marketing would be different than a marketing plan of a company that wants to change its target group from youngsters to elder people within its country.

The structure of a marketing plan starts with determination of goals that the company wants to reach throughout a specific period of time. Simple example would be when a company wants to get more online customers, then the marketing plan would be focused more on online advertising and digital communication rather than handouts in newspapers. Though

it might sound like a marketing plan is a concrete concept that has to be done according to some rules it is not true. A marketing plan needs to be constantly changed because people also change and so their needs.

### **3.2.3 Development and people**

Kotler and Keller (Kotler, a další, 2012) point out that a marketing plan has to be developed throughout the whole period of selling goods and services. It is vital to react to events that are happening at the moment, so the product is interesting to customers that have various needs. It is also very important to adjust the plan according to competition as they might have better offers and deals that a marketer has to overcome in order to be superior to other companies selling the same thing.

People behind all this planning must have the knowledge of proper marketing methods and everything that is connected to it. Most of the methods and information needed to forge a working, modern online marketing plan. Regardless, an online marketing plan is a rapidly changing and evolving sector of a business because of also swiftly shifting. For example, nowadays social networks are something that has to be taken care of in the first place. The cause of that is the massive amount of people in digital world using social networks like Facebook, Twitter, Instagram and so on. The insight on this problem can be described differently from the variety of marketers – men and women responsible for all the advertising that can be seen when browsing internet.

### **3.3 Online marketing**

According to Marketo's Digital Marketing 101 (Marketo Inc., 2015), online marketing, also called e-marketing, is a presentation of products and services to customers using online medias that get the message from marketer straight to customers' home and offer them a unique offer. It is one of the most important parts of current business. Moreover, these days marketers have to do, know and invent way more than ever before. For example, social networks were not used so much by so many people and with uncountable amount of various pages; therefore, marketer has to be way more creative to get attention of an user, who can be possibly the next customer or client. However, taking care of advertising is one thing, that is just minor part of the whole massive marketing field responsibilities considering all other vital variables that must be counted with. For instance, communicating and getting reviews, ideas on improvements and many more so the company is up to date with other competitive entrepreneurs.

People, nowadays, are able to analyse anything related to what they want to buy without leaving their houses and this trend is more and more common in the society. This type of research can be problematic. Reviews can be written by anyone, including someone, who might want to dishonour some product from a reason like rivalry, these reviews do not always have to be true. Another example of bad impact of online reviews on a company can be too many negative comments on a product that would stop someone from purchasing or buying. This is a big issue regarding online analysis of goods and services.

In the next few paragraphs many terms that are very often used in online marketing are described. Every good marketer must have all this knowledge, so he can create a good and working online marketing plan.



### **3.3.1 Engagement marketing**

As Marketo says (Marketo Inc., n.d.): *“Engagement marketing is the art of creating meaningful interactions with people, based on who they are and what they do, continuously over time.”* This quote says that engagement marketing is basically a connection between a marketer and a potential customer. This relationship is meant to be according to the customer’s preferences and desires. Key to this is tracking log of customer’s online interactions, or even hobbies can be found by going through the history of purchases and all other interesting details that could somehow help the one who offers various kinds of products or services. According to clients’ digital behaviour, what they have searched, bought, seen and so on, can be created a portfolio where can be seen what they like. For example, in the history of purchases can be seen that a customer prefers kitchen furniture over living room furniture, thus the marketing department should provide him products to kitchen using email newsletters or the top results on a website.

