Escola Superior de Hotelaria e Turismo do Estoril

Universidade de Lisboa

Faculdade de Letras e Instituto de Geografia e Ordenamento Territorial

MESTRADO EM TURISMO E COMUNICAÇÃO

Relatório de Estágio

Portugal: Undiscovered Destination for Tourists from GCC Countries

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Orientadora

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Setembro 2016

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Relatório de estágio apresentado à Escola Superior de Hotelaria e Turismo do Estoril para cumprimento dos requisitos necessários à obtenção do grau de Mestre em Turismo e Comunicação

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"He who taught me one letter I am his slave forever"

Arabic Proverb

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Abstract

This report results from a three months' internship in DMC – the incoming department at INATEL foundation in Lisbon, Portugal.

The main objective of this internship was to assess the Gulf Cooperation Council (GCC) countries as a tourism source market for Portugal and specifically for INATEL, and to develop a marketing strategy to address the eventual marketing opportunity.

The study was comprised of four stages. At the first stage, a characterization of GCC states concerning its geography, policies, economy, languages, culture and religion, was done.

At the second stage the GCC outbound tourism market was characterized, namely tourist's motivations to travel, and the GCC's traveller profile was elaborated based on the main tourism destinations, sources of information, booking behaviour, spending behaviour, eating habits, preferred travel seasons, and accommodation and transportation preferences.

At the third stage, the ten strategic touristic products of Portugal were described according to the national strategic tourism plan of Portugal (PENT), specifically in what refers to its adequacy for the GCC source market.

Based in the information collected at the previous stages, at the fourth stage, a marketing strategy for INATEL Turismo was developed targeting the GCC countries.

The conclusion of this work done during the internship was that the studied market is a viable opportunity for the Portuguese tourism industry and for INATEL Turismo in particular, as long as the marketing strategy is well suited considering the specificities of GCC societies.

Keywords: Inatel, Gulf Cooperation Council, Marketing, Marketing Strategy, Tourism

Resumo

Este relatório resulta de um estágio de três meses no departamento de DMC na Fundação INATEL em Lisboa, Portugal.

O principal objetivo deste estágio era o de avaliar o potencial dos países do Conselho de Cooperação do Golfo (GCC) como um mercado emissor turístico para Portugal e para a INATEL em particular, e desenvolver uma estratégia de marketing para tirar partido da eventual oportunidade associada a este mercado.

O estudo compreendeu quatro etapas. Na primeira etapa, foi realizada uma caracterização dos estados do GCC em relação à sua geografia, políticas, economia, idiomas, cultura e religião.

Na segunda etapa, caracterizou-se o mercado emissor turístico GCC, no que respeita às motivações do turista para viajar, e o perfil do viajante do GCC foi elaborado com base nos principais destinos turísticos escolhidos, as fontes de informação utilizadas, o comportamento de reserva, o comportamento de compra, os hábitos alimentares, as épocas preferidas de viagem e as preferências em termos de alojamento e transporte.

Na terceira etapa, descreveram-se os dez produtos turísticos estratégicos de Portugal de acordo com o Plano Estratégico Nacional do Turismo de Portugal (PENT), especificamente no que se refere à sua adequação ao mercado emissor GCC.

Com base na informação recolhida nas etapas anteriores, na quarta etapa, foi desenvolvida uma estratégia de marketing para o INATEL Turismo orientada para os países do GCC.

A conclusão do trabalho realizado durante o estágio é que o mercado estudado constitui uma oportunidade viável para a indústria do turismo portuguesa e para o INATEL Turismo em particular, desde que a estratégia de marketing seja adaptada às especificidades das sociedades dos países do GCC.

Palavras-chave: Conselho de Cooperação do Golfo, Estratégia de Marketing, Inatel, Marketing, Turismo

List of Abbreviations

(DMC) Destination Management Company

(ETC) European Travel Commission

(FNAT) National Foundation for Joy at Work

(GCC) Gulf Cooperation Council

(INATEL) National Institute for the Productive Use of Workers' Leisure Time

(INE) National Statistics Institute of Portugal

(MICE) Meeting, Incentives, Conferences, Exhibitions and Events

(MoU) Memorandum of Understanding

(OPEC) Organization of the Petroleum Exporting Countries

(PENT) National Strategic Tourism Plan of Portugal

(UAE) United Arab Emirates

(UK) United Kingdom

(UNESCO) United Nations Educational, Scientific and Cultural Organization

(UNWTO) United Nations World Tourism Organization

(VFR) Visit Friends and Relatives

Introduction

The Portuguese tourism industry depends mainly on European source markets. However, there are other regions in the world that experience a rapid economic growth and deep socio-political changes, with a positive direct impact on tourism and international travel, such as China, Russia, India and the Arab States of the Gulf.

Middle East tourism market is one of the fastest growing in the world, with an average growth rate of 9.9% between 2000 and 2010. Middle East is defined by the World Tourism Organization (UNWTO) as the Gulf Cooperation Council (GCC) states plus Syria, Jordan, Lebanon, Palestine, Egypt, Libya, Iraq and Yemen. The GCC states are probably the most lucrative market within Middle East making 60% of all outbound travels and 75% of total expenditure (ETC & UNWTO, 2012).

In 2014, the travellers from GCC countries to Europe exceeded 800,000 (European Commission, 2015). However, it seems they do not consider Portugal as a potential destination, as the total travellers of these countries to Portugal was less than 5,000.

The national strategic tourism plan of Portugal (PENT) identifies the 10 main touristic products for Portugal to focus on. These products are Sun and Sea Tourism, Religious Tourism, City Short Breaks Tourism, MICE Tourism, Golf Tourism, Nature Tourism, Nautical Tourism, Residential Tourism, Health Tourism, and Gastronomy Tourism. In this report, one demonstrates that most of those products are attractive for the Arab Gulf tourist, if they are well marketed to them.

The political environment is also favourable for this. For instance, in the end of July 2015, The United Arab Emirates (UAE) signed a Memorandum of Understanding (MoU) with Portugal to increase and promote the cooperation between the two countries in the field of tourism. The agreement aims to promote cooperation between the two countries and facilitate the influx of tourists and encourage cooperation between tourism agencies, corporations and other institutions working in the field of tourism (Stewart, 2015). This agreement was followed by the exemption of UAE citizens from the requirement of Schengen visa by the European Union (EU), which allows them to consider Europe as a next-door destination. We hope the agreement between the EU and UAE will be extended to all other GCC states.

The general objective of this study is to inform tourism strategy makers in Portugal, and specifically at INATEL, on the potential of the Arab Gulf Tourism market. I have also reviewed the current marketing strategy of INATEL to be able to propose an effective marketing strategy for the GCC market, by the end of this research.

This report is comprised of ten sections including the theoretical background on marketing, methodology, an overview of GCC market and its traveller's profile, the characterization of the tourism products of Portugal, and statistics on the GCC traveller arrivals to Europe in general and Portugal in particular. It also includes an overview of my internship at INATEL Turismo followed by my proposal of a marketing strategy targeting the GCC market. It ends with suggestions for future development and with the main conclusions.

1 Theoretical background

1.1 Marketing

Marketing plays an important part in any business activity. It is mainly about anticipating and exploring a demand, analysing it and then fulfilling it. Marketing is the management process responsible for identifying, anticipating and satisfying customer requirements profitably (The Chartered Institute of Marketing, 1996 - 2016). The American Marketing Association (2013) defines marketing as the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and to the society. To Kotler (2000: 4) Marketing is "the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational goals". Both definitions apply for tangible and for intangible products’ marketing (Middleton et al., 2009).

The marketing mix is a fundamental part of marketing. In 1960, McCarthy introduced the four P's model of marketing mix. The four P's model includes product, place, price and promotion (McCarthy, 1960).

The Product can be either tangible or intangible. The tangible product is a physical product that can be touched while the intangible product is non-physical product such as a service. Place refers to the decision regarding where the product is available to be bought by the consumer. Price refers to the decision regarding the amount of money the consumer pays in exchange for the product, and it considers discounts, commissions and taxes as well. Promotion refers to the process of educating and influencing the consumer’s selection of the product. It includes all communication means to inform the consumer about the availability of the Product.

1.2 Tourism Marketing Mix (4 Ps model)

The four Ps marketing model applies to tourism. In the tourism industry the product may include various components that construct the offer to the customer related to lodging, transportation and visited sites. The components related to the lodging include location and size of the building, room size, design, hotel furnishings, décor, ambience, lighting and catering styles. The components related to transportation may include routes, service frequency, vehicle type, seat size, space, décor, and meals provided. The components related to the visited sites refer to building size, design of facilities, type of collection, and size of collection, interior display and interpretation. Staff numbers, uniforms, attitudes and customer responsiveness, brand and image reputation are included in lodging, transportation and visited sites as well (Middleton et al., 2009).

Price in the tourism marking mix includes regular prices and promotional prices. The three types of the tourism product - lodging, transportation and visited sites, have different types of price. Lodging companies can have different rates such as regular rates, corporate rates, privileged user rates, and tour operator discount rates. Transportation companies also have different rates depending on classes, such as first class, business class, tourist fares, bulk purchase fares, and standby and charter fares. The visited sites have different rates too such as adult rate, senior citizen rate, group and party rates, children rate and friends of the site rate (Middleton et al., 2009).

Promotion in tourism marketing mix includes advertising in television, radio, journals and websites, sales promotion, merchandising, public relations, brochure production and distribution, and sales force (Middleton et al., 2009).

Place, in the tourism marketing mix, includes computerized reservation systems, global distribution systems, internet sites, travel agents, tour operators, airlines, city offices, airport desks, museum sites, hotel desks, schools and colleges (Middleton et al., 2009).

1.3 The seven Ps Model in Tourism Marketing

In 1981, Booms and Bitner added three Ps more to the traditional four Ps model. This addition made the new seven Ps model more appropriate to services marketing, and therefore applicable to tourism marketing as well. The three added elements are People, Process and Physical Evidence (Vliet, 2013).

The people component is particularly important for tourism. The following comprise it:

- Visitors, travellers and tourists, which are the current and future consumers of the tourism product. Usually they have special expectations about the product. Market segmentation will help in establishing the comparability between the consumers of different segments (Middleton et al., 2009),
- Employees of the tourism industry, in hotels, airlines, travel agencies, transportation agencies, restaurants, bars and other tourism connected businesses. Front line staff is particularly important, as they are the whole organization in the consumer's eyes. Therefore, their physical appearance, attitude and knowledge have a strong impact on the customer's opinion of the organization (Middleton et al., 2009); and,
- Citizens of the hosting communities.

1.4 Characteristics of Tourism Marketing

Tourism is a service sector. Services have four main characteristics, which are intangibility, inseparability, perishability, and variability.

