

# Travel Agency Business Plan Template

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# [Your Company Name Here]

*Your Tagline and/or Logo*

## Business Plan

Prepared [date]

### Contact Information

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<b>Travel Agency Overview</b>	3
Name & Location	3
Travel Agency Niche	3
Target Clientele	3
Competition	3
Management Team Expertise	5
Financial Projections	5
Mission Statement	6
Purpose of Business	6
<b>Business Foundations</b>	7
Legal Structure	7
Founders and Their Roles	7
<b>Products and Services</b>	8
Products/Services Provided	8
Sales Projections	9
Industry Projections	9
<b>Special Projects</b>	10
<b>Management Structure</b>	10
<b>Marketing Strategy</b>	12
Major Clients	12
Prospective Clients	12
Marketing Plan	13
Sales Strategy	13
<b>Technology</b>	14
<b>Operations</b>	15
<b>Administrative</b>	16

# Travel Agency Overview

## Name & Location

Corona Travels will operate out of the office on the third floor of my home, 3-14159 Rigel Lane, Aurora, CO.

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*📖 **Additional Resources:** If you're struggling with your name, or want a quick checklist of things to double-check before you officially name your agency, [read this article](#).*

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## Travel Agency Niche

Our unique niche in the travel market is working with astronomy-loving travelers who want to see space events around the globe with fellow enthusiasts. We'll provide both group tours as well as custom travel itineraries for the astronomy community and related fields.

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*📖 **Additional Resources:** Not sure on how to find a niche for your agency? [Read this article](#) and try out the exercise to uncover where your passions and network overlap, and how you can turn that into your niche.*

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## Target Clientele

Our target clientele is US-based astronomy enthusiasts. We hope to expand to international clients within three years of the agency opening. Our tours are open for all ages, with some group tours focused on family-friendly astronomy trips. Due to the remote nature of some of the events and the costs involved logistically to ship client's telescopes and other equipment, Corona Travel's ideal client is one with expendable income.

## Competition

Competitive analysis through online searches, noting travel advertisers in popular magazines such as *Sky & Telescope* and *Astronomy*, and through activity on numerous online astronomy forums and communities indicates three main competitors in this marketplace: Compass Travel in Pasadena, CA, Sky & Telescope's travel branch, which is fulfilled through AAA Las Alamos, and Big Bang Travel in Tulsa, OK.

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*📖 **Additional Resources:** Are you nervous about "competing" with OTAs? [Read this article on the value of booking with a travel agent](#).*

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## Management Team Expertise

Sol, the founder of Corona Travels, has taught numerous beginner astronomy classes in their hometown of Aurora, CO. Beyond sharing her passion for astronomy to newbies, she is actively involved in NASA Tweetups, has spoken at numerous conferences around the US, and has many connections within the astronomer community including companies that support and promote the growth of the amateur astronomer community such as NASA, JPL, *Sky & Telescope*, and AmateurAstronomer.com

Sol also has a large social media following on Twitter, with over 10k followers, and has experience with both grassroots and online marketing through her work at the non-profit, AstroNerds.

## Financial Projections

Host Agency Reviews' [2018 Travel Agent Income Report](#) shows that new home based travel agency owners earn an average of approximately \$1,800 their first year and \$10,000 their second year in business. Data from the annual report shows that most agencies see exponential growth years 3-10.

The low initial income is due to the fact that travel has a long sales lead time. Another important factor contributing to the lower income for new agencies is the delayed compensation model within the travel industry.

In most cases, travel agents are paid commission *after* a client travels. Since group space is typically reserved *at least* 9 months ahead of time (more commonly 12-18 months), Corona Travel will not be seeing commission from some of our groups until our second year of business. (Citation: [Explaining Travel Agent Commissions](#))

However, we plan to supplement our delayed commission in our first year by marketing our services within the astronomy community for individual trips with an astronomy component or other complementary interests, such as cruise ship sailings with an astronomy theme, or eco-tours for families that have a naturalist along with the group.

