English through Entrepreneurship
Erasmus+ Strategic Partnership

BUSINESS PLAN

Permetior mApp is meant for all of those who seek for some helpful information and advices when travelling. The app emphasizes the eco-tourism alongside some destinations appealing to the youth. It is still in the development stage and, therefore, this business plan should help in analysing what are the strengths and weaknesses of *Permetior mApp* working team. In addition, it should help in establishing some particular objectives, as well as serving as a legacy of the hardworking students from five different countries who participated in the Erasmus+ project "English through Entrepreneurship" - **Belgium, Croatia, Norway, Romania and Turkey**.

Content

The 1st Transnational Mobility in Antwerp, Belgium

FINANCES

COSTS OF AN APP

On the average, the costs of an app on the Romanian market varies very much depending on the features of the app, but the medium price starts from 500$. However, for those who create themselves the app, without calling a development company, the costs are significantly reduced even up to 100$.

Mobile marketing consultants say that the price for developing an app, varies, usually, between 2.000€, and 10.000€, depending on complexity, number of platforms, number of targeted users, design, availability and quality (speed of loading, interaction, graphics quality and frequency of errors).

Valentin Nagacevschi says that in his company, beside the price of the app, monthly, client companies pay between 5% and 10% from baseline to maintenance it (hosting, technical support, mobile marketing consultancy, updating content), but the initial price does not exceed 5,000 €."Besides the trendy look and nice-to-have, applications must be regarded as a pragmatic channel for customer communication through which the business will form loyal customers through interactions and campaigns that encourages involvement towards the brand. Consequently, mobile applications can calculate a ROI (return-on-investment) to ensure in the end the increased profit for the business", explains Valentin Nagacevschi.

However, if you want a full estimation of the costs before creating the app too know with what budget to start, you can choose from many websites that estimate with accuracy and precision the costs of the app depending on the features of it. One of this websites is Crew, a website where you can also develop your app, but the estimation is not so detailed (you can access this link to calculate the budget of *Permetior mApp*).

The other website is Kinvey, which is more precise on estimating the budget of the app, depending on the features of the app. You can access the estimation sector of the website at this link.

THE COSTS OF CREATING A MOBILE APP IN CROATIA

The costs of creating a mobile app in Croatia vary depending on the complexity of the app, extra features it contains and the number of push notifications it sends to the customers. The lowest price of an app is 293 $ which is the app that contains only basic features and abilities such as basic set-up, no ability to create an individual profile for the customers etc. The price of an app, similar to the desired characteristics of *Permetior mApp*, which is available on both Apple iOS and Android devices, connected to the Google maps services, offers login to the app through email and social accounts, offers in-app purchases (including the ability to upgrade to PRO version) and enables customers to create reviews could reach the price of around 2000 $.

THE COSTS OF CREATING A MOBILE APP IN TURKEY

	iOS		
Cost	Web integration	Native	High function
1	1800	2000	2500
2	1500	4500	9850
3	200	2500	10000
4	800	400	10000
5	2000	300	
6	1000	5000	
	Average		
	1216	2450	8087
	363 €	732 €	2.417 €

	Android		
Cost	Web integration	Native	High function
1	1000	2500	2000
2	1000	1250	2000
3	500	1000	5000
4	200	1000	4850
5			5000
	Average		
	675	1437	3770
	201 €	429 €	1.126 €

OTHER EXPENSES REGARDING THE APP

I found the amount of money that the developer has to pay monthly or once a year to Google or Apple to keep his app on Google Play or Apple Store.

Therefore, if you want to post an app in Google Play, you must pay a onetime fee of 25$, when you start up your initial account of developer, and then you can post as many apps as you want. Nevertheless, Google will not take money directly from you to maintain active your account, but it will take 30% of app sale revenue from each app you have.

