


FAREHARBOR

SPARK 

Explore. Connect. Ignite.

Inspiring Trust: Building a Resilient Business Strategy

Workshop by FareHarbor

October 19, 2020



How Do You Build a Resilient Business?



1

Proactive Game Plan

Develop flexible frameworks for risk management, communication, and operational strategies to meet new industry standards and consumer demands.

2

Create Migration Strategies

Adapt business sources, geographies, and networks and align marketing strategies to capture.

3

Maintaining Resilience

Reflect on how the tourism industry has bounced back from previous crises and remember this is a continuous process.



Proactive Game Plan



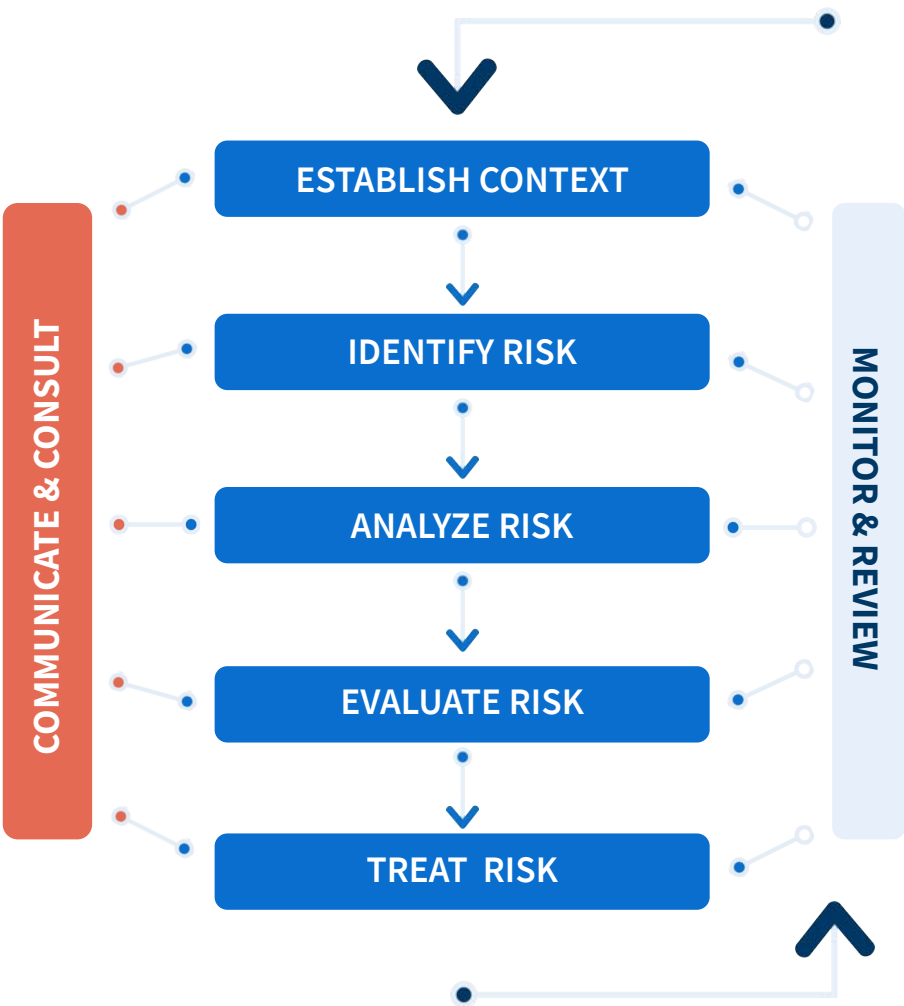
POLL:

**How Would You Classify the Information-Sharing
Style of Your Business?**

Active

Limited





Source: Australian/New Zealand Standard for Risk Management AS/NZS 4360: 1999

Contingency Plans

Put in place in case the initial plan that you're executing doesn't unfold as expected.

Goal: Mitigate risk of failure and improve chances of completing a project/initiative successfully.