Services, such as tourism products, are intangible, as they cannot be touched or measured before the purchasing action. Goods, on the other hand, can be touched and felt by the consumer before the purchasing decision. The only way to persuade the services’ consumer is through communication and distribution, as they will help to reduce the intangibility of the tourism products.

Inseparability means the product is purchased and consumed in the same location or in the same premise or equipment (i.e. production inseparable from consumption). Sometimes the consumer has to travel to receive the service such as in the lodging and transportation industries (Middleton et al., 2009).

Tourism products are perishable, which means unsold capacity cannot be resold. For example, unsold nights at a hotel cannot be sold again on the following days. In addition, unsold flight tickets constitute permanent lost sales (Middleton et al., 2009).

Variability means every service performance is unique because of the people element in the marketing mix. Therefore, the touristic product can be variable from time to time and from one employee to another (Middleton et al., 2009).

Three elements should be added to the characteristics of services in the case of Tourism, which are seasonality, high fixed costs of service operations and interdependence of tourism products. Seasonality is one of the main factors affecting leisure tourism all year around. For instance, residents in the northern hemisphere prefer to take their holidays in summer months, which are from June to September. They also consider school holidays as an opportunity to travel (Middleton et al., 2009).

High fixed cost of service operations affects the profit margin of touristic products. It includes premises rental, staff wages, taxes, website charges, monthly bills and marketing costs.

Most of the tourism products are interdependent to each other, as visitors combine transport, accommodation, food and beverages, and other facilities in their travelling plan. Additionally, many transport and accommodation suppliers are connected to several travel and tourism agencies at the same time (Middleton et al., 2009).

1.5 Tourism Marketing Strategies (STP model)

The STP process consists of three steps: segmentation, targeting and positioning. "Marketing strategy is the outcome of a firm’s segmentation, targeting and positioning (STP process) choices at the level of the Strategic Business Unit". This process is the core of Marketing strategy (Sarker & Begum, 2013:104).

Segmentation has to do with the fact that some tourists are similar to each other while others are different. Some of the differences or similarities between tourists have to do with their activities preferences: some tourists are attracted to cultural attractions while others are attracted to sports activities or other types of entertainment (Dolnicar, 2008). Market segmentation is the process by which the market is divided into homogenous groups that have notable difference in characteristics such as age, gender, place of accommodation preference, lifestyle or brand loyalty (Pesonen, 2013). Usually segmentation is based on demographic, socioeconomics or geographic criteria.

Demographic segmentation can be based on age, sex, family, race and religion. The socioeconomics segmentation can be based on income, occupation, education and social class. The geographic segmentation can be based on country of origin and region (Dibb & Simkin, 1991). Market segmentation can be applied to all businesses in the tourism industry: travel and tourism agencies, airlines, hotels, restaurants and transportation agencies (Dolnicar, 2008).

Targeting means choosing the segment, or segments, the company should enter. The marketing program should cover the marketing mix that suits the target's requirements (Dibb & Simkin, 1991). This step is done by evaluating each market segment to select the target segments; the evaluation should measure market segment size, growth potential and structural attractiveness (Tsiotsou & Goldsmith, 2012).

Positioning is the last step of the STP process. A successful positioning strategy should provide a sustainable competitive advantage (Chandra & Menezes, 2001). A tourist destination or a company may be positioned on different aspects of the provided services, such as benefits, activities, prices and quality (Tsiotsou & Goldsmith, 2012).

All these elements, mainly the main components of a marketing strategy, the marketing mix elements and the specificities of tourism products should be considered when defining a marketing strategy for INATEL Turismo targeting the GCC market.

2 Methodology

2.1 Marketing Planning

A marketing plan is composed by several components, which are described by Kotler (2000).: executive summary; current marketing situation with present's relevant data on sales, costs, profits, market, competitors, distribution, opportunity and threats analysis; objectives; marketing strategy; and, projected profit and loss statement. In this project, the recommendation of Kotler (2000) on the structure of marketing plan was followed. The plan comprises an assessment of the targeted GCC market from the perspective of INATEL Turismo, using a SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats). The main motivations and objectives for INATEL Turismo regarding the GCC market are identified and the plan includes a description of INATEL (including mission statement, background, and competitive advantages) and Portugal's tourism products, too.

Finally, a marketing strategy for INATEL Turismo is proposed to accomplish a main goal, which is to receive more tourists from GCC countries at INATEL. The strategy includes a financial projection and a suggested implementation plan.

2.2 Secondary Data Analysis

During the internship, I also collected and analysed secondary data regarding arrivals from GCC states in Europe, in general, and in Portugal, in particular. The main data were obtained from the European Commission's (2015) statistics of Schengen visas issued for the residents in GCC states. Other collected data concerned the number of guests and overnight stays from GCC countries in Portuguese hotels for the period of 2009-2014. This information was obtained from the Portuguese National Statistics Institute (INE) on special request.

Finally, I explored the relationship between the different datasets to identify a potential market opportunity for INATEL Tourism.

3 The GCC States: an overview

3.1 Geography

The Gulf Cooperation Council (GCC) states are Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates. This council was founded in 1981 (Al-Saud, 1997). The total area of these countries is 24,107,000 square kilometres near the Gulf in which all these countries lay on (figure 1). Oman lies on the Gulf of Oman and the Arabian Sea, while Saudi Arabia lies on the Red Sea (Gulf Cooperation Council, 2012).

The GCC states are neighbouring Iraq, Jordan and Yemen. Iraq is an Arab country that lies on the gulf but it is not member of the Council.

Figure 1 - GCC map
Source: (Chen et al., 2014)

3.2 Politics

In general, the political systems in the GCC states are absolute monarchies with very limited authority of the national parliaments. However, these states have been reforming. Eventually they will become constitutional monarchies with partially elected parliaments.

Each country has a ruling family, except UAE, which is a federation of seven emirates. Each emirate has a different ruling family. The seven emirates were united in 1971 following the British withdrawal from the region. The Federal National Council is the federal parliament of the country with only advisory tasks. From its 40 members, 20 are appointed by the rulers of the emirates while the others are elected from a selected group by those rulers. The voting is not opened for the general population (Coleman, 2015).

In Saudi Arabia, the king appoints all the 150 parliament members. In 2013, the king of Saudi Arabia issued for the first time decrees to allocate 30 seats for women as members (Alhussein, 2014). The only type of elections that exists in Saudi Arabia is the municipal elections, which started in 2011. In 2015, women were allowed to vote in this election (Agrawal, 2015). House of Saud is the ruling family in Saudi Arabia, which was founded around 1750 (Coleman, 2015).

Kuwait has a one of the most powerful parliament in the region. For instance, it has the right to set the Emir's salary. The parliament consists of 50 elected members plus 15 appointed cabinet members by the Emir. House of Sabah is the ruling family of Kuwait since the independency from the United Kingdom (UK) in 1961 (Coleman, 2013).

The Parliament in Bahrain has 40 elected members and 40 appointed members. The elected members are representing political societies because political parties are illegal in the country. House of Khalifa is the royal family of Bahrain since 1783. This family remained ruling the country after the British withdrawal in 1971 (Coleman, 2015).

The Parliament in Qatar has 30 elected members and 15 appointed members. House of Thani is the royal family of Qatar since 1850. This family remained ruling the country after the British withdrawal in 1971 (Coleman, 2015).

Council of Oman is the name of Oman's parliament. The Council of State, which is the upper house of the parliament, has 83 members, all of them appointed by the Sultan. On the contrary, the people elect all the members of the lower house (Consultative

Assembly). The Consultative Assembly has only advisory tasks, however. House of Al Bu Said is the royal family in Oman since 1744. This family remained ruling the country after the British withdrawal in 1970 (Coleman, 2015).

3.3 Economy

GCC states are strategic oil and gas exporters. They export about 34% of the total world's crude oil exports. About USD 491.9 billion was the value of the crude oil sold by GCC countries in 2014. Saudi Arabia is the largest world exporter, exporting 18.5% of the total world crude oil exports (table 1). UAE is the third in the world rank, Oman is the 4th, while Kuwait is the 7th and Qatar the 18th~~,~~ Bahrain does not export crude oil (Workman, 2015). Bahrain, unlike the other GCC states, imports crude oil from Saudi Arabia due to the limited oil resources in the country. Both Oman and Bahrain are not members of Organization of the Petroleum Exporting Countries (OPEC).

Table 1. GCC crude oil exports

Rank	Exporter	2014 crude export (USD)	World total
1	Saudi Arabia	$268.2 billion	18.5%
3	United Arab Emirates	$98.0 billion	6.8%
7	Kuwait	$69.3 billion	4.8%
14	Oman	$34.8 billion	2.4%
18	Qatar	$21.5 billion	1.5%
N/A	Bahrain	N/A	
	GCC total		**34.0%**

Source: (Workman, 2015)

Exporting natural gas plays also a significant role in some GCC states economies, such as Qatar, Oman and UAE. Qatar is the second major world exporter of natural gas after Russia, with 201.9 billion cubic meters in 2014 (table 2). Oman is the 18th in the world rank and UAE is the 26th (Central Intelligence Agency, 2013). Although Saudi Arabia occupies the world's sixth position in proven natural gas reserves, with about 8,489 billion cubic meters, it has no plans to export it (OPEC, 2015). Kuwait and Bahrain are following Saudi Arabia's step by not exporting natural gas (OPEC, 2015).

Table 2. GCC natural gas exports

Rank	Exporter	Billion cubic meters
2	Qatar	201,9
18	Oman	11,5
26	United Arab Emirates	7,4
58	Bahrain	0,0
117	Saudi Arabia	0,0
129	Kuwait	0,0

Source: (Central Intelligence Agency, 2013)

Besides the oil and gas industry, GCC countries started recently to diversify its economies into other industries such as transportation, tourism, trade, and finance. Dubai and UAE in general are the best examples of economic diversification within the GCC, and are being followed by all GCC states (Callen et al., 2014).

The GDP *per capita* in GCC states is among the highest in the world. In 2013 the average GDP was USD 1,637 billion ≈ € 1,476 billion. While the average GDP *per capita* was USD 33,514 ≈ € 30,216.34 (GCC Statistical Centre, 2013).

Middle-East countries in general and GCC countries, in particular, are the home of a high number of millionaires, and the millionaires are increasing each year. According to (Capgemini & RBC Wealth Management, 2015) in 2015 the total number of millionaires in Middle East was 613,600 while it was 569,300 in 2013 (figure 2).

The GCC countries are a home of billionaires as well. In UAE, there are 34 billionaires with a wealth of USD 79 billion ≈ € 70 billion. In Qatar, there are nine billionaires with a wealth of USD 20 billion ≈ € 17.5 billion. In Saudi Arabia, there are 57 billionaires with a wealth of USD 166 billion ≈ € 146 billion (Wealth-X, 2014). Table 3 shows the distribution of Middle Eastern billionaires by city.

