ASCOLI PICENO REPORT

Our study examines the tendencies and behaviors of a selected group of individuals by administering a detailed questionnaire. This sample represents a potential segment of clients to whom a tailored travel package could be offered.

In fact, understanding the motivations, preferences, and behaviors of travelers is crucial as in this project 3 effective techniques were utilized: segmentation, positioning, and pricing.

This report highlights Ascoli Piceno, a historic and culturally rich destination in Italy, while also serving as a key reference point for analyzing competitors such as Siena, Lucca, Pisa and Venice.

The primary objective of this study is to identify distinct market segments based on demographic, psychographic, and behavioral factors. The data encompasses a wide range of attributes, including travel frequency, attraction preferences, accommodation choices, price sensitivity, and sources of travel inspiration.

The segmentation process allows us to classify visitors into meaningful groups, each with unique travel preferences and expectations. This, in turn, informs us of a targeted positioning strategy, ensuring that Ascoli Piceno is marketed effectively to the most receptive audiences. A pricing analysis is conducted to balance affordability with value perception, ensuring competitive but sustainable tourism offerings.

SEGMENTATION

In the initial phase, data was collected through a survey, yielding a total of 79 responses.

It is important to underline that not all the data collected was utilized for all the strategies, in fact different studies needed different sets of information.

For segmentation, an initial major reduction of variables was carried out to retain only relevant attributes. Attributes refer to the specific characteristics or traits used to classify and differentiate individuals or groups within a market. They can be demographic, psychographic, behavioral or geographic. In our case the following attributes were selected because each directly impacts a traveler's decision when choosing a destination or travel package:

- attr_public_transport: accessibility and ease of transportation can be a major deciding factor for travelers.
- attr_prices: pricing affects affordability and the willingness to travel.
- attr_accommodation: quality and availability of accommodations shape visitor satisfaction.
- attr_food: culinary experiences often play a crucial role in destination attractiveness.
- attr_history: cultural and historical appeal attracts tourists interested in heritage.
- attr_events: festivals, concerts, and events can influence seasonal tourism.
- attr_landscape: natural scenery is always a strong motivator.
- attr_tourist_packs: availability of structured travel packages affects convenience and purchasing decisions.

In the second phase of the study, it was essential to choose the descriptors. While attributes define what is being evaluated (e.g., how important accommodation is to a traveler), descriptors define who the respondent is or provide details that explain why certain preferences take place. In our case they allow for a deeper understanding of who the travelers are, what influences their travel choices, and how they engage with travel experiences.

Our main descriptors were chosen by running a random forest that underlined which ones were most important. Two exceptions were made with regards to age and an arch interest category. Age was not a good discriminator, but we really wanted to keep it in order to really understand the individuals in the clusters.

