



BLUE TOURISM

Advisor Resources Package

competence area 5

**internationalisation
strategy**

developed by **UM**



Co-funded by the
Erasmus+ Programme
of the European Union

Advisor Resource Package: **introduction**

Addressed to:

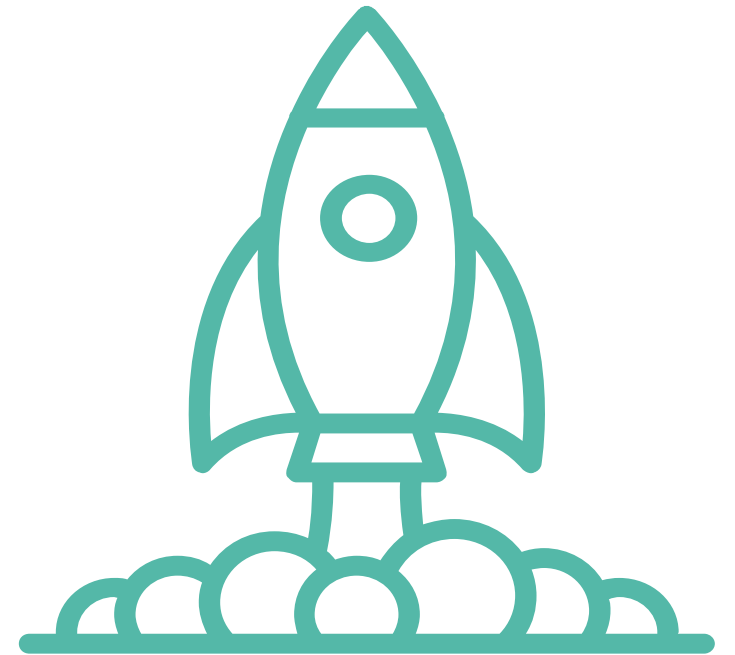
- Sustainable tourism advisors
- VET providers
- Small tourism providers

offers a set of eight blended learning resources to support tourism and local development through the promotion of sustainable and efficient use of natural, cultural and economic resources in watercourse regions.



internationalisation strategy: about competence area 5

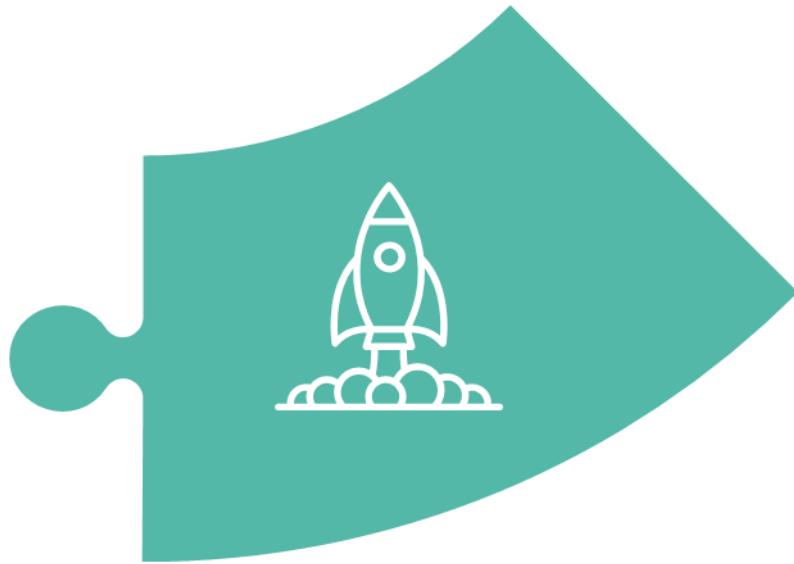
In the context of the tourism sector, internationalisation means designing a product or service so it can meet the needs of people from different cultural background. This includes getting familiarised with values and behaviours of diverse target groups. Internationalisation also extends to networking and cooperation between different stakeholders in order to improve performance in a sustainable way. This competence area describes the knowledge, skills and attitudes the sustainable tourism advisor must acquire in order to guide small tourism providers in implementing an internationalisation strategy efficiently, observing the sustainable management practices.