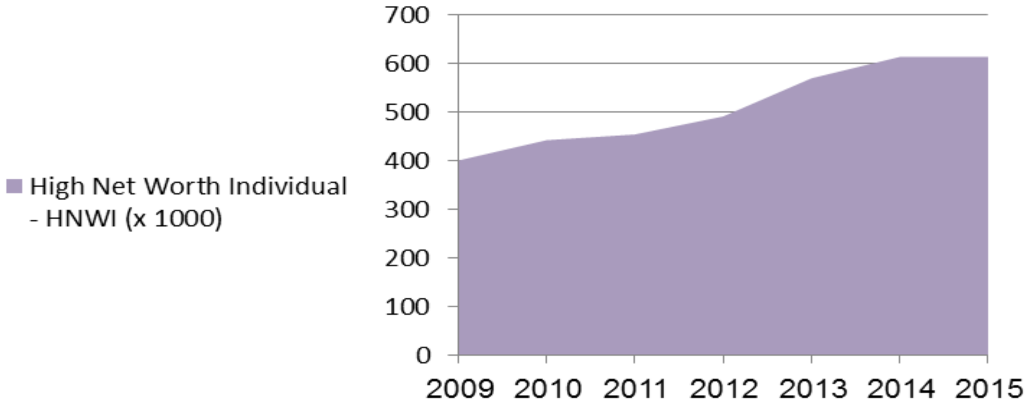


Figure 2 - Middle East's high net worth individuals
Source: (Capgemini & RBC Wealth Management, 2015)

Table 3. Top Middle Eastern billionaire cities

Rank	City	Number of billionaires	Billionaires wealth (USD Billion)
1	Dubai, UAE	34	79
2	Riyadh, Saudi Arabia	20	88
3	Jeddah, Saudi Arabia	20	42
4	Kuwait, Kuwait	12	23
5	Abu Dhabi, UAE	10	45
6	Doha, Qatar	9	20
7	Dammam, Saudi Arabia	7	17
8	Al Khobar, Saudi Arabia	5	11

Source: Wealth-X (2014)

In GCC countries, citizens are not subject of any income tax. However, there are some taxes imposed on businesses (Chindalia, 2014). This fact helps GCC sates' residents to allocate more money for their travel and tourism plans.

In UAE, there are no income taxes for companies except for oil and gas industries and foreign banks. In Qatar, the income tax is 10% for private companies and 35% for oil and gas companies. In Bahrain, oil and gas companies are subject to 46% tax. In Kuwait, only non-GCC companies are subject to 15% income tax. In Oman, the national and foreign companies are subject to 12% tax, while the taxes are 55% for oil and gas companies.

In Saudi Arabia, the GCC citizens are exempt from tax. However, they are subjected to the Zakat tax, which is a religious tax by the Islamic law. The foreign shareholders in corporations are subject to 20% income tax (Chindalia, 2014).

3.4 Demographics of the GCC Region

The population of the GCC states is very diverse and multicultural. There are many ethnic, national, and religious communities. The communities can be divided into citizens and foreigners.

The citizenship in GCC states is usually given by descent. In very rare situations, it can be given to foreigners. These countries are relying mainly on the expertise of foreign workers on their economy. According to the latest statistics, foreigners are about 50% of total population in the GCC states (Gulf Labour Markets & Migration, 2015).

Table 4. National and non-national population in GCC countries

Country	Date/ period	Total population	Nationals (%)	Non-nationals (%)
Bahrain	Mid-2014	1,314,562	48.00	52.00
Kuwait	31-03-2015	4,161,404	30.80	69.20
Oman	25-03-2015	4,149,917	56.00	44.00
Qatar	April 2010	1,699,435	14.30	85.70
Saudi Arabia	Mid-2014	30,770,375	67.30	32.70
UAE	Mid-2010	8,264,070	11.50	88.50
Total		**50,359,763**	**51.90**	**48.10**

Source: (Gulf Labour Markets & Migration, 2015)

As shown in table 4, non-national population in United Arab Emirates is the highest amongst the GCC states with almost 90%, followed by Qatar with about 85%, while the lowest is in Saudi Arabia with 44%.

The diversity in GCC states is helpful to segment the tourism outbound market. There are four main segments in this market: GCC Citizens, Arab expatriates, Asian expatriates and Western expatriates. Each segment follows a unique travel trend. GCC Citizens is considered the most lucrative segment (Malhotra, 2012).

3.5 Languages, Culture and Religion

Arabic is the official language in all GCC states, while the English language is widely used as a business language in these countries (Weber, 2011) and it can be considered the *lingua franca* of all communities living in GCC states. Other spoken languages such as Hindi, Farsi, Bengali, Malayalam, Punjabi and Tagalog can be found but those are mainly used by expatriates from India, South East Asia, and Africa working in the GCC states.

The vast majority of GCC states’ residents (citizens and expatriate) are Muslims (Central Intelligence Agency, 2013). The freedom of religion is protected in all these countries, however atheism is criminalised and the atheist could face death penalty (Evans, 2013). With Exception of Saudi Arabia, there are several worship places for non-Muslims such as Christian churches, Hindu and Sikh temples (Underwood, 2014) and even there is a Jewish synagogue in Bahrain (Ministry of Transportation, 2006).

In Saudi Arabia constructing any non-Muslim worship site is illegal even non-Sunni Muslim Mosques require special permits to be constructed (US. Department of State, 2014).

Only Saudi Arabia imposes dress code. All women must adhere to the local dress code in public, by wearing "Abaya". Abaya is an Arabic word, which means a loose over garment (ExpatWoman.com, s.d.). In other GCC countries, there is no such dress code in general. However, women are not allowed to wear short clothes, sleeveless tops or shirts inside the malls, mosques and government institutions. The dress codes are posted in the entrance of the major malls in Abu Dhabi and Dubai although it is not clear what kind of punishment would occur in case of violating the role (Hanif & Khoori, 2015). In Qatar, Bahrain, Kuwait and Oman, they have women dress codes in malls similar to UAE’s.

4 The GCC Outbound Travel Market

4.1 Push Factors for GCC Tourism Market

Push factors are associated with the travel decision, while pull factors are associated with destination selection. Several studies identify the travel push and pull factors. For instance, Alghamdi (2007) identifies more than 40 studies focusing on push and pull factors. The main objective of all these studies is to answer a simple question 'why do people travel?´ (Alghamdi, 2007). Two of these studies are particularly relevant to study the GCC market: Crompton (1979) and Kim, Lee and Klenosky (2003).

Crompton 1979 identifies seven socio-psychological factors and two cultural factors as push factors to travel. The socio-psychological factors are escape from a perceived mundane environment, exploration and evaluation of self, relaxation, prestige, regression, enhancement of kinship relationships, and facilitation of social interaction. The cultural factors are novelty and education.

Kim, Lee and Klenosky (2003) identify other push factors: family togetherness, appreciating natural resources and health, escape from daily routine and building friendship.

Escape from a perceived mundane environment can be related both to the personal or interpersonal environment of the traveller. The definition can be extended to escape from the daily routine and stressful job (Alghamdi, 2007).

Exploration and evaluation of self-means vacations can be an opportunity to revaluate and discover the self (Crompton, 1979)

Relaxation in the tourism industry means activities that do not lead to any stress or tension (Crompton, 1979).

Prestige is defined as the desire to be in high status in the other's eyes. It is mainly connected with having a social status (Alghamdi, 2007). Regression is the need of reminiscent of childhood or adolescent behaviour (Crompton, 1979). Enhancements of kinship relationships means many travellers engage in their travels to spend time with their family members who are living in other countries to enhance and enrich the kinship relationship with them (Crompton, 1979). A family and friend togetherness type of vacation can be a way to enhance family relationship (Crompton, 1979).

Facilitation of social interaction, one of the motivations for traveling, refers to meeting new people and having new social contacts in different locations. For some people finding a permanent relationship abroad is an objective of traveling (Crompton, 1979).

GCC travellers generally seek trips personalized to their specific needs, to satisfy their thirst for authentic experiences. They are willing to pay high prices for an extraordinary experience. According to tourism researchers there are several motivational spheres to travel, such as socio-psychological, social prestige, cultural, social and educational (Goossens, 2000). According to Chen and colleagues (2014), 82% of outbound travels of GCC tourists are for leisure purposes, while 18% of them are traveling for business.

Leisure travel can be segmented into five market segments (Chen et al., 2014):

- Family market
- Visit Friends and Relatives (VFR) market
- Couples market
- Single travellers market
- Honeymooners market.

VFR market weighs 35% of total travels. Some of these travellers are visiting their relatives studying abroad.

The limited domestic entertainment in Saudi Arabia is one of the main factors that drive the residents there to travel abroad. They search for entertainment that they cannot find in their home country, such as cinema and theatre. Even the Saudi women are more religiously relaxed when they travel to Europe, enjoying life without being obliged to cover their body (Gholipour et al., 2014).

Health and wellness tourism are very attractive to all GCC tourists. The highest percentage of GCC population who prefers to receive health treatments abroad is in Kuwait, with 65% of population, while the lowest is in Saudi Arabia with 35% (table 5). UAE government alone is spending about 2 billion US dollars ≈ 1.89 billion Euros per year on its citizens' treatments abroad (Loschky, 2012). Germany, Switzerland, UK, United States of America, India and Thailand are the top health tourism destinations for GCC states' citizens (Travel Connections Arabia 2013).

Table 5. Preference of GCC nationals to seek healthcare abroad

Country	Prefer medical care in another country (%)
Kuwait	65
Bahrain	47
Oman	43
Qatar	43
UAE	39
Saudi Arabia	35

Source: (Loschky, 2012)

4.2 Pull Factors for GCC Tourism Market

Pull factors are related to amenities such as sports, sun and beaches, other natural and cultural attractions, and nightlife (Prayag & Hosany, 2014). The attractiveness of a destination is the main pull factor for the traveller – i.e. when someone decides to travel to a certain destination, he/she is pulled by these factors (Kim et al., 2007), which motivates the traveller to plan his holidays (Goossens, 2000).

The main pull factors for GCC travellers are sightseeing, and visiting new places, social interaction and kinship, wellbeing and health, self-discovery and escape from problems and reality for resting and relaxing (Prayag & Hosany, 2014).

GCC travellers prefer large European cities, most of the times for shopping. For instance, London, Paris and Milan offer opportunities to buy luxury brands from designers. UAE travellers are among the highest spenders in tax-free shops in Germany (ETC & UNWTO, 2012). Lisbon can be added to these destinations due the availability of international branded designer shops. In Portugal, the fashion design industry started around 1980. There are now several fashion events and fashion schools (LISBONLUX, 2015).