Have a Risk Management Process in place.

- Don't wait for a crisis to happen to put a plan in place.



Establishing Context



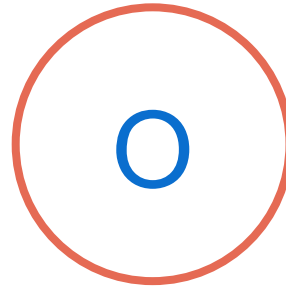
Strength

What can your business deliver better than anyone?



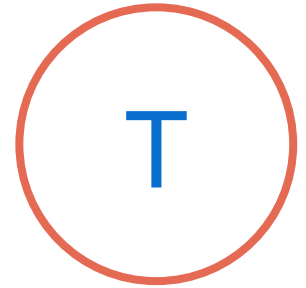
Weakness

What challenges does your business currently face?



Opportunity

What are some new markets or products (trends)?



Threats

What problems are looming on the horizon?



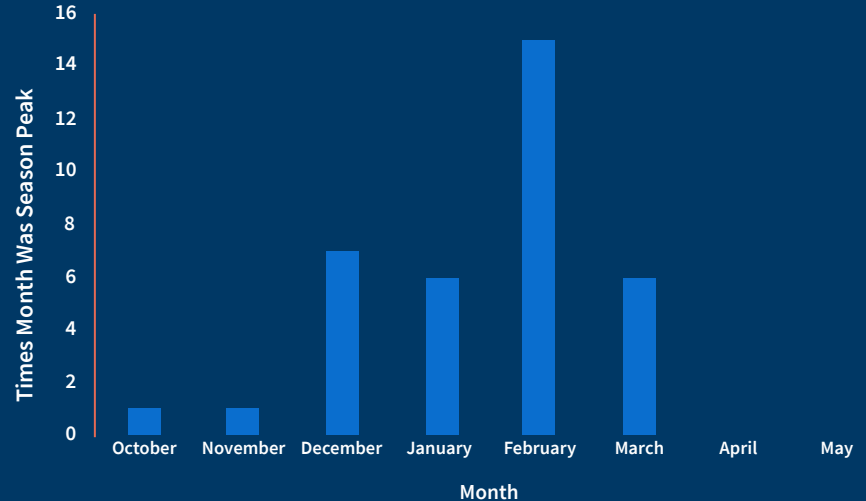
Identify The Risks

Draw up a list of crises that may occur in your region/country.

Example: Economic downturn, health-related incidents, political issues, natural disasters, etc.

Build a scenario around “**what if it happened here?**”
Involve your staff and discuss and develop alternative solutions.