### **3.3.2 PPC Advertising**

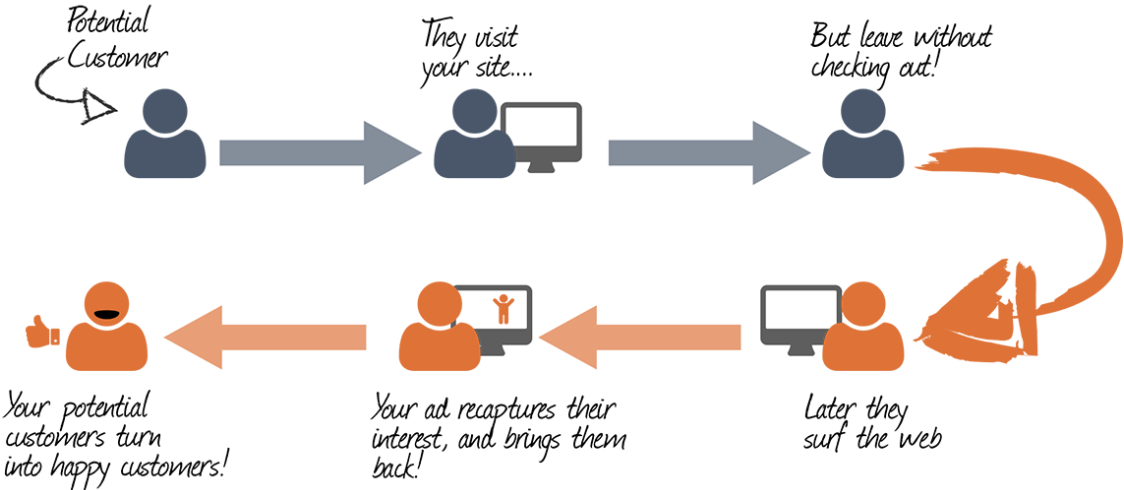
Marketo’s Digital Marketing 101 (Marketo Inc., 2015) describes PPC as: *“Similar to engagement marketing, pay-per-click (PPC) models rely on data gleaned from individuals’ online behavior. The PPC model is used in digital marketing to boost website traffic by delivering highly relevant advertisements to consumers online.”* This type of advertisement is used in search engine, it is focused on keywords, phrases and other relevant information that can lead to provider’s website. It can be spotted in a search engine’s top results when looking for something particular. Those advertisements that come up in the first few places are being paid as someone clicks on the link. The company that agreed on this has to pay for every visitor who came from the search engine usually between one to two dollars. WordStream said that PPC collects 64,6% of all click advertisements on the internet. There is a lot of crucial factors that affects the likeness of clicking and reaching a website. Many companies use A/B testing to find out which one of two different possibilities works better.

### **3.3.3 Retargeting**

Marketo’s Digital Marketing 101 (Marketo Inc., 2015) points out that retargeting is similar to PPC advertising because it is also collects data about recent visits, purchases and so on. Though, PPC uses a search engine and a particular keyword someone is looking for,

retargeting uses information about already visited pages and tries to bring him back. What it means, for example, when someone adds a product or service in the cart (online), but then changes his mind and goes away from this webpage. This site will chase him in many commercials such as banners on both sides of a different page. Retargeting basically tempts people back to the page where they have already been before because there was some interest. The scheme below in Picture 1 appropriately describes how it works. Retargeting is paid the same way as PPC. For each click on the advertisement the company pays some amount of money. This type of payment could be really deficient when the offer is not as attractive as a potential customer would like to. In this case, the firm might only pay for people clicking on the promotion without any kind of benefit gained from it.

**Figure 1: Retargeting**



Source: (ReTargeter, n. d.)

### **3.3.4 SEO**

SEO stands for Search Engine Optimization. Though PPC and retargeting are very appropriate for a company's marketing, SEO is the most important one. This method generates organic results in a search engine. Organic results are those that occurs right beneath paid advertisements. It uses keywords and phrases to show the most accurate webpages, so marketers have to know the right words to put on their webpage. Although it might seem to be quite easy because everyone can come up with something specific for a webpage, it is not that trivial. There are also restrictions such as spam limit – when the search engine thinks that there is being used too many keywords in order to get to lots of organic results it just excludes this page. This was just one example of many. Most marketers use Google Analytics since they share information about most searched keywords in particular industries and fields. *“SEO is defined as increasing a website's rank in online search results, and thus its organic site traffic, by using popular keywords and phrases.”* Digital Marketing 101 says (Marketo Inc., 2015).

In the 21st century, people do many things with their phones, so it is vital for a business to have a mobile phone compatible website. According to Marketo's Digital Marketing 101 (Marketo Inc., 2015): *“WebDAM reported 57% of mobile users think poorly of businesses that don't have mobile-friendly websites and Google's algorithm is now highly focused on mobile optimization.”* This quote describes what people think about pages that do not support mobile phones and how Google search engine reacts to that. But it is a tough task to perfectly set what the trends are since the online world is rapidly changing every day.