internationalisation strategy: in this competence area you will learn how to

- define internationalisation in sustainable tourism
- list the advantages and disadvantages of internationalisation for local small tourism providers in watercourse touristic destinations
- identify key elements for an internationalisation strategy
- select best practices of cases of internationalisation of small tourism business in watercourse destinations
- evaluate best practices of cases of internationalisation of small tourism business in watercourse destinations and propose improvements
- guide small tourism providers in designing an internationalisation plan, observing sustainable management practices
- supervise small tourism providers in the implementation of an internationalisation strategy, including sustainable management practices

Competence area 5: **guidance**



In this section you can find knowledge-based contents presenting key factual and conceptual information about the topics covered by the **internationalisation strategy** competence area

Internationalisation means providing a product or service, so it is suitable for users from different countries and cultural backgrounds. Some simple examples include language translations, different types of electrical outlets, adapting food offer to cultural dietary restrictions, enabling payment in different currencies, showing metric or imperial units and different date formats.

Internationalisation

Internationalisation can also mean attracting foreign partners and investments, transfer of knowledge and technologies, export and import of products and services and integration of companies into global value chains. Businesses interested in internationalisation have to be flexible and aware of potential trade barriers and restrictions on movements of people.

Internationalisation

No matter the company size, some practical ways to achieve internationalisation include conducting market and other type of research, improving international visibility, visiting trade fairs and business events and ensuring favourable conditions for potential partners. In addition, some new forms also include digitalisation and the introduction of e-content along with new sustainable business models like circular economy and eco-design.

Starting with internationalisation

Some potential advantages of internationalisation are new and larger markets, increased profit and business growth, broader network for collaboration, new knowledge and innovations, diversification of revenue for resilience and additional foreign investments. However, internationalisation can also be accompanied by disadvantages such as financial risks, additional investment costs, decreased quality, noncompliance with unknown laws, environmental degradation and cultural insensitivity.

Pros and cons of internationalisation

In the context of business operations, strategy can mean a general plan to achieve specific goal. Strategy usually specifies how to use limited resources to achieve desired goal. It is about developing an effective standardised procedure that will increase chances for a long-term success.

Strategy

Strategic planning usually means producing a document to formulate the process of achieving desired goals. It can be individual or collaborative activity. Nothing is guaranteed, but probability for success increases when the document explains the context and sets the goals, describes the necessary actions and timeline and predicts mobilisation of resources and monitoring indicators.

Strategic planning

When starting with strategic planning it is useful to consider four key elements (Porter, 1980):

1. Personal values
2. Company strengths and weaknesses
3. Broader societal expectations
4. Industry opportunities and threats

All are based in research like introspection, industry studies, market research, organisation's reports, interviews, competition analysis etc.

Starting with strategic planning

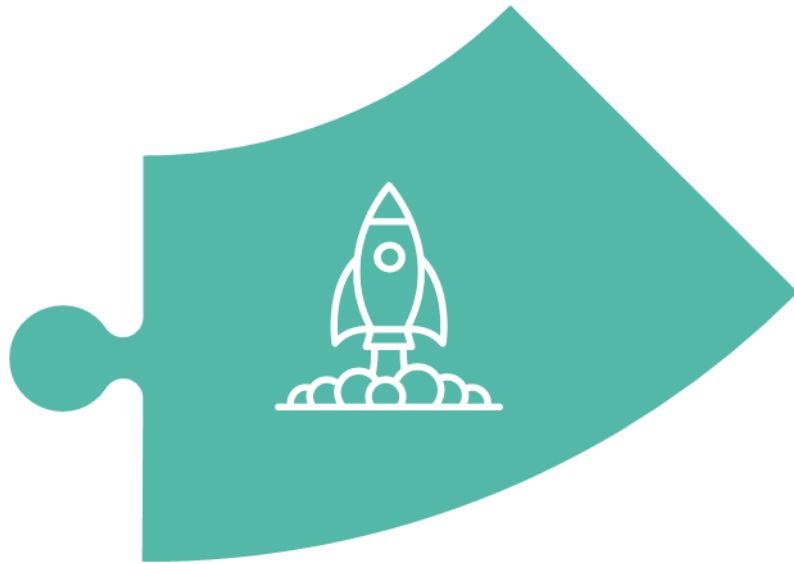
Also known as international marketing plan. It is usually considered as a big company endeavor, however in a globalised world it is almost inevitable for small and medium sized companies too. It can be considered as a personalised guide for extending business operations outside of domestic market. The plan is complex, since it supports the decision-making process including which markets to enter and how.

