PERSONALIZE YOUR TRAVEL
Executive Summary

Overview

Personalize your travel (PYT) is an online platform for linking the demand and supply of tourism products. PYT offers the traveler a high degree of customization and savings, while tour operators will have the possibility of making a quote directly to the potential customer without having to pay exorbitant marketing fees or external mark-ups. Unlike traditional online operators, it is PYT that makes the request that drive the process, avoiding catalogue pricing and creating truly "made to measure travel" packages.

Requirements

Until now, customers who come across an online platform showing vast numbers of special deals, believe they will find one that meets their own requirements. This, sadly, is an illusion. They are very quickly forced to compromise by making choices that may or may not be close to what they looking for, and what is more they have no chance of requesting, and even less of receiving, additional services that the customer considers desirable. This results in the frustrations, sometimes unconscious, of choosing merely what is available, rather than what one actually wants or would like.

It is also apparent from the many analyses that customers prefers to live out experiences, rather than simply buy destinations and travel packages. Creating such experiences and sensations requires an high degree of customization – in short, the offer of unique travel opportunities.

The current systems available for searching, choosing and purchasing travel packages online do not allow all of this.

For small to medium tour operators, on the other hand, access to a viable web presence can be prohibitive due to today's exorbitant costs for running campaigns in sectors such as tourism. It is they, however, who have the know-how and expertise to put together genuinely unique travel experiences.

As a result, the online travelling customer makes use of services that are only close to what they are actually looking for, while the smaller tour operators – who are capable of creating highly personalized travel opportunities – struggle to get themselves noticed among the clamor of the major online operators, providing little or nothing of the added value they could provide.

Solution

PYT offers a simple way of integrating customization and value for money through a web platform where customers can create accounts free of charge and enter their travel requirements. After also having created their own free profiles tour operators, are able to respond directly to requests from potential travelers and offer their own tailor made options. By using a technology that is similar to that of reverse auction PYT can ensure that the customer's requirements are always the focal point of the transaction: their satisfaction therefore becomes the key to securing their custom. This means travelers can receive extremely personalized offers for their travel needs, while operators can work directly with the client without the need for intermediaries, and at low access costs.

Opportunities

The tourism sector is constantly expanding, with a growth of 3% to 3.5% forecast for 2013

(Source: UNWTO), after having met its predicted growth targets for the previous year and going beyond the billion arrivals with a global growth rate approaching 4%. Even the trend towards using Internet bookings is growing and in 2012, thirty-three percent of worldwide tourist bookings were made through the Internet (Source: Global Online Travel Report 2012 – yStats.com). In the USA over 52% of leisure travel and 42% of business trips were booked via the web.

In the USA the use of the Internet for bookings grew by over 10% in 2012. What is more, 47% of Americans expressed dissatisfaction when having to use existing online travel platforms. On average, the US market believes "… there is too much information, but that it is not enough…" (Source: Empowering Inspiration: The Future of Travel Search).

This reveals that current online travel booking information is not the most APPROPRIATE for making a travel-related decision.

A platform that allows customers to state what emotions they would like to experience, what tastes they want to enjoy, or what aromas they would like to recall, and that through open competition would create EXCLUSIVE, customized offers, would go to the heart of solving these problems.

PYT's aim is to become just this type of platform and allow 30% of the world's tourists to see their every travel need met.

Competitive advantage

Every customer using the platform enters their requirements, rather than "keywords" for a search algorithm. In just a few moments they will have outlined their request, indicating a time limit within which they will remain open to offers. The solution to a customer's needs is not already present on PYT: instead the platform makes its business to contact the world's best experts with the customer's requirements. In just a few days – even a few hours – the customer receives tailor made offers based on their specific travel needs.

Resorting to a competition between potential suppliers additionally ensures a better price, but above all, the maximum customization of the offer. The customer will have greater guarantees of objectivity in the offers as it is they who will be paying for the customization service, not an intermediary.

PYT's potential market is the entire online tourism sector (approx. 30% of the total). It is possible to envisage PYT having 2% of the online market share within 5 years; today, this is the equivalent of 0.6% of the world tourism market.

PYT's services are sellable because they resolve truly perceived needs for customization and quality information.

The strength of our competitors is primarily their market presence and financial capacity; their weakness is a technological model that is too focused on offering ready-made packages, which at best are the result of a combination of queries made on a database.

Some of the platform's key features that we intend to provide include:

- no need for the use of standard keywords, such as location, means of transport, or date;
- the possible introduction of weighting for desired travel criteria thereby placing greater emphasis on the resulting travel experience, which can be weighted by specific aspects, rather than focusing purely on destinations, locations, events and means of transport.

A journey that allows the customer to live out an experience that could be described as adventurous could include anything from a safari in Kenya, to a trip along the rivers of Italy's Umbrian valleys.