United States - Influenza Season



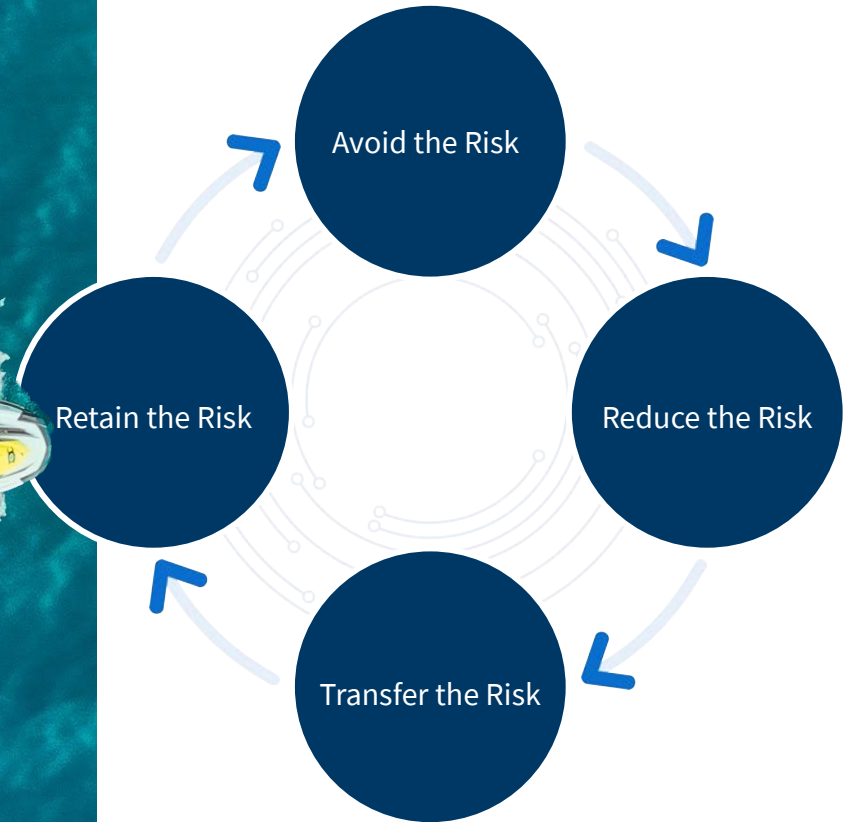
Analyze and Evaluate The Risks

What Is the Likelihood of a Crisis Occurring and Its Repercussions?



Treat the Risk

Ensure the safety of your staff and customers. There are numerous acceptable strategies to manage risk.



Internal Communication: Organizational Leadership



The New Consumer



More flexibility and control of surroundings



Brand trust is paramount

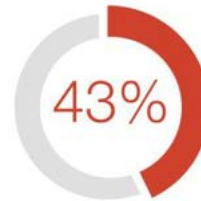


Health & Safety



“You have to find a way where you can make a full commitment to the safe handling of individuals. If it’s not something that my family can come do, then I’m not going to do it.” -Anton Teves, Kipu Ranch Adventures (Hawaii)

Willing to pay more for physical distance



All consumers



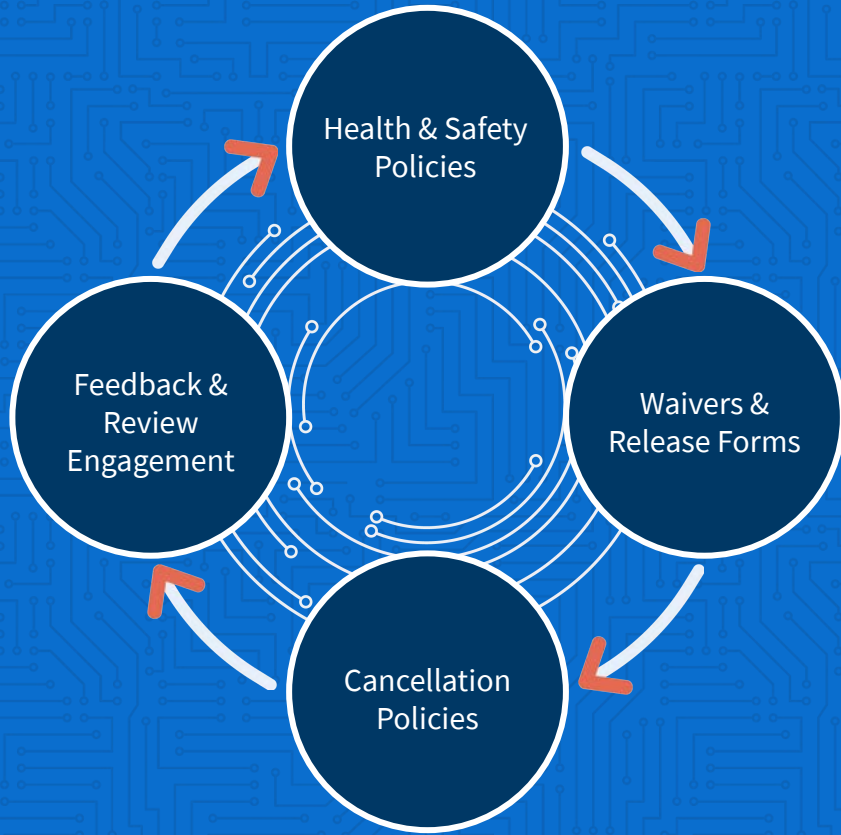
Families with children



Younger consumers (18-40 years)

Source: PwC Traveler Sentiment Survey, May 2020.
Base: 1,005

C: When planning to purchase a future flight, how likely are you to spend more money in order to increase the distance between you and other passengers? (i.e. for a higher class of service, empty middle seat, etc.)



