

BUSINESS TRANSFORMATION

PLAYBOOK

For The Travel Agent Industry



Contents



Foreword



For many years, travel agents have been the main port of call for customers looking for holidays. This was because customers did not have direct access to suppliers such as hotels, tours and attractions.

Usher in the internet age. Today, holidays are a click of a button away, as easily accessed on a computer as it is on a mobile phone. With accessibility comes higher expectations - customers now look for personalised services and unique experiences.

Where does that leave the travel agent? This question is being asked around the world, and travel agents far and wide find themselves faced with the question of relevance.

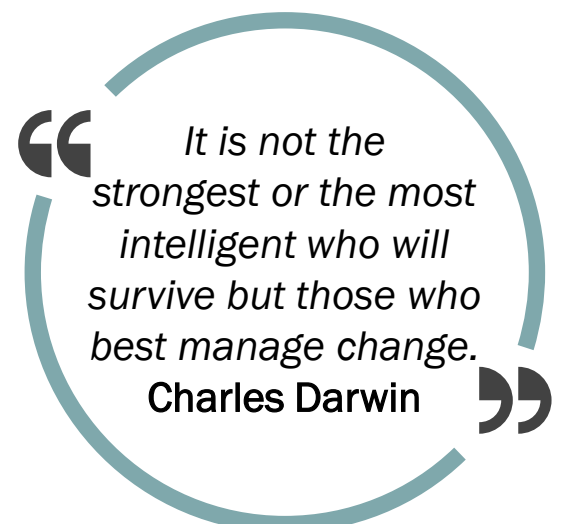
To survive today and thrive tomorrow, travel agents everywhere are transforming their businesses, from how they reach customers to the services they provide.

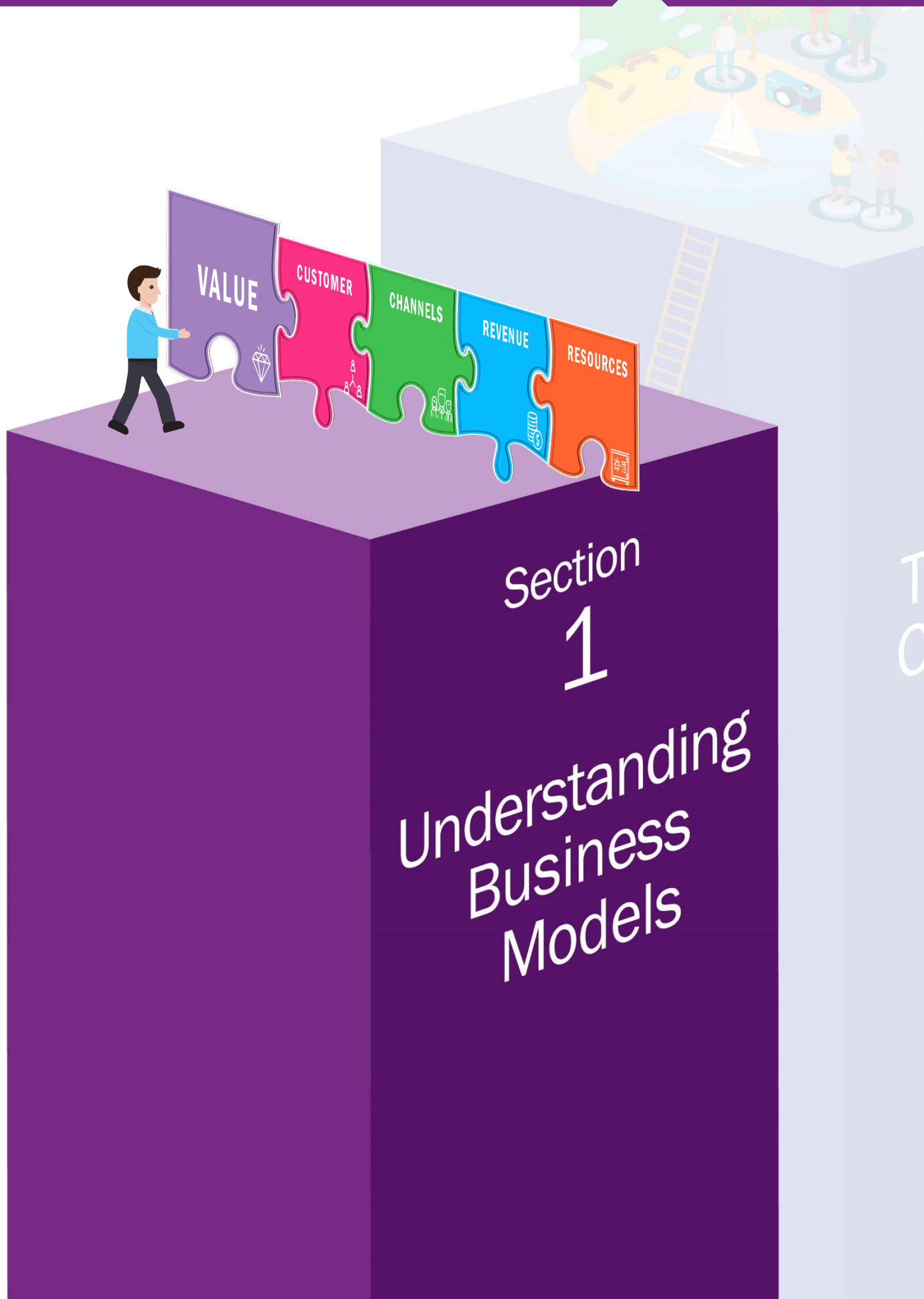
The Business Transformation Playbook shows what some of these travel agents have done, and how they have done it. The intent is not to use these as ideals to work towards. Rather, the Playbook uses them as case studies with the purpose of deconstructing the business models to uncover the building blocks beneath.

Find out what the building blocks are, and how you can create different models by focusing on different building blocks.

At the end of the Playbook is a self-assessment toolkit. Complete the assessment to help guide your thinking on possible new directions your business can take.

We hope this Business Transformation Playbook helps you to brainstorm new and innovative ideas to bring your business forward, to survive and thrive.





Section
1

Understanding
Business
Models

Understanding BUSINESS MODELS

Source: *Business Model Generation* (Osterwalder & Pigneur, 2009)

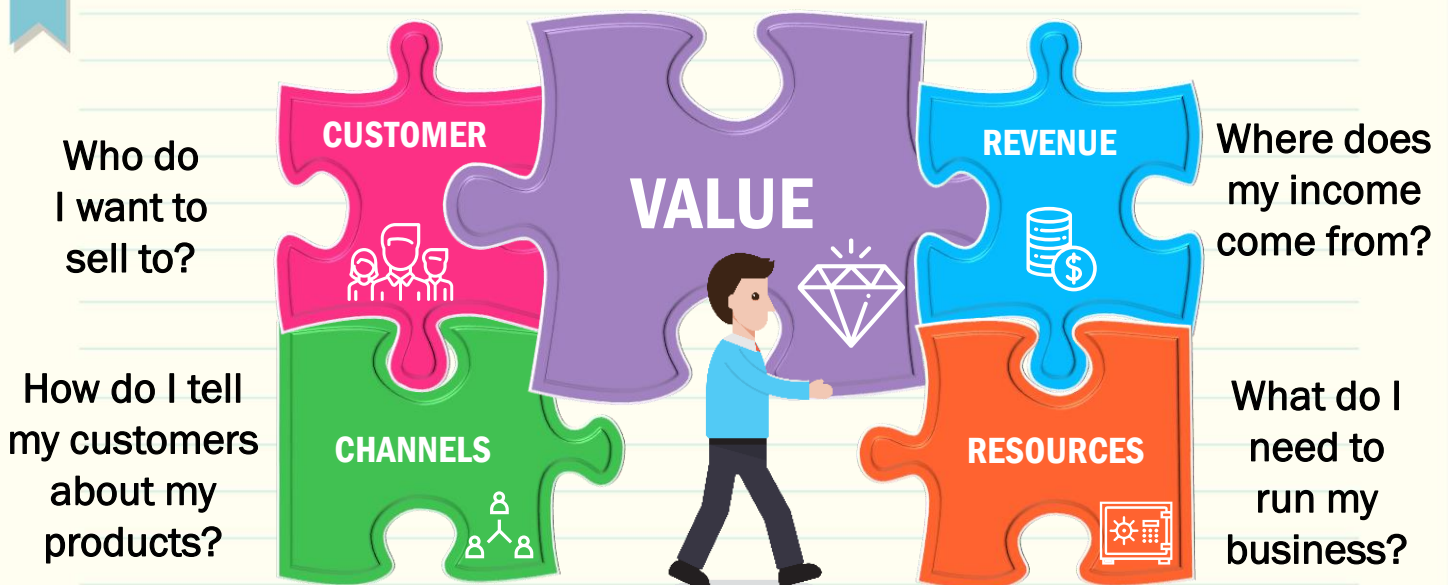
A business model describes the rationale of how an organisation **creates, delivers** and **captures value**

Imagine having to describe your business to a potential investor. To show your company as a viable investment, you would need to share about the resources you have, how you convert these resources into a product, how you sell them and why your customer values your product or service. In short, you would be describing your business model to the investor.

A business model doesn't mean lengthy documents with endless pages of words and charts. It can be presented simply by mapping out the key components in a business model canvas, making business planning simple yet efficient.

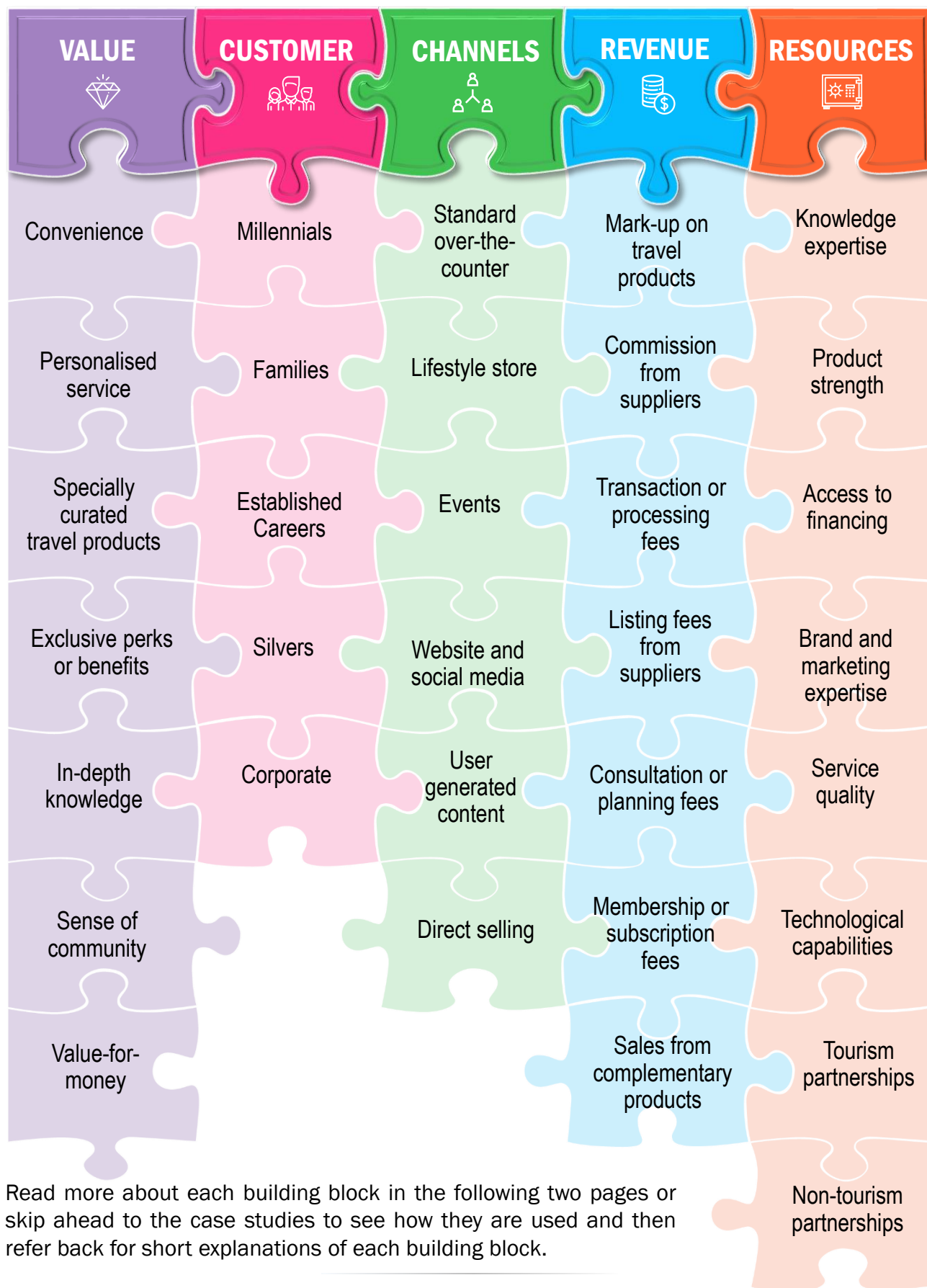
The five key building blocks of a business model are shown below.