### **3.3.5 Mobile applications and advertisements**

Marketo's Digital Marketing 101 (Marketo Inc., 2015) shows that these days, mobile application is a must in the most of industries. In the society where almost everyone has a smart phone and uses it for most of the things on internet; therefore, a company should be user friendly for people managing to get information on the internet. Yet many companies still do not believe that this is a fact. If a business contains at least a little something that can be periodically shared or updated, then they need an application or smart website configuration for mobile devices. By adding a simple advertisement in the application or website. According to comScore (Martin, 2017), the share of time spent online on mobile devices is in the USA 71%, Canada 62%, UK 61%, Spain 67%, Italy 64%, Brazil 72%, Mexico 75%,

China 71% and in Indonesia it reaches 91%. Significant difference between mobile users and computer users makes it unambiguous that mobile optimization is vital to any company selling products in a digital form. Picture 2 describes how people use their mobile phones and the data is clear. Everyone with a phone spends most of the time looking onto an application and they like them more than a classic webpage, obviously, because they are usually faster, quickly available and incredibly more compatible. Classic webpage made primarily for computer users tends to get glitchy and hard to control while using mobile devices. For example, using Facebook application makes it easy to find data one could be looking for. On the other hand, looking for something on the original website of Facebook not transferred to mobile version.

### **3.3.6 Personalization**

As Marketo' Digital Marketing 101 (Marketo Inc., 2015) describes: *"Today, when customers visit their favorite sites or log into social media profiles, they can quickly find past purchases, reward points accrued, and receive suggested products they may like based on likes, clicks, or reviews performed in the past. Personalization tools allow businesses to provide website visitors with these targeted individual experiences, even before users sign up or provide personal information."* Personalization basically makes frequent user's life easier and more synoptic simultaneously with offering new products that the user might like according to his history, behaviour, payments, whereabouts and so on. It thinks about needs he would have to dig deep for into the internet. It thinks about possible things what a customer would like to buy or needs to buy. It is based on rational algorithm – if one buys three pairs of shoes he might want to buy another more pairs of similar shoes or shoes of the same brand.

### **3.3.7 Google Analytics**

According to Google (Google, n. d.): *"Google Analytics gives you the digital analytics tools you need to analyze data from all touchpoints in one place, for a deeper understanding of the customer experience. You can then share the insights that matter with your whole organization."* Google Analytics is the most famous webpage to have track of website's visit and peoples' activity there. Of course, there is way more similar sites that might also have some upsides over the one Google provides. It is very important to know what potential

customers do on the webpage to see what the most interesting subject is, what they prefer how all the visitors behave when going through the site. After a longer monitoring, all the collected data can be more likely generalized. Furthermore, companies can alter their focus regarding websites and make them more suitable for what visitors prefer to see and what not to see. This tool is generally used by everyone who has a website and is willing to improve their ROI (Return on Investment).

### **3.3.8 AdWords**

Google (Google, n. d.): *“Be seen by customers at the very moment that they’re searching on Google for the things you offer. And only pay when they click to visit your website or call.”* AdWords help a company to improve its promotion using some of the best advertising tools on the market. Mostly, AdWords work with keywords. These words are strictly relevant to the company to make people find the firm when using Google search engine. Two of the most valuable tools are PPC (pay-per-click) advertising and Remarketing.

### **3.3.9 ROI**

Investopedia (Investopedia, n. d.) describes ROI as: *“Return on Investment (ROI) is a performance measure, used to evaluate the efficiency of an investment or compare the efficiency of a number of different investments. ROI measures the amount of return on an investment, relative to the investment’s cost. To calculate ROI, the benefit (or return) of an investment is divided by the cost of the investment. The result is expressed as a percentage or a ratio.”* ROI is how much money a company gets back from its investments. In this case, how much money a firm gets back from the whole cost of an online marketing plan. It is used to evaluate whether an investment is beneficial or deficit for any enterprise.

The result is usually shown in percentage, so the measurement can be applied in all investments of the firm and compared among each other. The return on investment formula according to Investopedia (Investopedia, n. d.).

$$\text{ROI} = (\text{Gain from Investment} - \text{Cost of Investment}) / \text{Cost of Investment}$$

## **4 Practical Part**

This chapter is about the strategy that should be used when creating an online marketing plan. It consists of ideas what should be used and what should not be used when something this coherent and well-thought is being made. An online marketing plan is really challenging task to accomplish with perfection and no mistake. Even ideas which were supposed to be incorrect according to someone else, who could be more skilled and accredited, might in the final end up being really good and proper. This only points out the fact that the online marketing plan is dynamic and subjective.

Simple example is with colours. Some say it is bad to use shimmering colours in digital advertising because they tend to make the customer uncomfortable. Regardless, they also tend to attract attention, what makes it more likely possible for the customer to catch sight on the banner rather than dark colours. On the other hand, big part of people prefers more decent colours like a combination of black and white. In a balanced reconciliation with the content, it can look elegantly and luxuriously. Perfect example regarding this contradiction is eBay with their colourful and bold logo and Apple with their decent and elegant logo. This sample just shows how different perception of marketing can and will change the whole concept of the brand. Moreover, the brand name is paramount to all in marketing.

