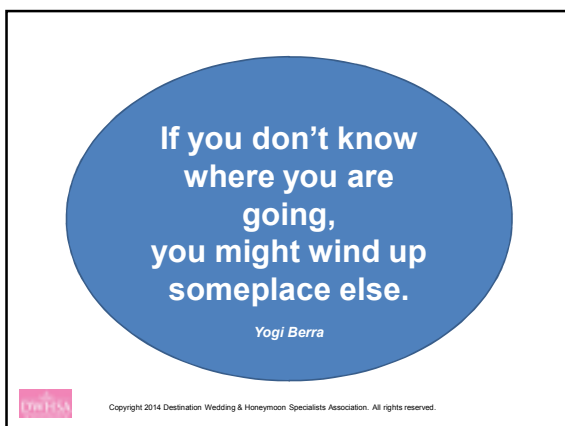




DWHSA
DESTINATION WEDDING & HONEYMOON
SPECIALISTS ASSOCIATION

DWHSA Webinars

Create Your One-Page Business Plan for 2015



If you don't know
where you are
going,
you might wind up
someplace else.

Yogi Berra

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The Big Disconnect

We spend more time planning DWs and honeymoons for many of our clients ...

... than we spend planning our businesses!



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The Big Disconnect

We got into the travel business and,
from Day 1, here's how we focus:


**TRAVEL
BUSINESS**



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Three BIG Questions ...


- Full time – or part time?
- Independent agent – or outside agent with a host agency?
- Generalist, specialist, or a little bit of both?



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So, Let's Make a Plan ...

**“Preparation is everything.
Noah did not start
building the ark
when it was raining.”
(Warren Buffett)**



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Your One-Page Business Plan



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Your One-Page Business Plan

“In a Nutshell”

Within the next ___ years, [Agency] will become a successful [type of] travel business providing [types of products and services] to [types of clients].



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Your One-Page Business Plan

“I’m Unique Because”

Here’s what sets me apart from other travel businesses:

1. _____
2. _____
3. _____



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Your One-Page Business Plan

Here's what **DOES NOT** set us apart:

Product/destination knowledge

Pricing



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Here's what **CAN** set us apart:

**Service
Specialties
Security/Safety
Second Opinions
Street address**



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Your One-Page Business Plan

"Dollars and Cents ..."

Net profits needed each year

*How much **cold, hard cash** do you need to bring in the door every year to stay afloat?*




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Your One-Page Business Plan

“Dollars and Cents ... ”

Gross up for taxes

*How much should you factor into your net profits to account for taxes?
(Hint: Try 40%.)*




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Your One-Page Business Plan

“Dollars and Cents ... ”

Average travel sale

*What's the typical dollar amount for the average sale you make with everyday clients? (Hint: Count **only** the commissionable portion of this sale!)*




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“Dollars and Cents ... ”

Average commission rate

*What's the typical commission rate (**net to you!**) for the average sale you make with everyday clients?*




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Your One-Page Business Plan

“Dollars and Cents ... ”

of sales needed each YEAR to generate your desired net profits

Now that you know the typical net earnings you make on each sale, how many sales do you need for the year?




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Your One-Page Business Plan

“Dollars and Cents ... ”

of sales needed each MONTH to generate your desired net profits

Take that previous figure – and, divide by 12!



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Your One-Page Business Plan

EXAMPLE

Desired annual net profits:

\$42,000



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EXAMPLE

Gross up for taxes:

$$\begin{aligned} & \$42,000 \div \\ & 60\% (0.6) = \\ & \$70,000 \end{aligned}$$



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Your One-Page Business Plan

EXAMPLE

Average travel sale (commissionable portion only):

\$4,000



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EXAMPLE

Average commission rate (net to you):

10%



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Your One-Page Business Plan

EXAMPLE

Net earnings per sale:

$$\mathbf{\$4,000 \times 0.10 =}$$
$$\mathbf{\$400}$$



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Your One-Page Business Plan

EXAMPLE

of sales needed each YEAR:

$$\mathbf{\$70,000 \div \$400 =}$$
$$\mathbf{175 \text{ sales}}$$



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Your One-Page Business Plan

EXAMPLE

of sales needed each MONTH:

$$\mathbf{175 \text{ sales} \div 12 =}$$
$$\mathbf{14.5}$$



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Side Note: Your Clients' Lifetime Value

Look **BEYOND** the profits from the immediate sale to a brand-new client!

Instead, focus on
how many times that client will come back to you for future bookings over the next 3 to 5 years!

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Side Note: Your Clients' Lifetime Value

Immediate sale: **\$400 profits**

2015, 2016, 2017, 2018, 2019 sales:
\$400 profits x 5 = **\$2,000**

Total lifetime value: **\$2,400!**

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Side Note: Your Clients' Lifetime Value

Your goal for a client base:

 ideal clients who love working with you
and who will keep coming back to you
over the next 3 to 5 years



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Your One-Page Business Plan

Three Big Decisions:

Types of travel you should be selling
Preferred suppliers you should seek out
Target clients/markets you should pursue



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2015 Strategies

**You MUST focus
more time and energy on
a specialty or niche like romance travel –
“selling everything to everybody” is a
tough way to make a living!**



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2015 Strategies

The critical component in your sales
that's required for long-term profits is
GROUPS.



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2015 Strategies

Another key to a stable travel business
is a stable of lifetime clients
who love working with you.
(Try 150 as a goal.)



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2015 Strategies

Take time this fall for
a long, hard look at your
preferred supplier list.
Start with commission levels.



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Questions?

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