What value do I bring to
my customer?



Understanding BUSINESS MODELS

Transforming your business model sounds like an arduous task but this can be made simpler if we consider the building blocks and what may be tweaked to transform your business. The jigsaw below shows the possible building blocks of different travel agent businesses. The combination of one or more items under each building block category will give you a different travel agent business model.



Read more about each building block in the following two pages or skip ahead to the case studies to see how they are used and then refer back for short explanations of each building block.

Understanding BUSINESS MODELS



VALUE – What value do I bring to my customer?

Convenience	Customers are able to easily find and navigate my company's travel offerings, and be served quickly at their convenience
Personalised service	Customers enjoy dedicated service support such as a single point of contact to meet all travel needs, from planning and booking to management of issues during trip
Specially curated travel products	Customers receive travel recommendations which are hand-picked by my travel specialists based on their preferences and interests
Exclusive perks or benefits	Customers can benefit from special amenities, deals, upgrades or gifts, such as room upgrades or credits, based on a loyalty or membership system
In-depth knowledge	Customers are able to get advice from very knowledgeable travel advisors on the destination, its experiences and any matters on their travel arrangement
Sense of community	Customers feel like they are part of an exclusive club or lifestyle which offers special privileges and prestige
Value-for-money	Customers enjoy products and services which are viewed as being of higher value than the price they pay for them



CUSTOMER – Who do I want to sell to?

Millennials	A new generation of travellers aged 20-34, typically seeking authentic experiences and are always connected, with information at their fingertips
Families	Parents travelling with their children. They usually look for educational experiences in destinations which are easy to get around, and convenient
Established Careers	Travellers who are usually in the 40-49 year old age group and are more accomplished in their careers. They have high disposable incomes and look for highly unique and personalised experiences
Silvers	Retirees with the capacity to travel. They usually prefer destinations which are easy to get around, and convenient, and may not necessarily be budget travellers
Corporate	Working adults who travel for business, and many now mix business with leisure. They are usually time-starved and look for convenience and good service as they need their trips to go smoothly



CHANNELS – How do I tell my customers about my products?

Standard over-the-counter	Drawing in customers through the travel agent's office or store-front
Lifestyle store	Drawing in customers through an extended space such as a café or bar
Events	Drawing in customers through events such as roadshows or exclusive by-invite-only events
Website and social media	Putting information online to let customers find out more about the travel agent's products and services, such as through their own webpage or different social media platforms such as Facebook, YouTube, Pinterest or Instagram
User-generated content	Relying on user reviews and recommendations to market travel products, via platforms like TripAdvisor
Direct selling	Marketing and selling directly to customers through phone, mailers, referrals

Understanding BUSINESS MODELS



REVENUE – Where will my income come from?

Mark-up on travel products	Mark-up on the cost price of travel products, to form the retail price
Commission from suppliers	A fee paid by suppliers to the travel agent when they sell their goods and services
Transaction or processing fees	A fee paid by consumers to the travel agent to process a transaction
Listing fees from suppliers	A fee paid by suppliers to the travel agent to list their products favorably on the travel agent's website or collaterals
Consultation or planning fees	A fee paid by consumers to the travel agent for travel advice and services
Membership or subscription fees	A fixed recurrent fee paid by consumers to the travel agent for access to special privileges
Sales from complementary products	Monies earned by selling non-core travel products, such as from retail, F&B, insurance, souvenirs etc.



RESOURCES – What do I need to run my business?

Knowledge expertise	Staff with in-depth knowledge of destinations and travel arrangement in order to provide high quality travel advice to consumers
Product strength	Wide diversity of products and experiences, or unique and in-depth experiences in specialised types of travel
Access to financing	Ability to invest or to have access to capital to further develop the business
Brand and marketing expertise	Strong brand recognition by consumers and effective marketing machinery to reach target customers effectively
Service quality	Able to deliver exceptional service and assistance to consumers such as high attention to detail in the trip planning process
Technological capabilities	Ability to leverage tech-savvy staff and technology systems for online trip planning, booking, marketing and sales
Tourism partnerships	Agreements with preferred tourism suppliers such as airlines, hotels, attractions and tour operators both locally and in-market
Non-tourism partnerships	Agreements with preferred suppliers outside of the tourism industry, such as retail or F&B companies



MARKET
CHANNELS
REVENUE
RESOURCES

Section 1

Understanding
Business
Models

Section 2

Travel Agent
Case Studies

Now that you have an understanding of what a business model is and what the key building blocks are, are you curious to see what are some of the business models out there?

The next section provides case studies of four business models and how they have been used in the travel agent industry. The featured travel agents have done something different from their competitors or they have reinvented themselves to remain successful.

One of the key success factors of these companies is a clear business model of how they can generate and capture value based on changing trends.

Let's continue reading to find out more!



2.1 LIFESTYLE model

The Lifestyle Model

In this model, travel agents reach potential travellers through a lifestyle store such as a café, event space or restaurant, alongside their travel product offerings.



CASE STUDY: DEPARTURE LOUNGE



departure lounge

TRAVEL PLANNING EXPERTS

Departure Lounge is a brick-and-mortar travel agency in Austin, Texas. It incorporates a travel-themed café and wine bar to draw in customers and evoke the desire for travel.

2.1 LIFESTYLE model

2.1.1 What is the model about?

Departure Lounge – In recent years, many travel agencies have either relocated to smaller premises or worked from home or remote offices to reduce their overheads. The owner of Departure Lounge did the opposite. In 2013, Keith Waldon launched a physical lifestyle store featuring a café and wine bar in Austin's busiest street, stemming from Keith's belief that travel agents should have a visible presence to entice customers.



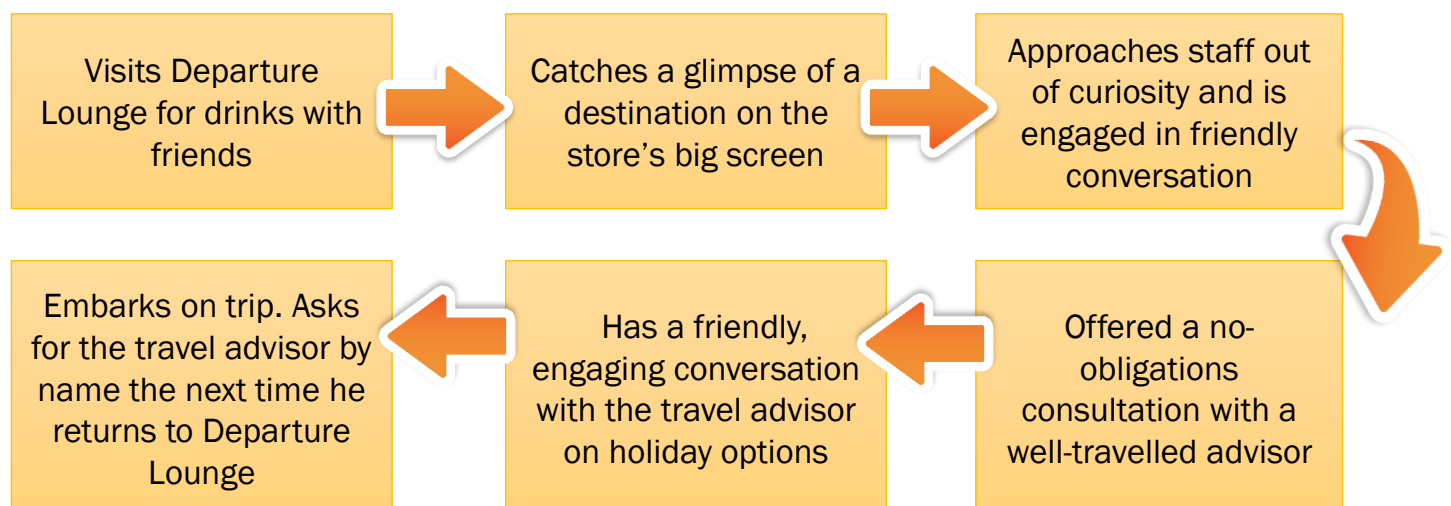
Interior of Departure Lounge in Austin

The Departure Lounge creates an inviting environment for customers to visit. The lounge is designed as a hang-out space with club chairs, cosy booths, and large LCD screens showing videos of various travel destinations. Travel advisors are available for consultation by appointment in a booth, in a private room or even in the cosy lounge with drinks or coffee.

Bar staff are trained to explain how Departure Lounge's services work. When customers are interested, their staff will get all relevant information from the potential customers and arrange for them to meet with a hand-picked advisor to accommodate their travel needs. Through the lifestyle store, customers are able to share their desires for travel in a more comfortable setting.

2.1.2 What is the customer journey like?

Unlike other travel agencies, Departure Lounge's customers sometimes wander into the café and bar without any inkling of the company's travel agency business. Let's see what their experience could be like.



2.1 LIFESTYLE model

2.1.3 What is the impact of this model?

With a sales conversion of about 83%, the model is working well. Departure Lounge generates over USD 10 million in revenue annually, of which 80% comes from sale of trips. There are plans to expand its business to two new locations in Austin. The founder is also working on a prototype to franchise the concept.