In general, the Arab tourists demand Halal meat for their diet, which is not easy to find in some countries with a small Muslim community, such as Portugal. On the one side, it is an opportunity to offer the Arab tourists and other Muslim travellers the possibility to try the Portuguese cuisine, which is still unknown for them. On the other hand, it is difficult to find a restaurant in Portugal that provides Portuguese cuisine with halal meet; the majority of Halal restaurants are serving international cuisines (Zabihah.com, 2016).

The GCC travellers are educated enough to be able to communicate in English. Only Saudi Arabian travellers prefer to communicate in Arabic when abroad.

Safety in Western Europe is attractive for middle-eastern tourists as well (ETC & UNWTO, 2012).

However, the main reasons to select a holiday in Europe for GCC states' citizens are the beauty of the landscape, good weather, visa exemption or easy visa process, well know destinations or good image of the destination, availability of entertainment for all family members, and comfortable accommodation. History and sightseeing attractions are important for them as well (Tourism Authority of Thailand, 2015) (Malhotra, 2012). Single young travellers are the most demanding. They are looking for adventure and fun, as well.

5 GCC Traveller Profile

5.1 Main Destinations

Asian destinations such as Indonesia, Thailand and Malaysia correspond to about 20% of the preferred destinations of tourists from the Gulf countries (Table 6), while the Indian Ocean island countries, like Maldives and Seychelles, are the preferred for short trips.

The most popular destinations in Europe are UK, Germany, Switzerland, Austria and Turkey (Tourism Ireland, 2015).

Table 6. Popular travel destinations from the GCC countries

Origin	European destination	Rest world destination
Saudi Arabia	Switzerland, France, UK, Turkey	Malaysia, Indonesia, Singapore, Morocco
Bahrain	UK, Germany, France	United States, India, Malaysia
UAE	UK, France, Germany, Italy	Thailand, Singapore, Malaysia
Kuwait	UK, Switzerland, France, Germany, Turkey	United States, Malaysia, Thailand
Qatar	UK, France, Switzerland, Germany	United States, Malaysia, Thailand
Oman	UK, Germany, France	India, Malaysia

Source: (Chen et al., 2014)

When analysing by country of origin, the preferred destination for Saudi tourists in Europe are Switzerland, France, UK and Turkey, while their other preferred destinations are Malaysia, Indonesia, Singapore and Morocco (Chen et al., 2014).

The preferred destinations for Bahraini tourists in Europe are the UK, Germany and France while the other preferred destinations are United States, India and Malaysia. The preferred European destinations for Emirati tourists are the UK, France, Germany and Italy while the other preferred destinations are Thailand, Singapore and Malaysia (Chen et al., 2014).

The preferred European destinations for Kuwaiti tourists are UK, Switzerland, France, Germany and Turkey while other preferred destinations are the United States, Malaysia and Thailand. The preferred destinations for Qatari tourists in Europe are UK, Switzerland, Germany and France in Europe, while other preferred destinations are the United States, Thailand and Malaysia (Chen et al., 2014).

The preferred destinations for Omani tourists in Europe are the UK, Germany and France, while other preferred destinations are India and Malaysia (Chen et al., 2014).

The current civil war in Syria and the political unrest in other Arab countries influenced the preferences of GCC tourists for long haul flights to southern Asian, Americas and Europe destinations rather than inter-regional holidays to avoid nearby conflicts areas (Tourism Authority of Thailand, 2015).

The UAE and Bahrain families usually engage all family members in destination selection, while in Oman, Qatar and Saudi Arabia the decision is done by the husband and in Kuwait by the wife. Children play a role when selecting destinations with theme parks and skiing resorts (Malhotra, 2012).

5.2 Sources of Information and Booking Behaviour

Citizens from GCC states are keen on the new communication technologies. Figure 3 shows the percentage of smartphones usage for travel and tourism arrangements. Around 26% of GCC tourists used their smart phones to make their travel arrangements in 2014. These arrangements include accommodation, transportation and others. The highest smart phones usage was in Bahrain while the lowest was in Saudi Arabia.

Most GCC tourists do their search regarding travel destinations and make their reservations by their own without hiring any services from travel and tourism agencies (Frost & Sullivan ; Insights Middle East, 2014). They also share experiences and reviews in social media websites such as Facebook and Twitter, posting photos and videos (Frost & Sullivan ; Insights Middle East, 2014). However, middle class tourists

prefer to book in traditional agencies rather than online booking in a search for bargain opportunities (ETC & UNWTO, 2012).

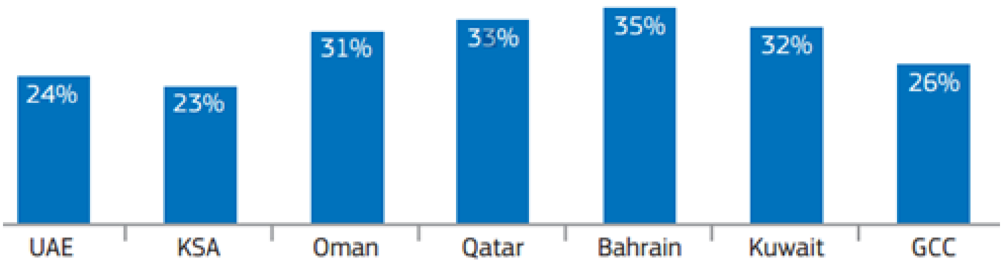


Figure 3 – Smartphones usage for travel-related arrangements
Source: (Frost & Sullivan ; Insights Middle East, 2014)

The other main source of information for GCC citizens is word of mouth (Observatoire valaisan du tourisme, 2014). They like to hear from families and friends who have experienced a destination to feel more comfortable before taking the decision to travel there.

Most GCC tourists book their flights using last minute deals, while some do it with more than two weeks in advance of their holiday. Luxury tourists book their trips at least with four weeks in advance (ETC & UNWTO, 2012).

Around 13 % of all leisure travel plans are made by a family member or a friend, who will select the preferred packages (figure 4). These packages usually offer entertainment activities that fit all members of the family (Frost & Sullivan ; Insights Middle East, 2014).

Most GCC tourists do their search regarding travel destinations and make their reservations by their own without hiring any services from travel and tourism agencies (Frost & Sullivan ; Insights Middle East, 2014). They also share experiences and reviews in social media websites such as Facebook and Twitter, posting photos and videos (Frost & Sullivan ; Insights Middle East, 2014). However, middle class tourists prefer to book in traditional agencies rather than online booking in a search for bargain opportunities (ETC & UNWTO, 2012).

The GCC family travellers are still using the traditional agent rather than using online booking for their travel and tourism arrangements (Frost & Sullivan ; Insights Middle East, 2014). Therefore, tourism agencies in GCC countries can be a way to enter this market.

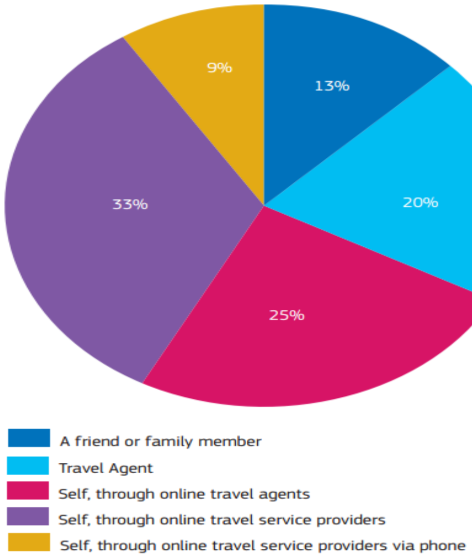


Figure 4 - Booking routes
Source: (Frost & Sullivan ; Insights Middle East, 2014)

5.3 Spending Behaviour

The GCC tourism market is a very valuable market. For instance, "the UAE market is worth approximately $6.6 billion with $4 billion spent on leisure travel and $2.6 billion on visiting family and friends" (Prayag & Hosany, 2014) .

The Arab tourists in general are known for buying luxury items especially when traveling abroad (Michael et al., 2011). GCC tourists are among the top consumers and spenders (Kovjanic, 2014)**.** In 2013, Saudi Arabia residents spent USD 17.8 ≈ € 15.5 billion on outbound tourism followed by UAE residents who had spent USD 11.2 ≈ € 9.8 billion and Qatar residents who had spent USD 7.8 billion ≈ € 6.8 billion (Thomson Reuters, 2014). In 2030, the total spending of GCC residents on tourism is estimated to reach USD 216 ≈ € 189 billion (Frost & Sullivan ; Insights Middle East, 2014).

GCC tourists assign about USD 16,924 ≈ € 14,859.79 per each member of the family to spend on the trip (Ministry of Tourism , Government of India, 2011). Qataris spend about USD 4,100 per day, Saudis spend about USD 3,360 and the Emiratis spend USD 3,280 (Malhotra, 2012). The popular products for the GCC Tourists are cosmetics, lingerie, textiles and footwear, and jewellery of gold and silver (Chen et al., 2014).

The average family size in GCC states has about five to nine members, and usually they include their maid in any travel they do. According to Malhotra (2012), Saudi Arabia has the largest family size including servants, with 12 members, while the smallest is from Bahrain with four members (Table 7). The results of Malhotra (2012) are based on a sample of 2500 GCC citizens.

Table 7. GCC family size including maids

Country	UAE	Qatar	Saudi Arabia	Kuwait	Oman	Bahrain
Family size	6-12	4-8	6-12	6-8	4-8	4-6

Source: (Malhotra, 2012)

Arab tourists usually travel with their extended families in groups of more than 10 members (Ladki et al., 2002). They prefer to travel together to keep socializing in their own language rather than having difficulties communicating in a foreign language (Frost & Sullivan ; Insights Middle East, 2014).

The average amount spent by a GCC tourist in an intra-regional trip is USD 4980 ≈ € 4574, while the average amount spent in long haul trips is USD 9920 ≈ € 9113 (table 8). The highest spenders in both types are Bahraini tourits.

Table 8. Average spend per intra-regional trip and international trip (USD).

Country	Average spend per intra-regional trip	Average spend per international trip
UAE	5000	10400
Saudi Arabia	5650	11550
Oman	4415	9090
Qatar	3650	6690
Bahrain	6900	12205
Kuwait	4265	9590

Source (Frost & Sullivan ; Insights Middle East, 2014)

5.4 Eating Habits

Travelers from GCC countries prefer Western cuisine in hotels, followed by Indian cuisine while the Middle Eastern cuisine is in the third position, and they like to be attended to quickly (Ibrahim et al., 2009).

Muslims are generally following Halal diet, which does not allow them to consume pork or alcohol. The stricter Muslims do not even consume other meats if the animal was not killed according to Islamic rituals (Chen et al., 2014). Due to the limited availability of Halal meat in some European countries, the strict Muslim travelers either go for seafood or for vegetarian options. The less strict Muslims accept to consume any available non-pork meat. They have rice with lamb meat, most times, but they also like fish (Hotelleriesuisse & Suisse Tourisme, 2013).