So lastly, we were left by this descriptors with their relative importance:
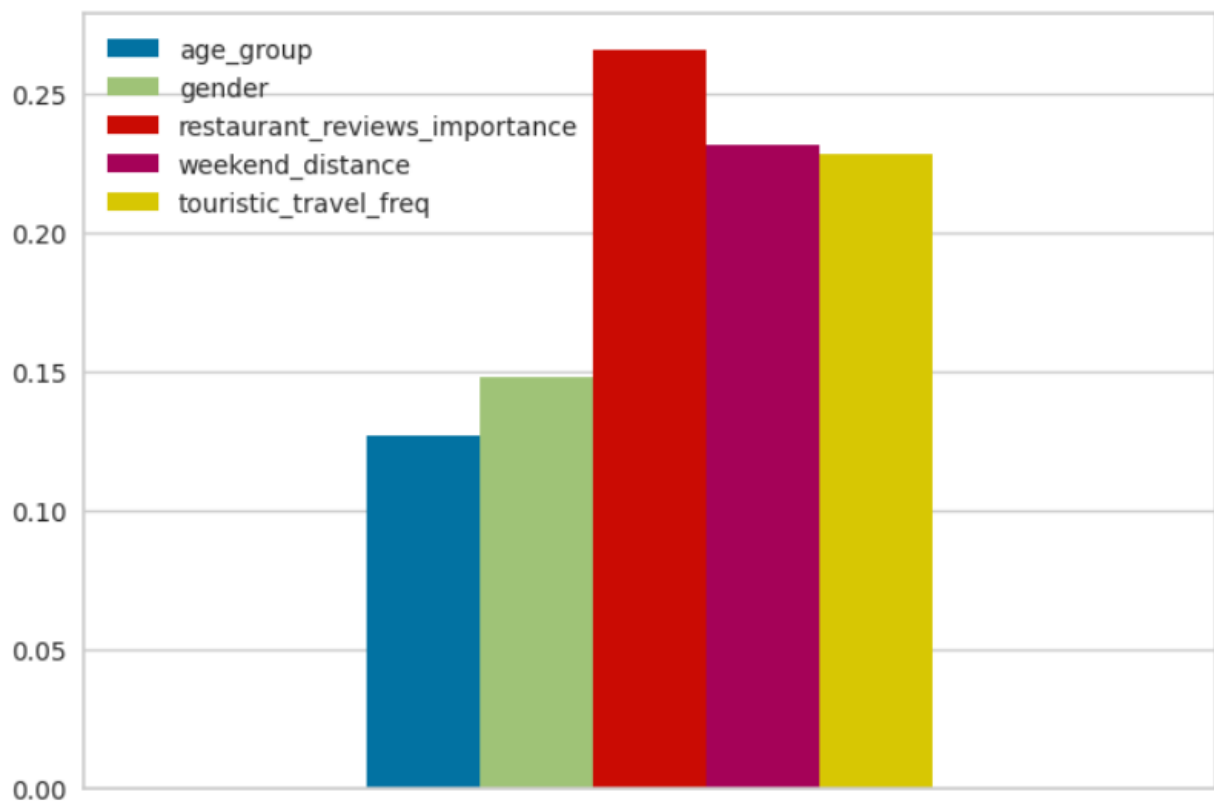
When looking for the optimal number of segments, different statistical tools pointed at 2 as the optimal number. Even the Davies–Bouldin index pointed at 2 although the value was not completely satisfactory. In fact, the best result would have been a DBI very close to zero or at least smaller than 1. In this case it was 1.06.
This was expected as the sample in our hands was small and this meant two things:
- Less variation: if the sample is too small, individuals may appear more similar than they actually are, making it harder to justify more than a few distinct segments.
- A strong risk of overfitting as too many segments with a small dataset could lead to unreliable or artificial groupings.

MARKETING ORIENTED RESULTS

CLUSTER 1: Consists mainly of **younger individuals**, typically between **18 and 25 years old**. This group places **greater importance on restaurant reviews**, indicating that they are more likely to **rely on others' opinions** before deciding on dining options. While they do **travel, they tend to do so less frequently,** with most respondents traveling only **once a year for touristic reasons**. When it comes to weekend trips, there is no strong preference for travel distance,

but **some are willing to travel more than 500 km**, suggesting a **mix of both local and long-distance travelers**.

The suggested strategy focuses on social media engagement, affordable travel options, and unique experiences. Partnering with influencers and travel bloggers on TikTok and Instagram can help highlight exciting activities, while encouraging visitors to leave positive online reviews, increasing credibility. The city should promote budget-friendly hostels and student discounts as in general we are talking about young people. Creating weekend travel packages, mainly with neighboring cities, so they can visit more than one city in a weekend or week, providing diverse and exciting trips.

CLUSTER 2: Comprises an **older demographic**, primarily **between 26 and 35 years old**, though it also includes respondents over 35. Compared to Cluster 1, these individuals **travel more frequently**, with most respondents taking at least two tourist trips per year. They show less reliance on restaurant reviews when choosing dining options but still have a portion of respondents considering them. For weekend trips, **they prefer shorter travel distances**, with most choosing to travel **between 100 and 300 km**, indicating a tendency for nearby getaways rather than long-distance weekend travel.

For this cluster is important to provide convenience, relaxation, and premium experiences. The city should aim for weekend getaway packages that include hotels, fine dining, and guided cultural tours. Given their preference for shorter distances, targeted campaigns should focus on regional visitors. Taking into account these, Ascoli Piceno should improve the accessibility to the city, so tourists can arrive from different parts of Italy and even the world. Partnerships with corporate offices and travel agencies can help, as in general they won't travel too much for a quick escape, so a whole Ascoli Piceno experience should be provided.