External Communication: Customer Engagement



Communicating: Health & Safety Standards

- **Communicate your policy** clearly and in multiple places.
- **Specify the resources** that guide your policy development.
 - CDC
 - State & Local Authorities



Over-Communicate

95% of consumers want companies to implement physical protection and distancing measures





Waivers & Release Forms

Policy Acknowledgement and Reinforcement

- Checkbox within Book Form
- Waiver Partnerships

Go Contactless

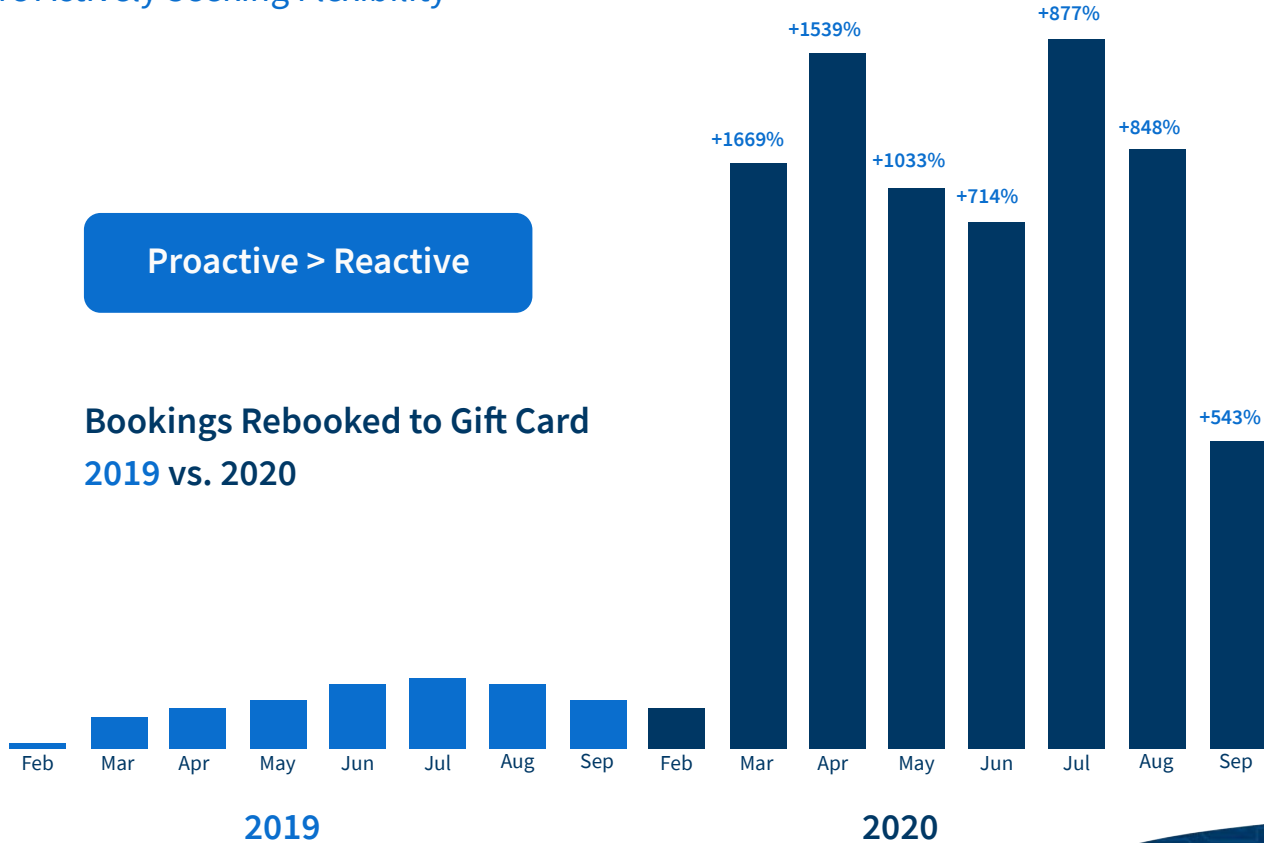


Cancellation & Deferment Procedures