The main thing a marketer should think about when making an online marketing plan is to set goals that are to be carried out. Goals can differ in the beginning in many ways but in the final stage of all the plans that have been created is to sell the goods and services – maximize the profit.

The same scheme applies to travel agencies. In the beginning of every planning is to promote the agency as much as possible. To make the agency visible for people, for customers. At the beginning the company has to offer something new, something that would outmatch competition. It is usually done using special offers or by showing what is better, why people should choose the new company over the existing and known companies.

### **4.1 Introduction to the company**

Tompo Tours Praha s.r.o. is a travel agency offering mostly winter stays and ski activities in the Alps, especially in Austria, Germany, Italy and Switzerland. These destinations are also offered in summer where one can enjoy mountain lakes, nice views and bike trips. Secondarily, Tempo Tours provides summer vacations by the sea in Italy, Slovenia

and Croatia. It is a small business company that does not try to fight with the biggest Czech travel agencies on the market such as ČEDOK or Fischer.

## **4.2 Company's current online marketing plan**

- Webpage
- Webpage data input (Racek)
- Facebook
- Discount portals
- Email newsletters

### **4.2.1 Webpage**

Currently, the travel agency is using quite simple webpage interface, which is easy to maintain using Racek. Racek is a content management software that lets employees input and manage all the information that are published on the website. It is really important for the company to have quick access to the offer since the data changes a lot because the conditions are also very often altered and have to be adjusted accordingly. There is also space for special offers in case of need to share an information that is somehow different and might be more attractive to customers.

### **4.2.2 Facebook**

Tempo-Tours has a Facebook page that is called just the same. Nowadays, having a Facebook page is really important for the company because most people that are potential customers are connected and active on Facebook. On the other hand, the activity of the company is terrible. It adds very little information with weak frequency. There is so much it can provide to the public and improve its name on the travel market.

### **4.2.3 Discount portals**

A big part of company's online marketing is in discount portals that provide cheaper versions of trips. Even though the company gets lower profit from this type of sale, it is a great promotion for the company since these portals such as Hyperslevy or Slevomat are really famous in the Czech Republic. People tend to buy on these sites a lot all kinds of products and services, travelling included. An advantage of this type of selling is that it is another one way of placing and offer on the internet. Therefore, the chance of anyone buying something is increased. It means a new customer to whom the company can send newsletters.

#### **4.2.4 Email promotion**

Almost the only way Tempo-Tours promote its products is via email to customers, who have already purchased a product in the past. It sends online catalog that contains the whole offer of trips, hotels and ski/bike resorts for the next winter and summer season. It is a good feature for the agency because everything is in one place and people can simply browse through and find a suitable vacation for them, their families and friends. Moreover, it reminds of the company that it still provides great deals and possibilities.

#### **4.2.5 SWOT analysis**

Strengths of this online marketing are mostly in the cost of it. This plan is almost for free and can be applied by any company that wants at least some kind of marketing. The other thing that is positive is the webpage. It is easy to use and easy to maintain, perfect for purchaser to find desired information and data.

First weakness and the critical one is overall lack of bigger online marketing plan that could provide the company more customers or at least show more people that the agency exists. This plan is badly unpremeditated it has almost no potential. It almost does not help promoting the product and in final the whole business relies on those who had been in contact with the firm in the past, not new consumers. Second weakness is absence of paid advertising. Of course, this is in contrast with the strengths but nowadays it is important to do give some money to online marketing, so the plan is effective, and the company gets into minds of potential clientele.

The biggest opportunity would be current state of economy in the Czech Republic. The standard of living is very high; therefore, people usually have no problem with spending money on travelling. The only thing they need is to get to know particularly Tempo-Tours. For that, good online marketing plan has to be made so potential clients could spend their money in this agency.

Tempo-Tours is a small company; thus, the threat is that a bigger firm take over the clients and then destroy the business. This can be done with way higher budget of marketing department that leads to bigger and usually better campaign, what could escalate in overshadowing the smaller businesses like Tempo-Tours. If people see only one or two major firms of the industry they tend to use their products and services only, forget the minor ones.



**Table 1: SWOT**

<b>Strengths</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"><li>- Low cost</li><li>- Good webpage</li></ul>	<ul style="list-style-type: none"><li>- Almost none online marketing plan and product promotion</li><li>- No money towards online marketing</li></ul>
<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"><li>- Good economy in the Czech Republic</li><li>- People like travelling in Alps</li></ul>	<ul style="list-style-type: none"><li>- A small company in a big industry</li><li>- Bigger agencies could take over the clientele</li></ul>

Source: Author's own work

#### **4.2.6 PESTLE analysis**

Political state is totally in favour of Tempo-Tours. Focusing on Alps in Austria, Germany and Italy the situation seems to be very stable and forecast does not look bad at all; even more, with Schengen Area travelling among these countries is easier and safer than ever before.