The citizens of GCC states usually use their hands while eating, but they rarely do it in Europe.

5.5 Travel Season

The typical travel season for this is market is during school holidays, which starts from the beginning of July until the end of September, due to high temperatures (Frost & Sullivan; Insights Middle East 2014). However, the Islamic lunar calendar affects the travel season when the fasting month of Ramadan comes in the summer season. In that case, these tourists usually divide their holidays to have two vacations, before and after the Ramadan (Chen et al., 2014).

Ramadan, Eid Al Fitr and Eid Al Adha rotate around the year (figure 5). Eid Al Fitr is the festival of breaking the fast, which is in the first day following the fasting month of Ramadan. Eid Al Adha is the Sacrifice Feast, which is the honouring day of the willingness of Ibrahim (Abraham) to sacrifice his son.

Beside summer holidays, GCC tourists travel in Winter holidays, which coincides with Christmas and New Year holidays in Europe (20th December to 3rd January), and in spring holidays - usually from 27th March to 10th April (Pennington, 2015).

5.6 Accommodation

Tourists from GCC states prefer to stay in serviced apartments due to the size of their families and their cultural needs. Saudi Arabia tourists lead on this preference, followed by tourists from Kuwait, Oman, Bahrain, and then by tourists from the UAE and Qatar (Malhotra, 2012). Tourists from the UAE generally prefer five-star properties (Michael et al., 2011). The average length of their stay is of about 13 days (Deutsche Zentrale für Tourismus, 2016). The middle class travellers from these countries are affording to travel at the luxury level by European standards.

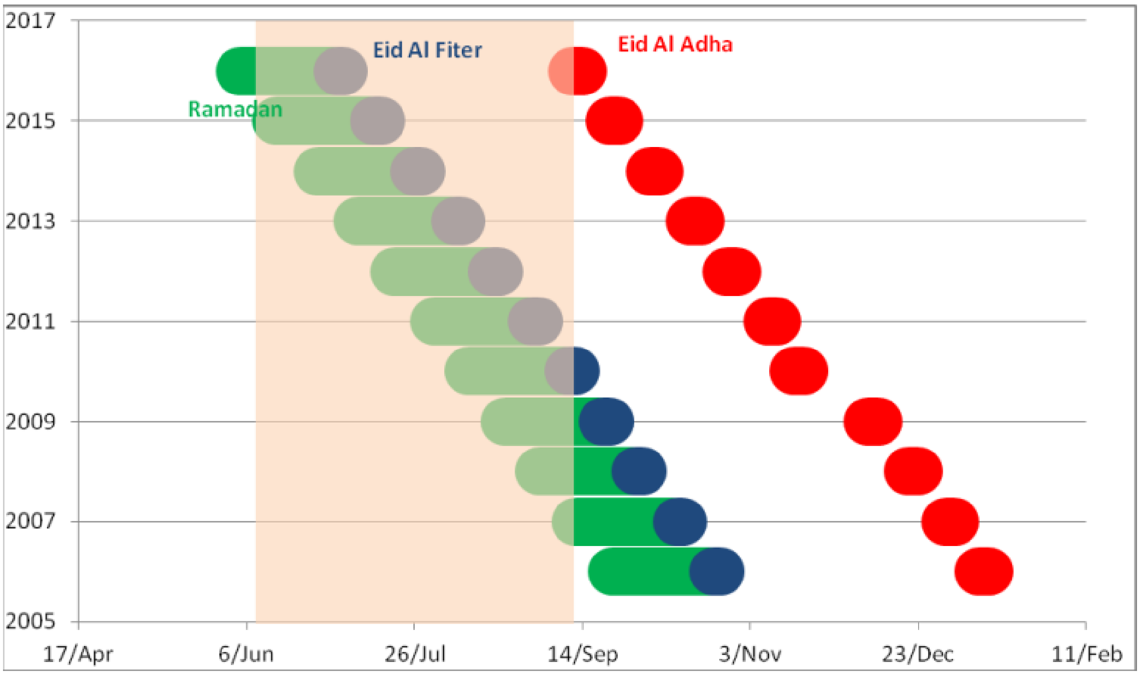


Figure 5 - Ramadan from 2005 to 2017
Source (Tourism Authority of Thailand, 2014)

5.7 Transportation

Tourists from GCC states spend about 4% of their total spending in ground transport (Malhotra, 2012). They prefer to rent cars for their ground transportation while traveling and they rarely use public transportation, even in their home country. GCC residents in general have low interest in public transportation. About 90 percent of GCC workers use their own cars, a taxi or a chauffeur to reach their workplace (Attwood, 2010).

Wealthy GCC tourists ship their cars with them while traveling. This is obvious in London, more than in any other city in Europe. These are usually the so-called super cars, which include brands like Ferrari, Lamborghini, McLaren, Bugatti, Maserati and other luxury brands (Hellyer, 2015). The cost of shipping such a car might be exceeding £20,000 ≈ € 27226 (Enoch, 2014).

6 GCC Tourist Arrivals in Europe

Europe receives about 46% of the tourists from Middle East (including the GCC states and other countries in region) who are selecting destinations outside the Middle East region (Tourism Authority of Thailand, 2015). This percentage makes 20% of the total outbound tourism from Middle East (Market Vision, 2002).

In 2012 about half million travellers from GCC states had visited Europe (Tourism Ireland, 2015). By 2020, Europe is expected to receive 5.3 million tourists from the Middle East (figure 6). Tourists from GCC states make one-half of the Middle East tourists (Market Vision, 2002).

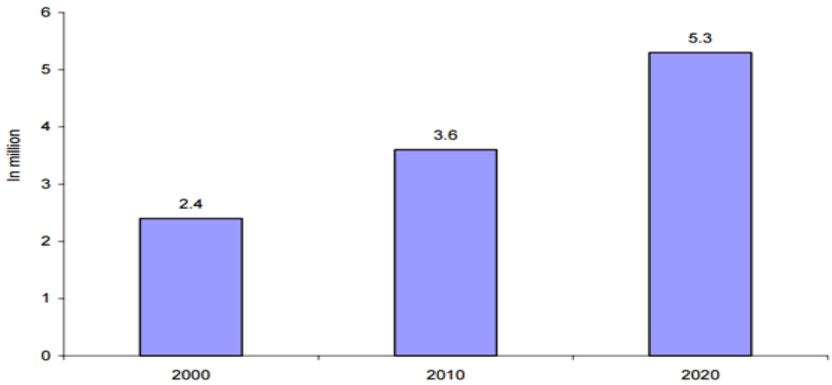
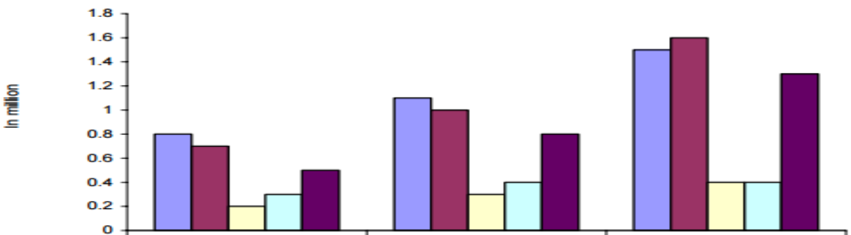


Figure 6 – Forecast of outbound tourism from Middle East to Europe
Source: (Market Vision, 2002)

According to the same source, by 2020 the vast majority of these tourists are expected to visit the Western and Northern European countries (Figure 7). Therefore, the Middle East represents an important outbound market for European tourist destinations, namely western European destinations such as Portugal. Within the Middle East, UAE is a key market (Prayag & Hosany, 2014).



	2000	2010	2020
Northern	0.8	1.1	1.5
Western	0.7	1.0	1.6
Central/Eastern	0.2	0.3	0.4
Southern	0.3	0.4	0.4
East Mediterranean	0.5	0.8	1.3

Figure 7 – Forecast of outbound tourism from Middle East to Europe's sub-regions
Source: (Market Vision, 2002)

7 Tourism Products of Portugal

PENT, which is the national tourism strategic plan for Portugal, mentions that Portugal is looking forward to increase the incoming tourists from new markets, such as the Gulf countries, China and Brazil (Gabinete do Ministro da Economia e do Emprego, 2015). In the same plan, it is recommended to increase the direct flights between Portuguese international airports and the airports in UAE and other GCC states.

According to PENT, the ten touristic products of Portugal are Sun and Sea Tourism, Religious Tourism, City Short Breaks Tourism, MICE (Meeting, Incentives, Conferencing, Exhibitions and Events) Tourism, Golf Tourism, Natural Tourism, Nautical Tourism, Residential Tourism, Health Tourism, and Gastronomy Tourism. Each one of these products is attractive for GCC tourists if well marketed. Moreover, waiving the Schengen visa requirements for UAE citizens will boost the arrivals to Portugal of tourist with diverse motivations, including MICE tourism.

7.1 Sun and Sea Tourism

Portugal is the home of 315 certified "Blue Flag" beaches and 17 marinas. This certification is given according to the following factors: long sunshine hours, natural beauty, hospitality and safety (Blue Flag, 2016). The UK and German markets are the main source markets for this product, followed by Scandinavia, Russia, France, the Netherlands, Italy and Austria (Gabinete do Ministro da Economia e do Emprego, 2015).

The number of certified beaches could make Portugal a great sun and sea destination for GCC Tourists. However, the Portuguese cold seawaters can take Portugal out of the consideration of GCC tourists when compared to Far East Asian destinations.

7.2 Religious Tourism

Although the vast majority of the residents in GCC (nationals and expatriates) are Muslims, religious tourism would be attractive for this market due to the historical connection between Portugal and the Arab World. Moreover, many expatriates in GCC states are following different denominations, and some of them are Christians.

This product might be less attractive to the vast majority of GCC tourists, although they might be attracted by the extraordinary architecture of churches and other Christian monuments in Portugal.

7.3 City Short Breaks Tourism

Short stays in a city are important drivers for travelling in Europe, because of the preference for short and frequent trips. The main source markets for short breaks at European level are Germany, UK, Scandinavia, Spain, Netherlands, Russia, Italy and France (accounting for 71% of the European market).

According to PENT the annual growth of short breaks tourism in Portugal is between 2% and 3% in the period from 2002 to 2012, and it is expected to increase to 5% or 6% in the coming years. The characteristics of this product in Portugal are good accessibility and security, as well as a large set of monuments, museums and historical neighbourhoods, offering diversity and variety.

This product can be attractive for GCC tourists, especially for UAE citizens who are exempted from the Schengen visa requirement, and who might be interested in spending a weekend or a short break in Europe. Portugal can be an alternative European destination for them.

7.4 MICE Tourism

Portugal, namely Lisbon, has important characteristics to promote MICE tourism, such as climate, hospitality, modern infrastructures, quality of services/price ratio, airport central location, diversity of options within walking distance and the international recognition of the city (Gabinete do Ministro da Economia e do Emprego, 2015).