Customers Are Actively Seeking Flexibility

Proactive > Reactive

Bookings Rebooked to Gift Card
2019 vs. 2020



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Feedback & Reviews

- Two-Way Engagement
 - Solicitation
 - Response
- Reputation Management
- Marketing research has discovered that it takes **12 positive experiences** to repair the damage caused by a single unresolved negative one.

Source: Forbes

Engage with Reviews

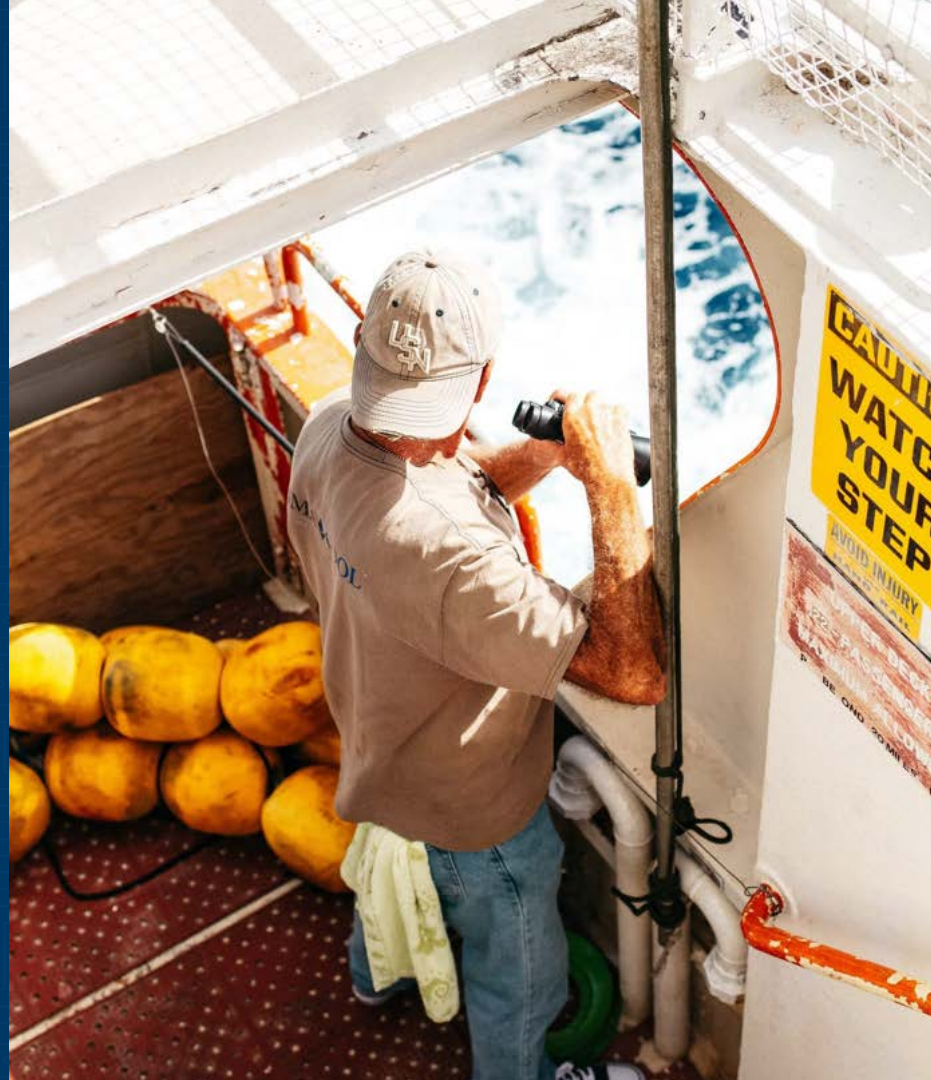


Revising Metrics

Adapting your metric goals given the current environment.