Greater and wider outreach to non-travel agent customers

Additional revenue stream from café and wine bar sales

Brand differentiation from the traditional travel agent operation

Improved hiring and retention of staff because of unique and attractive work environment

“ ... Departure Lounge addresses the current needs of travellers via a **fun place to discover destinations**, ... through coffees, wines and foods, and collaborating with **travel advisors who are knowledgeable and globally connected**, to help travellers **experience the world at its absolute best**. ”

Keith Waldon,
owner of
Departure Lounge



2.1 LIFESTYLE model

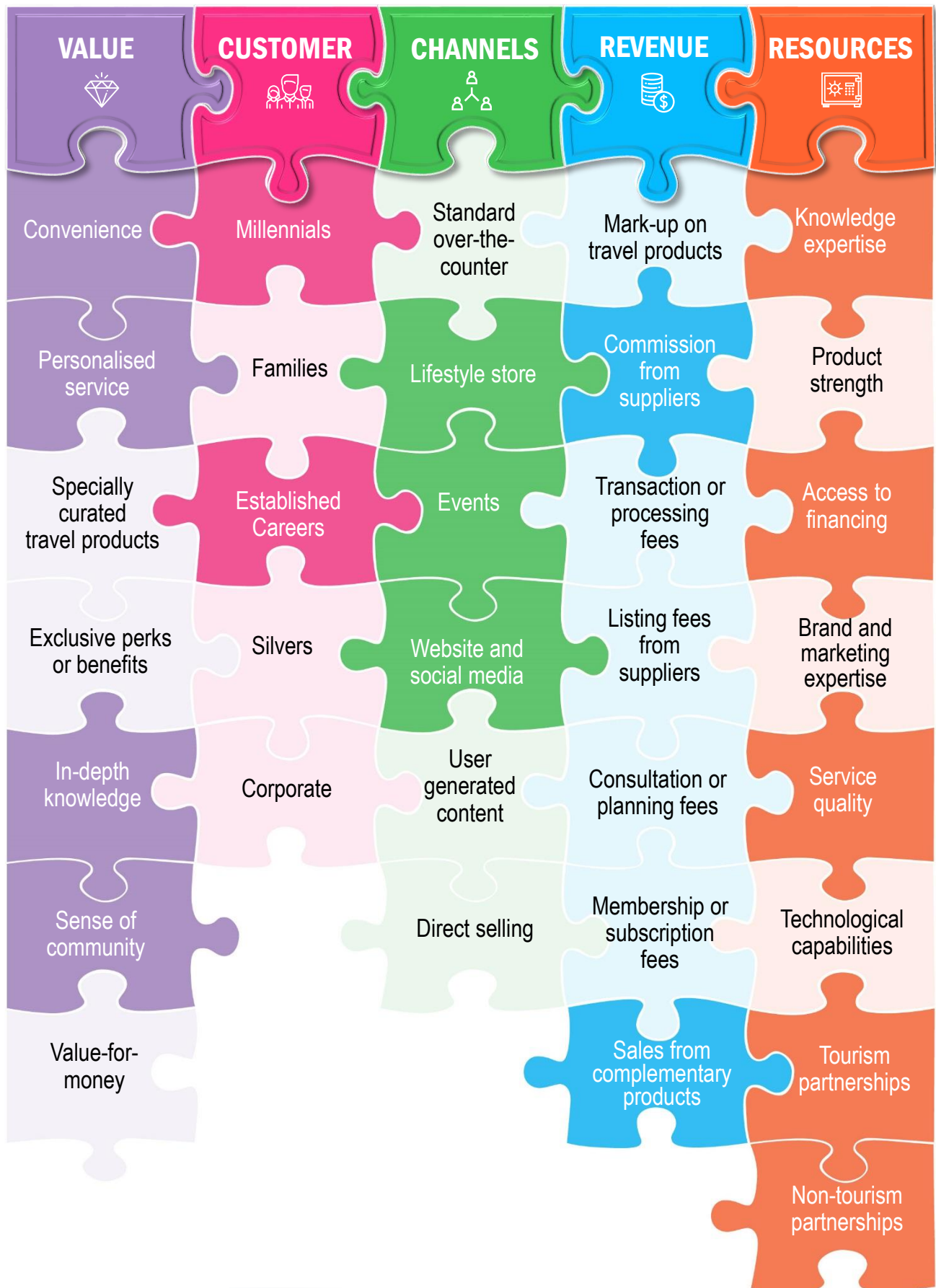
2.1.4 What are the building blocks of this model?



2.1 LIFESTYLE model

2.1.5 What are the building blocks of this model?

In Section 1, we shared the many different building blocks which can make up a travel agent business. The diagram below highlights the specific building blocks which make up the Lifestyle model.



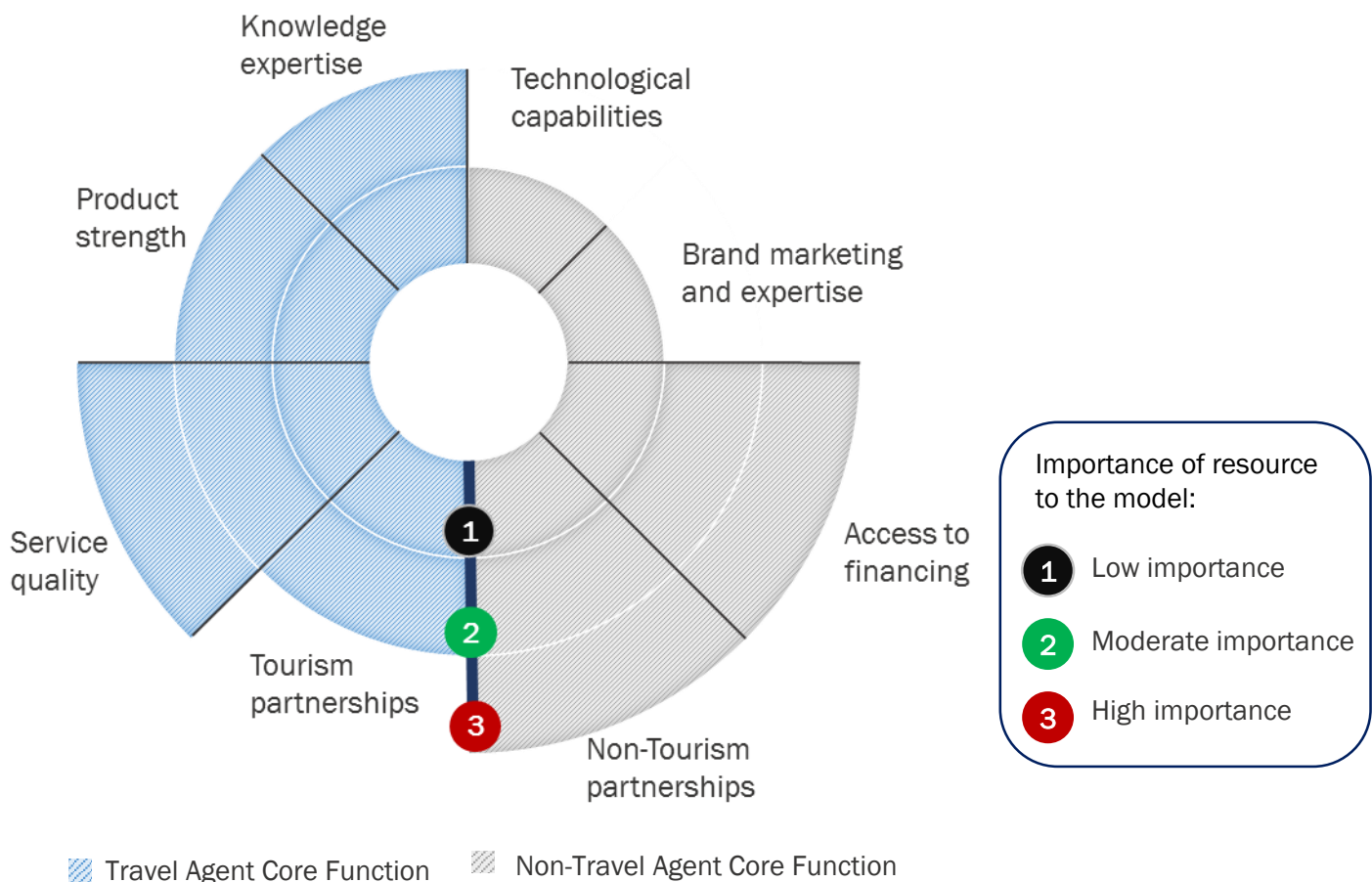
2.1 LIFESTYLE model

2.1.6 What do I need to adopt this model?

Departure Lounge is one example of the Lifestyle model and the concept offers many other possibilities. Some considerations include whether the lifestyle store is inbound or outbound centric, and the types of partnerships involved.

To elaborate further on the Resources building block, the map below shows the relative importance of each resource.

Resources Map for the Lifestyle Model



Some unique aspects about the resources needed for this model:

Non-tourism partnerships	Service quality	Access to financing
<p>Without expertise in retail or F&B, the travel agent may need to partner existing lifestyle establishments such as cafes or bookshops.</p> <p>Inbound travel agents may consider working through their in-market partners to do this.</p>	<p>In order to sell travel products to customers who had only intended to patronise the retail component of the shop, staff will need to have unique skillsets such as soft-selling and customer management. The travel agent may consider plugging the skills gap by learning from its retail partner.</p>	<p>Lifestyle stores are typically well located and designed to attract customers and ensure their comfort. For this, it will be important to invest in areas such as rental, renovation, and interior design.</p>

2.2 SPECIALISATION model



The Specialisation Model

In this model, travel agents carve a niche market for themselves through specialisation. This may be in a specific customer segment, destination, source market or travel experience.

CASE STUDY: REMOTE LANDS



Remote Lands was founded by Catherine Heald in New York in 2005. It is a bespoke travel agent specialising in ultra-luxury destinations in Asia, and provides one-of-a-kind experiences to travellers. As a boutique operator, they focus on a small number of clients and only take on customers through referrals.

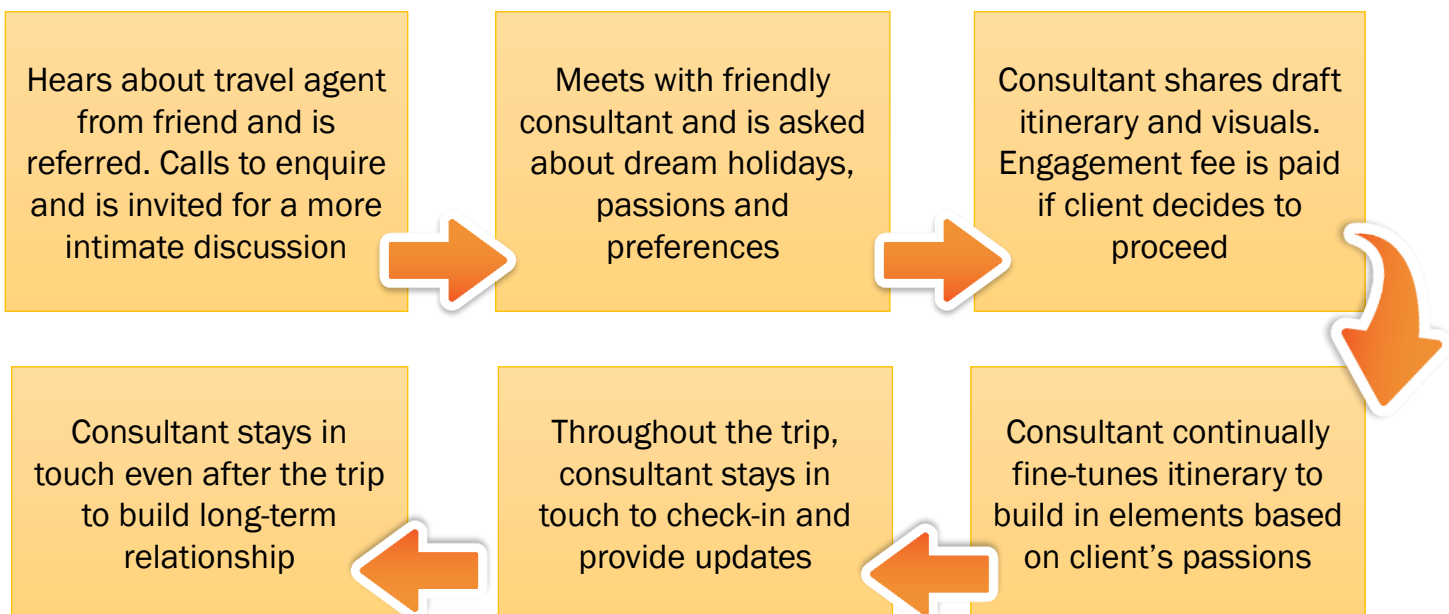
2.2 SPECIALISATION model

2.2.1 What is this model about?

Remote Lands specialises in curating customised itineraries for travel in Asia coupled with special access to unique places and personalised services. To ensure their customers can have a one-of-a-kind holiday, they go beyond the usual experiences. Customers can have lunch at the Everest Base Camp, dine with Asian royalties or even have engagement proposals within Kyoto's most visited temples.

If the usual 5-star hotels and limousine transfers are not good enough for their customers, Remote Lands may also fly them on private jets, helicopters or sail them on yachts. Customers may also request for private security guards, photographers or videographers to accompany them throughout their trip – anything they need for a luxurious holiday. To make all this possible, they are highly knowledgeable in the destination and have a good network of tourism partners.

2.2.2 What is the customer journey like?



“

We get to know our clients extremely well personally, and we don't just give them the same old itinerary. Each trip is painstakingly written by hand after an extensive interview process to find out client's needs.