Internationalisation strategy

Marketing is a big part of business operations, especially in internationalisation context. In order to produce comprehensive and effective marketing plan, it is useful to refer to a Marketing Mix. It encompasses 4 Ps: **1. Product** (define originality: more attractive, environmentally friendly); **2. Price** (determine acceptable value: premium, discounted, package deal); **3. Place** (decide about distribution: webpage, app, travel agencies), and **4. promotion** (adapt media: social media for youth, brochures for seniors).

Marketing mix

Competence area 5: **tutorials**



In this section you can find a set of self-explanatory task-cards, specifically designed to provide real-world challenges and supply the practical information to develop your competencies on **internationalisation strategy**

Task card 1: initiating an internationalisation process

outline

The internationalisation strategy should cover four basic questions: why to internationalise; which markets to enter; how to enter those markets; what is the marketing program? This task card enables a preliminary assessment to identify factors that may influence the development of the internationalisation plan and thus answering the first question. Clear and sincere answers are necessary to develop good internationalisation strategy. In addition, because of its complexity, it is usually advised to collaborate with co-workers and stakeholders.

The card is based on EU portal for small and medium-sized enterprises in the tourism industry, which enables them to stay informed about the continuous transformation of the EU tourism sector.

Action 1: **research and identify**

Step1: access EU Tourism Business Portal and open the link Marketing your business abroad

Step2: study the text about the international marketing plan

Step3: identify minimum contents for an international marketing plan



source: <https://www.pexels.com/photo/man-wearing-black-and-white-stripe-shirt-looking-at-white-printer-papers-on-the-wall-212286/>

Action 2: **reflect and analyse**

Step1: make a list of needs and reasons to go international

Step2: start a SWOT analysis of your company in terms of internationalisation process with a SWOT analysis online tool

Step3: compare needs and reasons with the SWOT analysis content



source: <https://www.pexels.com/photo/ethnic-female-employee-writing-list-in-notepad-5999834/>

Action 3: communicate and improve

Step1: identify relevant co-workers and stakeholders for internationalisation process

Step2: present them with the results from Action 2 and ask for feedback

Step3: incorporate useful comments and suggestions in a concise mind map



source: <https://www.pexels.com/photo/people-in-the-office-discussing-a-project-7688336/>

The task card guided you through the EU portal and enabled you to discover basic steps in order to prepare an international strategy or an international marketing plan. Since people are guided in their actions by their personal needs and reasons it is very useful to carefully consider them at the initial phase. You should choose people who will motivate you when things get hard.

Besides individual business needs, it is necessary to be familiar with your own company and a preliminary SWOT analysis will enable this. The results of a mind map should hopefully show you why you need to internationalise your business operations and how viable it is considering the state of your company.

summary

Task card 2: developing international business skills with free online tools



outline

With the help of Task card 1, you found out what is the current state of your company (SWOT analysis) and where it wishes to go (needs and reasons to go international). Task card 2 focuses on how you can get there. Specifically, how to develop certain skills, which you may be lacking in order to develop a framework for a good internationalisation strategy. With the help of free online tools, you can get insight into ways to develop your business skills and use that for internationalisation process.