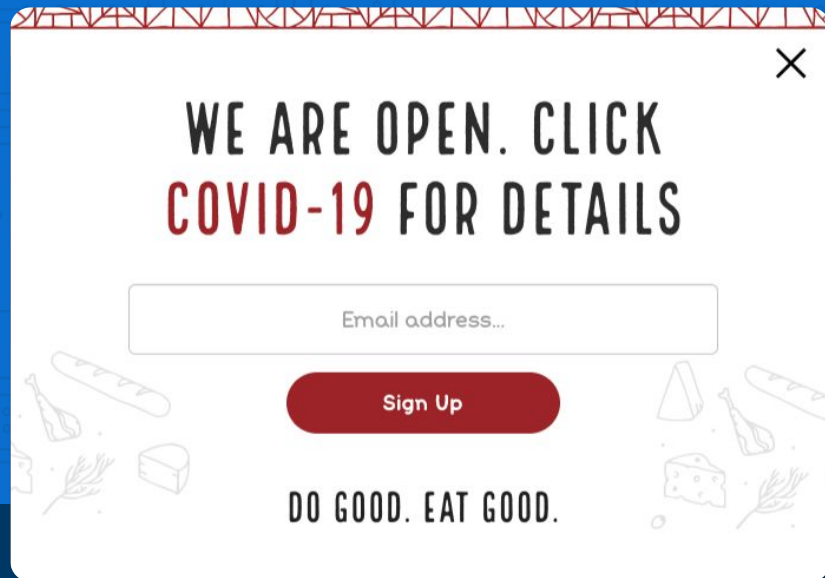
Focusing on KPIs that have a long term effect on the growth of your business.

- Social engagement
- Marketing emails sent
- Partnerships established



Case Study: Antonelli's Cheese

Austin, TX



- Social media, website changes, voice message updates, refining refund policy
- Wholesale hit by SXSW cancellation
- Pivoted to focus on events and retail
- COVID-19 Page

*The customer service team and account manager [Ben] made it possible for us to react fast. I mean really fast. By being nimble **we were able to pivot in hours and days rather than weeks or months.***




- John Antonelli, Owner of Antonelli's Cheese



Create Migration Strategies



Booking Source Shifts

-  **The state of the OTA**
-  **Higher Profit Margins**
-  **Find the right balance for your business**

MOST POPULAR! LUNCH INCLUDED
PICK UP & DROP OFF INCLUDED

Douro Valley Wine Tour with 2 Wineries, Lunch and Optional River Cruise

Immerse yourself in the natural beauty of the Douro Valley on a full-day tour from Porto. Enjoy views of picturesque landscapes and taste unique wines.

BOOK MY TOUR
SAVE 10% ONLINE! FROM €89 **€70**

10 HOURS



Third-party resellers should drive *around* **20 to 30%** of your online revenue.



Geography Shifts

Start exploring ways to advertise to local customers to **drive more local bookings.**

- FB groups
- Local chamber of commerce
- Email lists of past customers
- Reporting (Contact List)
 - Filter for local zip codes/area codes
- Stay tuned for our presentation on the **2020 Marketing Playbook later today!**



2/3 of Americans expect their resumed travel to begin with a road trip.



What is Local SEO?

Local SEO helps businesses promote their products and services to local prospects

Terms “**near me**” or “**close by**” grew **900%** over the past two years.