Business model

The business model uses different revenue streams that identify equivalent types of

relationships between the two target groups: traveler and operator. Here is the description of service formulae:

Drop-Ins

Drop-In users want to either feel out the platform, or spend as little as possible for the customisation service. They can get support by paying for the drawing up of their request, or they can provide it themselves and send it for free. Their request is forwarded to non-qualified operators who only respond to the specific sorting needs through the tags, on a worldwide basis. Users can pay for access to those experts in the Expert category that they feel are of interest. Users cannot fine-tune their request within the platform, nor can they purchase the package through it.

Experts

Experts/operators positioned anywhere along the value chain that wish to supply their own services and expertise to produce a customised solution (also for private users–Ed.). Experts can be accessed by all and only those requests created by Drop-In users that meet the sorting criteria according to the tags entered by it, worldwide. Experts usually do not receive requests from Enthusiasts or Professional users. Experts cannot close a deal through the platform.

Enthusiasts

Willing to pay for a tailor made service, the Enthusiasts' requests will be forwarded to Qualified operators. Users can ask for fine tuning of the offers. A summary of the Enthusiasts' requests will be sent by default to Qualified providers and, only if specifically requested, to Experts. Direct purchases can only be made through the platform with Qualified providers.

Qualified

Undergoes an analysis and pre-qualification process by providing the following documents:
- tour operator's license
- professional liability insurance
- proof of registration with the national ministry of tourism's professional body or equivalent national tourism promotional body
- all the company's details and those of the company contact
- list of the major clients it has worked with, supported by invoices

These operators are interested in only receiving requests from those clients who have paid for the tailor made service (Enthusiasts), who are therefore serious about the request for a quote and less likely to make excessive or wasteful demands on the operators' time.

Qualified operators are able to fine tune their offers. Deals are closed via the platform using the obligatory payment system provided by PYT, subject to an 8% processing fee.

Professionals (agencies, sales incentive agencies and the like)

Willing to pay an annual fee to have their requests forwarded to qualified Business operators worldwide. Are able to request the fine-tuning of offers. Can close deals through PYT system only with Business and Qualified suppliers.

Business

A qualified operator who has chosen to be contacted primarily by Professional customers. Can fine-tune their offer. All deals are closed via the platform using the obligatory payment system provided by PYT, subject to a 5% processing fee.

Further developments are already a part of our product backlog. A "Companion" user, for example, would allow us to provide an aggregation of the demands on the platform, creating new services and amplifying the system's internal strengths.

According to the proposed model, the key economic unit is the "request for travel". This determining factor, therefore, depends heavily on the call to action generated by the landing pages and through the UI and UX.

Our projected revenues

The tourism market today can count on 1035 billion worth of transactions annually, of which 30% are done online (projections confirmed by the WTO for 2012).

It is therefore justifiable to consider that on average, and within five years, 3% of those online transactions could be processed by PYT.

PYT therefore aims to reach, within five years, revenues of approx. USD $34 million (1035 billion * 0.3 * 0.03 * $3.67 = $34,180,000).

The Team

Alberto Rossi, Founder and CEO: Alberto has eleven years of experience in setting up and managing innovative businesses in the ICT sector. He was the founder and CEO of JTY, to support the design of TLC projects. CEO of the Rome branch of KILP and heading up the Umbria group of KILP.

Gianmarco Verde, Founder and CTO: Gianmarco has an extensive background and expertise in the technical aspects of the web and mobile technologies. Thanks to his many projects for third parties and for himself – such as founding GTY, a business that has been operating for years in the ICT solutions provider sector – Gianmarco brings to PYT his exceptional expertise in the validation, planning, and implementation of all technological aspects of the platform.

Alessandro Neri: Alessandro has a degree in Aerospace Engineering obtained in Milan, where his entrepreneurial skills first came to light. He has worked with some of the tourist industry's biggest names and now supports the creation and growth of start-ups by providing top quality advice. In our team, he is involved in the development of the platform, both from a technical perspective and from the point of view of interface design, through the application of Agile development techniques.

Antonello Violi: he became a web programmer at a very young age and, like many computer buffs, he has honed his professional skills in the field of online platform front-ends with aptitude and remarkable efficiency. He became an entrepreneur at a very young ages and founded an interesting initiative that straddled IT and ICT, which he created along with three of his friends and which produced ATMs or, put more simply, multimedia kiosks. At PYT, Alberto will be overseeing the technical management of the relationships between the two target communities.

Financial data

The performance of PYT's revenues is tied to the seasonal and geographical nature of tourism in those areas where it will be operating. The developmental expectations in the business plan are considered realistic and conservative even if only applied to one single county, (take for example the UK, with its greater propensity towards online bookings – that accounts for 20% of the country's sector volume). If the potential earnings that could be generated by a presence in several countries lessen the effect of the seasonal factor, it will result in a decrease in fewer

peaks and troughs. The key requirements are related to personnel and marketing costs. Version 1.0 of the platform, and a substantial part of Version 2.0, as well as all the commercial aspects of the venture, are already well established.

Funding required

PYT has begun a round of funding applications for between 500k and 2.000k, to be used to launch the platform, stabilize the organization, and start the marketing campaigns.

To date each team member has also been working on other projects due to the venture's inability to meet its own salary bills. Nevertheless, each of the partners is interested and willing to spend 100% of their working time on this promising initiative.