Economic aspect might be a little problem here since almost everything is a bit more expensive for example in Austria or Germany than in the Czech Republic. Although, ski pass or accommodation is pretty much the same, food and drinks cost much more in Alpine countries. People usually tend to be unhappy about it. The cost problem could be compensated by providing special offers that decrease the price of the whole trip.

Social factors are also quite the same so there is a problem with it only rarely. Our cultures do not differ that much for anyone to be somehow offended by the nature of people in these particular countries.

Technological reasons to visit one of these states is indeed an advantage for Tempo-Tours. Talking about ski resorts and the equipment that is provided to visitors. Compared to domestic condition, there can be easily spotted higher level in the equipment of the whole facility than in the Czech Republic.

For citizens of the Czech Republic, legal part could be a little problem for new customers that do not know the laws of a country they are travelling to. This may lead to misunderstanding with local police department; therefore, ruined vacation because of an unnecessary issue. On

the other hand, travelling with a travel agency knows the destination and can provide knowledge that could save people from running into these troubles.

Environmental consideration is again beneficial with these destinations. People look for such beautiful Alpine landscape either to relax or sport. Both these options attract many enthusiasts. Fortunately, the distances are not that huge so there is a big chance of customers purchasing more often, when they are satisfied with what their trip or vacation. Also, many customers could prefer Czech skiing possibilities because of the distance which can be discouraging for many potential clients. This problem could be also an economic factor.

**Table 2: PESTLE**

<b>PESTLE analysis categories</b>	<b>Specific trends or factors affecting the company</b>	<b>Implications for the company</b>	<b>Positive / Negative</b>	<b>Strength (High, Medium, Low)</b>
<b>Political</b>	Same political situation	People are not afraid of their safety	Positive	Medium
<b>Economic</b>	Higher prices	Customers want lower prices	Negative	High
<b>Social</b>	Same culture	Clientele feels comfortable	Positive	Medium
<b>Technological</b>	Bigger advance	Interesting fact to point out	Positive	Low
<b>Legal</b>	Very similar laws	No fear of going to those countries	Positive	Medium
<b>Environmental</b>	Beautiful, different landscape	Preference for such destinations	Positive	High

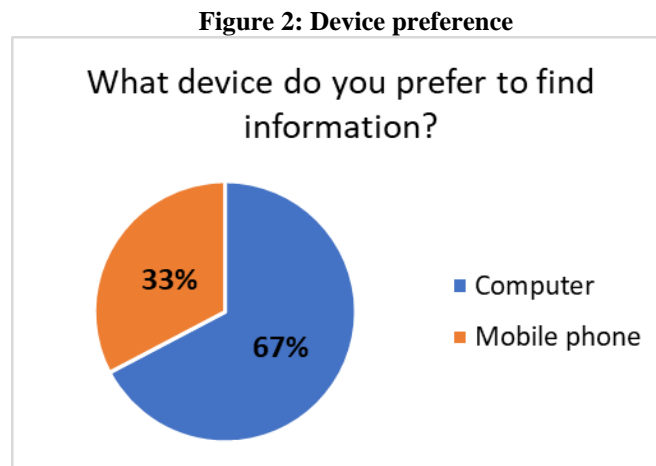
Source: Authors own work

### 4.3 Survey

If the type of services and products is known, people tend to buy and expect from an online travel provider, the online marketing plan can be easily adjusted to meet their requirements. At the same time, customers would be satisfied with what the company provides and how the content is shared with potential customers. In order to get more accurate information about people's preferences regarding the internet world, a survey had to be taken. The survey was focused on basic aspects that might be important for future online marketing plan. The results properly show us how people nowadays use internet and which devices they use.