**Catherine Heald,
Co-Founder & CEO of Remote Lands**

”

2.2 SPECIALISATION model

2.2.3 What is the impact of this model?



Unique meal experience at the peak of Everest

Remote Lands' specialisation business model has seen good success with recurring clients and referrals, as well as strong media coverage. The company has also expanded office operations to Thailand. Financially, it was estimated that the company generated a revenue of over USD 10 million in 2014.

Higher margins as a result of higher price points which come with specialisation

Viewed as go-to expert, highly differentiated from the typical travel agent

Improved hiring and retention as staff are seen as professional travel consultants

Catherine shares more about what is important in her company:



Asia, especially Southeast Asia, is an area of the world where **expert advice** makes a world of difference. Our **vast knowledge** of the region helps Remote Lands produce **highly personalised itineraries** and also give clients **insider experiences** that they won't find anywhere else in the world.

Catherine Heald,
Co-Founder &
CEO of Remote Lands

2.2 SPECIALISATION model

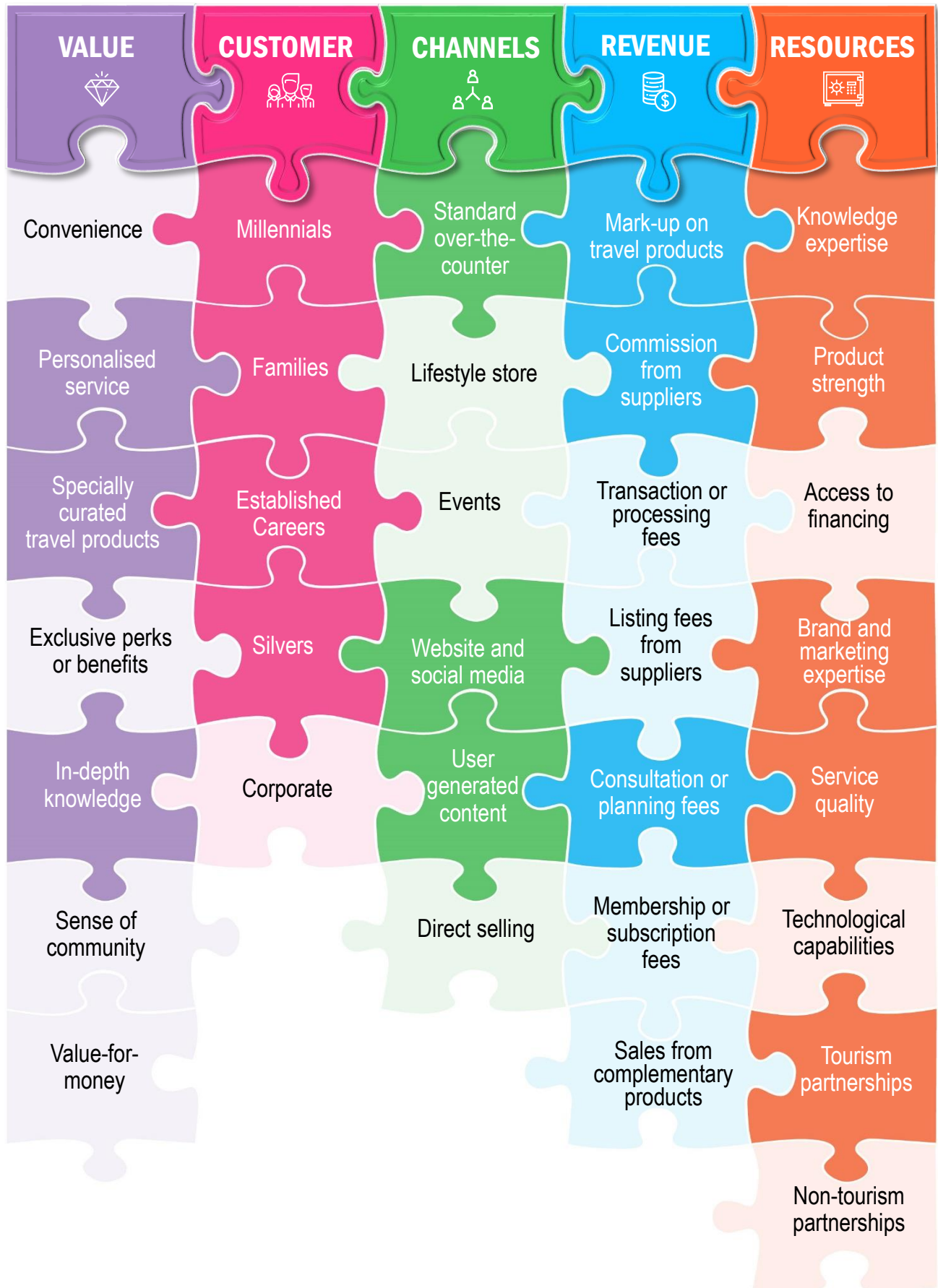
2.2.4 What are the blocking blocks of this model?



2.2 SPECIALISATION model

2.2.5 What are the blocking blocks of this model?

In Section 1, we shared the many different building blocks which can make up a travel agent business. The diagram below highlights the specific building blocks which make up the Specialisation model.



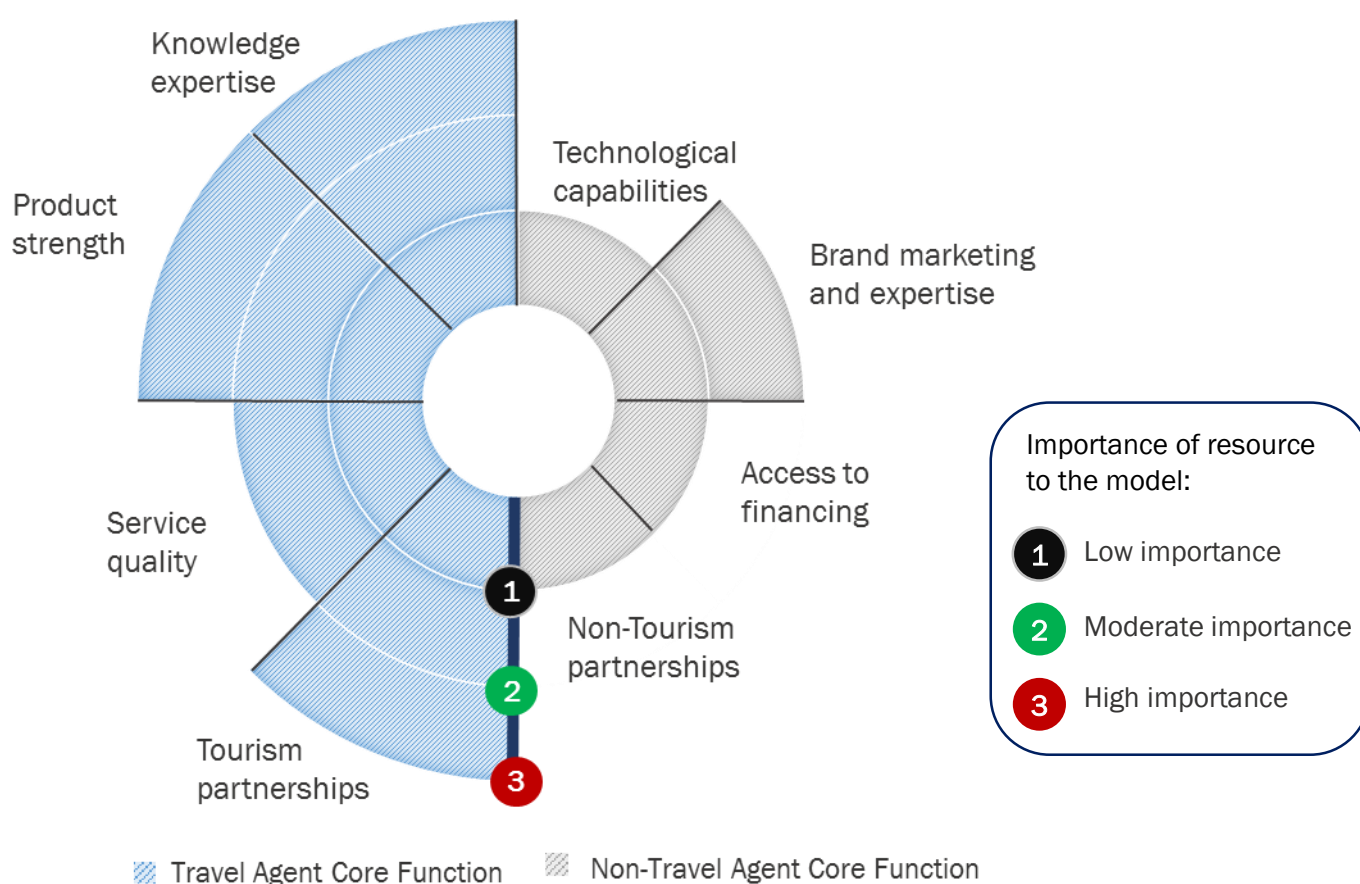
2.2 SPECIALISATION model

2.2.6 What do I need to adopt this model?

Remote Lands is one example of the Specialisation model and the concept offers many other possibilities. Some considerations may include your existing product strength and whether there are customer demand gaps which have not been met.

To elaborate further on the Resources building block, the map below shows the relative importance of each resource.

Resources Map for the Specialisation Model



Some unique aspects about the resources needed for this model:

Brand and marketing expertise	Knowledge expertise	Service quality
Since specialisation usually comes at a premium price, the travel agent would need to establish itself as the expert to go to in order to expand its customer base. Service quality may greatly impact this, as satisfied customers are likely to recommend the travel agent to their friends.	With specialists, customers will have high expectations of their products, recommendations and service quality. In addition to destination and product knowledge, travel consultants should be well-trained in customer management.	In addition to ensuring itineraries are personalised, customers would usually prefer to have a single travel consultant to take care of their journey end-to-end.

2.3 MEMBERSHIP model

The Membership model
In this model, travel agents charge their customers a fixed fee over a period for privileged access to services or benefits. This provides convenience and better value for frequent travellers.



CASE STUDY: ANDREW HARPER



Based in Austin, Texas, Andrew Harper is a travel agent which offers travel memberships for exclusive access to benefits and special deals from over 600 individual Andrew Harper-recommended hotels and travel partners. It is also the publisher of The Hideaway Report, a luxury travel magazine.

2.3 MEMBERSHIP model

2.3.1 What is the model about?

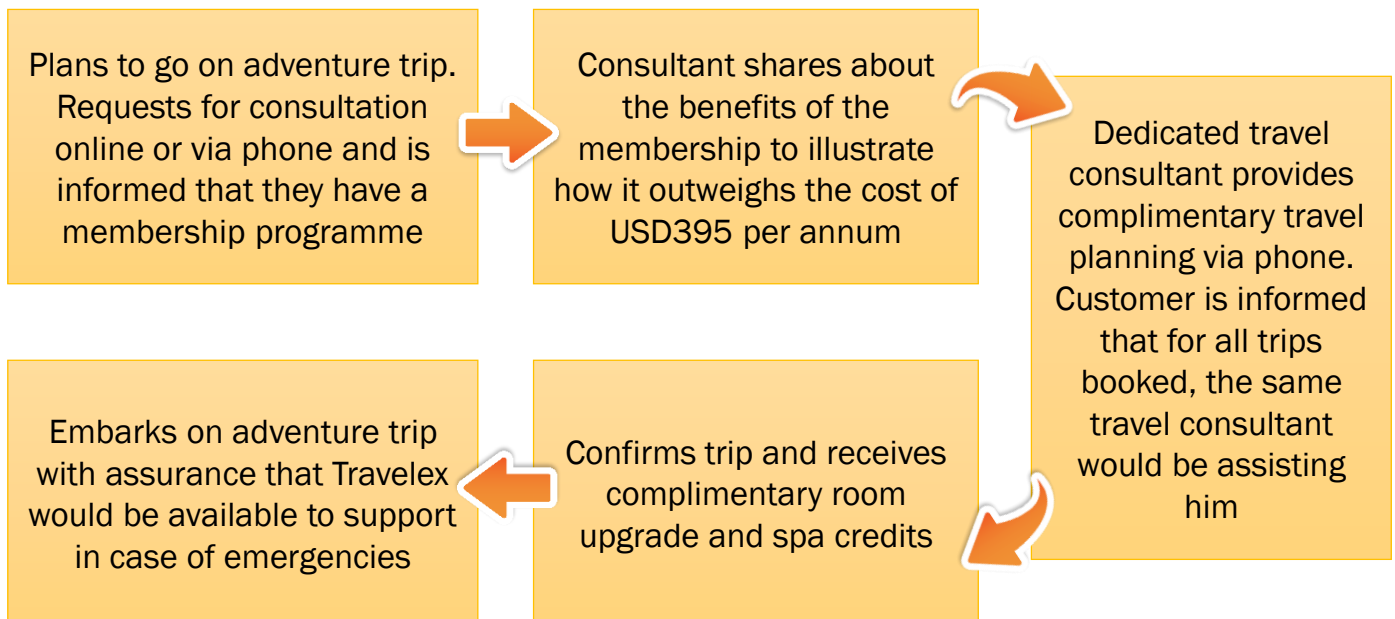
Andrew Harper is a high-end travel agent which offers exclusive content, travel perks and benefits, as well as an assured hospitality experience to its members for a fixed annual fee.