Action 1: **google it**

Step1: visit Google Market Finder, click on Get started and test your export readiness

Step2: paste your website link and answer the questions

Step3: analyse the results by expanding the tabs and clicking "Get your full report"



source: <https://www.pexels.com/photo/coffee-apple-iphone-smartphone-38547/>

Action 2: **explore and discover**

Step1: visit Google Market Finder, click on Get started and Dive into new markets

Step2: paste your website link and add 3 or 4 categories most suitable for your company

Step3: analyse the results by clicking Sign up with Google and providing additional information



source: <https://www.pexels.com/photo/person-using-macbook-374720/>

Action 3: **find and adapt**

Step1: highlight company weaknesses from Action 1 and potential business advantages from Action 2

Step2: browse through Google Digital Garage and Think with Google

Step3: find specific course and tool and use it to address weaknesses and advantages

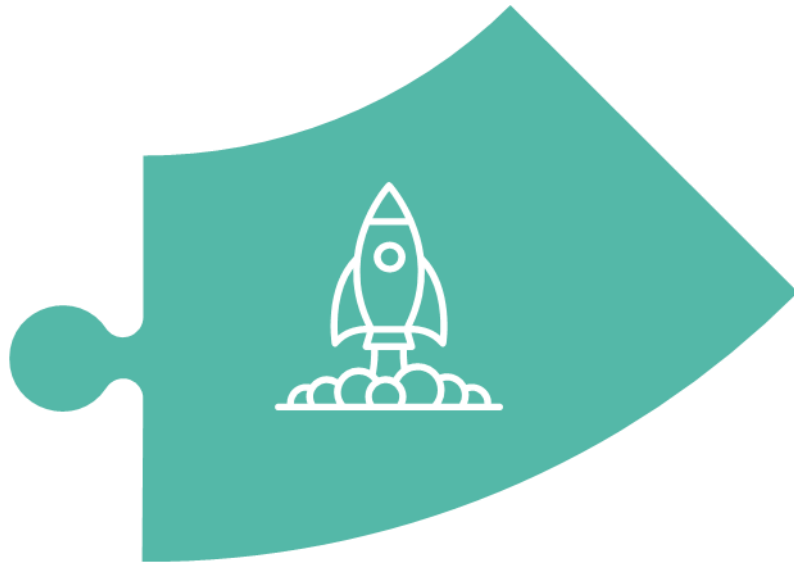


source: <https://www.pexels.com/photo/an-elderly-man-using-a-tablet-5708215/>

The task card guided you through free online tools useful for assessing the current state of internationalisation of a company. The report showed you how ready you are to internationalise and some specific characteristics of your international business operations. However, the report should be used as a starting point for improvement. Other tools showcased in the task card enable you to find most appropriate international markets and more importantly to get knowledge and develop skills necessary for successful internationalised company. Combining these results with Task card 1 you should get a good framework for your comprehensive internationalisation strategy.

summary

Competence area 5: **hands-on resources**



In this section you can find scenario-based situations designed specifically to illustrate how **internationalisation strategy** competence area can be put in to practice by small tourism providers



source: <https://www.pexels.com/photo/people-setting-up-camping-tent-on-grass-field-near-body-of-water-12869181/>

Scenario 1: from local to international

A family owning a camping site wants to internationalise their business in order to increase their profit and also to raise awareness about options for nature-friendly vacations and sustainable lifestyle. Since they are completely new to the internationalisation process, they want to develop a comprehensive internationalisation strategy document, which will guide them to achieve their two goals.

Scenario 1

In a mountainous area protected by Natura 2000 there is a medium sized camp site operating for more than 10 years.

Camp site visitors are predominantly domestic and lean toward sustainable lifestyle. The owners have a lot of experience with providing memorable vacations for domestic customers, but recently they feel they can do more for their business and more for sustainability.