### 4.3.1 Survey results

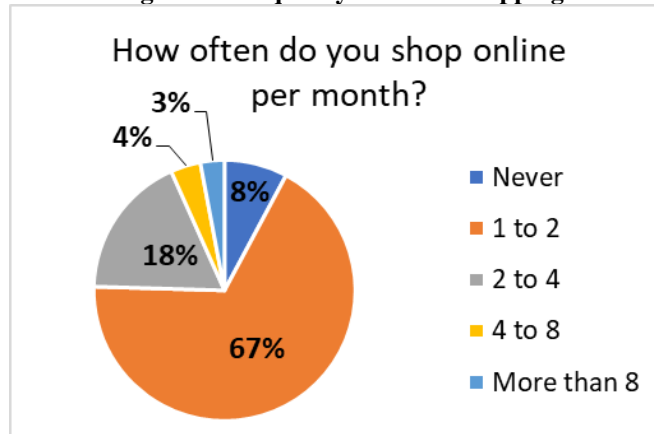
The survey was executed among potential customers of the travel agency Tempo Tours Praha s.r.o. The results ended up being mostly as expected and nothing really surprising occurred. Exactly 269 people had taken the survey, which is enough to generalize it and make some helpful tips for the new online marketing plan.



Source: Author's own survey

In Figure 1 can be seen the share of mobile phone users who find information online is way lower than computer users. This points out that the internet world of data and quick access to information all over the world lies rather within small devices. Thus, every company that tries to impress potential customers using internet should be ready for mobile phone optimisation and responsive. That means every marketing department might want to focus more of their effort on making their websites responsive for the use of with phones or tablets. Even more, they should seriously think about making phone applications because they tend to be easier to use, full of quickly accessible data about the company and simple to advertise through them.

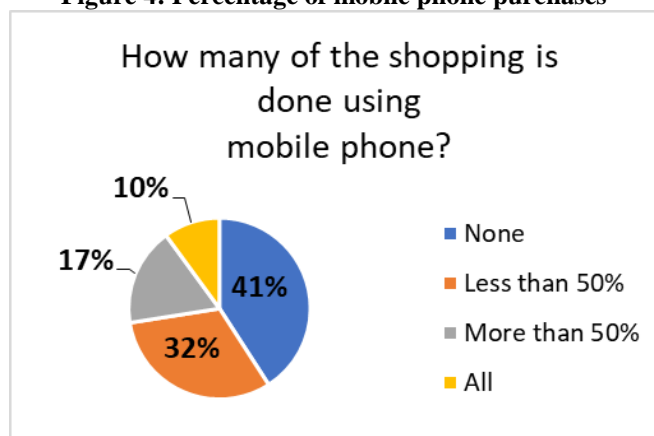
**Figure 3: Frequency of online shopping**



Source: Author's own survey

Figure 2 is dedicated to online shopping. Firstly, very important thing is that only 8% of participants answered never. This makes the share of people, who buy something on the internet at least from time to time, massively higher and gives marketers bright signal about the importance of online shops, not only the real ones. The frequency of online shopping is massive. It displays how important and how crucial it is to have good online marketing, advertising and so on, since there is a great amount of people who would like to buy something on the internet, but they do not get the right impulse to do that because there is not the right promotion of the company.

**Figure 4: Percentage of mobile phone purchases**



Source: Author's own survey

Figure 3 relates to Figure 2 regarding the information about the fact that people tend to buy rather from computer than mobile phone. This can be explained as: when talking about shopping, not strictly online marketing, company directors do not necessarily have to think about the necessity of phone responsive websites. Because of this poll mobile application is

not used in this particular travel agency since it tends not to be so essential according to the cost and effort that would have invested put to it.

#### **4.3.2 Survey conclusion**

The survey points out what aspect is important to look at while creating a new online marketing plan. The results of the survey can help while making the new marketing plan. As it can be seen, most of the respondents use computer to search for information; therefore, it seizes the necessity of mobile applications and website optimization for such devices. On the other hand, people tend to shop online quite often. Even though it does not specify what type of products they buy it may be put in general result that people would buy even a product from a travel agency. This information gives to the new online marketing plan even bigger importance and proves that it really has to be taken care of.

#### **4.4 New online marketing plan**

The very main goal of the new online marketing plan is to increase the consciousness of the company among more and more potential customers that might buy the product in the future. Nevertheless, it is too wide objective and needs to be narrowed by setting smaller, concrete desires that are expected to be accomplished during some time period to see if the new online marketing plan works or if it is appropriate for the particular company. It is really important to set those partial goals and put them in some kind of test period because, obviously, the company could be in loss when the plan is not efficient enough and does not work as expected.

1. Improvement of SEO
2. Social networks
3. Setting Google Analytics
4. Setting PPC
5. Retargeting

##### **4.4.1 SEO**

The first of these goals is to improve search engine optimization (SEO). The better SEO the bigger chance of people finding the company and, at least, taking a look at its offer. Current state of SEO in the company is almost none optimization. This has to be changed in order to get better results that people can catch on. At the moment, there are almost no keywords to help a hotel or an apartment to be found while a customer is looking for an

accommodation in a certain destination. By increasing the use of keywords in Racek (content management software used in Tempo-Tours) the company should get higher position in search engines. Moreover, enhancing the content that consists of characterization of places to stay, locations where the vacation is and resorts descriptions, so the text is constant properly written and makes sense.