Travel products are available for purchase by members and non-members, and can be completed via website, phone or walk-in.



Members are entitled to complimentary upgrades at selected hotels, spa credits, bonus travel content, travel advice and special deals. Customised travel planning is also available with a dedicated travel consultant. Its partnership with Travelex allows members to enjoy a 24/7 complimentary concierge service to assist members with emergencies while travelling, at no charge. Andrew Harper charges USD395 for an annual membership.

2.3.2 What is the customer journey like?



Note: Additional fees may be chargeable for complex travel planning

2.3 MEMBERSHIP model

2.3.3 What is the impact of this model?

In 2016, Andrew Harper had 23,000 members with an average of 32 days of leisure travel annually. They generated revenue ranging from USD 10-25 million per year. Given its success, Travel Leaders Group – one of North America's largest travel agencies, acquired The Andrew Harper Travel Office (travel agent) and The Andrew Harper Alliance (hotel programme which offers additional amenities for members) in January 2017.

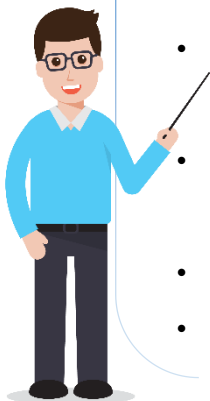
Consistent and recurring revenue from subscription or membership fees

Established customer base and increased customer loyalty since they are likely to stay with the travel agent to access the full set of benefits.



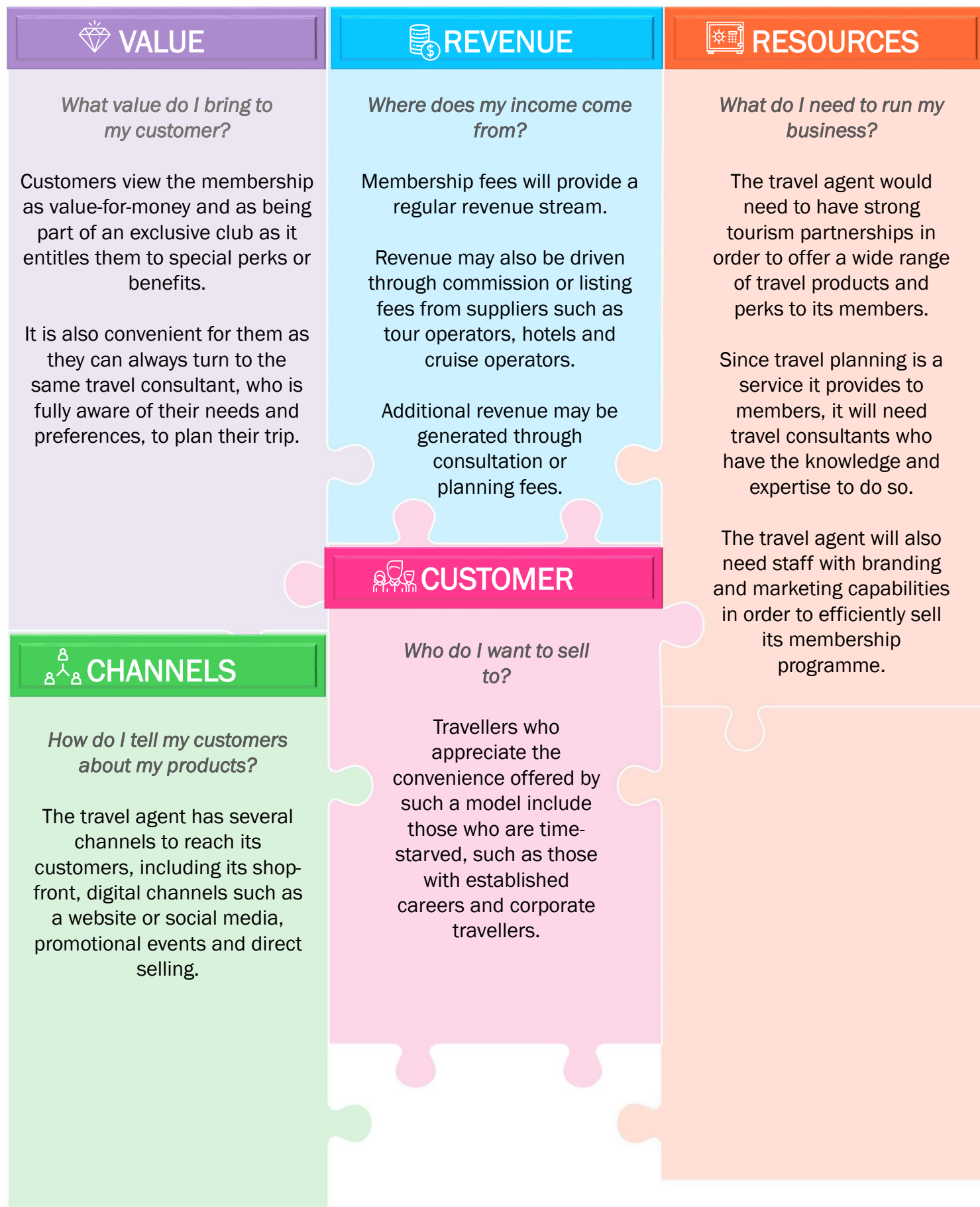
A glimpse at what membership includes

- Member-only bonus content, e-newsletters, editor videos and photos
- Complimentary meals, room upgrades, and spa credits at selected hotels
- The Harper Collection, a regional travel guidebook and Hideaway Report, a review of hotels worldwide
- Planning services via phone and weekly auctions of travel packages (Additional fees may be chargeable for complex travel planning)
- Wine Concierge – access to information on exceptional wines through newsletters
- An annual Travel & Member Benefits Directory with Harper-recommended hotels



2.3 MEMBERSHIP model

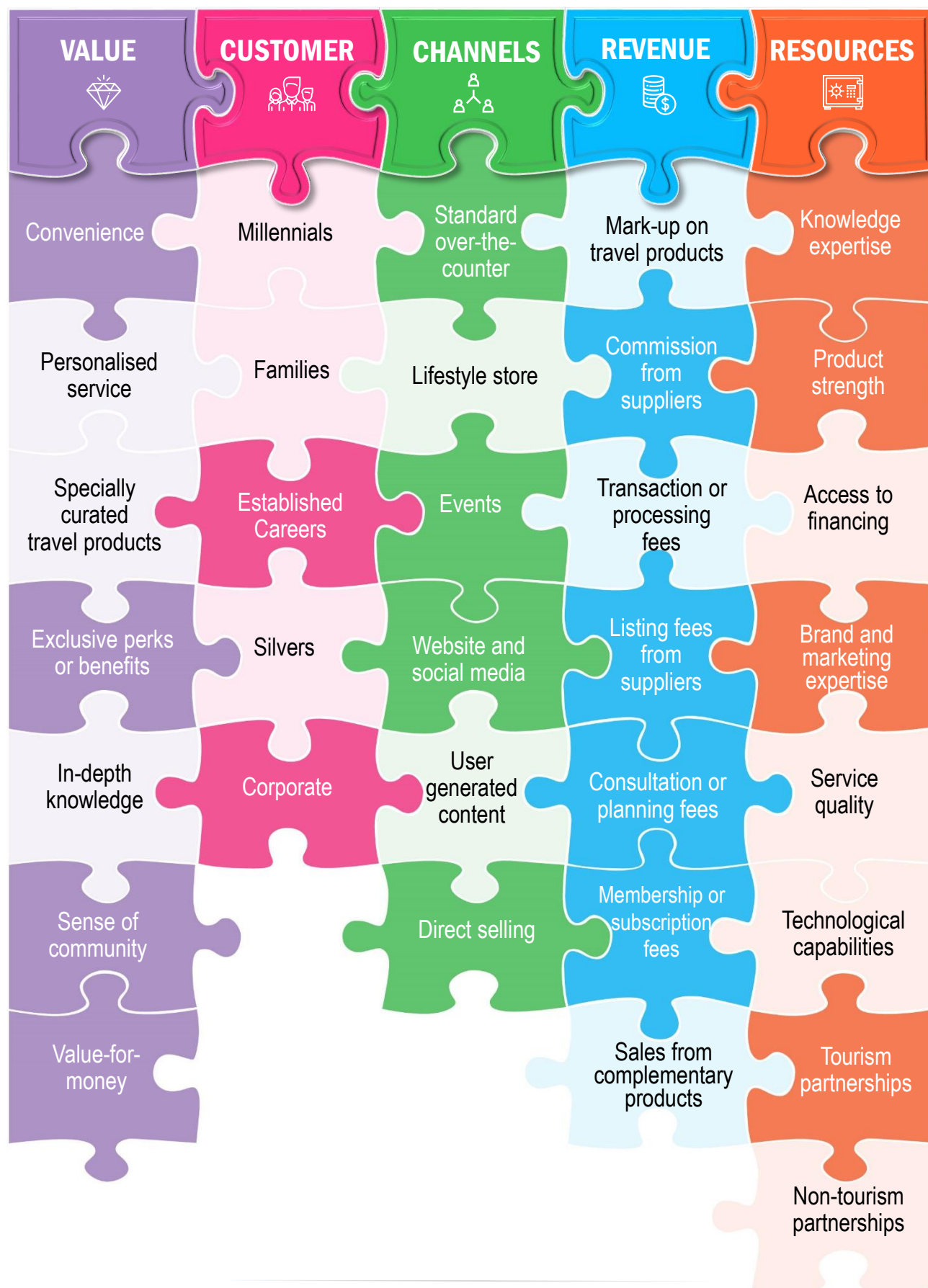
2.3.4 What are the building blocks of this model?



2.3 MEMBERSHIP model

2.3.5 What are the building blocks of this model?

In Section 1, we shared the many different building blocks which can make up a travel agent business. The diagram below highlights the specific building blocks which make up the Membership model.