On the other hand, Apple requires a fee of 100$ yearly to hold an active developer account, and they require this amount regardless of whether or not you have an app in the store, and regardless of whether or not you are profiting from your apps. The fee does not change if you have one or more apps, it remains 100$. In addition, like Google, Apple takes 30% of app sale revenue from each app you have.
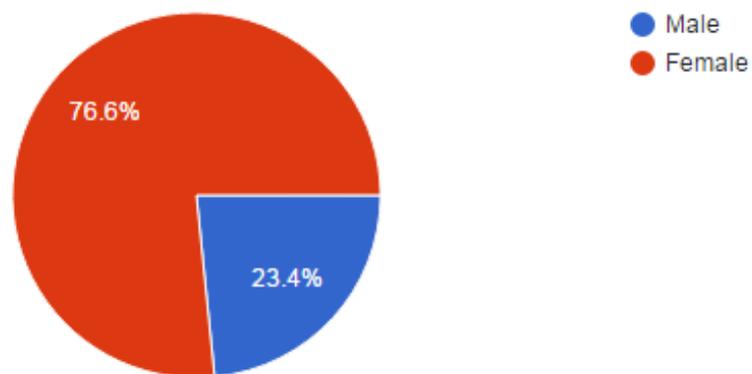
Moreover, for a better approximation of the costs, I found a website called Otreva that shows you the exact amount of money for each feature.
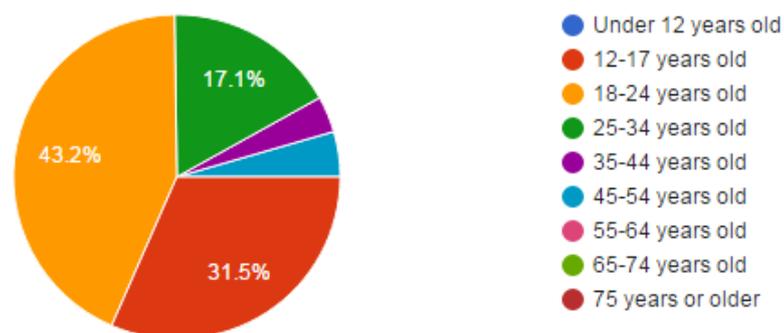
The 2ⁿᵈ Transnational Mobility in Varaždin, Croatia

Market research - TRAVELLING HABITS

*Number of responses on the day of 10ᵗʰ of March 2016 - was 111.
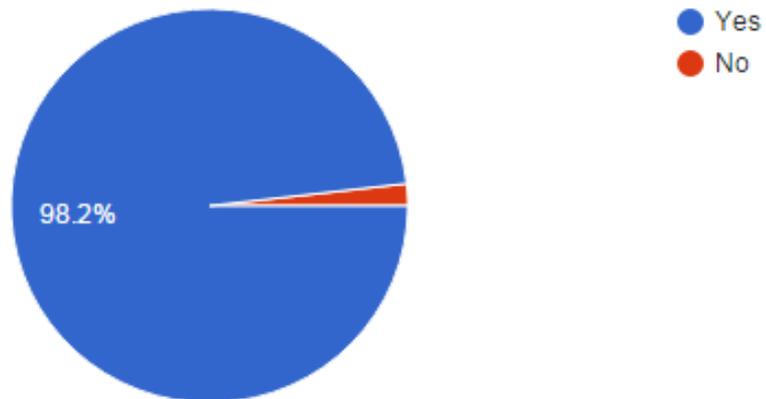
1. What is your gender? (111 responses)

- Male
- Female

76.6%
23.4%

2. What is your age? (111 responses)

- Under 12 years old
- 12-17 years old
- 18-24 years old
- 25-34 years old
- 35-44 years old
- 45-54 years old
- 55-64 years old
- 65-74 years old
- 75 years or older

17.1%
43.2%
31.5%

3. Where do you live? (Please write the country) (111 responses)

Croatia 40	Norway 5	Turkey 2
Belgium 27	UK 4	Germany 2
Romania 10	China 1	South Africa 2
USA 9	Slovenia 1	The Netherlands 1
Canada 6	Finland 1	

4. Are you a Smartphone user? (111 responses)

- ● Yes
- ● No

98.2%

5. If yes, what SmartPhone do you use? (111 responses)

- ● iPhone
- ● Android
- ● Windows Phone
- ● Other

56.8%

34.2%
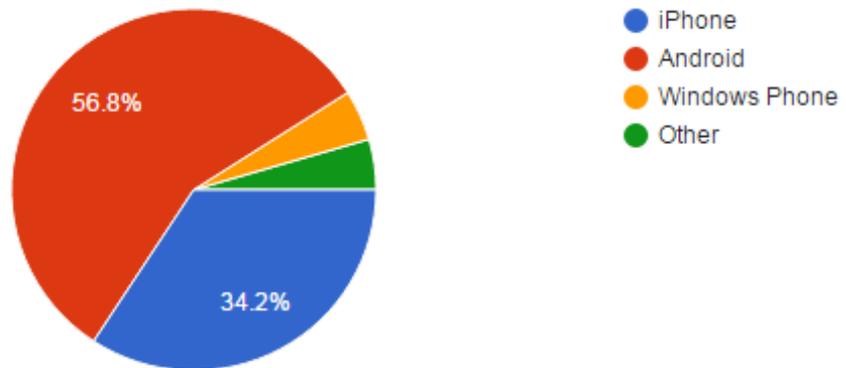
6. How often do you travel? (111 responses)

