

Kevin Burgess

LAIB: 4000

August 30th, 2021

Travelience: Internship Report

For my internship I worked for an online travel agency company that specialized in creating itineraries and contracting out local guides to sell tours in popular locations around the world. I acted as a researcher and tour creator as well as doing other clerical tasks. Through my experience working in the tourism industry both in this internship and in hotels, I will attempt to analyze the current state of the multinational tour industry including its trends, competitions, and overall business climate. I worked and communicated with the Travelience team by using Slack, a communication tool for business teams, along with Notion and Google Docs. The people I worked with was the CEO of Travelience Hashimoto Naoaki and a new manager Fozi Mahdi and another intern named Chantal. Hashimoto and Fozi both worked in Japan, and Chantal worked remotely in California. For the most part it was very easy and convenient to communicate with other team members. The only issue was the 13-hour time difference between here and my coworkers in Japan but that was a minor inconvenience if anything. Since my work was done remotely with a 13-hour time difference, I was able to schedule my own hours to log in and log off. On average I worked about 32 hours a week for 5 weeks.

My internship goal was to help Travelience create popular tour itineraries for famous cities around the world. More specifically, they wanted me to research the location I was assigned by looking at other similar websites to theirs to determine the most popular spots. I was then to create 6 tours for a location by category such as Full day tours, half day tours, street food tours, family tours, nightlife tours, and customizable tours. After this I would compile my research of various website tours and locations and create a few “idea” tours that would go through the most popular spots and would be priced according to similar tours. Lastly, I would write descriptions of each location to make the tour appealing. After this I would review these ideas with my supervisor and correct any mistakes or adjust the itinerary. Once a tour was finalized and approved, I would move on to collecting pictures for the tour’s page. After this I would search for local tour guides in that location I was researching, and I would compile a list of their business emails for future contact by another Travelience representative. This was my general workflow. In addition, since me and Chantal were the first people put on this task, we were working out the most efficient system for tour making as we worked through the internship thus making it easier for those that came after us. Overall, I personally completed 18 tours between, Rome, Kyoto, Livorno, Pompeii, and Hawaii, some of which are now posted on the website.

My daily tasks were as follows: Check Slack messages for team correspondence and notes on work sent in for review. Research my assigned location on other tour sites and assess which tours were most popular. Research locations on Google maps and Wikipedia to get ideas for descriptions. Write out descriptions and create itinerary ideas. Search for local guide business emails for future contact. Search for photos that capture the appeal of the location and compile. And twice a week we would have meetings to review, one as a peer review with Chantal and the other as a team meeting where we would discuss our progress. Work was conducted in English but did require research in Japanese for photo search and Japanese locations.

For the most part work progressed smoothly, with me and Chantal getting a better idea of what Hashimoto wanted from the tour itineraries during our meetings. In the process, I learned about how customers when buying tours like to have as many details as possible, and that the company making the tours wants to make the process of booking tours easier and more appealing. Go With Guides had an international customer base with over 50% of customers being from America with the average age of around 55 years old. In order to effectively advertise towards that customer base, GoWithGuides has a English and Japanese page for finding tours. Since the goal was to expand the company by increasing tours, me and Chantal worked on tours for regions GoWithGuides had not expanded into yet. This way they would be able to work with a set of tours based on popular tours to expand on the right foundation.

As for each tour category, most are straight forward such as the full and half day tours which are focused on 8 hour and 4-hour tours respectfully. Street food, family, and nightlife tours though are a bit more complicated and require a bit more research into similar tours and information around the area. Often, I would look at tour reviews to determine if the spots visited might pose problems for guest or if they appeared of low quality. Family tour were usually the most difficult since I had to find a tour that had activities enjoyable for parents and kids. As you can imagine this became quite difficult in places like Kyoto and Rome where the major attractions are cultural art and architecture destinations. The solution was to find small things along the way that kids and parents might find enjoyable. For instance, Arashiyama's monkey park, or a Roman street famous for its authentic gelato. Of course, for a few areas I worked on some of the tour categories were impossible either due to not having a demand or for being too impractical, such as a nightlife tour in Pompeii where the nightlife scene isn't what people traveling to Pompeii are looking for. If anything, the city has a sort of sleepy town vibe to its nightlife. In situations like this, I would consult with Fozi and Hashimoto to determine whether it's worth using resources on. And they would let me move on to the next tour category or location. As time went on, I was able to continue my work without having to ask as many questions as possible and I was able to get tours done a lot faster.