The family company decided they need to expand to foreign markets. In this way they will reach similar customers concerning the lifestyle but will need to adapt their business operations in certain ways.

Scenario 1

Since the internationalisation strategy can be a very extensive endeavour, they decide to name a chief internationalisation officer (CIO) who will plan and manage the process. They all agree the role is perfect for their daughter in her late 20's since she travelled a lot and uses digital tools, including social media, natively.

For her next board meeting she prepares a presentation explaining two basic activities:

1. Company analysis: what are our capabilities, resources and competitive advantages? What are our limitations and difficulties?
2. Market analysis: which markets to enter and how? What is their culture and buying power? How do we differ from our international competitors?

Scenario 1

To get as much data as possible, she questions management team and other employees. First, she is interested in precisely defining their capabilities, resources and competitive advantages. The family thinks they should stress their personal family story and 10-year experience along with preserved nature and traditional culture. They also collaborate with local community, so would also like to stress that fact.

Some of the limitations and difficulties that become obvious after thoughtful group interviews and debates are low recognizability outside home region, infrastructure adapted for domestic consumers, language barrier, intuitive not research-based management, lack of digitalisation and waste management.

Scenario 1

By studying online resources, she is considering two approaches for market entry strategy: geographical proximity, which includes neighbouring more familiar countries or cultural proximity, which includes countries with similar language, laws and tradition. For now, she decides for reaching out to neighbouring countries, but she leaves other options open for the future.

From the many entry strategies she found, she was deciding between the waterfall approach, entering countries one by one, and the sprinkler approach, reaching several countries at the same time. In order to increase the chances for success, she decides sprinkler approach is more effective.

Scenario 1

Some practical measures that she points out at the next board meeting are: reaching three neighbouring countries with high buying power, translating all material in three languages, providing language course for employees, designing a webpage showcasing personal stories, starting a social media campaign, sharing weekly posts about their sustainable lifestyle and low-impact activities, inviting experts to give lectures and conduct workshops, gathering data about guest satisfaction, planning for detailed market analysis, attending at least two international tourism fairs per year, becoming a member of The Tourism Society, providing vegetarian and vegan local meals, start a composting action with local farmers, collaborating international company dealing with waste.

Scenario 1: from local to international

- What are some unique products or services you provide and what are the benefits of providing them to a broader unknown foreign market ?
- Should you internationalise your business, what are some effective approaches for reaching out to new markets ?
- What risks or challenges do you face if you expand your business to other countries ?

Scenario 1: from local to international

TRY to

- produce the internationalisation strategy as a collaborative action plan
- define the main goal of the strategy in a single sentence clearly and precisely
- use online tools like Google Trends to find out the demand for your product or service in a specific country
- update and customise the strategy as time passes by and you gather new information

AVOID

- using internationalisation strategies of other similar companies, rather use them as an inspiration
- intuitive management practices, but focus on extensive secondary research and gathering specific data from primary sources
- hasty decisions, opt for slower thoughtful and planned process
- competitive mindset, but rather connect and find ways to collaborate



source: <https://izletnadelani.com/ideja-za-vikend-vodni-park-radlje-ob-dravi-prvi-tudi-edini-bioloski-bazen-v-sloveniji/>

Scenario 2: learn before expanding

A young entrepreneur who owns and runs a popular bar decides to expand his business by creating a new beach bar at the natural swimming pool. After establishing and managing his new business, he decides to expand to new foreign markets.

Being new to the process of internationalisation, he first tries to educate himself using online resources and apps.

Scenario 2

After finishing high school, a young man starts his own business and opens his first bar. A couple of years later, he starts considering new challenges. As sustainability is becoming an increasingly popular topic, he decides to open a low-impact beach bar at the natural swimming pool.

The natural swimming pool is located in the foothills of a well-known mountain close to a slow winding river. Currently only local people come to visit this water attraction, but he thinks the place has big potential for international tourists. Having no experience with the internationalisation process, he decides to invest time in self-education. As always, resources are limited, so he focuses on free online content to gain some knowledge and skills.