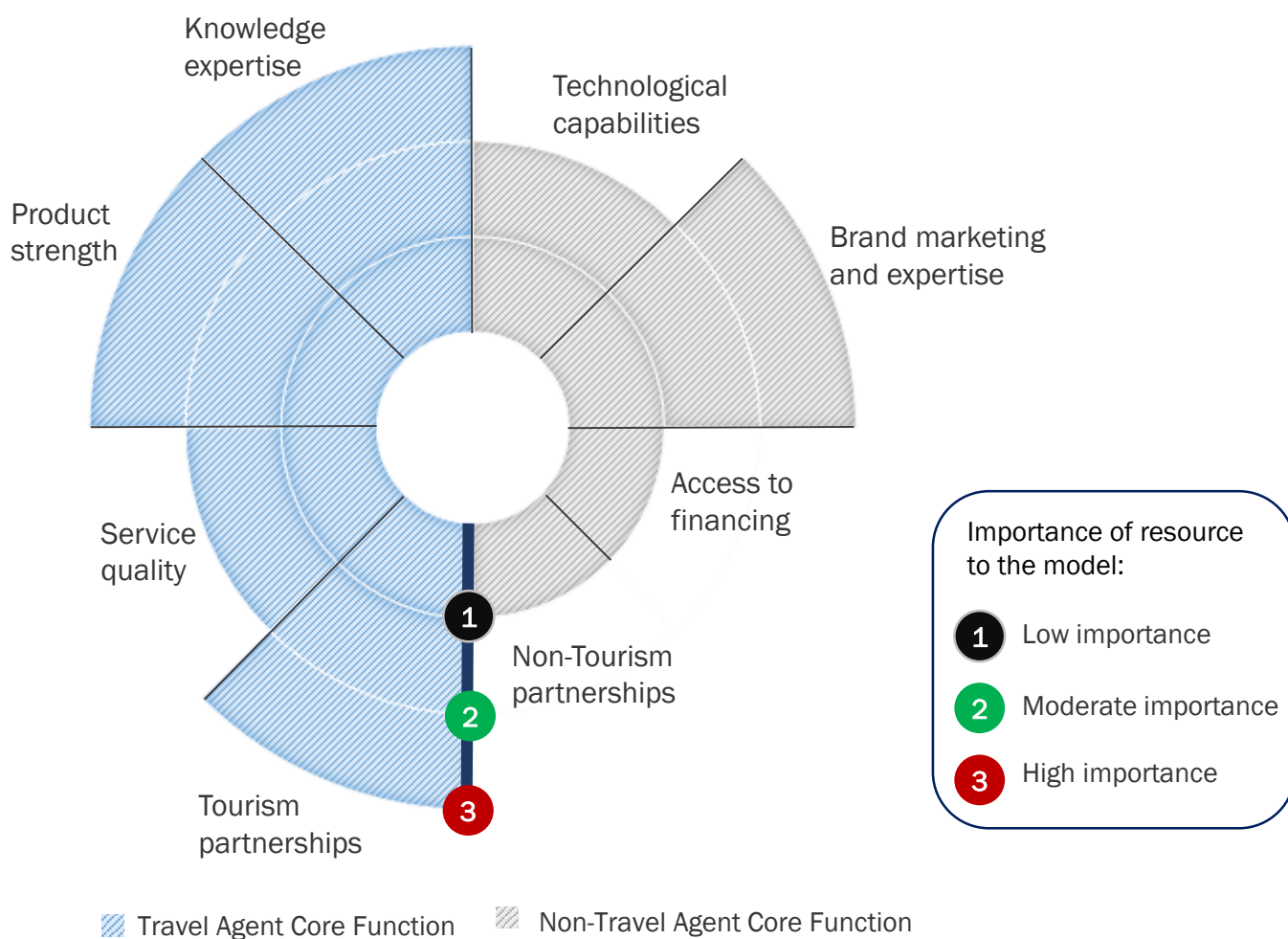


2.3 MEMBERSHIP model

2.3.6 What do I need to adopt this model?

The case study of Andrew Harper illustrates the Membership model. To elaborate further on the Resources building block, the map below shows the relative importance of each resource.

Resources Map for the Membership Model



Some unique aspects about the resources needed for this model:

Product strength	Brand and marketing expertise	Tourism partnerships
To make a paid membership worthwhile, members will want to use the travel agent for all its trips. To cater to this, the travel agent needs to have a wide range of products.	As the idea of a travel agent membership is not common, strong brand and marketing expertise is required to convince customers of the value of the membership, and to execute direct selling tastefully.	Without a wide variety and highly exclusive benefits and perks, customers may not see value in a paid membership. To cater to this, the travel agent will need to have strong tourism partnerships.

2.4 PLATFORM model



The Platform Model

In this model, travel agents provide a one-stop online platform for interaction between two user groups – travellers and suppliers such as hotels, airlines, attractions. Travel agents can also provide special features such as auctions, options, user reviews or recommended itineraries.



*“Business Model Innovation does not come from creatives only. It comes from **understanding other business models and learning from them.**”*

Patrick van der Pijl, Producer Business Model Generation, CEO Business Models Inc.



2.4 PLATFORM model

2.4.1 What is the model about?

The online platform is a marketplace for travel products. This makes it convenient for consumers as they can make their purchase from the comfort of their home. It allows consumers to DIY the whole process of planning and booking their trip, making them feel empowered and in control of their holiday.

For suppliers like tour operators and hotels, platforms are channels through which they reach consumers. With more suppliers onboard its platform, the travel agent would be able to offer a larger variety of products to its customers. A platform also allows more innovative ways of selling products and services.

As platforms are increasingly common today (think of online platforms like Expedia and Priceline), we will touch on three distinct ways that companies have sought to differentiate their platform.



Auctions

In the auctions-based platform, potential buyers bid for discounted travel products which are then sold to the highest bidder. Successful bidders may pay a processing fee in order to purchase the product. This attracts travellers as the prices are typically lower than market rates.

SkyAuction is one example of such a platform. Established in the US, the company has strong partnerships with its suppliers and is able to purchase its inventory at special rates, allowing them to offer their products up for auction at discounted prices.

A screenshot of the SkyAuction website. The header includes the logo 'skyauction.com' with the tagline 'now you're going somewhere!'. To the right, it says 'Over 1,179,795 auction winners since 1999' and 'Best Prices Guaranteed!'. Below the header is a navigation bar with links: Home, Log in, Register, Search, Customer Care. A secondary navigation bar lists categories: Destinations, Hotels, Cruises, Air, Specialty Auctions, Vacation Rentals, Hot Deals, Closing Soon, Book It Now. The main content area shows '308 items found. Page 1 of 4' with pagination links '1 2 3 4'. Below this is a link: 'Want to see more details? Click here for an expanded view.' A table displays auction items with columns: Offer Title, Minimum Bid/Price, and Time Remaining. The first item listed is 'Curt Schilling Triple Exposure 8x10- Steiner & MLB Auth' with a minimum bid of '\$1' and a time remaining of '12h 5m'.

Offer Title	Minimum Bid/Price	Time Remaining
Curt Schilling Triple Exposure 8x10- Steiner & MLB Auth	\$1	12h 5m

SkyAuction is a platform for auctions of travel products

2.4 PLATFORM model

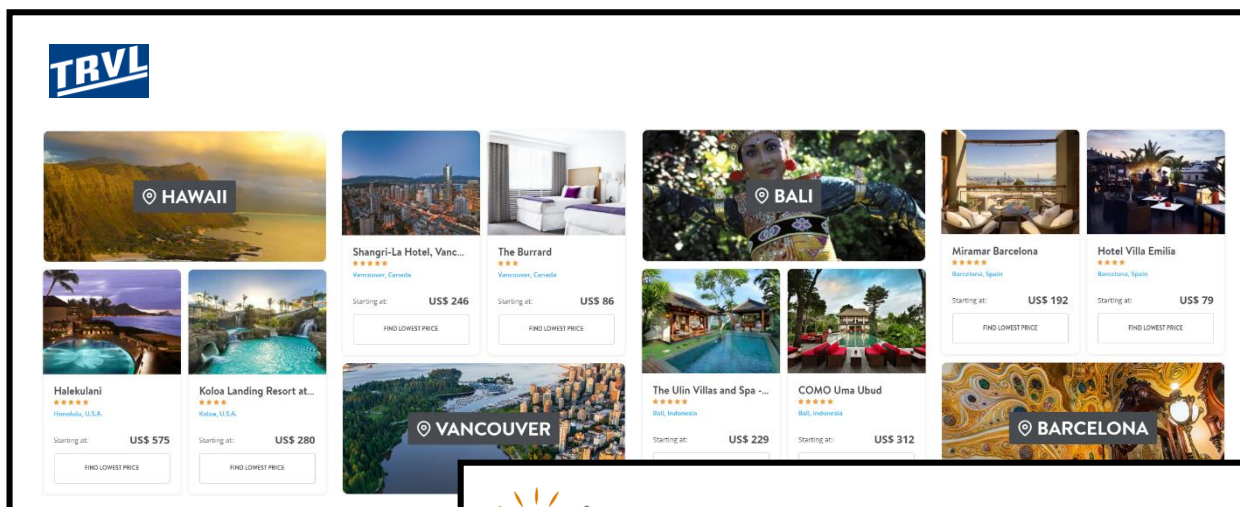


Peer-to-peer

Many consumers today place great trust on peer reviews and platforms have allowed the creative use of this. For example, travel agents may allow consumers to put up their own itineraries, and then provide a commission or other rewards if someone books the trip. This brings greater traffic to the platform and increases the chances of sales conversion.

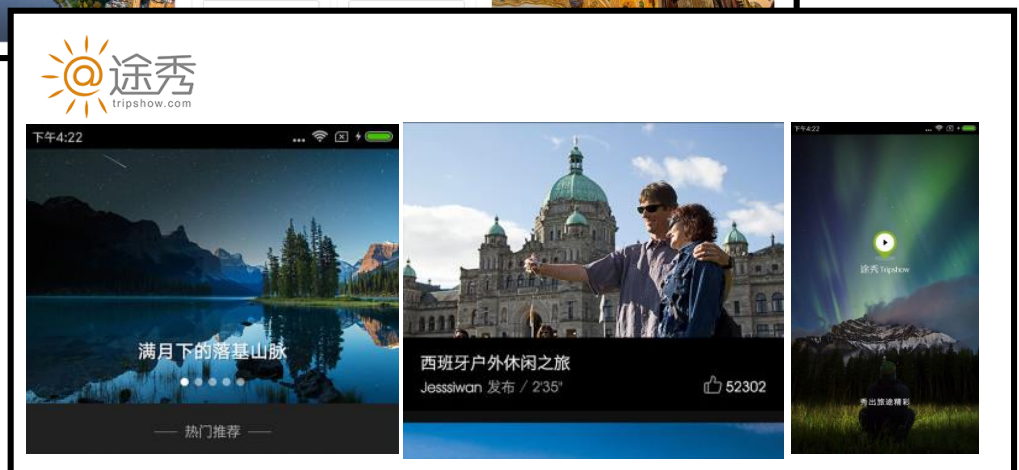
One example of such a platform is TRVL, based in Amsterdam. Their platform allows users to set up their own website under TRVL's umbrella. Users post their recommended itineraries and are paid a commission if someone books it. Bookings are done through TRVL's partners such as Bookings.com and Hotels.com.

Another creative use of user-generated content is TripShow, which is a visual social media marketing platform based in China. It pulls together visual content which real travellers put up on Chinese social media platforms such as Weibo and WeChat. Travel brands can then use these visuals to create albums and generate demand for their products.

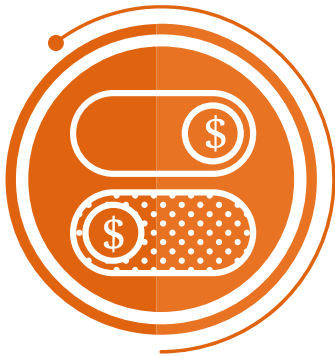


TRVL is a peer-to-peer online travel booking platform

Tripshow is an online platform for user-generated content



2.4 PLATFORM model



Option fees

Travellers pay an option fee to lock in the prices of airfares or to have the flexibility of making changes to their bookings. This allows them more time to plan and confirm their itinerary. It is usually an attractive add-on as travellers see value in paying a small fee to cater for exigencies. While it is not often seen in the travel agent business today, it is becoming commonplace among airlines and hotels.

An example is Singapore Airlines' "Secure My Fare" feature on their booking site. For a fee of between SGD 5-10, travellers may hold their fares for up to three days.

2.4.2 What is the impact of this model?

We have looked at three variations of the Platform model: Auctions, Peer-to-Peer and Option Fees. There are even more variations such as platforms which trigger offers within your specific geographic proximity, or specialise in last minute deals. Regardless of the variation, certain core benefits are similar.