The UK, Germany, France, Italy, Benelux and Scandinavia are the main European markets of MICE tourism in Portugal, while USA and Brazil are the main markets from outside of Europe (Gabinete do Ministro da Economia e do Emprego, 2015). Barcelona, Madrid and Istanbul are the main competitors of Lisbon as a MICE destination in Europe.

According to the International Association Meetings Market (2014), Portugal hosted 229 meetings, with 70.277 participants, in 2014. This number of meetings makes Portugal the 15th in the international ranking and ninth in the European ranking. According to the number of the participants, Portugal is 20th in the international ranking.

The city of Lisbon hosted 109 meetings in the same year, with 40,532 participants. This number of meetings puts Lisbon in the 12th position at the European level, and by number of participants in 24th position worldwide (The International Association Meetings Market , 2014).

Portugal, and especially Lisbon and Oporto, can be attractive for this kind of tourism for businesspersons from GCC countries.

7.5 Golf Tourism

The annual growth of golf tourism in Portugal was about 12% to 15% in the last decade. The growth rate is expected to remain around 10% in the near future (Gabinete do Ministro da Economia e do Emprego, 2015).

Portugal has several golf courses with different levels, some of them being signature golf courses. The international recognition of Algarve as a golf destination is very important. Sometimes golf tourism is associated to residential tourism but also to other travel motivations (Gabinete do Ministro da Economia e do Emprego, 2015).

The main tourism markets for golf are the United Kingdom, Germany, Sweden, France, the Netherlands and Spain, which make 85% of the European market. Spain, the Netherlands, France and Turkey are the main competitors of Portugal.

There is a significant number of golf players from GCC countries; the total registered players in the national federations are 17,075 (GFGolf, 2016). Some of these players might be interested in playing in Portugal.

7.6 Nature Tourism

Twenty-three percent of the Portuguese territory is made up of protected nature areas, with a high diversity of landscapes and natural habitats. Nature tourism includes several activities, such as bird watching, horse riding in rural areas, walking or cycling.

The Laurisilva forest of Madeira and the landscape of the Pico Island in the Azores are listed as Natural World Heritage by The United Nations Educational, Scientific and Cultural Organization (UNESCO) (UNESCO World Heritage Centre, 2015). Portugal also has other 11 sites on the tentative list of UNESCO. Some of these sites are natural resources, such as Algar do Carvão and Furna do Enxofre, The Arrabida Nature Park, Forest park of the Discalced Carmelites, Buçaco, Selvagens Islands, and the Portuguese Southwest Coast (UNESCO World Heritage Centre, 2015).

The main source European markets of nature tourism in Portugal are Germany, UK, Netherlands, Scandinavia, France and Italy.

Nature Tourism can be another attractive product for GCC tourists, due to the characteristics of natural environment in the GCC countries; green nature is a touristic product of potential interest for them.

7.7 Nautical Tourism

The average-annual growth of nautical tourism in Portugal was of about 0.5% between 2010 and 2015, much less than the 9% recorded between 2000 and 2005. The estimated future growth is of 3% to 4% per year (Gabinete do Ministro da Economia e do Emprego, 2015).

The main nautical tourism source markets from Europe are Germany, Scandinavia, UK, the Netherlands, France, Russia, Italy and Austria, while Spain, France, the UK and Ireland are the main competitors of Portugal (Gabinete do Ministro da Economia e do Emprego, 2015).

Nautical tourism in Portugal includes recreational boating and surfing. Ericeira, one of the surf locations in Portugal, was listed as a world class surfing zone in 2011 by the Local Stewardship Council. This surf zone has about 8 km of coastline on the Atlantic

Ocean, and it has different types of waves around the year. The best surfing season is from October to May (Save the Waves Coalition, 2015).

Both recreational boating and surfing are very popular among GCC tourists due the geographical characteristics of their region.

7.8 Residential Tourism

According to the (Gabinete do Ministro da Economia e do Emprego, 2015) there are two types of residential tourists:

1. Tourist-resident - that aims to buy his own home in Portugal to use it in his holidays in Portugal every year.

2. Investor - that aims to buy homes to lease them to tourists for short and long terms (Gabinete do Ministro da Economia e do Emprego, 2015).

Both types could attract the GCC tourists due to the quality of life in Portugal, especially in Algarve, and to the Golden Visa Program. This program allows foreign investors to have a residency permit in Portugal. There are several ways to get this visa: transferring a million Euros, at least, to Portugal; creating, at least, 10 job positions in Portugal; or, purchasing a real estate property with a value equal, or higher than, 500,000 Euros (Portuguese Immigration and Border Service, 2012).

About 100,000 residential units are bought every year by European and non-European customers in Portugal. UK and Germany are main European source markets, followed by France, Netherlands, Sweden and Russia (Gabinete do Ministro da Economia e do Emprego, 2015). Spain is the main competitor due to the similarities to Portugal (Gabinete do Ministro da Economia e do Emprego, 2015).

Residential tourism is one of the main tourism products to target for new markets, such as Gulf countries, China and Brazil. In fact, residential tourism is one of the most attractive Portuguese tourism products for GCC tourists for who are aiming at buying a second home, as well as for real estate investors.

7.9 Health Tourism

This product, has recorded a significant annual growth in Europe, between 7% and 8% since 2000. The advantageous characteristics of this product in Portugal include a recognized qualified health system, professionals with international experience and with limited language barriers, accredited hospitals, international spa brands, the Atlantic Ocean waters - which are the richest to practice thalassotherapy, and good weather conditions throughout the year favouring convalescence (Gabinete do Ministro da Economia e do Emprego, 2015).

The main current source markets for health tourism are Germany, Belgium, Italy, Austria, Switzerland, United Kingdom, Scandinavia and Spain while other important markets are the Netherlands, France and USA, as well as other Portuguese speaking countries (Gabinete do Ministro da Economia e do Emprego, 2015).

According to (Tandon et al., 2000) the Portuguese national health system is internationally recognized, ranking 12th internationally in what refers to quality. More than a quarter of the Portuguese population is fluent in English, 20 percent in French and 10 percent in Spanish. These percentages are even higher in the healthcare sector (Vicente, 2014). Portugal has 19 hospital networks, which are recognized by the (Joint Commission International, 2015). Joint Commission International is a US based group that provides international health care accreditation for hospitals around the world (Joint Commission International, 2015). Besides the hospitals and clinics, Portugal has several international spa brands (e.g., Angsana Spa by Banyan Tree Spa, La Prairie Spa and Six Senses Spa), which are internationally recognized in the health and well-being segment.

A sizable number of GCC citizens seek treatments abroad, according to a survey made by Gallup Research Company in 2012 (see table 5).

7.10 Gastronomy Tourism

This product has registered an annual growth in Portugal from 5% to 8% since 2000. In the coming years the growth will be between 8% and 10% (Gabinete do Ministro da Economia e do Emprego, 2015).

The objective of this product is to promote the richness and quality of food and wine to complement the tourist experience, encouraging the application of the brand concept 'Taste Portugal'.

Although the vast majority of the residents in GCC (nationals and expatriates) are Muslims, gastronomy tourism still attracts them for the non-alcoholic beverages and non-pork dishes: Seafood dishes are attractive for these tourists (Chen et al., 2014), and Portugal is famous for its seafood.

7.11 GCC Tourists in Portugal

The available information about the arrivals from GCC countries to Portugal is very limited. The lack of information is mainly due to the Schengen visa system. This system allows the travellers to other member's states to travel to Portugal without being required to ask for a further visa.

According to Schengen visa statistics, in 2014 Portugal issued 1.649 visas for travellers from UAE and 3.339 visas for the travellers from Saudi Arabia, while there are no visas issued for travellers from other GCC states (European Commission, 2015). These statistics do not include travellers from GCC states using Schengen visas issued by other member states.

Information provided by the Portuguese National Statistics Institute shows a large increase of GCC travellers to Portugal, between 2009 and 2014. In 2009, 3,525 tourists from GCC states stayed in lodging units in Portugal, while in 2014 the number grew to 17,591 tourists (table 9). This represents an increase of about 500% in 6 years. The vast majority tourists from GCC states were accommodated in five star hotels (Table 9) In addition, the vast majority of them used Schengen visas issued by other countries than Portugal.[1]

[1] This information was provided by special request by INE and it is not published on their website.

Table 9. GCC guests in portugeuse hotel establishments (between 2009 and 2014)

						Hotels					
	Total	Resorts	Tour. Apartm.	Apart. Hotels	Hotels	*****	****	***	** / *	Inns	Others
2009	3,525	51	48	131	2,991	1,567	1,058	268	98	31	273
2010	5,143	31	79	190	4,650	2,150	1,993	281	226	43	150
2011	5,889	82	304	240	4,935	2,654	1,747	348	186	40	288
2012	9,131	96	140	407	8,309	5,074	2,222	711	302	28	151
2013	14,084	254	178	765	12,635	8,894	2.386	895	460	99	153
2014	17,591	185	150	421	16,508	11,842	3,190	1,079	397	100	227

Source (INE, 2015)

The total overnight stays of GCC guest in Portuguese hotels in 2014 was 44,633 nights, while in 2009 it was 10,735 (table 10). The increase of the total of overnight stays is of about 416%.

Table 9. Overnight stays by GCC guests in portuguese hotel establishments (between 2009 and 2014)

						Hotels					
	TOTAL	Resorts	Tour. Apartm.	Apart. hotels	hotels	*****	****	***	** / *	Inns	others
2009	10,735	240	251	604	7,776	3 776	3,023	790	187	50	1,814
2010	13,862	109	474	969	11,784	5 772	4,676	843	493	94	432
2011	18,159	292	2,585	1,233	13,176	6 802	4,926	1,028	420	74	799
2012	26,447	383	2,583	1,708	21,347	11 438	6,840	2,313	756	44	382
2013	34,101	1,687	1,000	2,402	28,471	18,984	6,304	2,229	954	180	361
2014	44,633	1,088	768	1,266	40,052	27,871	8,503	2,756	922	235	1,224

Source (INE, 2015)

8 INATEL

8.1 INATEL Foundation

INATEL foundation was established on 13th of June 1935 as the National Foundation for Joy at Work (FNAT). The objective of FNAT was to create infrastructures for the cultural, sporting and recreational activities of Portuguese workers and their families.

FNAT became a very important part of the daily lives of workers and their households. It was implemented by opening "Joy centers at work" in all governmental institutions. The slogan of FNAT was “Joy at work”.

On April 3rd 1974, FNAT became *Instituto Nacional de Aproveitamento dos Tempos Livres* (INATEL) – *i.e.*, National Institute for the Productive Use of Workers' Leisure Time. INATEL received a mission to re-create, continue and renew their inheritance from FNAT including the infrastructures (hotel units, Trindade theatre, 1st of May Park in Lisbon and the Ramalde Park in Oporto), and to engaged in the provision of social services, with emphasis on Culture, Sports and Social Tourism.