Considering the report cited above as well as Sol's extensive connections and reputation within the astronomy community, **we estimate that Corona Travel will earn above the cited average, and will bring in \$3,500 in commissions our first year, plus \$5,220 from *The Wandering Astronomers' Guild*. (More on *The Wandering Astronomers' Guild* in products/services provided section)**

The [average cost to start up a non-franchise travel agency is \\$1,563](#) according to a Host Agency Review study. We expect Corona Travels to have just over \$4,500 in expenses, with the advertising costs of *Sky & Telescope* accounting for the majority of our first year expenses.

Expenses include:

- LLC setup, host agency start up fees
- Business cards
- Promotional materials for local events
- 6 months of marketing Corona Travels group trips for next year with *Sky & Telescope* magazine.

We have 4 group trips that have polled well with our network that we are looking to create. Conservatively, we are planning for 10 attendees, which would bring our commissions in year two up to \$32,000 among the four group trips alone. We plan to cap out our groups at 18. If our four groups sell out, Corona Travels would bring in over \$57,000 in commissions our second year.

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*📖 **Additional Resources:** To help make your financial projections as accurate as possible, input your expected commissions into our [host agency comparison calculator](#) | Listen to our [podcast on breaking into booking groups](#) read our [article on how to find groups](#) | Learn about [Travel Agency Start Up Costs and Earnings: What to Expect](#)*

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## Mission Statement

We aim to bring amateur astronomers of all experience-levels together to travel around the globe to share their love of travel and astronomy with like-minded folks. We bring people, their families and their friends closer to the stars.

## Purpose of Business

Corona Travels provides travel advising and booking services to clients within the astronomy community and related fields. Our knowledge of astronomy and connections within the community, unique group tour itineraries, and specialized knowledge about the logistics of astronomer groups traveling with large, expensive equipment to remote destinations, helps us stand apart from others.

# **Business Foundations**

## **Legal Structure**

Corona Travels will be set up as an LLC in the state of Colorado and will partner with Minneapolis-based XYZ host agency for their travel agency accreditation number.

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*📖 **Additional Resources:** If you're uncertain about your business model, check out: [Choosing Your Travel Agency's Business Structure](#) | [What Is a Host Agency?](#) | [Travel Agency Accreditation Options](#) | [Host Agency or Travel Franchise?](#)*

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## **Founders and Their Roles**

Sol is the founder of Corona Travels and will take on the role of President and CEO of Corona Travel LLC in June 2019.

# Products and Services

## Products/Services Provided

Corona Travels main service is advising and booking clients on trips with an astronomy or related fields focus. In addition to travel advising and booking, Sol will also provide:

- Discounted shipping rates for telescopes and other equipment
- Monthly educational webinars on group trip destinations to members of *The Wandering Astronomers' Guild*, which is complementary to her clients or \$29/mo for non-clients
- The “Atmosphere Package”: A VIP package for Corona Travels clients, which can be added to major trips for \$799. It includes:
  - Shipping logistics for equipment during the trip
  - 24-7 support
  - Pre/post trip planning and booking services
  - VIP Behind-the-Scene passes to certain events on the itinerary.

The breakdown of our different group trip options:

- **Major trips** will be 5-14 days in length and will average \$6-8k per person, which is inclusive of air/accommodations/transfers/meals.
- **Weekend trips** are Friday through Sunday and will average \$2k per person.
- **Family-focused trips** will be more budget conscious and start at \$1,500 per person for a 5-day trip, visiting destinations within the United States or Canada. The price will include accommodations/expert-led activities for adults and children throughout the trip/some meals/and group transportation to/from activities/entrance fees into parks and/or museums.

*Note:* While our pricing is in the premium category for most trips, most accommodations options will be mid-market for trips that are in a populated region. For trips in remote areas, lodging may be more rustic. Corona Travels clientele are used to this and do not expect luxury accommodations as their main goals are learning, connecting with others, and having the best view of the night sky.

