



PACKAGE DEVELOPMENT & DELIVERY CHECKLIST

PRESENTED BY BANNIKIN TRAVEL & TOURISM LTD.

LEARNING UNIT 5 PACKAGE DEVELOPMENT & DELIVERY CHECKLIST

This checklist was designed to walk you through each of the stages of package development. Use this as your guide to building your first package. For more information, please visit the [Southwest Ontario Tourism Corporation](#) website, where you'll find more information about package development and delivery.

QUESTIONS TO BEGIN WITH

1. Does your team “buy in” to the value of packages?
2. Do your existing or potential partners “buy in” to the value of packages?

STEP 1 - Set Your Goals

Now that you appreciate the value of packages (Unit 1 in this series), you can evaluate why building a new package would be beneficial to your business. The better you understand your goals and your ability to meet them, the easier it will be to focus on developing your package and identifying your target market, keeping in mind you cannot be everything to everyone.

Possible goals:

1. Generate business in off or shoulder season
2. Leverage an existing event/infrastructure/activity in your region
3. Extend guest stays
4. Encourage new business
5. Generate early bookings
6. Increase cash flow in slow periods
7. Build new product lines

STEP 2 - Understand the Market & Their Needs

Creating a product or package because you *think* it will sell, frankly isn't good enough. Utilise your resources, read existing visitation statistics, be a tourist in your own or in neighbouring regions, see what's popular there and why, consider the competition, are they offering something you feel you could meet or improve on?

1. Who currently visits your region

2. What are their interests?
3. Where are they coming from?
4. What activities are most popular in the region?
5. What activities are popular in neighbouring regions that yours may have the infrastructure for but has not yet leveraged?
6. Determine what, and to whom, you are going to offer.

STEP 3 - Assess Your Market Readiness

Assessing your market readiness requires an honest evaluation of your business, your strengths, weaknesses and gaps. We urge you to review the following key areas of your business when considering building new product or packages:

product + customer service + available services/amenities + training

PRODUCT

1. Do you & your potential partners have the expertise to offer the experience or product you are considering?
2. Do you & your potential partners offer quality experiences?
3. Can you be competitive with existing or new product under consideration?
4. Do you offer the services your target market expects?
5. Can you offer something unique?
6. Is your service level appropriate for the target market?
7. Do you have capacity?
8. Can you be competitive with this product?
9. Do you require specialized equipment for this product?
10. Do you require specialist guides/activity experts to be brought in to be able to deliver this package or product?
11. Do you require, and can you access, event tickets or access to other events/activities in order to offer this package?
12. Will your package be self-driven or will you provide transportation; do you have the resources to provide transportation?

CUSTOMER SERVICE

1. Will your staff understand the new market & product
2. Are they trained to handle the new market & product?
3. Do you have an online presence where package details can live?
4. Can you respond to package inquiries within 24 hrs?
5. Can clients reach you or a company representative AT ALL TIMES?

SERVICES/AMENITIES

1. Washroom facilities, are there enough, are they suitable?
2. Can you provide on-site F&B?
3. Do you need foreign languages serviced?
4. Do you need to have souvenirs available?
5. Are you accessible?

TRAINING

Do your staff and your partner's employees understand:

1. The packages?
2. Your partners?
3. Standard service expectations?
4. Is additional service or product training required?

STEP 4 - Consider Your Components & Partners

Now that you:

- understand the market,
- what and to whom you'll offer your package to
- appreciate how you and your existing partners can address customer service, staff training and any required equipment

You can determine what gaps exist, and where partners might be required to fill those gaps. Selecting package components and partners is an evaluation process that happens concurrently.

The intersect between available resources, infrastructure, services, expertise AND what the market wants is how you identify your package components

When assessing partners, consider what gaps you have, and what they can offer in the following areas:

Accommodations	Access & type, capacity, service, level location, rates
Events & Activities	Season, capacity, fees, service level
Transportation	Car or bike rental, driver & vehicle, service level, rates
Guiding Support	Full time, event/activity specific,

	interpreter, expert
Transportation & Equipment	Bikes, canoes, classic cars, etc.
Market Access	Can they help to expand your reach?

STEP 5 - Build an Itinerary

Your detailed itinerary is your script. It will guide your bookings, guides, pick-ups and drop-offs, meet times, etc., so get it right! A dry run here is critical, even if it's been just a few months since you've done it, the more you stay on top of changes in the region (the café didn't tell you they closed down?) and how lovely your scenic drive still is (unless you didn't get that roadwork memo) the better prepared for your guests you'll be.