Local SEO Checklist

- Optimize for Google My Business & Social Media
- Optimize URL, title tags, headers, meta description and content
- Add location pages to your website
- Create local content
- Ensure your website is mobile-friendly
- Optimize online directories and citation



POLL:

**How Many New Local Partnerships Have
You Established This Year?**

0

1-2

3-4

5+



Local Partnerships



Find Value in Collaborative Marketing



Embrace Your Destination Awareness



Be Active in Your Community

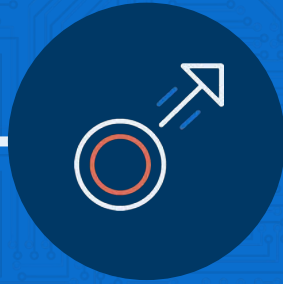


FareHarbor Distribution Network

And the Benefits of **Joining Now**



No More Contract or
Negotiation Headaches



Automated
Invoicing



Increased
Exposure &
Repeat Customers



More Bookings &
Cost-Effective
Advertising



Maintaining Resilience



POLL:

Which of the following crises have you experienced or ran your business during?

**Natural
Disaster**

**SARS
Outbreak**

**Global
Financial
Crises**

**More
Than One**



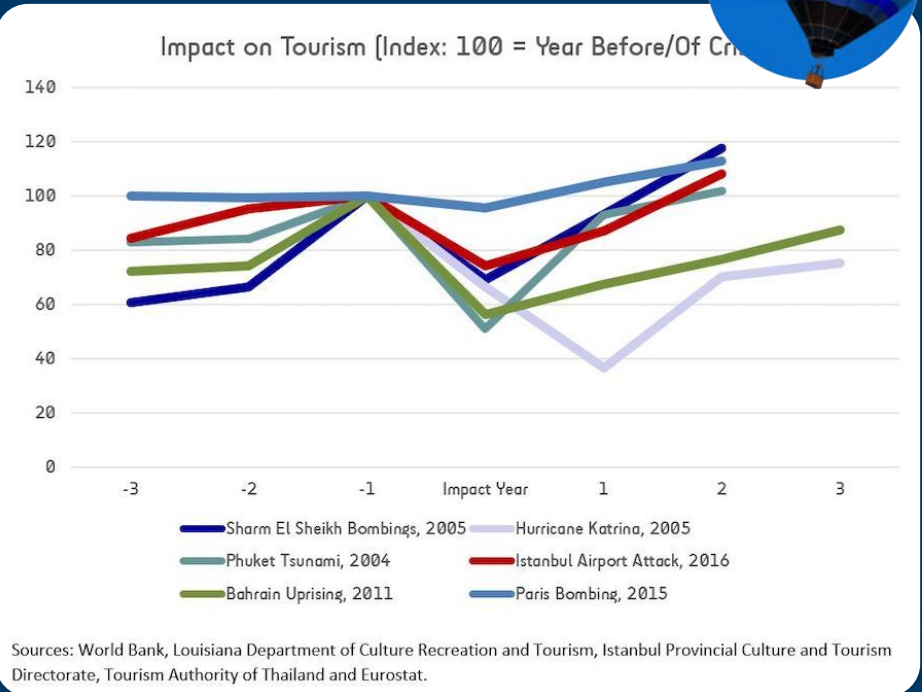
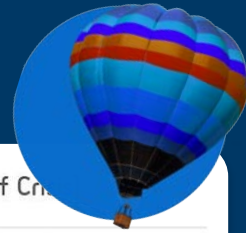
The Resilience of the Tourism Industry

SARS - 2002

- Cost an estimate of \$54B for the global economy.
- Travel market rebounded **3 months after** the crisis peak.