- ● Every week
- ● Few times a month
- ● Once a month
- ● Once every few months
- ● Once or twice a year
- ● Once every few years
- ● I don't travel
- ● Other

34.2%

43.2%

9%

7. Why do you travel? (111 responses)

- Business
- Pleasure
- Both, depending on situation
- Other

45%
53.2%
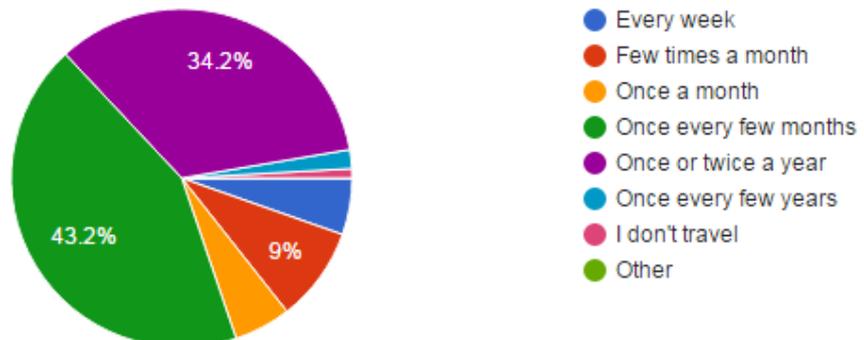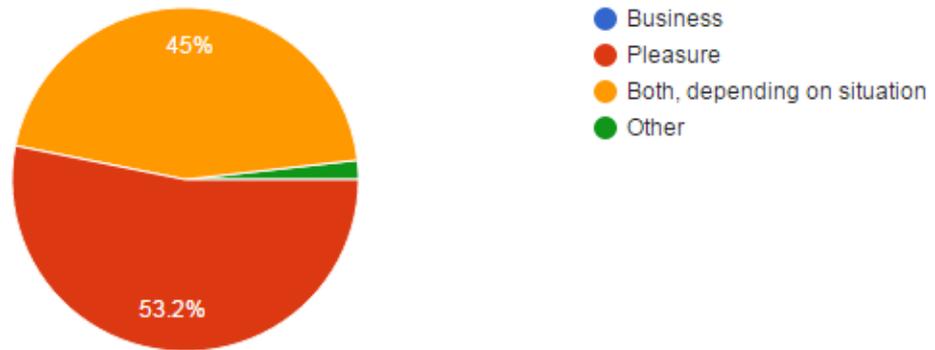
8. What are the destinations of your trips? (111 responses)

- Domestic destinations
- International destinations
- Both
- Other

70.3%
17.1%
12.6%
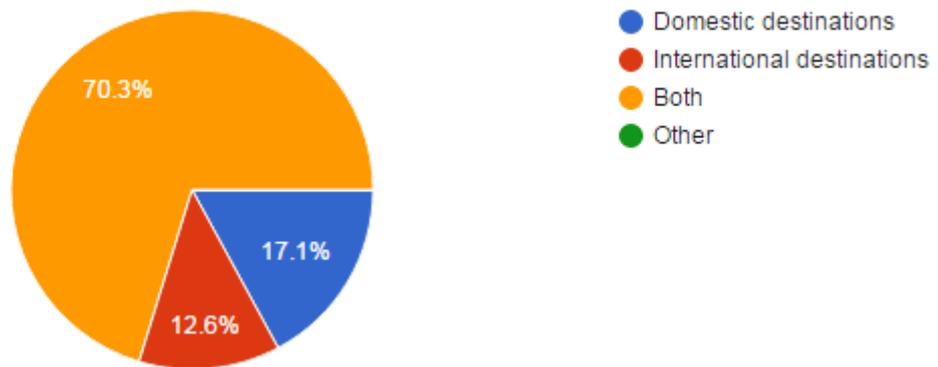
9. What mean of transport do you mostly use for travelling? (111 responses)