Another important thing to look at is website load speed that is becoming a very important ranking factor since Google gives preferential treatment to website with a quick load speed. Currently, the load speed of Tempo-Tours is approximately 1,20 seconds and Google gives preferences to websites with load speed below 2 seconds. For comparison, two of the biggest competitors in the industry – ČEDOK and FISCHER have load speed about 2,30 and 2,60 seconds.

It is also very important to strengthen the number of internal links that are pointing to important Tempo-Tours' Czech product pages to rank higher in search engines. Internal links should be given way bigger caution since it could really help the agency to get higher in the search engine results. This can be simply made by adding big amount of links to the website, where a customer can get from one page to another regarding relevant information. For example: hotel in Carinthia, where Carinthia should be linked to the description of the destination.

Next subject to be improved are meta descriptions of products in the Tempo-Tours. There is a special space in Racek software where meta description can be inserted. It should be up to 160 characters long and consisted of an overall quick definition of the company's products, talking about hotels, apartments or whole destinations. Meta incredibly helps the search engine to define what is the ideal result for someone looking for something particular. Currently, the company does not use meta description at all, even though it could increase the probability of people spotting Tempo-Tours.

#### **4.4.2 Social networks**

The second goal is about social networks. These days, social networks are a vital part of a company's online marketing. Currently the work with social networks in the travel agency is close to zero. The aim of the improvement is about making more people come from social networks, mostly Facebook so it can be easily operated by anyone in the company. The growth of website visitors by at least 20% of overall visitors that come to the webpage in a year. After one year, it can be easily seen if the idea was efficient or deficient. If it works as

expected after a year, there can be added more social networks such as Instagram to work with and again see if there is a satisfactory result or not.

#### **4.4.3 Google Analytics**

Google Analytics also has not been set in the travel agency yet. A company should have a track of the traffic on a website. This needs to be put in work since the travel agency does not have the overview how people behave on its webpage; therefore, what should be improved, what is the most visited concept and on the other hand what might seem to be not as important. Afterwards, based on this information, there can be made some changes that would improve the customers' behaviour on the webpage and make them stay longer and browse longer. Adjusting the webpage is crucial for online business and marketing that is connected to it.

#### **4.4.4 PPC**

Setting pay-per-click advertising is also new to the agency. It is really good to increase the chance of getting into the subconscious of potential customers. Google AdWords will be used in this case of promoting the company. Firstly, a Google account has to be created so the marketer can connect with both the Google Analytics and AdWords. Secondly, for instance five keywords must be developed containing most searched words in travel industry. The five words regarding Tempo-Tours with help of AdWords where the top searched is shown regarding the website: "*Alpy*" (*Alps*), "*lyžování*" (*skiing*), "*wellness pobyt*" (*wellness stay*), "*ledovec*" (*glacier*), "*zimní dovolená*" (*winter vacation*). There are just five phrases because this is just testing of a new online marketing plan and if it does not work, the company would not want to lose much money. It is possible to track all the activities of AdWords in Google Analytics and easily find out the success rate. The goal is to minimize the bounce rate (leaving the website after viewing only one page). Make people go through the offer more widely, not only clicking on the advertisement and leaving immediately for some reason. The target to hit is to have maximum of 30% bounce rate in one year after implementing this type of advertising.

#### **4.4.5 Retargeting**

Another valuable tool that will be used in the new online marketing plan is retargeting. Retargeting brings back visitors that have already clicked on the company's website. This type of marketing is also provided by AdWords where it is called Remarketing. Tempo-Tours



do not use this promotion. Nowadays, it is being used by almost every big company even in travel industry. Because the company is quite small, only basic remarketing will be created to, hopefully, increase the number of customers coming back to the webpage. This kind of gives another chance to buy some product to the client. The goal is to have high conversion – the amount of people actually buying something due to retargeting. Make sales to people, who were affected by this form of advertising. This can also be easily spotted in Google Analytics where the company can see actual results and decide whether this concrete type of promotion is suitable for it or not. Settings for retargeting can be eventually changed immediately if necessary. The test period of one year might not even be decisive and Tempo-Tours can cancel it whenever it wants with only a small loss before it gets to even higher numbers.

