CLOUD TOURS

Business Plan

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EXECUTIVE SUMMARY

Cloud Tour is a mobile app that aims to help tourists in various cities and places around the world have the best possible experience during their trip. Many guided tours currently available are expensive, lengthy, crowded, and not always tailored to the users interests. The solution Cloud Tours offers is a unique way to explore and learn about a new city through informative and fun audio and visual guides that work at your own pace and are catered to your interests. Cloud Tours’ mission is to provide endless entertainment wherever you travel with access to fun and educational tours guided at your own pace with your personal preferences in mind. What makes Cloud Tours a unique option for users as opposed to similar services available is the possibility for users to create, upload, and share their own tours. This helps add more variety and also makes it possible for users to find something more personalized and catered to their own taste. The focus for the market will mainly be millennials as they are most likely to be technologically savvy and also to plan a last minute trip somewhere. This might bring about more of a need to have an app to help you find which places are worth going to and what in the city is worth seeing. Since this is a free app, the main way that the company will make revenue through advertisers such as museums and private tour companies who can either pay to have their tour promoted or recommended at a higher level or they can upload an option for a paid tour. This also means that Cloud Tours will rely heavily on user generated content, so there will need to be enough to make sure there are interesting and diverse tours for users. The app also needs to run smoothly on and offline, since oftentimes when traveling, access to Wi-Fi can be limited. Thus, reaching a certain amount of users will be a crucial milestone.

COMPANY OVERVIEW

* Company Summary: Cloud Tours offers a unique way to explore and learn about a new city through audio and visual guides that work at your own pace and are catered to your interests. Users will have access to a wide variety of informative and entertaining tours that are available both on and offline. Users can create their own tours by selecting a series of available locations that interest them or they can choose a premade route. Premade routes can be uploaded and created by other users or by outside establishments such as official tour guide programs or local museums.
* Mission Statement: Cloud Tours aims to provide endless entertainment wherever you travel with access to fun and educational tours guided at your own pace with your personal preferences in mind.
* Company History:  Often times, when you are in a new city, it can be difficult to know what buildings are what and which places are worth going to visit. While there are of course wonderful tour guides out there, they can be pricey, crowded, lengthy, and may not focus on exactly what you were looking for. Cloud Tours offers a more personalized approach with options that can be filtered through the recommendations and experiences of users just like you.
* Markets and Products: Currently in this market there are apps that offer similar services, but nothing else offers a way for users to upload their own tour routes or recommendations. Cloud Tours is unique in that it offers both customization and sharing with other users in addition to the more standard tours that other apps provide. Some examples of existing apps in this marketspace are PocketGuide Audio Travel Guide, VoiceMap Audio Tours, Action Tour Guide, izi, and World Explorer - Tour Guide. The type of consumer that Cloud Tours is targeting is anyone with a smartphone who is either interested in traveling or just exploring a local city in a new way.

PRODUCT DESCRIPTION

* Opportunity: When exploring a new place or city, it can often be difficult to know what's around you and which attractions are worth visiting. Previously the solution to this would be to hire a tour guide or to pay to be a part of a group tour. These options can be expensive and rather limiting in which parts of the city you get to explore. They may also move too quickly or too slowly or feel just slightly less personal as you have to spend time with people you don’t know. The solution that Cloud Tours provides is a way to access a personalized and informative tour at your own pace.
* Product Overview: Cloud Tours is an app that provides a way for tours and experiences to be shared and uploaded by and for users of the app. The main focus is providing informative and fun tours that use your GPS location as well as online and offline functions to provide an accurate and immersive experience in a new place or city. These tours give users the opportunity to travel and explore at their own pace and learn something new about their surroundings. Users can upload and review tours on the app which allows for more variety in types of tours for a more personalized experience. There will also be verified tours from professional tour guides or museums if users are interested in a more traditional experience.
* Key Participants: The main things that are necessary from outside participants to keep this app running are uploaded tours from various users as well as tours from bigger companies. This will make sure that there are enough options for users and also a wide variety in types of tours ranging from professional to more fun and casual routes. Content from larger companies is also an important part of the revenue for the app.
* Pricing: This app is a free product for users, so the main way that the company will make revenue through advertisers such as museums and private tour companies who can either pay to have their tour promoted or recommended at a higher level or they can upload an option for a paid tour.

MARKET ANALYSIS

* Industry Type: Cloud Tours falls into the travel industry type, with smaller industries being tours, hiking, etc. It acts as a digital and mobile travel guide for its users. The tourism industry generated 10.4 percent of all global economic activity in 2018, and that number is projected to increase in the following years. Also in 2018, travel and tourism increased its share of leisure spending to 78.5 percent, up from 77.5 percent in 2017. This number is also expected to increase over time. Overall, the travel industry is growing at a steady rate, and investment there is definitely worth looking into.
* Market Segmentation: Cloud Tours is going to be promoted mostly to millennials, ages 23-38. According to a 2019 article, “49% of millennial's take last minute vacations.” This impulsive characteristic means they need planning done easily. Cloud Tours is the answer to these kinds of problems. But, while millennials are the key target market, Cloud Tours will be promoting itself to other audiences because families, groups, and individuals of all types travel annually.
Travelers need a resource to help them out when it comes to planning out all the stops on their vacation. They can use atlases and mobile maps, but physical can be confusing and overwhelming, and mobile maps like Google Maps are good for getting from one destination to the next, without pointing out key attractions or sites along the way. Travelers want one place where they can plot out their route and find interesting sites in an easy and manageable way. Cloud Tours is the answer to our consumers needs and wants.
* Competition: Mobile travel guides aren’t popular at the moment. When most families plan a trip today, they spend months researching online or just go about their vacation to see where it takes them. An app like Tripadvisor, which is listed as a trip planner and travel booking app, is one of Cloud Tour’s biggest competitors. It’s won Editors Choice in the App Store, is number 24 in the travel category, and has a 4.7 out of 5 star rating. It offers its customers the ability to research travel locations and save them for later, while also being able to view them on a map and rate them personally. What they don’t have is an interactive tour feature. Cloud Tours will have all of these features, as well as the ability to plot out and travel a route to all of customers desired destinations.