USE A DAY-BY-DAY PLANNER FOR YOUR PACKAGE

DAY	TIME	EVENT/ACTIVITY	REQUIREMENTS
D1	ARRIVAL	SET MEET POINT	COMMUNICATE IN ITINERARY
D1	MEAL	BREAKFAST AT XXX CAFÉ	VOUCHERS, PRE PAID?
D1	TRANSFER	15 MINUTES TO XXX	SELF DRIVE, TRANSFER?
D1	EVENT/ACTIVITY	PRINT MAKING CLASS	VOUCHERS, PRE PAID?
D1	TRANSFER	30 MINUTES TO HOTEL	SELF DRIVE, TRANSFER?
D1	EVENT/ACTIVITY	CHECK IN AT HOTEL	
D1	MEAL	DINNER IN AT HOTEL	INCLUDED
D1	EVENT/ACTIVITY	SNOWSHOE STAR GAZE	PROVIDE EQUIPMENT
D2	MEAL	BREAKFAST AT HOTEL	INCLUDED
D2	TRANSER	40 MINUTES TO GALLERY	SELF DRIVE, TRANSFER?
D2	EVENT/ACTIVITY	PRIVATE GALLERY VIEWING	VOUCHERS OR PRE PAID

STEP 6 - Build an Operations Plan

The operations plan sets you up to:

1. Consider every expectation the guest may have
2. Consider everything that might go wrong
3. Be prepared for all of them!

Because every package is different, there is no neat and tidy checklist or template for you. The best advice is to review your detailed itinerary (this will become the most important tool for your package, it will help you plan, book resources, set out your operations plan AND cost out your trip elements).

Take note of everything that might go wrong with the various package elements listed in your detailed itinerary, and detail your contingency plan. Consider again, your package components

1. Transportation
2. Weather
3. Accommodations
4. Meals
5. Equipment
6. Event or ticket availability, access or vouchers

STEP 7 - Price Your Package

Before digging into pricing your trip, establish the following:

1. Itinerary items
2. Cost per person
3. Group costs
4. Partner package costs
5. Desired margins
6. Admin costs

Develop a clear understanding of fixed costs vs. variable costs

Fixed Costs = Costs Incurred That Do Not Vary Relative To The Number Of People Who Book Your Package

Variable Costs = Costs That Increase Proportionately As Passenger Volume Increases ('Per Person' Costs)

Consider using your day-by-day planner to identify your trip costs. The following is a list of obvious package costs, and admin/operational costs you should factor into your trip costs.

Per Person (variable costs)
Meals
Admission, activity or event fees
Accommodations
Equipment
Group Costs (fixed)
Transportation
Guides/support
Special guests/instructors

Marketing Costs (fixed)
Promotional materials
Guest materials
Advertising
Media
Fam tours, if necessary
Administrative Costs (fixed)
Office
Fees (POS, credit card etc.)
Commissions

Once you appreciate the costs of operating, marketing & selling your package, you should consider your targeted profit before you negotiate rates with any potential partners. You should build your profit into the costs you use to negotiate.

When selling via other channels, such as travel trade, your end price should include taxes. When selling direct to the consumer, you can indicate taxes are extra.

Final Price – All Costs = Margin

It's important to be aware that though packages do not mean discounts, they should offer value. Consumers must not be able to save money were they to purchase all components separately.

Now you can set your package price. Consider package costs, required margins, competitive packages, your intended market (luxury, mid market), and finalise your price.

STEP 8 - Understand Regulatory Environment

The regulations for each region vary. In Ontario it's important you appreciate regulations set by [Travel Industry Council of Ontario](#) (TICO) and whether or not they impact you and your packaging efforts.

It is also suggested you confirm with your insurance company that providing packages does not put you at risk for litigation, and what agreements you may be required to have in place between you and your package partners in addition to you and the consumer.

STEP 9 - Market & Sell Package

Now that you have a product you are confident will sell, a group of people you intend to market to, partners who will help you deliver it, and a flawless operations plan to make it all happen, it's time to go out and sell it.

You will need to:

1. Determine your marketing budget (combined with partners or solo)
2. Determine your point of purchase (who will customers contact with inquiries/make the purchase)
3. Determine your market reach, sharing, if applicable, your partner's resources (lists, databases, connections)
4. Decide what marketing channels you will utilize (website, newsletter, events, media, social media, travel trade, brochures, advertisements, etc.)
5. Decide optimal timing to begin promotions, which will depend on package, market, seasonality, whether there is distressed space and when you need to know your numbers by
6. Build compelling marketing materials (ensuring you are able to fulfill the expectations you generate from said materials/manage expectations) to promote your package in these various channels
7. Release materials into marketplace
8. Track and analyze as much of the marketing as you can. You can use this information to better future package promotions, and if need be, ramp up promotions on current packages using what you have determined to be (through tracking) the most effective channels

STEP 10 - Track & Review

This is a very simple, yet important step. It's not difficult to track results, but it does take discipline. In order to improve the performance of your package and your profits, it's smart to track the following:

1. Estimated trip costs vs. actual costs
2. GP/PAX (gross profit per pax, where a 'pax' is a 'paying participant') what are you making on a per client basis? This will help you appreciate the numbers you require in order for any real impact on your bottom line
3. Guest feedback - if you can track their satisfaction levels either via follow up email or on site, it will help you to understand if your intended service levels are meeting expectations. Guest feedback can also help you to appreciate who and from where your guests are coming from, which is great feedback to allow you to refine your marketing