#### 4.5 Comparison of online marketing plans

**Table 3: Comparative method**

<b>Current online marketing plan</b>		<b>New online marketing plan</b>	
<b>Pros</b>	<b>Cons</b>	<b>Pros</b>	<b>Cons</b>
- low cost - easily controlled - time saving	- no paid promotion - weak customer reach - bad SEO - bad Facebook advertising	- improved SEO - new retargeting - brings more customers - better work with Facebook	- higher price - difficult to maintain - time consuming - could be deficit

Source: Authors own work

## 5 Results and Discussion

This section is dedicated to the final adjustments of the new online marketing plan for Tempo-Tours. Moreover, the cost of the plan is calculated to really show the company what is the price for the whole year that is the test year if the plan works or not.

### 5.1 Costs

Total costs of this online marketing plan are described in this part. The price of this promotion is supposed to be as small as possible yet capable of increasing the probability of Tempo-Tours being beneficial from this well-thought through method part by part.

**Table 4: Total costs**

	per day	per month	per year
Retargeting	250 Kč	7 500 Kč	90 000 Kč
PPC	125 Kč	3 750 Kč	45 000 Kč
<b>Total Costs</b>	<b>375 Kč</b>	<b>11 250 Kč</b>	<b>135 000 Kč</b>

Source: Author's own calculations

#### 5.1.1 SEO

Regarding Racek content management software, SEO is completely free. The only change would be improvement of work with keywords in descriptions of all products and services that are being sold in the company. It has to be adjusted so the keywords in PPC and Retargeting correspond with each other for the maximum effect.

#### 5.1.2 Social networks

This subject does not take much of a time. Therefore, someone from the office can take care of it. It mostly consists of sharing relevant information about current state of the company, the situation in certain resorts or exclusive offers that could be very interesting to the public. There is a possibility of hiring someone external to do the job professionally. This variant is quite expensive, thus not exactly suitable for the company.

### **5.1.3 Google Analytics**

Google Analytics is the most vital tool in online marketing. Fortunately, this tool is for free for anyone. Connected to it is paid PPC and Retargeting plan.

### **5.1.4 PPC**

Pay-per-click is the first paid promotion of Tempo-Tours. It is strictly subjective for the company how much money it is willing to pay. Important to mention that the amount can be easily changed whenever it is necessary. The cost has been decided to be 250,- Kč a day with approximate four thousand displays in Google search engines and expected around one hundred clicks on the advertisement a day. With this price it goes up to 7 500,- Kč a month and 90.000,- Kč a year that is the test period, where it will be decided about the future of this plan.

### **5.1.5 Retargeting**

Retargeting also called Remarketing by Google AdWords is way cheaper form of promotion than PPC. It is also paid for each click but only people who already have visited the webpage, making it this plan more direct and relevant to potential customers. The cost is usually expected to be half of the price per click regarding PPC. Expectations are that the price for this type of advertisement should not exceed 125,- Kč a day, 3.750,- Kč a month and 45.000,- Kč a year. The cost is usually expected to be half of the price per click regarding PPC.

### **5.1.6 ROI**

It is also important to theoretically calculate return on investment and set some thresholds to evaluate whether the new online marketing plan is effective or not. The first milestone is one year. The test period to find out if the plan should be kept, adjusted or even expanded. The company has set the minimum of 10% ROI in order to work further with the new online marketing plan.

When put in the ROI equation with cost of investment of 135 000,- Kč per year and expected ROI of 10% it makes the gain from investment 148 500,- Kč or more. Therefore, because of the new online marketing there should be at least 13 500,- Kč of profit to keep the plan in process.

## 6 Conclusion

The main objective was to create a new online marketing plan specially for Tempo-Tours. This was done using comprehensive literature review that helps people to understand the dilemmas and issues connected to the online marketing.

Comparison of both marketing plans was implemented to see the pros and cons. SWOT and PESTLE analysis was made for the current plan to see the whole spectrum of the plan's possibilities and threats that might come on the travel industry.

Unfortunately, there were many limitations regarding the new online marketing plan. The biggest and most crucial limitation was the small budget for marketing in the firm. There cannot be a perfect plan made with small budget like this. Therefore, a smaller one had to be created to maximize the effectiveness and profit from it, though it could never meet the greatness of marketing plans in the biggest Czech companies such as ČEDOK or FISCHER.

The new online marketing plan can be implemented even in different companies in different industries. Since it was created with budget limitation, it should work for all other smaller companies that offer their product online. Also, this idea can be the root for more advanced plan in any company that is connected to the online world.

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