Increased efficiency
since all bookings are
made online

Wider reach to both
consumers and
suppliers

Provides channel for
additional revenue
stream from
suppliers' listing



We urge travel companies to **conceptualise their brands as platforms** for new opportunity and growth. Travel is fragmented across many micro-experiences... **travel brands must realise the benefits of scaling across the travel experience** rather than only trying to grow within their vertical.

Deloitte, 2017 Travel and Hospitality Industry Outlook



2.4 PLATFORM model

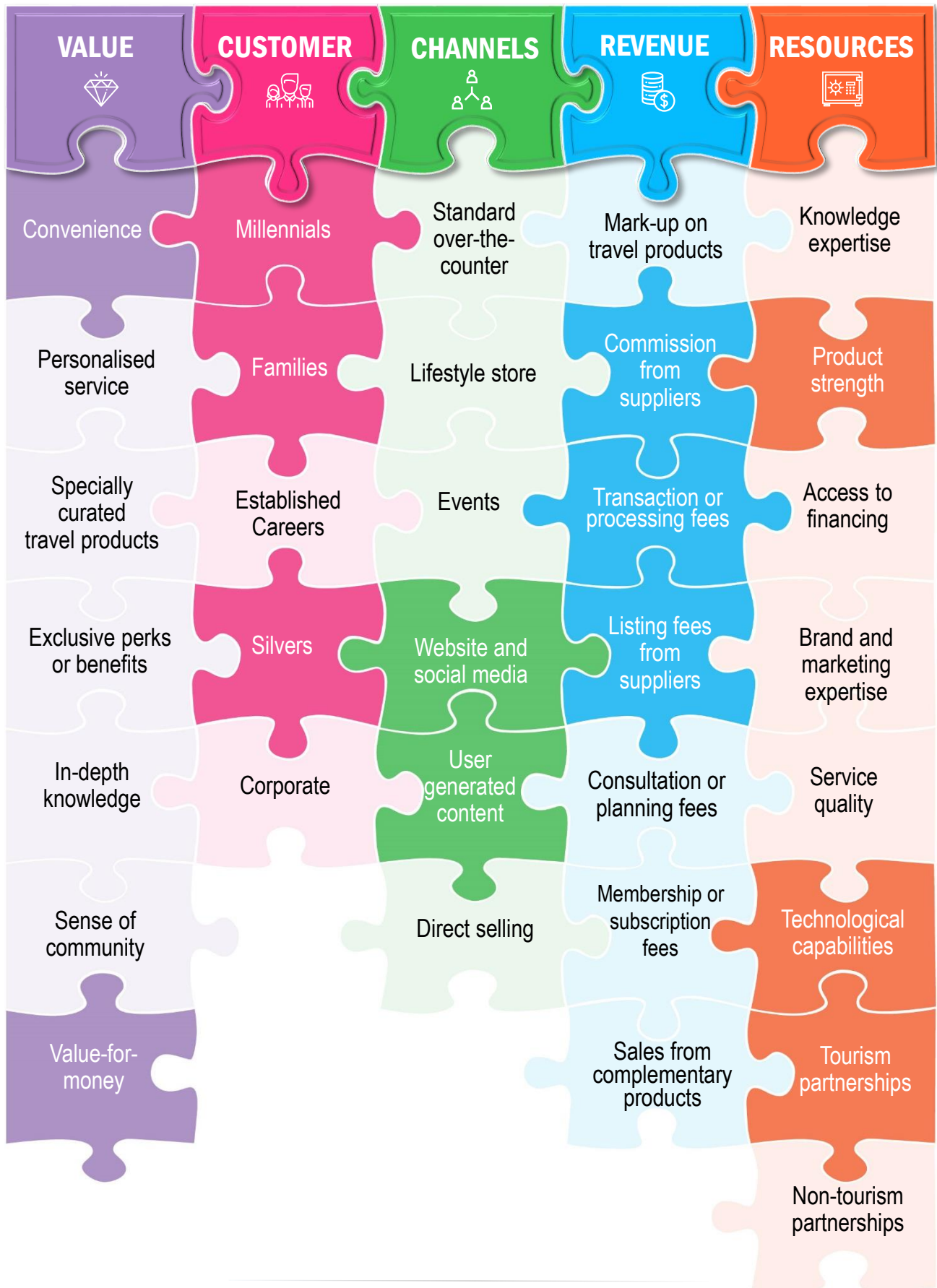
2.4.3 What are the building blocks of this model?



2.4 PLATFORM model

2.4.4 What are the building blocks of this model?

In Section 1, we shared the many different building blocks which can make up a travel agent business. The diagram below highlights the specific building blocks which make up the Platform model.

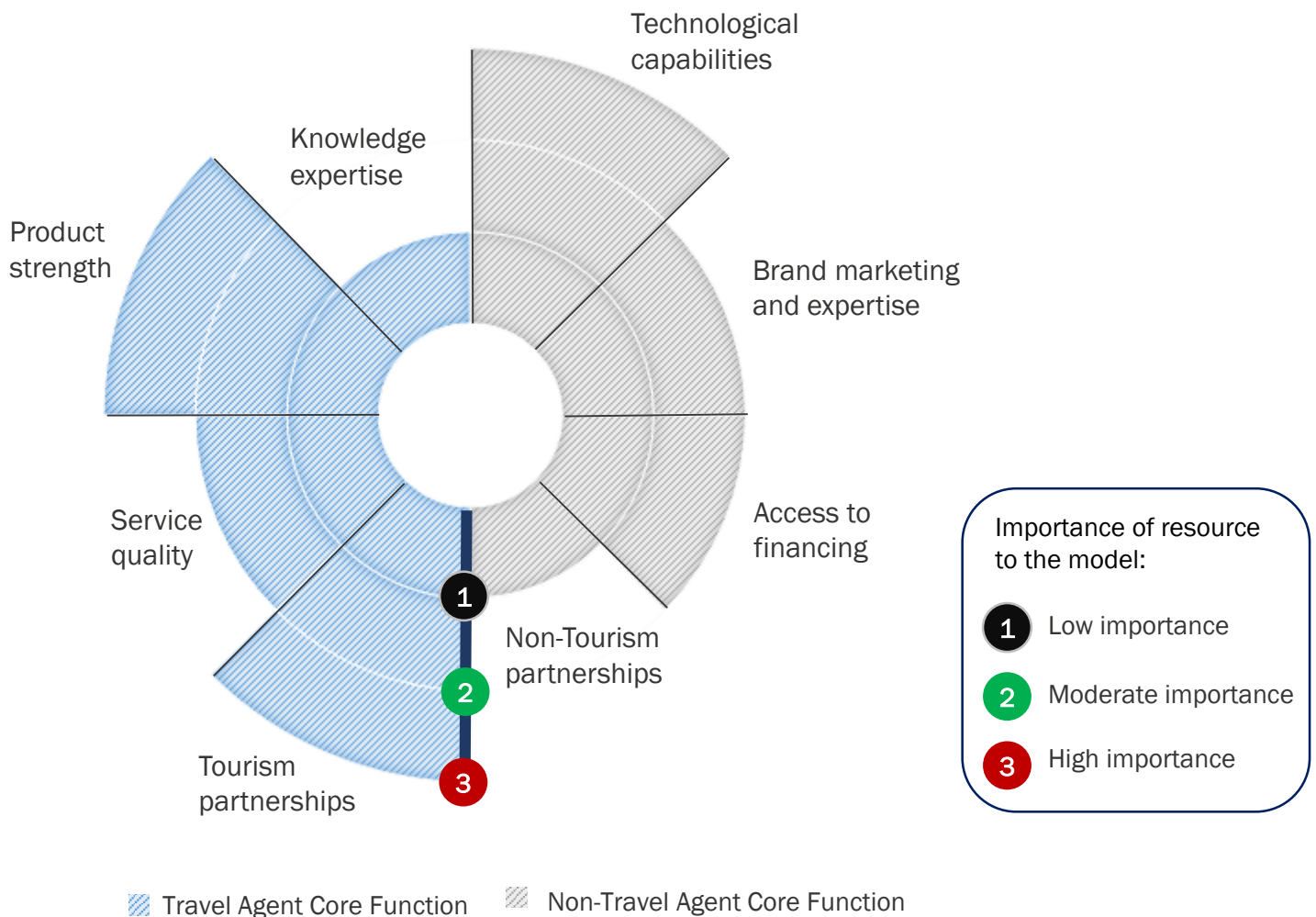


2.4 PLATFORM model

2.4.5 What is needed to adopt this model?

To elaborate further on the Resources building block, the map below shows the relative importance of each resource.

Resources Map for the Platform Model



Some unique aspects about the resources needed for this model:

Technological capabilities	Tourism partnerships	Product strength
Technological capabilities are essential in maintaining a platform. If this is an inhibiting factor, travel agents may also consider putting their products on an existing marketplace to enjoy the reach which platforms provide.	Tourism partnerships are important in order for platforms to offer a wide range of products. To strengthen partnerships with suppliers, travel agents may offer better rates for listings on platforms.	Customers will want to book their entire trip – including accommodation, flight, tours and transfers from a single source. ‘End-to-end’ platforms will hence have an edge. Having unique options, prices, perks to offer can also help differentiate one’s platform.



Section
3

Self-Assessment
Toolkit

Section
2

Travel Agent
Case Studies

Section
1

Understanding
Business
Models

3.1 Reflection Exercise

Now that you have gained a good understanding of the key building blocks of a business model, you can try to build your own. This section includes three simple exercises to get you thinking about new directions your business can take.

Here are some thought-starter questions to take stock of your current state and project ideas for the future. You are advised to take some time to reflect on the questions before penning down your thoughts. There are no right or wrong answers; you are in the driver's seat holding the reins for your company's future. Be sure to complete this exercise before proceeding to the next one.



VALUE Building Blocks

Current	Future
<p>i. Why do most customers purchase my travel products or services?</p>	<p>iii. What opportunities can I tap on going forward?</p>
	<p>iv. What other travel products or services might customers value?</p>
<p>ii. Who are my key competitors?</p>	<p>v. What companies in the travel landscape would I benchmark myself against?</p>

3.1 Reflection Exercise



CUSTOMER Building Blocks

Current	Future
i. Which customer segments am I currently serving?	v. Which of my existing customer segments do I want to focus more than 50% of my energy on?
ii. Am I serving my current customers well?	
iii. Which segments of my customers are most profitable?	vi. What other attractive customer segments should I be targeting?
iv. Which segments are fast growing?	



Channels Building Blocks

Current	Future
i. How am I reaching my customers today?	iii. How can I improve my current customer outreach and conversion?
ii. Which channels are most effective in terms of customer conversion?	iv. What other channels should I be using to reach out to customers? Give specific examples.