SWOT Analysis

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| --- | --- |
| Strengths | Weaknesses |
| High quality content provided by local businesses and companiesFree mobile appUser-oriented“Interests” helps users find destinations that might be suited to their interests | New company/brandHeavily reliant on usersOpinion-based experiencesWhat’s the limit?  |
| Opportunities | Threats |
| Appeals to most people/travelersAbility to use both on and off lineCompanies can promote deals and sales through their personal tours | Vintage trend (travel more traditionally)Possible competitors becoming mobileInexperience with app → underutilized key features |

OPERATING PLAN

In order for Cloud Tours to develop and maintain a loyal customer base we believe the key will be to continuously grow and expand the tour content of the app. This means having a variety of curated tours for more popular areas of interest like museums, parks, cities and more popular tourist destinations. We believe that with high quality and interesting tours available at more popular tourist destinations will be a great way to introduce users to the platform. If the users have a great experience in their initial use of the product, they will be more likely to use the app for future travels. Also having a variety of content for users to select from will be crucial for the growth of the app, allowing users more options tailored to their specific interests.

App functionality and quality will also be very important to maintain and expand our customer base. We want to make sure the apps and tours function properly and are easy to navigate for the users to ensure continued use of the platform. The user generated tours interface must also be easy to use for content creators in order to assure new and different content will constantly be added to the platform.  Another crucial piece of the platform will be the community and social media functionality of the app. This will allow for user reviews and ratings of tours and allow users to easily share their experience on other social media platforms. Users will also be able to follow content creators the like and will receive notifications when they have new tours available.

Initial tours on the app will include walking and driving tours in more busy tourist locations. These tours could be just a simple tour with points of interest in an area, tour with audio or text about points of interest, and tours with images included about the points of interest. Eventually we would like there to be more than just one type of tour for the same areas, meaning a city could have a historical tour, entertainment tour, major sites tour, or even funny fact tour etc. Giving users more than one option in the place they are visiting with content of their tour to suit their interest. Later additions would also be a boating tour section which would provide recreational boaters a guide to a new lake, river, or ocean area. Another addition would be to create a fitness segment of the app that would allow users to be guided in the activity of their choice. This would include walking, running, hiking, biking, kayaking, etc.   Another phase of the app would be able to provide virtual tours for users so people could enjoy a tour from the comfort of their own home.

Cloud tours could also eventually provide tour creation services to organizations and businesses. This is where the organization would work with Tour specialists to help them create an immersive tour experience to go along with their content.

* Payment: The basic app will be free, but electronic payment would be used to receive money from users for premium tours (i.e. curated tour of the Louvre).
* Technology: Technology is fundamental to the success of Cloud Tours and ensuring we have a well-designed, easy to use platform for users and creators is crucial.
* Key Customers: Customers that travel frequently will be key to the app. Organizations and content creators will also be very important to the app and will be fundamental in the expansion of content. Though they will not directly be buying services from Cloud tours, if they provide premium curated content for sale on the app, they will be charged a percentage of the proceeds of each tour sold on the platform.

MARKETING AND SALES PLAN

The key marketing strategy of Cloud Tours will be advertising the variety of tours available and the open platform of the app. Advertising online will be the prime focus of the marketing campaign targeting an audience who are interested in travel and guided experiences. This will be done with targeted marketing platforms like Google a or Facebook ads.  The social media aspect and open content platform of the app will be a major part of promotion and spreading the word of Cloud Tours. This includes content creators promoting their tours individually to their social networks and will help drive the organic growth of the platform. Also, users sharing their experiences with the app and the variety of different tours available.

A more traditional ad approach should also be taken in larger tourist markets where the app will focus on initially. This would include outdoor signage in high traffic areas that have a large number of tourists. Also getting signage placed at venues or areas who have uploaded a tour to the platform. Making the public aware that there is a certified Cloud Tour available at tour sites will be great exposure for the platform.

Also, in areas with higher volumes of visitors, onsite promotion may be a good idea offering incentives for people to try the app. This may include giving out discounts or free access to premium tours. Also giving coupons to people in the travel and tourism industry to distribute to customers or patrons. Exposure in these busy areas and sites will help to get the app exposure to the traveling crowd and help to introduce the platform to a large number of new potential users and creators.

Marketing directly to organizations where tours could be offered will be important as well. Showing that the open platform can help organizations to create their own tours, and with little to no cost may be very attractive to many places. From free tours created by a local, up to fully immersive tours created by a Cloud Tour Guide, we will offer many tiers of tours which will be up to the budget of the organization. This may require a more direct sales approach with an actual sales representative, direct email, or mailing. This will help to build content for the site and make guided tours accessible in places that may not have the budget to buy the equipment required for an in-house guided audio tour. Also allowing smaller towns and municipalities a platform to provide tours of notable sites and points of interest where there are no tours really available. Making it known to municipalities, parks, museums and businesses of all sizes will help to grow the content of the app and allow for greater possibilities for the app users. This platform will help tourist areas promote what they have to offer and help visitors find their way to places and things that they should see and offer insights into points of interest. Really accenting that the platform could be good for exposure and tourism will be fundamental, plus it will also give visitors a more immersive experience.