Hurricane Katrina - 2005

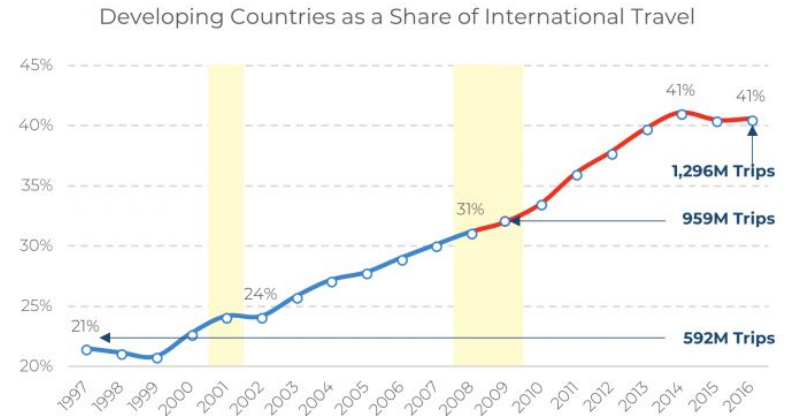
- The number of visitors dropped to **3.7 million** with only **\$2.8B** spent **a year after** the storm in New Orleans.
- By 2014, the number of visitors bounced back up to **9.5 million** and a record of **\$6.8B**.



The Resilience of the Tourism Industry

Global Financial Crisis (GFC) - 2007

- Airline stocks declined **68%** and hotel, resorts and cruise lines falling up to **74%**
- Restructuring and consolidation of major hotel chains and airlines increased outbound travelers from China, India and Latin America from **21%** to **41%**
- “10 years Later: How the Travel Industry Came Back From the Financial Crisis” - Skift

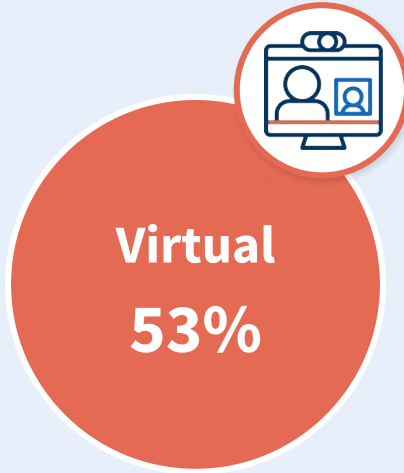
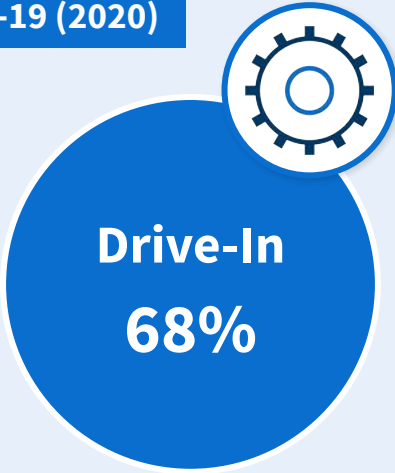


Source: The World Bank, government statistical agencies, Skift Research. Data as of 2016. Shaded yellow bar indicates U.S. (not global) recessions.



The Resilience of FareHarbor Clients

COVID-19 (2020)



Operators who added **“COVID-Safe”** offerings have seen these new items account for **over half of their revenue** in recent months.

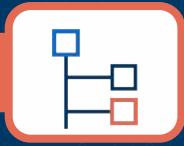
March - September 2020
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Building a Resilient Business

Summary

Prepare - Proactive Game Plan



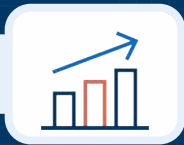
Risk management processes and contingency plans to **remain adaptable** to new environmental and industry demands.

Communicate - Internal and External



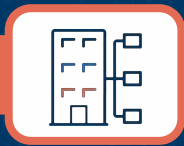
Consistent communication through all phases of a crisis.

Create - Migration Strategies



Shift your booking sources and geographical targets to **adapt to the new market** - local.

Monitor, Review, Consult, Communicate



Building a resilient business isn't a single-event process. It requires constant attention and **frequent revisions and updates**.



Thank You 