In 1979, INATEL started to organize tours and trips for workers; promote tourism exchanges, including through agreements with similar foreign organizations; found and manage holiday centres, campsites and other means of accommodation for workers; and, intensify the use of its structures by senior citizens.

Nowadays, the mission of the INATEL Foundation is to promote the activities of leisure and recreation for young people, workers and seniors. These activities contribute to the overall well-being and personal development and the social inclusion of all citizens. The vision of the foundation is to be a reference in the organization of leisure and free time activities of young people, workers, seniors, families and communities through sustainable proposals in social tourism, throughout the Portuguese territory.

8.2 INATEL Turismo

INATEL Turismo is the registered brand of INATEL Tourism Department, which is part of INATEL Foundation. INATEL Turismo is one of the largest and oldest tour operators in Portugal. It is a member of several international travel and tourism organizations, such as the International Air Transport Association, the United Nations World Tourism Organization (UNWTO) and the International Social Tourism Organization. INATEL Turismo is also an accredited non-governmental organization by UNESCO.

INATEL Foundation owns 17 hotels, 3 camping sites and 2 thermal spas, offering 2,600 beds (Table 11), located in deferent places throughout the Portuguese territory. It also owns a network of 25 tourism agencies, a stadium, various sports halls, a swimming pool, and a 19th century theatre.

Table 11. INATEL's Hotels

Hotel	Rooms	Restaurants	Bars	Conference rooms
INATEL Albufeira	327	5	2	3
INATEL Caparica	35	2	2	4
INATEL Castelo de Vide	37	1	1	1
INATEL Cerveira	100	1	1	2
INATEL Entre-os-Rios	42	1	1	1
INATEL Flores Hotel	27	1	1	1
INATEL Foz do Arelho	95	1	1	4
INATEL Linhares da Beira	26	1	-	1
INATEL Luso	68	1	1	1
INATEL Manteigas	62	1	1	1
INATEL Oeiras	138	1	1	1
INATEL Piodão	27	1	1	1
INATEL Porto Santo	36	1	1	-
INATEL S. Pedro do Sul	77	1	1	1
INATEL Santa Maria da Feira	80	1	1	1
INATEL Vila Ruiva	32	1	1	1
INATEL GRACIOSA RESORT	44 rooms, 2 suits and 6 villas	1	1	1

Source: (Fundação INATEL, 2014)

INATEL Foundation also has partnerships with other suppliers in the Tourism field. Therefore, besides the hotels operated by INATEL, customers of INATEL Turismo are also hosted with other hotel suppliers in the country and abroad (Fundação INATEL, 2014).

In 2014, in spite of the vulnerable economic environment in Portugal, the tourism sector registered significant growth - 12.4% in the international market and 11.6% in the domestic market. This growth also reflected positively on INATEL Turismo with a growth of 10%. However, this growth was mainly in international travel programs while the national programs decreased by 213 participants.

The most successful programs of INATEL Turismo in 2014 were themed tours, fairs and festivals, special islands, shows, gastronomy and wine. The outbound travels to Spain, Turkey and Italy were the most successful international programs.

INATEL Turismo is focusing on promoting a more diversified offer and repositioning the brand image towards group tours, and thematic, cultural and religious tourism, with a strong focus on the international market.

8.3 INATEL Incoming – DMC Department

8.3.1 Targets and positioning

The current target markets for INATEL Incoming – DMC Department are Brazil and France followed by the Spanish and Canadian markets.

INATEL provides selected products for the current targeted markets promoting competitive advantage of Portugal as destination. It provides products, activities, prices and quality, which meet the customers' requirements for each source market.

8.3.2 Products

INATEL Incoming-DMC Department offers several products designed for the customers of the current markets. The products include accommodation, restaurants, tours and animations from internal and external suppliers. They also include entries for the main monuments in each product.

INATEL offers several types of packages such as day trips, beach trips, national round trips, themed trips and cruises. Except for one-day trips, all other trips are between three to eight days.

8.3.3 Price

The prices of one-day trips are between € 67 and € 99 per person. The prices for the beach trips are between € 455 and € 495 per person in a double room, while the national round trips prices are between € 188 and € 845 in a double room. The themed trips are priced between € 188 and € 420.

8.3.4 Communication and distribution

The incoming sector of INATEL Turismo is working on a business-to-business mode, which means that it does not sell directly to end user travellers but to the outbound tourism agencies in the source countries.

INATEL has used several communication methods to promote its products and brand in both national and international markets. Usually it organizes small events in its agencies to launch promotional brochures (Fundação INATEL 2014). It also organizes periodically conferences inviting several speakers from the tourism industry. The 8th European Conference Tourism For All was one of the most successful conferences organized by INATEL in 2015. It invited about 200 specialists to speak about socially responsible and ethical tourism.

Other important communication method of INATEL Turismo is sending a periodic e-newsletter to all its associate members. The objective of the newsletter is to contact current customers and inform them on INATEL Turismo promotions and on Inatel Foundation activities in general (Fundação INATEL 2014).

INATEL Foundation also makes advertisements in national and international newspapers, and publishes promotional articles targeting both current and potential customers.

INATEL Turismo also participates in many important travel and tourism events in Europe such as the International Tourism Fair in Spain and ITB Tourism Fair in Berlin (Fundação INATEL 2014).

8.4 Internship

The internship, to which this report refers to, was developed in the DMC Department of INATEL Turismo. During my internship in the company, I updated the database of the current suppliers of INATEL Turismo. The database of suppliers includes hotels, travel agencies, restaurants, animation providers and transportation companies. Furthermore, I developed a brand new database of travel and tourism operators from GCC countries. The database of tourism agencies in GCC countries includes more than 5000 contacts. This task required more than 2 months to accomplish. It was technically difficult to contact all within the internship period, however I spent 10 days contacting tourism agencies in GCC countries by sending INATEL's general profile.

I expect that in the near future, this database will contribute to building relationships with the listed contacts in order to establish business contracts between INATEL and GCC tourism operators. I have translated INATEL Turismo brochures to Arabic and English, from Portuguese.

Furthermore, I have developed two new touristic products for INATEL targeting the GCC market. These were called the 'Arabic Heritage' and the 'Family and Kids' routes. The databases and routes are annexed with this report.

9 Proposed Marketing Plan for the GCC market

The proposed marketing plan does not require any fundamental change in the current organization of INATEL Foundation or INATEL Turismo.

Despite the small number of GCC tourists' arrivals to Portugal, INE statistics show a significant increase of arrivals from GCC states, although the vast majority of them did not use visas issued by Portugal. This is a sign of the growth potential of this market.

Before this this internship, INATEL had no specific marketing strategy targeting tourists from GCC countries. In fact, this is recurrent in most European destinations. “Europe, in general, currently has a fragmented marketing strategy towards the Middle East outbound markets” (Prayag & Hosany, 2014).The European Travel Commission has no guidelines for GCC market or for the Middle East market in general, while it has for other markets such as India, Russia and China (Prayag & Hosany, 2014).

Several European countries, such as the UK, Switzerland and Austria issued guidelines to help their tourism suppliers have a better understanding of the GCC tourist. These guidelines cover, for instance, the Islamic calendar that shows the month of Ramadan and food guidelines for Muslim guests. Portuguese tourism related authorities have not issued any similar guidelines.

9.1 SWOT Analysis of the Destination Portugal for the GCC tourist

The strengths and weaknesses of the destination Portugal, as well as its opportunities and threats, in what relates to the GCC market are shown in Table 12.

Table 12. SWOT Matrix

Strengths	Weaknesses
- Several touristic products of interest for the target - Arabic heritage sites - Quality tourism infrastructures and professionals - Good weather around the year - Several natural sites with scenic beauty - Luxury shopping streets - Water and nautical sports - Good value for money compared to other European destinations - Safety and political stability - Several theme and water parks for children and families - UNESCO world heritage sites (cultural and natural) - Direct/ Indirect flights between Gulf cities and Portugal - Recent MoU between Portugal and UAE to increase tourism cooperation - High level MICE infrastructures - High standard hospitals and clinics	- Unknown touristic destination for the GCC market - Limited offer of Halal products - Unavailability of hoses in toilets - Limited promotional and marketing activities targeting the GCC market - Similarity of the touristic products in nearby countries - Unavailability of Arabic promotional site of Portugal or specialized tourism agency in Portugal - Low temperature sea water around year - Unavailability of Arabic speaking guides' in Portugal
Opportunities	**Threats**
- UAE citizen do not need visas - High spending behavior of GCC tourist - GCC tourists travel in large families and with maids - Preference for luxury products - Recognition of Gulf driving license in Europe - Willing to pay high prices for an extraordinary experience - Continued unrest in Middle Eastern countries makes Europe a safe destination - Extreme hot weather in GCC countries during summer - GCC tourists prefer all-inclusive offers - Preference for 5 star hotels or serviced apartments - Increasing number of GCC tourist arrivals to Portugal. - Increasing Portuguese community in GCC	- Suspending Schengen agreement of internal borderless Europe - The Saudi tourists prefer to be served in Arabic language - They avoid visiting churches and bikini / topless beaches - Increasing Islamophobia and xenophobia in Europe - Recent falling of oil prices

9.2 Strategic decisions

9.2.1 Segmentation

Several segmentation criteria can be applied to the GCC tourism market. Table 13 shows the main segments regarding leisure travel and business travel.

Table 13. Leisure travel and business travel segments

Leisure travel	Business travel
− Family market (young family with small children or older family) − VFR (Visit Friends and Relatives) market − Couples − Youth (single travellers or group of friends) − Honeymooners.	− Segmentation based on the destination: − Australia, New Zealand − India, Pakistan, Bangladesh − United Kingdom − Central and South America − North America − Africa (excluding North Africa) − Europe (excluding the United Kingdom) − Asia Pacific (excluding Australia and New Zealand)

Source: (Malhotra, 2012)

The GCC market can also be segmented into four demographic segments (Malhotra, 2012):

- Arab expatriates residents in GCC who are originally from other Arabic speaking countries,
- Asians expatriates: residents in GCC who are originally from Asian countries,
- Western expatriates: residents in GCC originally from Western countries including Europe, Americas, New Zeeland and Australia, and
- National residents.

9.2.2 Target

The main segment that INATEL Turismo should concentrate on is the national residents segment, which is the most lucrative segment. These tourists are traveling for both leisure and business. According to Chen et al. (2014), 82% of outbound travels of GCC tourists are for leisure purposes. Within the leisure market, preference should be given to the Family segment due to the large number of members of GCC families and the fit of Portugal’s tourism products to that segment. Notwithstanding other segments, such as the Youth or the couple segments might be attractive as well.