Promoting wine tastings, historical attractions, and boutique accommodation will further appeal to this segment. Lastly, a loyalty program or exclusive weekend pass offering discounts for multiple visits will encourage repeat tourism and build long-term engagement with this group.

POSITIONING

Positioning and Strategic Opportunities for Ascoli Piceno
From the two maps obtained on the notebook, we can infer the positioning of various cities in the space and draw several insights:

- **Venice** confirms its status as an **outlier**. Since PC1 is heavily influenced by attributes such as historical-cultural value, nightly rental prices, and the number of listings, it is no surprise that Venice stands out significantly from any other city, excelling in each of these attributes.
- Another interesting case is **Lucca**, which is also **markedly distanced** from its **competitors**. This city greatly benefits from its advantage in average rental prices and food offerings. These strengths allow Lucca to distinguish itself from the other cities.
- Finally, there is a **third cluster** comprising **Ascoli Piceno**, **Pisa**, and **Siena**, with the latter slightly distanced. Ascoli Piceno appears to have fewer strengths compared to the other two cities, which leverage greater historical-cultural appeal (Pisa) and the high perceived value of popular events (Siena) to build a more or less significant advantage.
- **Opportunities for Ascoli Piceno**

The **perceived value** of **Ascoli Piceno** compared to other cities certainly shows **signs of weakness**. However, there are **excellent starting points** that can be developed to help Ascoli Piceno stand out from its competitors and create its unique strengths. The city has a strong foundation in terms of its **food offerings**. Alongside Lucca and Siena, Ascoli Piceno ranks among the most appreciated cities in this regard.

With a rich culinary heritage that includes renowned dishes such as *olive all'ascolana*, Ascoli has the opportunity to establish itself as a premier gastronomic destination. Hosting **food festivals** that celebrate the city's traditional recipes and local produce can attract both domestic and international visitors. Additionally, **guided culinary tours** that include visits to local restaurants, wineries, and producers can offer an intimate exploration of the region's flavors, creating memorable experiences that tourists will share with others. Finally, leveraging renowned chefs and influencers could be an effective way to use **digital marketing** as a powerful tool to reach a wide audience and showcase the city's strengths.

Another opportunity to leverage is the *Quintana Festival*. The Quintana offers Ascoli Piceno a platform to rival Siena's Palio in attracting culturally motivated tourists. While Siena is globally recognized for its *Palio*, the Quintana holds **untapped potential **to become a **similarly iconic event**. Enhancing the festival experience with **historical reenactments**, **interactive workshops**, and **thematic markets** can help Ascoli build a more immersive narrative around its medieval heritage. Modern marketing approaches, such as **digital storytelling**, influencer partnerships, and live-streamed content, can extend the festival's reach and generate excitement among younger audiences. Developing **partnerships with travel agencies** to offer event-specific packages will further ensure that the Quintana becomes a centerpiece of regional tourism.

Focusing on Ascoli Piceno's strengths relative to competitors who are already ahead would allow the city to differentiate itself, create a **competitive advantage**, and leverage competition with more popular events to promote its own and grow. Moreover, growth in these

areas would indirectly improve other attributes, as the city would gain **visibility** and **popularity**.

POSITIONING FOR CLUSTER 1

Cluster 1 consists of younger travelers who prioritize affordability, social media influence, and engaging experiences. The data suggests that Ascoli Piceno, with its high score in events (3.68), is an ideal destination for this group. Events play a significant role in attracting young tourists, making it crucial to emphasize festivals, nightlife, and adventure activities. Marketing efforts should highlight these experiences through digital campaigns and social media engagement.

Food is another important factor for young travelers, and Lucca leads in this category (3.53), followed by Ascoli Piceno (3.10). Since this group is highly influenced by reviews and social media recommendations, promoting local food experiences through influencers and travel bloggers can significantly boost interest. Featuring affordable yet highly rated restaurants and street food options will enhance the city's appeal.