- Car
- Train
- Bus
- Plane
- Ferry
- Combination
- Other

19.8%
26.1%
7.2%
38.7%
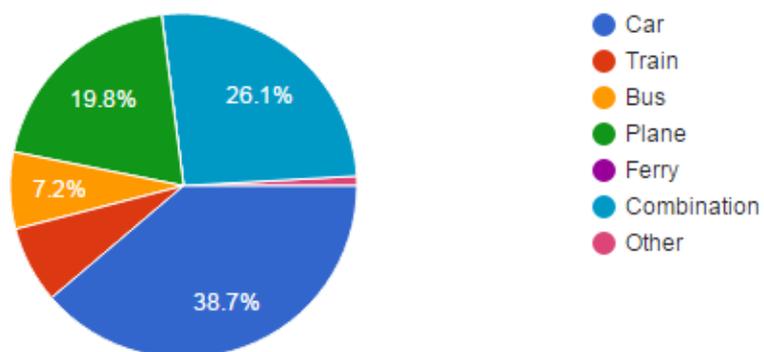
10. Is it difficult to find accommodation for your trips? (111 responses)

- Yes
- No
- Sometimes
- Other

39.6%
56.8%
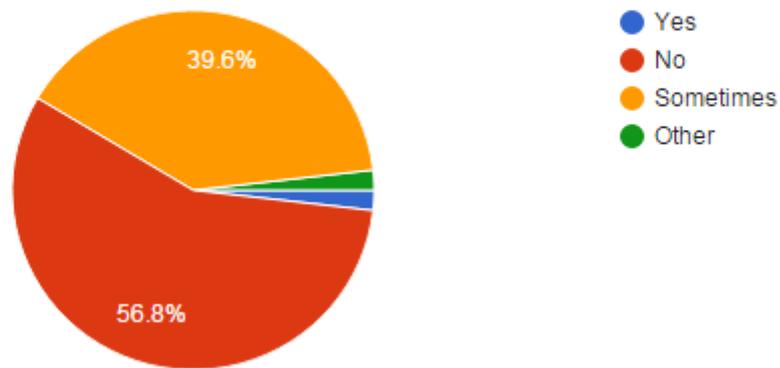
11. Do you use pages like booking.com and TripAdvisor when travelling? (111 responses)

- Yes
- No
- Sometimes
- I have never heard of them

31.5%
28.8%
33.3%
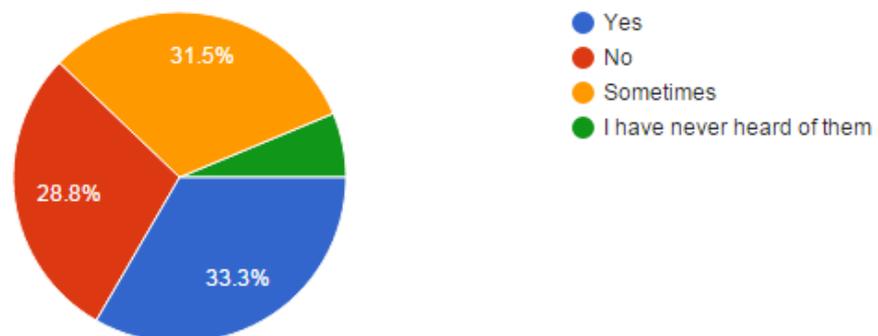
12. Do you seek help from travelling agencies to plan your trips? (111 responses)

- Yes
- No
- Sometimes
- Other

27.9%
68.5%
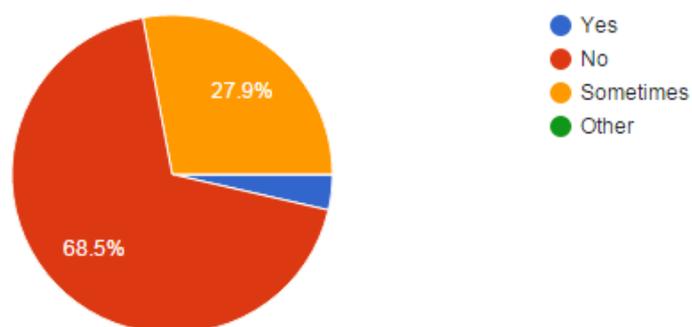
13. Do you find it difficult to plan the trip yourself? (111 responses)

