

## COLOURS OF SPAIN LTD

Colours of Spain is using the web to successfully tap into a market gap – that of broker between owners of holiday villas and people searching for holiday rents.

### OBJECTIVES

Increasingly, British holidaymakers are moving away from package holidays towards arranging their own foreign breaks, from flights through to accommodation. The Spanish holiday property market is a prime business because of the country's enduring popularity with Britons and the increasing number of British people who are buying Spanish properties to rent out for at least part of the year.

Catalogues have been the traditional medium for advertising such properties. However they suffer from the obvious disadvantages of high cost of production combined with the fact that they are static and date quickly. Colours of Spain decided to exploit a website's ability to show a high level of detail while permitting rapid and frequent changes of content, all at a relatively low cost. It also wanted to be able to allow its customers to search across a variety of criteria – such as house characteristics, location, proximity to leisure activities and airports.

It wasn't just British owners of Spanish properties who were targeted by Colours of Spain. Because the Spanish tend to take holidays at different times of the year to the British, it provided an opportunity to offer Spanish owners a chance to broaden their client base.

"Essentially, it would be an enhanced matchmaking service between holidaymakers who want to rent in Spain and property owners who want to rent out," says Karen Spiller, Director of Colours of Spain Ltd. And, of course, it would have to cater for owners and renters who did not necessarily speak the same language.

Karen made a decision to generate the revenue stream from the property owners themselves, asking them to pay an annual subscription for advertising their property. The site would also have to handle the business with as little administrative input as possible and the system would need to provide financial and other reporting.

**Best practice in:**  
Start-up

**Sector:**  
Advertising

**Size of firm:**  
2 employees

**Location:**  
Birmingham

**Website:**  
[www.coloursofspain.com](http://www.coloursofspain.com)



“A lot of people prefer ‘established’ to ‘new and exciting’, your value proposition has to be more compelling than that of the established competition.”

KAREN SPILLER – DIRECTOR, COLOURS OF SPAIN LTD

## **SOLUTION**

A decision was made to develop the site using open source software, to minimise costs, and four main areas of functionality were developed. Firstly, property owners are able to set up an account and fill in templates, principally tickboxes and numbers, to create an advert for their property with online payments processed through a third party provider. A second area allows holidaymakers to search for properties and create a preferred shortlist. They are then able to contact the relevant owners with further questions if necessary. To provide added value, a third area acts as a travel guide, providing a matrix of information covering a range of topics such as food, climate and sites of interest. Users can select topics that interest them and are relevant to the area they want to visit and the output can be saved (complete with a full table of contents), printed or e-mailed as a PDF document. Finally, a secure area allows Colours of Spain staff to manage and administer the site.

A key design element has been the linking of parallel language files to a single database file. The advert-upload templates are two separate language files (Spanish and English) that both feed into a single file in the database that is used for the front end (what the holidaymaker sees). The user can upload in English, tick ‘house’ or upload in Spanish and tick ‘casa’, the advert will only ever display in English and the holidaymaker will see ‘house’. The only exception to these preconfigured templates is the free text description. It’s important for owners to be able to express what makes their property interesting and different (and therefore can’t be legislated for through pre-prepared templates!). This text is translated manually by Colours of Spain to avoid all the incomprehensible texts generated by automatic translation. This allows parts of the site to be truly bilingual.

In order to keep costs low, the system has been designed to minimise administrative functions. Terms and conditions are viewed and accepted online, management information and VAT invoices are all generated automatically and contacts between holidaymakers and advertisers are carried out electronically.

As a further attention to detail, the site allows renters and owners to identify common languages to help them communicate. If they don’t have a language in common, it offers a bilingual e-mail tool which works by matching a list of English phrases against Spanish phrases to construct a logically-phrased message. The phrase list is constantly updated, using the site’s own content management tools.





## RESULTS

Compared to a paper-based system using catalogues, Colours of Spain can achieve huge cost savings. Over a three year period, it calculated that catalogue printing cost would be around £383,000. However, website costs for the same period are only around £29,000 – an overall saving of almost £354,000.

And of course, the site also offers much greater flexibility than a catalogue format. “It wouldn’t be possible to offer something like the online travel guide through print – the costs would be prohibitive and hard to control. In fact in print, the more successful the travel guide became, the greater the cost, yet because it doesn’t correlate directly with the expenditure on a holiday, its ‘success’ would not necessarily benefit our bottom line,” comments Karen.

Managing the company is also much simpler using online rather than traditional methods. “It’s simple to update and correct information, and financial information, is generated automatically,” says Karen. “The content management system also allows rapid, highly-targeted mailings to advertisers.”


Soon after its launch to Spanish owners, the site had more than 100 properties with 350 more in the pipeline through a contract with the Avila region’s Associations of Rural Houses which is spending a significant part of its annual advertising budget to promote its members’ properties through the Colours of Spain website. The numbers show the success as the site now has 540 properties with another 500 in the pipeline.

The company was a regional winner of the start-up category in the DTI and InterForum Awards for E-commerce in 2004.

## CHALLENGES

Colours of Spain had to overcome one common problem any start-up faces: persuading existing property owners to begin to use it. “At the beginning, nobody wants to advertise on a website that doesn’t have any advertisers,” says Karen. “We overcame this problem by offering free advertising for a year to owners in the province of Granada.” This had the benefit of letting the website team test the system before a general launch and also meant that when it did launch the company already had some properties in place to attract clients.”

“The wide variety of IT systems used by customers is also a problem. Finding ways to let property owners upload information to the site simply has proved difficult,” says Karen. “Some of it requires a browser with Javascript enabled, but not everyone does that,” she explains. “We have tried to minimise this problem by making the technical requirements explicit in the upload demo.”



Because of its comprehensive coverage, the site's information requirements are broader than some competitors. A number of property owners find supplying sufficient information rather time-consuming. "However owners have told us it's worth it," says Karen.

Another potential problem is that because the site only acts as an advertiser, and bookings are made directly with owners, data about properties' availability may be out-of-date. "We encourage owners to keep the site's calendar updated by providing a direct link from their account and we reinforce that message wherever possible in the owners' area of the site."

Finally, the bilingual booking phrasebook cannot anticipate every question that holidaymakers will want to ask – although "it will become more complete over time as we add to it in response to both sides' requests," Karen explains.

#### Top tips:

- Going online in a traditional print-based business offers immediate annual and ongoing savings.
- Start-up businesses online may need to offer incentives to persuade potential clients to work with them.
- Some clients may not have the internet products or skills that you need in order to work with them effectively.

#### LAST WORD

Karen sees the possibility of extending the services that Colours of Spain provides: "We view the content on the site as one of our main assets," she says. "There are opportunities to work in partnership with restaurant guides, general travel guides and so on."

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