Nationals from GCC countries have higher purchasing power and higher income than other segments, such as Arab expatriates or Asian expatriates in GCC countries. Creating products for these other segments might be profitable in the future, after having built a strong position in GCC countries.

9.2.3 Positioning

The provided products should meet the specific requirements of the GCC tourist, namely high quality services, luxury accommodation and personal customization. These requirements must be clearly explained to all suppliers in all stages of the trip.

9.2.4 Marketing Mix for the GCC target

i) Product

In what regards to brand, I recommend branding INATEL as the main image of Portugal, and Portugal as an alternative destination in Europe for GCC tourists.

In what concerns tourism products:

- Religious tourism is the least attractive product to this market. However, it can be promoted as cultural and historical tourism to avoid any misunderstanding Sun and Sea tourism is a difficult product to promote due to the low temperature of seawater and the use of bikini in every beach. However, surfing product can be attractive for single male sporty travellers of the Youth segment.

- Nature Tourism is certainly an attractive product for the GCC tourist, due to the poor environment in GCC countries.

- Health Tourism is a promising tourism product in Portugal, which can be attractive to GCC Tourists. Many health tourists from GCC countries head to Malaysia, Singapore and Thailand for the medical tourism, and could consider Portugal as an alternative.

- Residential tourism would also be great opportunity for INATEL. This product will be attractive for both GCC Citizens and expatriates. The GCC investors had invested about 4.5 billion US dollars ≈ 4.2 billion € in global property market. Most of these investments (68%) were put in UK property market (TradeArabia News Service, 2015). These investors can be attracted to the Portuguese market.

- INATEL should also promote the variety and richness of Portuguese cuisine and deserts, the quality and diversity of Portuguese wines, and specially the quality of Portuguese seafood. Currently, an increasing number of tourists from GCC states focus on gastronomy tourism especially in the South of France, Italy and Southern Asian countries (Chen et al. 2014). These tourists would eventually be interested in experience the Portuguese gastronomy.

According to the analysis made, two new products were especially for GCC markets (appendixes 1 and 2).

Availability of shopping opportunities for luxury products should always be included regardless of the tourism products GCC tourists are high spenders on these types of products. In addition, regardless of the product, accommodation and transportation should have luxury standards. Therefore, educating tourism suppliers in Portugal about GCC tourists' preferences and profiles is determinant to provide products the fits these tourists demands.

INATEL should also consider having certified Arabic tour guides, along with other common languages, by training the refugees who are hosted by INATEL to work in tourism and hotels industries.

ii) Price

GCC tourists are willing to pay high prices for the services that they are looking for.

However, it was difficult to determine a final price for the end user because the DMC sector of INATEL Turismo works only with a business-to-business model.

Comparing the current prices of INATEL's products for other markets, and the added marketing costs for new designed products, which meet the profile of customers from GCC. The price of these products should probably be higher. The prices depend on accommodation, animations, transportation, and other aspects each product.

The prices of the two proposed products for the GCC market should lie between 400 and 900 Euros per person in a double room, this price is very reasonable according to the previously described GCC tourist profile.

iii) Place

One way to facilitate access to the GCC market is through the Portuguese embassies in GCC countries that can help promote Portugal as a new destination for GCC Tourists. Embassies and consulates are considered the main source and the first point of contact for the tourism agents to get information about the destination.

Attending tourism conferences and participating in tourism fairs will give a boost to negotiations between agents in both countries. Conferences will give a push to MICE tourism in particular.

iv) Promotion

The promotion of INATEL and Portugal's tourism products should be based on the exemption of visas for UAE citizens (Council of the European Union, 2015) especially for city breakers. Marketing Portugal and especially Lisbon as an alternative luxury-shopping destination to the traditional European destinations should also be part of the message to attract GCC tourists.

The citizens in GCC countries are very attached to the new technologies of communications; the average internet penetration is higher than the world average (Frost & Sullivan; Insights Middle East 2014). Therefore, the communication plan should consider this, namely by considering the development of a website with information about Portugal, in Arabic and in English. It should consider as well apps and the use of social media channels.

Using social media network can give a push to the tourism products dedicated for the GCC countries such as Facebook page in Arabic language to translate all the Portuguese posts into Arabic / English posts and promoting it in different tourism pages and groups on Facebook and other social networks.

I reinforce that the use of Arabic language in INATEL is essential for the success of a promotion plan targeting the GCC market.

9.2.5 Financial Projection

Based on the statistics provided by INE (table 9 and table 10), I expect a 500% increase of GCC arrival to Portugal in the next five years, including the effects of the specially created products by INATEL Turismo, which might be the pioneer travel and tourism agency to target the GCC market in Portugal.

Implementing the products designed for the GCC market, does not require any fundamental change to INATEL's infrastructure or human resources, except in what regards hiring an Arabic speaking tourism agent. The main expenses will be related to the communication efforts.

The assumptions regarding the communication plan, behind this estimation are as follows:

- Based on database that I created during my internship in the company, start by sending emails with INATEL's profile and brand, in both Arabic and English, for all travel and tourism agencies in GCC countries,
- Send personalized and specific emails for the tourism department or the general manager of each company,
- Build business relationships between INATEL and tourism professionals of the largest companies in GCC countries, by arranging regular casual and official meetings in Portugal and in GCC countries. In addition, participate in the major travel and tourism events in GCC countries, and inviting delegations from GCC countries to INATEL tourism events and other Portuguese tourism events as

well as sending general emails to airlines' managers, which have flights between GCC countries and Portugal,

- Use Arabic language in INATEL's physical and online publications to help maximize the knowledge about the Foundation and Portugal to more than 350 million native Arabic speakers in the world,
- To have an Arabic website to allow individuals to do their booking by themselves,
- Send printed brochures of INATEL to travel and tourism agencies and airlines who accepted to establish the contact with the company,
- Send printed brochures to the Portuguese embassies in GCC countries,
- Develop a reservation app for different mobile systems, in different languages, including Arabic and English,
- Establish an online and paper newsletter to keep contact with tourism professionals and other audiences.
- Make casual social meetings with travel and tourism professionals in Portugal and in GCC countries, such as trips for the tourism professionals from both sides and dinners.
- Offer training opportunities for the arriving refugees in Portugal, especially the native Arabic speakers, to be qualified to work in the travel and tourism industry with INATEL foundation.
- Use paid marketing campaign methods such online media, newspapers, magazines and TV to build the image of the company and Portugal in the collective consciousness of GCC citizens.

Table 24. Expected expenses for the communication plan

Step	Objective	Cost
Sending INATEL's profile and brand in Arabic and English for all travel and tourism agencies in GCC countries.	Entering GCC market	N/A
Sending personalized emails for governmental tourism departments.	Exploring business opportunities for cooperation	N/A
Sending the designed tour packages for the GCC tourism agents	To start the actual selling of the packages by GCC agencies	
Sending printed brochures of INATEL to airlines and other companies that accepted to become partners	To give them a stronger idea about INATEL and Portugal and to have better presenting of the company	200 Euros per agency (to be sent for 100 major agencies in GCC countries)
Participating in the major travel and tourism events in GCC countries like Arabian Travel Market and International Medical Travel Exhibition & Conference	Building and strengthen business relationship between INATEL and tourism professionals in GCC countries	1500 euros each (including participating cost, travel and accommodation)
Inviting delegations from GCC countries to INATEL tourism events and other Portuguese tourism events	Building business relationship between INATEL and tourism professionals in GCC countries	On their cost, except for lodging that will be offered by INATEL
Making casual social meetings with travel and tourism professionals in both Portugal and GCC countries	Building business relationship between INATEL and tourism professionals in GCC countries	500 Euros for dinner 200 Euros for coffee meetings
Advertising campaign in the main local newspapers in GCC countries	Promoting INATEL and Portugal in GCC countries to the general public to build brand awareness and position Portugal as an alternative European destination	1500-3000 Euros
Publishing articles in local newspapers about INATEL, in Arabic	Promoting INATEL and Portugal in GCC countries to the general public to build brand awareness and position Portugal as an alternative European destination	N/A

Table 3. Expected expenses for the communication plan (cont.)

Building an Arabic Facebook page of INATEL Turismo with paid advertisements	Promoting INATEL and Portugal in GCC countries to the general public to build brand awareness and position Portugal as an alternative European destination	To be estimated
Building an Arabic website with mobile app	To become available for individual tourists to make their reservation directly with INATEL	To be estimated
Sending printed brochures to the Portuguese embassies in GCC countries.	Promoting INATEL and Portugal in GCC countries to build brand awareness and position Portugal as an alternative European destination	100 euros
Organize meetings with GCC embassies in Portugal	Promoting INATEL and Portugal in GCC countries to build brand awareness and position Portugal as an alternative European destination	N/A
Establishing monthly Arabic/English online newsletter to be sent to both customers and tourism professionals	Promoting INATEL and Portugal in GCC countries to the general public to build brand awareness and position Portugal as an alternative European destination	10 Euros / month

10 Limitations and Suggestions for future developments

There are some limitations in this work, namely in what concerns the collection of primary data and the detail and accuracy of the financial projection. The main reason for this was the short duration of the internship given the complexity of the GCC market.

Therefore, it will also be of value the development of a survey with GCC citizens to determine with more accuracy the potential of the market. Based on the results of this survey, and to follow on the work developed during this internship, the proposed Marketing Plan can be further detailed and finally implemented.

The Portuguese refugee's welcoming policy can be an opportunity for travel and tourism agents, such as INATEL, that intends to explore the GCC market. This is an opportunity to have skilled employees, who speak Arabic. According to the recent reports, Portugal has offered to receive 10,000 refugees, which is 5,800 more than the European refugees' quota for Portugal (EurActiv.com with AFP, 2016). The majority of the arriving refugees are from Syria and Iraq. Future developments in this area should be concerned with the qualification of these refugees to work in the Tourism industry.

11 Conclusion

The general objective of this study was to inform tourism strategy makers in Portugal, and specifically at INATEL, on the potential of the Arab Gulf Tourism market. I have also reviewed the current marketing strategy of INATEL to be able to propose an effective marketing strategy for the GCC market.

I concluded that the GCC tourism market is a promising market for the Portuguese tourism industry, not only for INATEL Turismo but also for Portugal at large. However, Portugal as a tourism destination is largely unknown in GCC countries in spite of its potential to become an alternative European destination to the traditional ones. This will require an effective marketing plan to target this potential market.

Notwithstanding, there are some external challenges that can affect the efficacy of this marketing plan. On the one hand, considering that the Schengen agreement is a key factor to keep the UAE tourists flux into European countries, the recent news about suspending it after the refugees' crises and terrorist attacks will put the tourism industry at stake. On the other hand, the fall of oil prices can affect the income of GCC citizens, which can change their travelling plans to outer countries, especially in the case Saudi Arabia that depends highly on its crude oil exports.

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