**Additional Resources:** More information on travel agent income: [How Do Travel Agents Make Money?](#) | [3 Travel Agents Get Creative with Fee Structures](#) | [Taking the Plunge: A Travel Agent's Guide to Charging Fees](#) | [2018 Travel Agent Income Report](#)

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## Sales Projections

Corona Travels expects our first year of individual booking sales to fall around \$35,000 in air, hotel, tours, packages, and cruises. When non-commissionable items are taken into account, we conservatively estimate that we will earn 10% commission on our total sales (\$3,500).

During year two, we anticipate our group commissions to be approximately 18%, while our individual bookings will remain approximately 10% of total sales.

With our groups traveling in our second year, as well as the benefit of having repeat and referral clients, we estimate our second-year sales to be in the ballpark of \$180,000 for group sales (\$4,500pp for four group trips) and \$50,000 in sales from our new and repeat clients booking individual trips.

Sales projections from *The Wandering Astronomers' Guild* is \$5,220 in year one, with minimal growth in year two.

We expect minimal upgrades to our Atmosphere Package on our trips.

We estimate our higher income clients (\$100k+ per household) will take one major trip with us a year (5+ days), and at least one weekend trip. We anticipate clients with less disposable income will take one major trip with us every two years, and will attend 1-2 weekend trips a year.

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**Additional Resources:** Curious to learn more about how commissions are structured? You [read all about travel agent commissions here](#).

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## Industry Projections

As of 2017, half of all travel was still booked off-line via travel agencies/travel management companies, phone, and walk up.

Travel agent sales of traditional tours and packages jumped 4% in 2017 to nearly US \$9 billion and now represent 68% of total sales, according to Phocuswright's [U.S. Cruise and Packaged Travel](#) report. In addition, 2/3rd of all cruise bookings are made through travel agencies and PhocusWright, a leading data and analysis firm in the travel industry, doesn't expect that to change much through 2021.

Host Agency Reviews cites a 2016 ASTA study finding that 22% of Americans from households earning more than \$50,000 used a travel agent—up from 14% from three years earlier.

BLS currently projects a 12% decline in travel agent careers from 2016-2026. However, it's important to note that the job count does not include self-employed workers, which is the major trend in the travel industry. Self-employed, independent contractor agencies partnered with a host agency is now the largest segment of the travel agency distribution channel.

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📖 **Additional Resources:** [Travel Agent Career Outlook](#) | [Three Things Travel Agents Offer that Online Agencies Cannot](#) | [Travel Agents vs. Booking Online](#)

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## **Special Projects**

Corona Travels is not seeking funding for any special projects at this time.

## **Management Structure**

Corona Travels is planning to partner with XYZ host agency for our accreditation number. As a \$134M agency, XYZ will provide strong, plug-and-play relationships with travel industry vendors as well as mentorship and guidance as we learn the travel industry. Additionally, as a member of XYZ, Corona Travels will be a member of ABC consortium. With their combined agency sales of \$2.1B, this will allow Corona Travels clients special perks and amenities.

Sol, the President and CEO of Corona Travels, is responsible for advertising/marketing, booking clients, leading groups, and creating educational content for *The Wandering Astronomers' Guild*. There will be no salary draw the first year. In the second year, Sol will receive a salary draw of \$40k.

An administrative assistant is expected to be added after Corona Travels reaches \$500k in sales.

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📖 **Additional Resources:** [What is a host agency?](#) | [What are travel consortia?](#) | [What are preferred supplier?](#) | [Benefits of using a host agency](#)

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# **Marketing Strategy**

## **Major Clients**

The main clientele of Corona Travels consists of amateur astronomers and their families, in addition to citizen scientists in related fields such as natural sciences and physics.

Our custom group packages will have premium pricing, between mid-market and luxury. While some of our clientele will be households earning over \$100k, we aim to have trips accessible for households with incomes \$60k and above in our repertoire. We do this by offering shorter, domestic trips.

Our longer, premium-priced trips are for travelers willing to pay a premium to travel with others that share their passion. Often these trips are focused on an astronomical event—like eclipses or telescope time at an observatory—but they may also piggy-back off a conference or a speaker.