3.1 Reflection Exercise



REVENUE Building Blocks

Current	Future
<p>i. What is my current mix of revenue streams? Think of the percentage breakdown.</p>	<p>iii. How can I optimise 1-2 of my existing revenue streams?</p>
<p>ii. How has my revenue mix changed over the years?</p>	<p>iv. How can I diversify my revenue streams further?</p>

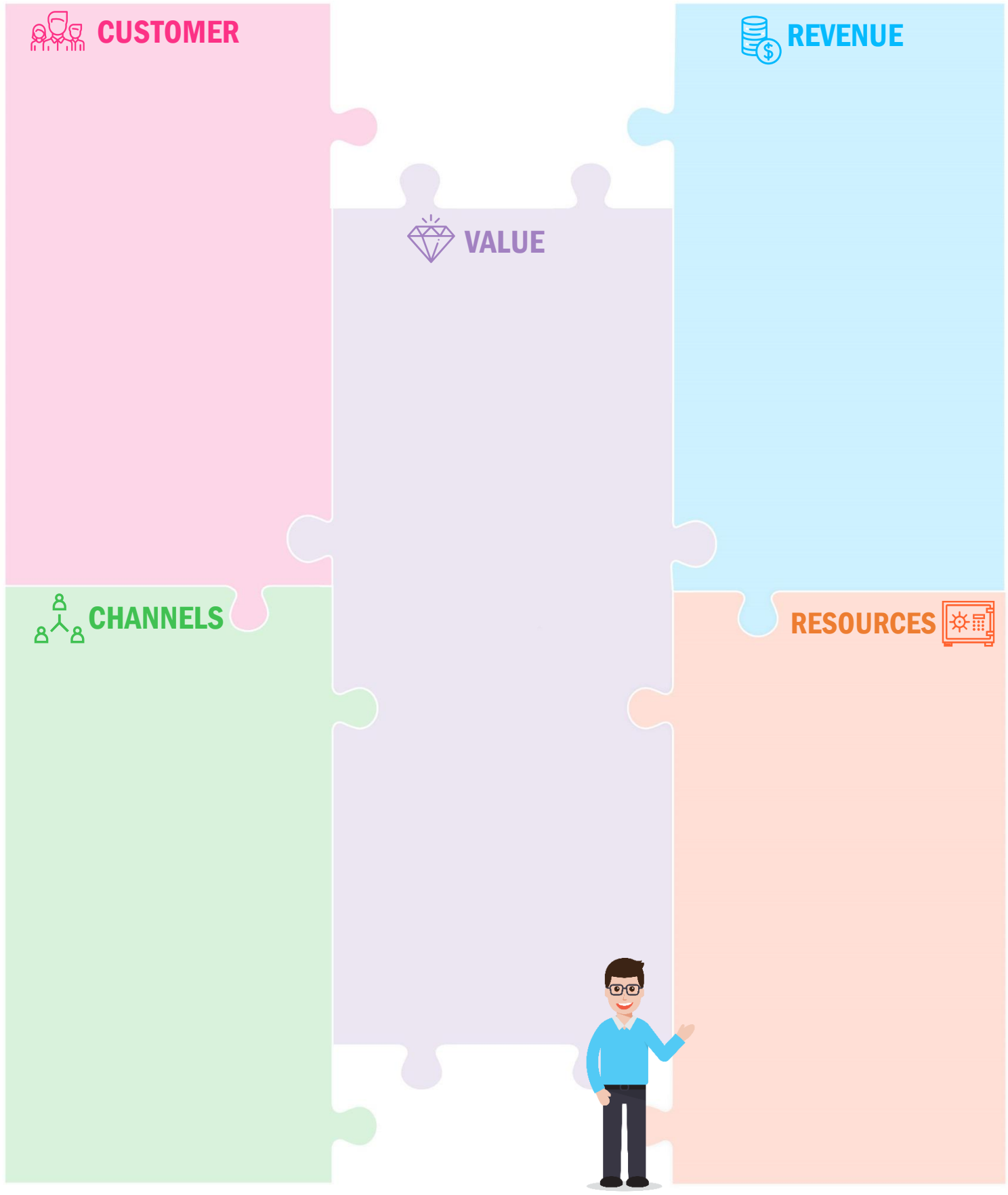


RESOURCES Building Blocks

Current	Future
<p>i. What are my company's three key strengths? (You may refer to the Resources building blocks discussed in Section 1)</p>	<p>iv. What additional resources do I need to carry out my future plans?</p>
<p>ii. What are the key risks facing my business?</p>	<p>v. Which areas do I need to actively manage in terms of risks and costs?</p>
<p>iii. What are my key cost components?</p>	

3.2 My Business Model

Using your thoughts in the Reflection Exercise, try your hand at drawing up what you hope your future business model could look like. Feel free to refer to the building block descriptions provided in Section 1.



3.3 My Action Plan

Building the business model on paper is just the first step. By now you should have realised from the case studies that it takes a lot of resources to catalyse a change in a business. You will need to take a hard look at what resources you will need to build your business model, not only on paper, but in real life.

Referring to what you have written in the 'Resources' box in the previous page, jot down the resources you will most need. You may also make reference to the Grants & Tools shared in the following pages which are useful in supporting your financial and knowledge needs in building your capabilities.

Resources		Action	Timeline
EXAMPLE	Stronger product database with more unique experiences and suppliers	<ol style="list-style-type: none"> 1. Conduct desktop research for possible sources of experiences 2. Develop 'hit-list' of possible partners and suppliers 3. Develop schedule, budget and team for business calls, tradeshow and networking to bring in new partners and suppliers 	To complete by Q2 2018
	1.		
	2.		
	3.		
	4.		
	5.		

Grants & Tools



Supporting you in **BUSINESS TRANSFORMATION**



[Business Improvement Fund \(BIF\)](#)

A grant to encourage technology innovation and adoption, redesign of business models and processes in the tourism sector to improve productivity and competitiveness.



[Experience Step-up Fund \(ESF\)](#)

A grant to support experience development projects that enhance attractiveness of Singapore and its products, hence improving overall visitor experience and satisfaction in Singapore.



[HR Diagnostics Tool](#)

A free-of-charge diagnostics test administered for SMEs to understand their current state of HR maturity and identify gaps for improvement. It covers 11 HR functional areas such as recruitment, training and development, performance management, talent management and employee engagement.



[Customer Service Toolkit](#)

A DIY guide for SMEs on how to provide quality service. It illustrates how companies may connect with customers, build loyalty and enhance service delivery for a sustainable and profitable business.



[Financial Management Toolkit](#)

A DIY guide for SMEs to gain a better picture of their financial fundamentals and to improve financial management capabilities.



[HR Capability Toolkit](#)

A DIY guide for SMEs to improve and strengthen HR management capabilities. It looks at addressing HR gaps and promoting good HR practices to bring out the best in the company's workforce.



[Marketing Toolkit](#)

A DIY guide for SMEs to develop a better understanding of the tools required to develop, implement and manage marketing efforts to strengthen the company's value proposition.



[Productivity Toolkit](#)

A DIY guide for SMEs to understand commonly faced productivity challenges and identify areas for improvement. Includes a wide range of easy-to-use tools.

Grants & Tools



Supporting you in **MANPOWER & TRAINING**

For training:



[Workforce Skills Qualifications \(WSQ\) Courses](#)

For skills upgrading, consider taking WSQ courses specific to tour and travel services. WSQ is a national credential system that trains, develops, assesses and certifies skills and competencies for the workforce.



[SkillsFuture Study Award](#)

A SGD 5,000 cash award to encourage Singaporeans to develop and deepen specialist skills needed by future economic growth sectors or in areas of demand. It also supports Singaporeans who already have deep specialist skills to develop other competencies.



[Training Industry Professionals in Tourism \(TIP-iT\)](#)

A grant to support tourism companies in employee upgrading and talent development. It is open to all Singapore-registered businesses.

For hiring:



[Work Trial](#)

A salary support programme to help employers assess a jobseeker's fit via a cost-free short-term work stint before offering employment. It aims to encourage employers to support Singaporeans in making career transitions.



[P-Max](#)

A salary support programme to match job-seeking Professionals, Managers, Executives and Technicians (PMETs) to hiring SMEs. Workshops are conducted to help the PMET acclimatise to the new job role, and also to help the SME learn how to better communicate with the newly-hired PMET and improve its HR practices.

Congratulations!



You have completed the Business Transformation Playbook and the self-assessment exercise.

We trust you have gained a better understanding of business models and your own capabilities.

The Playbook has depicted only some examples of business models. There are so many more possibilities. Mix and match the building blocks and see what you can come up with. You might just build a one-of-a-kind business model to put you ahead of the competition. Should you require more assistance, feel free to tap on any of the grants and tools listed in the previous pages or simply drop us a note at STB.

We wish you luck and great success!



Quote sources:

archive.fortune.com/magazines/fortune/fortune_archive/1999/11/22/269126/index.htm
www.forbes.com/quotes/327/

References

Case Studies

Lifestyle Model



[Departure Lounge](#)

Specialisation Model



[Remote Lands](#)

Membership Model



[Andrew Harper](#)

Platform Model



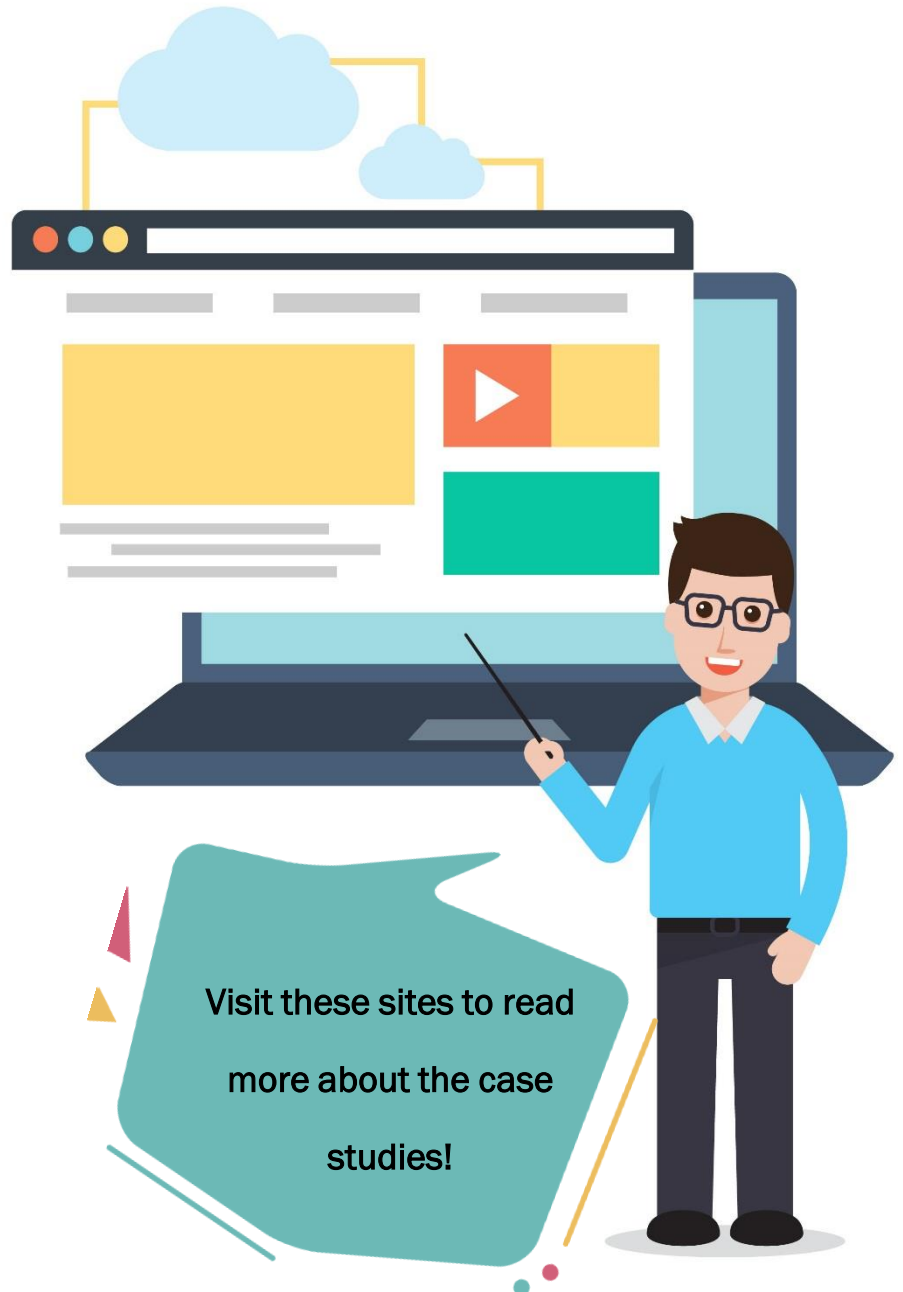
[TRVL](#)



[Tripshow](#)



[SkyAuction](#)



Disclaimer: The case studies were written based on information found online and are used only for illustrative purposes in the context of this Playbook.

Credits

Special thanks from STB and NATAS to all participating travel agents for their invaluable input which has helped to shape the Business Transformation Playbook.



Chan Brothers Travel
Concepts Golf Management
Diethelm Travel
Pegasus Travel Management
Quotient TravelPlanner
Star Holiday Mart
The Travel Corporation
Travelport
UOB Travel

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