Scenario 2

By doing a quick google search he finds some useful tools to assess his readiness to start internationalisation. One of the easiest tools to use was the Google Market Finder, which enabled him to:

- find the most appropriate potential markets,
- get familiarised with specific country's characteristics,
- recognise new trends in marketing
- plan for payment options and customer service.

He started using the tool by testing his readiness to internationalise. After entering his website and answering some questions related to the current state of his business, he got a score of 30 % readiness to start selling abroad meaning his business is locally-focused.

Scenario 2

Besides the score, the results were broken down into segments, showing specific areas that he needs to work on. The segments are clickable and contain results on a scale bar with some additional information. He also found out that he can get more detailed results by downloading the full report.

After reviewing the results, he discovered that the motivation is strong but improvements in the demand, operational abilities and marketing performance is much needed. The results were based on google searches and other metrics. Since Google accounts for around 90 % of search engine market share, he considers the results as reliable starting ground.

Scenario 2

The good thing about the Google Market Finder, which provided him with insightful information, was that it also offered practical solutions to improve his internationalisation. New markets which are the most appropriate for his business are Austria, Italy and Czechia. The results were based on monthly google searches and some other metrics like Ease of doing business index. He got detailed insights about the specific country like their household disposable income, preferred paying methods and internet activities. All of this will be useful when he starts preparing a detailed and action-focused internationalisation strategy.

Scenario 2

The first two weaknesses he discovered from the initial test were easy to resolve – he is adapting his webpage and expanding the offer to meet new-market demand. Because he was satisfied with useful information provided by Google Market Finder, he decides to use their recommendation and develop marketing skills using Google Digital Garage. Under the Digital marketing option, he finds many courses like “Fundamentals of digital marketing”, “Expand a business internationally” and many more. Courses are comprised of brief text, short videos and quizzes. By completing some of the courses, he also gets certification. After acquiring new marketing knowledge and skills, he starts preparing detailed marketing strategies focused on his webpage, social media and brochures.

Scenario 2: learn before expanding

- How can analytical online tools be adapted to your business and how strong can you trust the results ?
- What are the top three things you need to improve to make the internationalisation of your business stronger ?
- After finishing the internationalisation strategy and implementing the actions, how will you know you succeeded ?

Scenario 2: learn before expanding

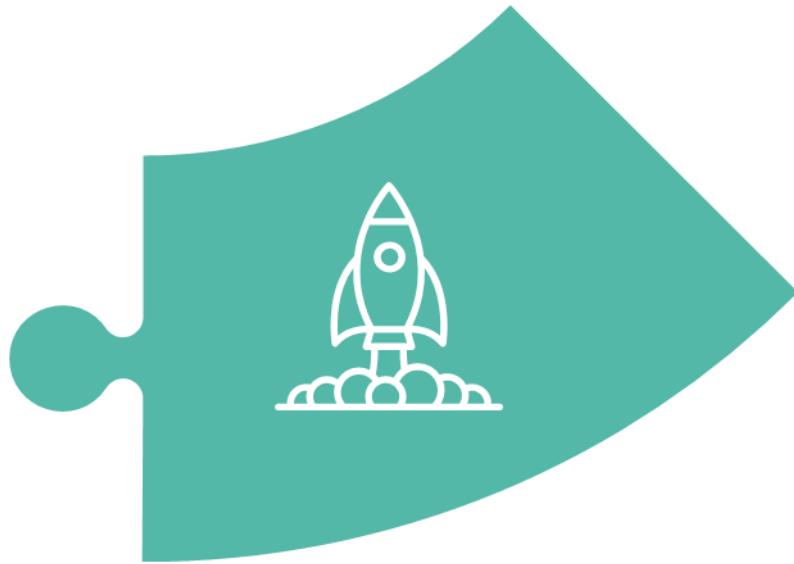
TRY to

- test different tools in order to find the most appropriate one for your needs
- adapt the results to your circumstances to get the best value from the tools.
- live by the principle of lifelong learning, always improving and gaining new knowledge and skills