Affordability remains a key concern for Cluster 1. Venezia, with an average price per night of €234.98, is less suitable for this segment, whereas Ascoli Piceno, with a much lower cost of €96.69, aligns well with their budget-conscious mindset. To further attract young travelers, promotional efforts should focus on student discounts, budget accommodations, and group travel deals. Creating weekend packages that allow visitors to explore multiple cities in a cost-effective way will enhance the overall appeal.

To effectively market Ascoli Piceno to this segment, social media platforms like TikTok and Instagram should be leveraged, with influencers promoting exciting activities. Additionally, budget-friendly weekend travel packages combining nearby cities such as Siena can encourage extended stays. Offering student and group discounts will further enhance accessibility, making Ascoli Piceno a top choice for young travelers. Finally, emphasizing the city's vibrant events scene will position it as a dynamic and must-visit destination.

POSITIONING FOR CLUSTER 2

Cluster 2 consists of experienced travelers who prioritize premium experiences, cultural depth, and high-quality accommodations.
Venezia dominates this segment with the highest rating (4.00) and premium pricing (€234.98 per night), positioning it as a luxury destination.
In contrast, Ascoli Piceno, with a lower rating (2.62) and the most affordable price per night (€96.69), has room for growth in appealing to high-end travelers.
The strategy for Ascoli Piceno should focus on enhancing its reputation, leveraging its culinary strengths, and curating premium experiences to attract this market. Ascoli Piceno's relatively low rating suggests a need to strengthen its image as a refined travel destination. This can be achieved by highlighting its historical charm, architectural beauty, and cultural heritage. Partnerships with high-end travel agencies and luxury publications can boost visibility among affluent travelers. Additionally, organizing exclusive experiences—such as private historical tours, fine dining experiences in heritage sites, and collaborations with renowned chefs—can

elevate the city's appeal. Food plays a central role in Cluster 2's preferences, with Lucca leading in this category (3.88).

Ascoli Piceno, with a solid food score (3.13), should position itself as a gourmet destination by offering exclusive wine and food pairings, chef-led tasting menus, and truffle-hunting excursions. Hosting gastronomic events featuring Michelin-starred chefs or collaborating with prestigious culinary institutions can further solidify its appeal. While events are valued by Cluster 2, their expectations lean toward sophisticated and immersive experiences. Compared to Venezia (3.53), Ascoli Piceno (2.85) needs to refine its offerings to match the preferences of this high-spending segment.

Introducing premium cultural events such as classical music festivals, art exhibitions, and heritage-themed galas can attract affluent visitors. Additionally, hosting wine and food festivals with exclusive access to local producers can differentiate Ascoli Piceno from competitors.

Ascoli Piceno's affordability (€96.69 per night) makes it a budget-friendly option, but to attract Cluster 2, there is a need to enhance luxury accommodation offerings. Encouraging boutique hotels, historic villa stays, and curated high-end travel packages can reposition the city as a premium destination. Exclusive concierge services, personalized city tours, and VIP experiences can justify higher pricing and cater to travelers seeking unique and exclusive stays.

To compete with destinations like Venezia and Lucca, Ascoli Piceno must refine its brand messaging to appeal to luxury travelers. A campaign emphasizing "**Hidden Italian Elegance: A Journey Through History & Taste**" can highlight its strengths. Digital marketing should target affluent audiences through curated content, influencer partnerships with luxury travel bloggers, and premium travel platforms. By promoting high-end experiences across online and offline channels, Ascoli Piceno can enhance its positioning in Cluster 2 and attract discerning travelers seeking cultural richness and exclusivity.

PRICING

Initially, we analyzed pricing using the entire dataset, but we noticed that some responses were exceptionally high, causing the final prices to deviate from our expectations.
After removing these outliers, the prices for each analyzed category aligned more closely with our anticipated values. Based on this, our initial recommendation is to apply these adjusted prices universally while introducing special discounts for students and young people, similar to practices already implemented in other Italian cities.
This strategy would effectively appeal to both Cluster 1 (younger individuals, including students) and Cluster 2 (older individuals aged 25+), enhancing accessibility and attractiveness across both segments.
We consider that ideal prices should be:
- Wine: With an adjusted optimal price of €27.00 (€26.67), pricing should remain competitive while ensuring perceived quality. The removal of outliers suggests prior overestimations.
- Quintana: A more moderate pricing of €24.00 (€23.85) is recommended. Previous results may have suggested a higher price tolerance than reality.