- Yes
- No
- Sometimes

25.2%

8.1%

66.7%
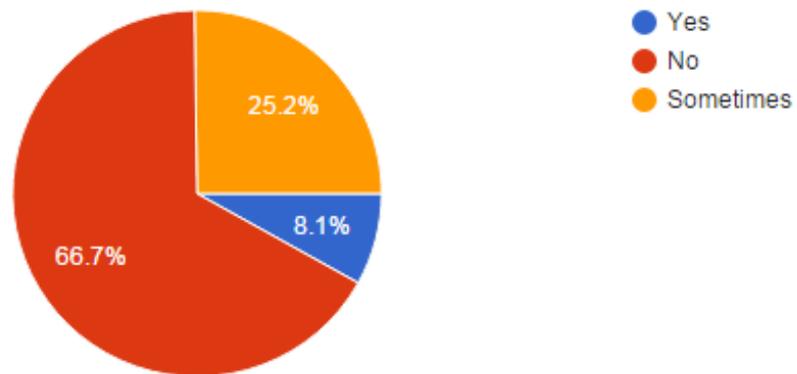
14. Would you (or you already do) use an app to arrange your trips?
(111 responses)

- Yes
- No

55.9%

44.1%
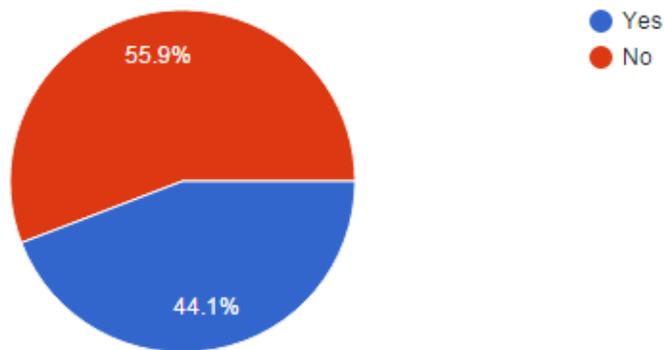
15. How much money would you be willing to pay for such an app?
(111 responses)

- I wouldn't use such app
- I would prefer free app
- $0.99
- $1.99
- $2.00 - $4.99
- More than $5

55.9%

9%

26.1%
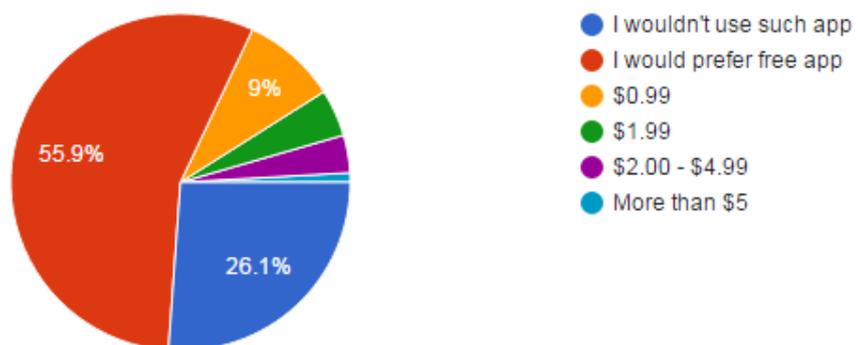
The 3rd Transnational Mobility in Trondheim, Norway

SWOT analysis

- Strengths:

  - App's modern design and transparency

  - Unique selling point = eco-friendly destinations

  - Connected with its customers through social media

  - Constantly refreshed data

  - Information about first destinations from the first hand (Antwerp, Varazdin…)

  - Useful information; important for every traveller (required ID, working hours…)

  - All information gathered on one place

- Weaknesses:

  - Too reliable on other businesses (in tourism)

  - Low speed of collecting data

  - Internet is required to access our app

- Opportunities:

  - Strong growth in ICT market – number of downloaded apps has increased, and some forecasts say it will still increase in the future[1]

  - Number of international tourists is still increasing over the years[2] (1. 161 billion in 2014)

- Threats:

  - Apps and websites offering similar information – intense competition

  - Countries' economies have a great effect on frequent changes in tourist offers

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[1] https://www.statista.com/statistics/323740/number-of-apps-downloaded-uk-forecast/
[2] http://data.worldbank.org/indicator/ST.INT.ARVL?end=2014&start=1995&view=chart

Ansoff matrix

- Market penetration:

  - Cooperate with Marketing Department in order to improve our marketing mix (product, price, place, promotion)

  - Improve the loyalty of our customers by offering them some kind of discounts

- Market development:

  - Conduct effective market research

  - Use more various range of offered locations (local knowledge is required)

  - Focus on collaboration with tourist boards, so our app wouldn't be limited on ICT

  - Try to explore effective distribution channels for achieving this strategy

- Product development:

  - Conduct effective market research

  - Explore what kind of apps connected with tourism are missing / what features of our existing app should be implemented in it

- Diversification:

  - Conduct effective market research

  - Determine the attractiveness of the market and the cost of entering it

  - Explore the possible tie-ups with other businesses

  - This one is not advisable, especially not for a new product like *Permetior mApp*! (Therefore, this strategy should immediately be discarded in this case)

The 4th Transnational Mobility in Fălticeni, Romania

HUMAN RESOURCES (The Structure)

ORGANIZATIONAL CHART

- JOINT VENTURE GROUP — PERMETIOR mAPP
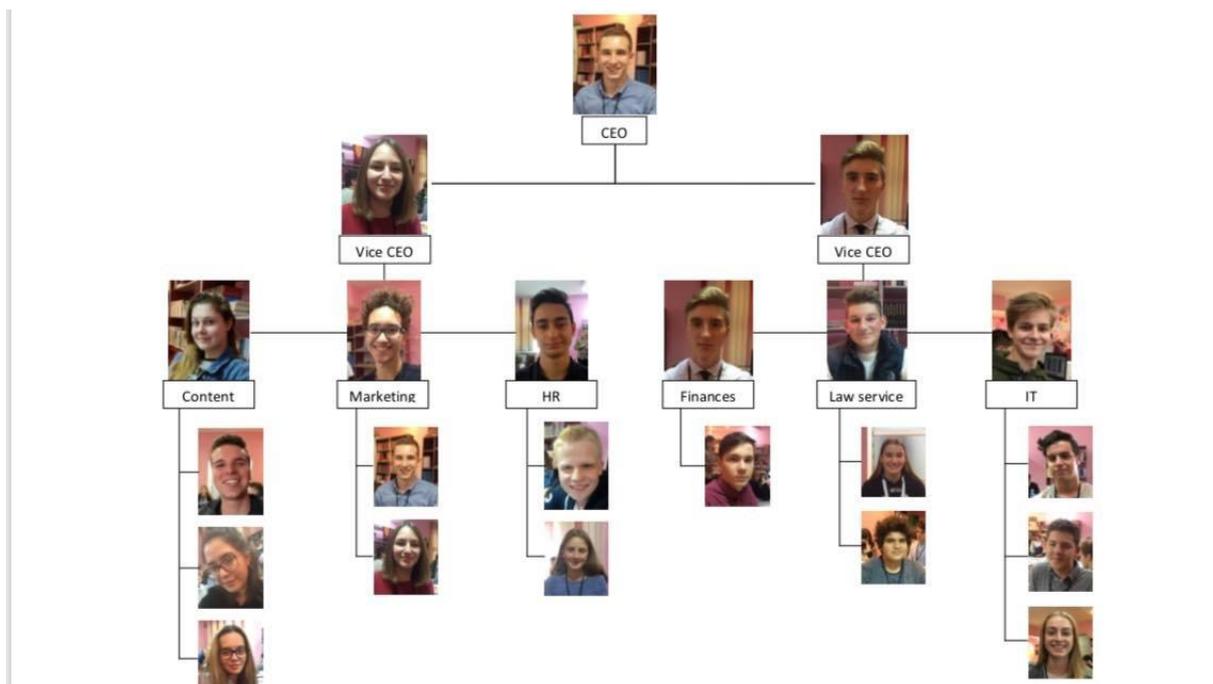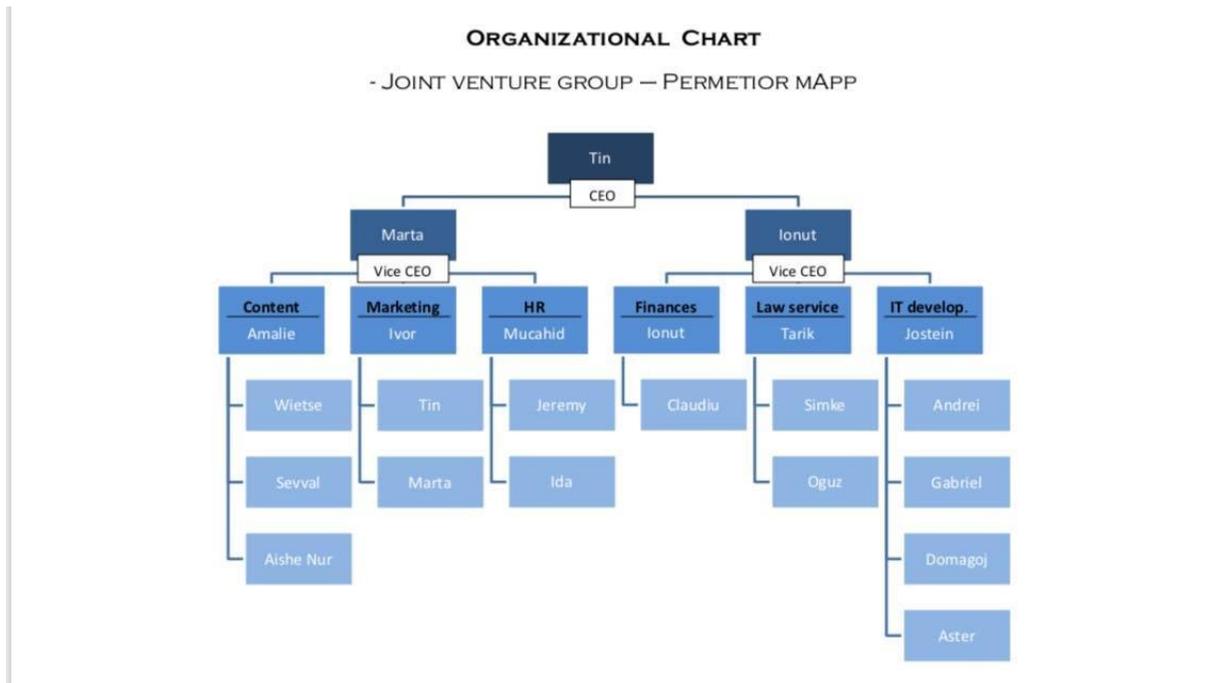
Suggestions for HR