The tight-knit nature of the community we're working within, as well as building with our trips, will result in repeat clients and referrals from their friends in the astronomy community.

## **Prospective Clients**

Corona Travels main prospective clients will be found through Sol's existing network. Our prospective clients are found on amateur astronomer forums and boards (Facebook, MeetUp, Reddit, AmateurAstronomer.com) and are readers of magazines such as *Sky & Telescope* and *Astronomy*.

Other avenues to find prospective clients include partnering with high schools, as well as colleges and their astronomy/physics departments. We understand students will be on limited budgets. We plan to pair community service with the trips to help students promote and raise money for their travels. Community service could include things like trail restoration near observatories, teaching fun and interactive science concepts to elementary students, or hosting Star Parties in rural communities to help introduce families to the night sky.

While student trips won't have the higher margins of our other trips, the goal is to give back to the community and connect with our future clients.

Partnering with universities and their PhD students/advisors in the astronomy/physics departments is another avenue to help grow *The Wandering Astronomers' Guild*. Field Researchers who frequently travel would benefit from our discounted rates on shipping, as well as our specialized knowledge on shipping telescopes and other equipment.

## Marketing Plan

**Advertisements:** Our most expensive marketing involves advertising our group trips through our 6 months of advertising with *Sky & Telescope*. This will help build brand awareness as the leader in astronomy-themed group trips and promote our trips.

**Influencers:** We plan to reach out to influencers in the amateur astronomer space to offer them a spot on a trip at cost, in exchange for promoting the trip to their followers. We plan to have specific landing pages for the influencers and will track analytics to use as key metrics. If key metrics are not met, our contract with the influencer will state that the influencer will pay full price for their trip.

**Content Marketing:** We will use our site, CoronaTravels.com, to write and produce content that goes after key words such as *astronomy trips, 2020 South America eclipse travel, how to pack a telescope, how to ship a telescope, astronomy cruise, eclipse during flight* etc. We will then enter the client into the sales funnel by linking to related content on the site.

**FB Group:** We have started a FB group named *The Wandering Astronomers Guild* for those that love both traveling and astronomy. We have seeded it with 30 acquaintances in the astronomy community that are active on Facebook and also traveling. None of these are paying members of the Wandering Astronomers Guild but have complimentary access to the program for the first year in exchange for being active in the Facebook group. We plan to invite more prospective clients that are active on the AmateurAstronomers.com forum and the Reddit astronomy community.

**Local Community:** The Jupiter County Astronomy Club holds monthly Star Parties, as well as a hands-on Science and Makers Fair. We will have a booth promoting our trips, particularly our family friendly trips, and will lead interactive astronomy activities for families with children 8-12.

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📖 **Additional Resources:** [The \\$100 Marketing Plan](#) | [Get More Clients in Three Steps](#) | [5 Ways to Find Your Clients on Social Media](#)

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## Sales Strategy

The founder and CEO of Corona Travels is very active in her local amateur astronomer community and will continue to cultivate those relationships to position herself as the best travel agency for astronomy-loving travelers.

She will also continue to be an active moderator of the AmateurAstronomer.com forum to build relationships in the broader online amateur astronomer community.

Sol will share her knowledge and expertise in the CoronaTravels.com blog, using inbound marketing to showcase her expertise in both booking travel and astronomy. This will widen our

client base and bring prospective clients in from all across the United States, and eventually the world.