- Ascoliva: With an optimal price of €20.00 (€20.01), the product is highly price-sensitive. A budget-friendly positioning is necessary.

- Walking Tour: No optimal price was determined, but pricing should remain between €15.00 - €25.00 to stay within the consumer-acceptable range.

FINAL CONCLUSIONS

PRICES RECCOMENDATION

Using the final analysis of prices without outliers, we consider that ideal prices should be:

- **Wine:** With an adjusted optimal price of **€27.00** (€26.67), pricing should remain competitive while ensuring perceived quality. The removal of outliers suggests prior overestimations.
- **Quintana:** A more moderate pricing of **€24.00** (€23.85) is recommended. Previous results may have suggested a higher price tolerance than reality.
- **Ascoliva:** With an optimal price of **€20.00** (€20.01), the product is highly price-sensitive. A budget-friendly positioning is necessary.
- **Walking Tour:** No optimal price was determined, but pricing should remain between **€15.00 - €25.00** to stay within the consumer-acceptable range.

Apart from this, as mentioned before, it's important to offer some special discounts (mainly to cluster 1) to provide more accessible prices and be an affordable destination for different type of groups.

CLUSTER 1: SOCIAL SAVVY BYDGET TRAVELERS

Ascoli Piceno has strong potential to attract young travelers (18-25) by leveraging its affordability, vibrant events scene, and food experiences. Since this group relies heavily on restaurant reviews and social media influence, the city should position itself as a dynamic and budget-friendly destination with engaging activities.

Key Strategies for Ascoli Piceno:

- Social media & Influencer Marketing: Collaborate with travel bloggers and influencers on TikTok and Instagram to showcase Ascoli Piceno's festivals, nightlife, and adventure activities. Encouraging user-generated content and positive online reviews will boost credibility and visibility.
- Affordable Travel & Accommodation: Promote budget-friendly hostels, student discounts, and group travel deals to make the city more accessible for young tourists.
- Food & Cultural Appeal: Highlight local food experiences through street food festivals, affordable restaurant recommendations, and partnerships with food influencers to enhance the city's reputation as a culinary destination.
- Weekend Travel Packages: Create cost-effective weekend travel bundles that include nearby cities like Siena, Pisa, or Lucca, offering diverse experiences within a single trip, taking into account that this cluster would travel longer distances.

By focusing on digital engagement, affordability, and unique experiences, Ascoli Piceno can establish itself as a top choice for young, budget-conscious travelers seeking exciting and social tourism experiences.

CLUSTER 2: PREMIUM EXPERIENCE SEEKERS

Ascoli Piceno can position itself as an ideal destination for frequent travelers (26-35+), offering convenience, premium experiences, and cultural depth. Since this group prefers shorter weekend getaways (100-300 km) and values high-quality accommodations and experiences, the city should focus on creating a refined yet accessible travel experience.

Key Strategies for Ascoli Piceno:

- <u>Luxury & Convenience-Focused Getaways</u>: Develop high-end weekend packages that include boutique hotels, fine dining, and private cultural tours to provide a seamless, premium experience.
- <u>Enhanced Accessibility</u>: Improve transportation connections to make the city more accessible for regional and international visitors. Collaborating with travel agencies can encourage business-leisure travelers to choose Ascoli Piceno for quick escapes.
- <u>Cultural & Culinary Appeal</u>: Promote immersive experiences such as wine tastings, guided historical tours, and exclusive access to heritage sites, catering to travelers seeking depth and authenticity.
- <u>Loyalty & Repeat Tourism Initiatives</u>: Introduce a weekend pass or loyalty program offering discounts for multiple visits, encouraging repeat travelers and long-term engagement with the destination.

By enhancing accessibility, premium experiences, and fostering repeat visits, Ascoli Piceno can strengthen its appeal among experienced travelers looking for a refined and convenient getaway.