Content supervisors

What can they do next?

Continue with similar tasks (creating and posting tourist routes with belonging descriptions).

Guidelines → how long does it have to be, some frequent mistakes, its attractiveness…

Finances

What can they do next?

Divide the profit for each department depending on the salaries that members have.

Finish the financial plan.

Human resources

What can they do next?

Watch each group, talk to them and motivate them.

How to motivate people when their mood starts falling down:

Breaks, give compliments, involve them in the decisions, communicate with them if there is a problem, and give them some feedback.

IT

What can they do next?

Finish the design, organize the features, and check the possible errors on Facebook page…

Law services

What can they do next?

Write/check the copyright laws, search ways to improve the copyright laws…

Simplify the conditions and terms.

The 4th Transnational Mobility in Fălticeni, Romania

MARKETING

<u>Identifying and analysing the target group</u>

- Young travellers between the ages of 18 and 30.

- People looking for new and cheap travel destinations.

- Travelers interested in, not only big cities, but also the countryside and its beauties.

- People who try to lead a healthy and eco-friendly life.

<u>Creation of a new logo and app name</u>

- Because of smaller legal difficulties, it was imperative that we find a new name and logo.

- The name that was chosen, by majority vote, was "Permetior mApp". The name translated from Latin means "to travel" and it was chosen because it symbolizes what people can expect from our app, and that is easy, cheap and practical travelling. While the capital A distinguishes the words Mapp and App.

<u>Creation of an eco-route through Romania</u>

- An eco-route was devised in hope of promoting eco-tourism and a healthier lifestyle by travelling by bike or other cheap transport vehicles.

- The route is planned to last 5 days, but it can of course last longer if the young traveller wishes to explore the nature and do some sightseeing.

- The route also tells the traveller where to stay and how much he will have to pay for a sleep in certain hotel/hostel. It also offers some lunch/dinner options that promote local and eco-friendly food.

<u>Developing the strategy for increasing popularity</u>

- The Instagram page was put into business mode, which allows us to connect it with multiple other social media and simultaneously post on all of them.

- We created a new system in which every person will participate in posting the pictures for the Instagram page. The system consists of a few rules, which dictate when and how each person will post the picture.

- Alongside the Instagram profile and its changes, our first Facebook page was also created in order to help us promote some traveling habits and our Instagram page, which will provide all fundamental pictures for our app.