AVOID

- interpreting results of any analytical tool without scepticism
- considering and implementing too many tools and actions at the same time
- avoiding strategic documents and do write down detailed plans

Competence area 5: **practical tips**



In this section you can find a checklist of points to adopt **internationalisation strategy** practices in local turismo businesses

The internationalisation strategy is a guide for expanding business operations outside of the domestic market. It must be clear, research-based and action-oriented.

Practical tip 1

Digitalisation is not the all-encompassing solution, however, it can make sustainability and internationalisation business operations easier. Get familiarised with different online courses, web-based tools, useful applications and platforms.

Practical tip 2

No one achieves anything alone. Connect, communicate, collaborate, give and ask for help. Look for associations, forums and events dealing with your business.

Practical tip 3

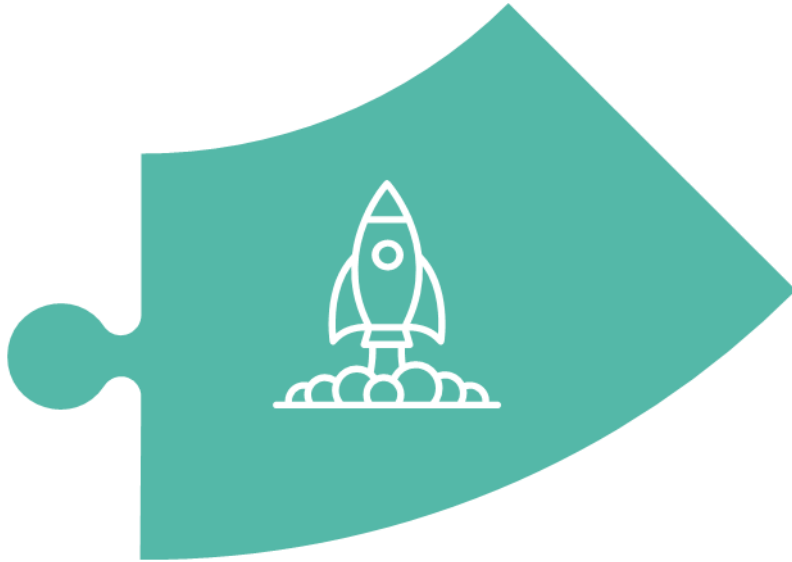
Experts are people who devote their time to study complex topics and develop solutions. Use their results so you can invest your time in other actions.

Practical tip 4

Don't neglect the initial reflection period. Assessing personal reasons with introspection and analysing pros and cons of your next action always benefit in the long run.

Practical tip 5

Competence area 5: **useful reading**



In this section you can find a list of relevant online resources to help you go further on **internationalisation strategy**

Dive into new markets

www.marketfinder.thinkwithgoogle.com/intl/en_cee/onboarding

EU Tourism Business Portal

www.single-market-economy.ec.europa.eu/sectors/tourism/business-portal_en

Internationalisation

www.investopedia.com/terms/i/internationalization.asp

International marketing plan guide

www.url.gratis/mWLU

Marketing mix

www.investopedia.com/terms/m/marketing-mix.asp



Minds map

www.mindmeister.com/

Starting with internationalisation

www.url.gratis/mWL6

Strategic management

www.investopedia.com/terms/s/strategic-management.asp

SWOT analysis online tool

www.studycorgi.com/free-writing-tools/swot-analysis-online/

Test your report readiness

www.marketfinder.thinkwithgoogle.com/myexportscore/intl/en_ cee/



You have completed competence area 5, well done!



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PROJECT NUMBER 2021-1-PT01-KA220-VET-000032948



Co-funded by the
Erasmus+ Programme
of the European Union