## Technology

- **Website:** Corona Travels plans to build and host their website on [Wix](#), using one of their [travel agency themed website templates](#). Cost is \$11/mo on the annual plan.
- **Customer Relationship Management Tool (CRM):** To manage our client information we plan to start with [Clientbase Online](#) since it is provided free with our host agency XYZ. We will transfer to [Travel Joy](#) (\$25/mo on the annual plan) once we have the business up and running. We anticipate this will be approximately 9 months after launch, when our group bookings will really pick up.
- **Scheduling Tools:** Corona Travels will add [Acuity Scheduling's free plan](#) right away. We'll move to the [Emerging Entrepreneur plan](#) (\$15/mo) around month 9 so we can add the functionality to our website around month 9. This will help streamline our group clients that want to set up a time to meet with Sol.
- **Itinerary-Building App:** Since most of our itineraries (both group and individual) are custom, one of our first monthly expenses will be an itinerary app for our clients. XYZ host agency has a discounted rate with [Travefy](#), so we will use that.
- **Password Management Software:** Travel agencies access a large amount of supplier website when checking pricing and booking clients. To keep our passwords secure and to streamline our work, we will use [LastPass](#) (\$4/user/mo) to manage our passwords securely.
- **Payment Processing:** We will work with preferred suppliers (mainly tour operators) that offer custom itineraries. The suppliers will process our clients credit cards, we will not need our own processor to start. For *The Wandering Astronomers' Guild* monthly payments, we will run those through [WixPayments](#) (2.9% + .30 transaction), which integrates into our Wix website.
- **Bookkeeping/Invoicing/Mileage Tracking:** Corona Travels will do our own bookkeeping. We will use a combination of Excel and [Quickbooks Online Simple Start](#) (\$10/mo for the first SIX months).
- **Email:** We will use [Google's GSuite](#) for our office suite: Word, Excel, Powerpoint, e-mail, etc. (Email [hello@hostagencyreviews.com](mailto:hello@hostagencyreviews.com) for a coupon code to save 20%)
- **Office Equipment:** We will use [ScannerPro](#) (iphone) for scanning documents in our office and [eFax](#) for faxing.

- **Online Forms/ Signatures:** We plan to use the [Free Travel Agency Form Templates](#) provided by Host Agency Reviews to create our forms and get e-signatures from clients. The e-signature option includes a \$10/monthly fee through Cognito.
- **Email Marketing:** [MailChimp](#) has a free plan we plan to use.
- **Online Meetings:** Corona Travels will use Google Meet ([part of GSuite](#)) for online meetings. (Email [hello@hostagencyreviews.com](mailto:hello@hostagencyreviews.com) for a coupon code to save 20%)

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 **Additional Resources:** Want to hear what travel pros say about developing a “technology stack?” Check out our [notes from the 2019 Las Vegas Travel Agent Forum panel on travel agent technology](#).

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## **Operations**

Corona Travels client hours will be 10:30-3:30 and 7-9, Monday through Friday. Weekend hours are by appointment only. Sol plans on working 40-50 hours a week for the first few years of Corona Travels.

The first three months of business will be focused on trainings, putting together the group trip itineraries, and familiarizing herself with the travel industry. After that, the work day will shift towards more client-facing time and marketing Corona Travels and the group itineraries.

Corona Travels' host agency belongs to XYZ consortium. In order to ensure the best travel experience and assistance if there are problems, Corona Travels will only book with XYZ's vetted preferred suppliers. As time goes on and we meet more in-destination suppliers, we may expand but to start, we will use the list of XYZ's preferred vendors.

Commissions are paid bi-weekly by our host agency and will be directly deposited in our account. Our bookkeeper will balance the books every two months to start, and will move to monthly as commissions start coming in later in Year 1.

Since custom group itineraries are a core part of our business, we will put together and lead a major group trip (5+ days) every quarter and one weekend trip roughly every two months. The major trips will be planned 18 months in advance, if possible, and promotion of these trips will begin immediately after pricing and space are secured through a contract. Weekend trip space will be planned and reserved 12 months in advance, with promotion beginning immediate after pricing and space are secured by contract.

To keep on top of industry trends, we will subscribe to the free industry publications: *Host Agency Reviews*, *Travel Weekly*, *Agent@Home*, *TravelPulse*, *Travel Age West*, *Travel Market Report*, and *Travel Research Online*.

## Administrative

Corona Travel plans to enlist the help of the following professionals:

- **Bookkeeper:** BookSmart on Main
- **Accountant (CPA):** Beth Franklin
- **Banking:** Trustone Credit Union
- **Host Agency:** XYZ Host Agency
- **Travel Consortium:** ABC Consortium
- **Travel Attorney:** Chunnie Wright