Cultural differences while working under Hashimoto were minimal since he has experience working with diverse international teams. The only things I felt that were like my understanding of Japanese work culture was the necessity for meetings every week, and the straightforward way of how Hashimoto wanted tours to be made. At first Hashimoto had a very specific idea of how to make tours. But as me and Chantal began to realize that specific way wouldn't work as well, Hashimoto was able to understand and change the priority. Fozi eventually took over the role as me and Chantal's supervisor halfway through the internship. Fozi is from Italy and worked in Japan for about a decade and was a new hire to the Travelience company. Fozi was a friendly supervisor and was able to help translate the vision Hashimoto had for the tours which would help me, and Chantal create better tours. Overall, culturally, my work experience at Travelience felt very similar to a job in the US. In fact, the flexibility was really great for getting work done in a convenient and efficient way.

Having worked in hotels for three years prior to the pandemic the tourism industry has always fascinated me in how goods and services are priced for travels. In order to travel you need a plane ticket, hotel rooms, local transportation, and tours and attractions. Each step funds an entirely different industry that has its own intense fight for market share. In the case for hotels, I worked at Hilton properties for three years before the pandemic. There I was able to

experience the different ways that our competitors, Marriott, and the Hyatt would compete for market share by using promotions and improving marketing and services. In my time with Travelence, many of the same strategies appear to be used including promotions and pricing differences to advertise tours. There are also similarities when it comes to regional differences. For instance, Tokyo, and Rome tours and hotels appear to have an oversaturated market, whereas Livorno and Pompeii seem to have opportunity for growth and expansion for both hotels and tours. One thing that is particular to the tour industry is the competition for local guides. Some local guides work for multiple companies as a contractor, but many companies will try to hide their guides business contact info to prevent them from being scalped by the competition. Seeing this side to the industry was surprising but made sense when you consider that hiring any of these tour guides can be expensive for small companies such as Travelence. Instead, it makes more sense to just find an individual contractor and give them a cut of the tour price. Of course, since good tour guides are vital to the overall success of a tour or tour company, these individuals hold a lot of power and are in short supply in popular areas or in regions with tour guide associations and unions. Because of this companies like GoWithGuides want to retain the tour guides they hire for their tours.

This demand is compounded by the fact that many tour guides have left after the pandemic began to find more stable forms of income. This has decreased the pool of available guides in popular areas. When I would search for guides business contact information, I would often have to get creative since most websites they contract their services to do not give their business emails or LinkedIn profiles. Because of this I would use image search and google translate to help me find their LinkedIn profile or the tour guide association in their country. Another issue is that due to the pandemic requiring countries such as Japan to close their borders, bookings of tours have gone down significantly hurting the market. These issues have pushed not only Travelence but also its competitors to look into expanding, since by spreading out to other countries they are minimizing risk in case the areas they specialize in lose visitors due to pandemic restrictions or other factors.

Despite these issues the cost of creating a website like GoWithGuides is relatively cheap as remote work is becoming more efficient. In my interview with Hashimoto, I asked him how the pandemic has changed work. First, he mentioned that for his company remote work has shown to be just as efficient as in-office. This had led him to downgrade the office and just hire remotely. As a personal note from Hashimoto, he even mentioned that it's convenient for him too since he only has to go in every month or so into Tokyo which gives him the luxury to purchase a suburban home outside of Tokyo. The downside of this change is that there is less comradery and interpersonal contact amongst employees which can be disappointing. I can imagine that the loss of the morning ritual of greeting coworkers and leaving the office with a "otsukaresama" for a Japanese company feels a bit unusual.

To help illustrate the damage to the tourism industry, In just the US, the tourism industry lost \$492 billion dollars in cumulative losses in 2020. Global estimates believe that \$4 trillion has been lost in just 2020 from damage to the tourism industry. It used to be the 3rd largest industry in the world. But despite this, tourism is beginning to come back with companies

finding ways to lower costs and creating more efficient ways of making money. For example, Travelience has been great at reducing costs by positioning themselves as a low-cost mediator between customers and local guides that know the target location. In addition, by hiring interns for basic office work, they can reduce labor costs while giving students experience in a professional setting. It's no wonder that this business model is popular with ToursByLocals and WithLocals being two successful iterations. The benefit of this model that businesses can wait for tourism to recover due to their low upkeep costs. They can afford to slowly build up their tour selection base again.

GoWithGuides is still relatively new to the local tour guide market and thus is starting from the ground up. Currently their plan is to expand their selection of tours to outcompete their competitors. With limitations on travel to certain countries, GoWithGuides should focus on creating tours in countries that have low outbreaks and less restrictions. This way they'll be able to carve out market share while finding a healthy revenue source. But I believe while this is important, they also need to focus on site design and advertising. The site, while not terrible, lacks the charm and ease of use that WithLocals and ToursByLocal has. Both of those sites make it easy to find tours by location, category, and duration while GoWithGuides just has by location and duration. I believe that they will continue to improve the site and I mentioned this in my exit interview and Hashimoto seemed to take my thoughts sincerely. Hashimoto's main idea towards making booking tours more efficient was by having the tours already set in stone from the beginning. This way the tour guide didn't need to talk to the customer thus wasting the tour guide's unpaid time. But I feel that while this seems convenient at first, it can end of making this difficult to work out in case a customer wishes to confirm or change itinerary plans. I believe their needs to be a balance where customers and guides are allowed to be flexible. Both ToursByLocals and WithLocals seems to allow all their tours to be customized so they would have an advantage in this respect.

The real issue is whether new delta variants surge through even vaccinated populations. With the CDC says that the new delta virus nearly twice as contagious and deadly to unvaccinated individuals and can still infect and spread through vaccinated individuals. This may result in further delays to Japan opening in addition to Japan currently behind in vaccinations. The future of the wider international tourism market is not clear at this moment, but many companies are innovating ways to keep up income. TourByLocals for example had been hosting virtual tours through popular spots abroad. The price is much cheaper, around \$20 a tour, but it allows for those feeling cramped indoors the experience of learning about a place they have never been to. Now GoWithGuides has not yet expanded their offerings into this space, but it surely would be a good idea to invest in for the future.

Concerning the Japanese tourism market, the Tokyo Olympics is on record as being the most expensive Summer Games ever at an estimated \$26 billion dollars. And with the games remaining closed to the public, the loss of revenue from pushing back the Olympics could be a big hit to Japan's tourism industry. Estimates from 2019 state that Japan had 31.9 million international arrivals who spent \$43.6 billion dollars. For 2020 Japan estimated 40 million visitors but due to the pandemic outbreak, received only 4 million arrivals that year a 22-year

low. Of course, due to border restrictions 2021 has not been much better with visitors from January to April amounting to only 77,000 visitors. While working with GoWithGuides I noticed that a large portion of their tour options were for Tokyo. If GoWithGuides wants to insulate itself from the potential fall out of the decreased tourism in Japan, then it may want to invest in doing tours for locations not as effected by travel restrictions or covid. That is not to say that Japan won't get better once the pandemic has died down, but it's uncertain when that will be.

When I left, I felt that Travelience had a great foundation for making tours thanks to me and Chantal's efforts. And even despite the issues in the tourism industry now, Travelience's low administrative costs and efficient work system will allow them to grow bigger than before the pandemic once countries begin to open up again. Against its larger competitors, GoWithGuides can imitate successful trends to carve out its own market share in the international tours market.

Ultimately, I learned a lot from the tourism industry in my time with Travelience. I learned how to work remotely in a professional environment along with how to communicate and formulate plans for the vision of the company. I was able to gain insight into how the tour industry operates and advertises its services as well as how the different company websites are laid out and pricing of tours. I also was able to access the effects Covid had on this part of the international tourism industry as well as the regional effects on Japan's tourism industry. The business climate for tourism companies appears to have opportunity for companies that can pivot into unexplored ways of generating income. Overall, it's important for companies now to keep maintenance and upkeep costs low for the foreseeable future in order to stay in business until the recovery period can make up for lost revenue. With these experiences and knowledge, I hope to utilize these skills to carve out a successful career in the tourism industry.