



# CREATE AN EFFECTIVE TOURISM PACKAGE

## WHAT IS A TOURISM PACKAGE?

A tourism package is a set of individual products that are sold together under one price point and which is purchased by a customer in a single transaction.

## CREATING A TOURISM PACKAGE - BEFORE YOU START

Before deciding whether creating a tourism package is the right option for your business, you may want to consider some of the important factors below.

### 1. WHAT IS YOUR OBJECTIVE FOR CREATING A PACKAGE?

Perhaps you would like to encourage visitation during low-season, you might be seeking to attract a new or different demographic, increase the length of stay at your accommodation, reward your loyal customers, generate more profit, attract media profile, or simply leave a lasting impression on your guests. There are many reasons behind why you might develop a tourism package. Being clear about your objectives will help you to identify potential partners, and importantly, enable you to assess whether your package has been successful.

### 2. WHO IS THE PACKAGE FOR?

Know your target market for each package. Be specific; this package will not be appealing to everyone. It might be a sub-set of your existing customer base (e.g. an older or younger demographic), or it may be a new market that you are not currently attracting to your business (e.g. families or honeymooners). You might also choose to focus on customers from specific cities or countries. Understand what motivates your identified target market to travel. People travelling to Australia are often motivated by our unique wildlife, coastal experiences, premium produce, as well as a sense of safety & security. High-yield travellers are more likely to be seeking out authentic cultural experiences and may be looking to expand their knowledge or the opportunity to give back. Families might be more inclined to book a package that provides good value, convenience and something to keep the kids busy. Consider ways in which your package will fulfill the needs of your specific target market.

### 3. WHAT SHOULD THE PACKAGE INCLUDE?

Packages need to offer a valuable proposition to a potential visitor. This value can be achieved through a discounted price, the convenience of simplifying the booking process for the customer, or perhaps money-can't-buy inclusions. Incorporate components that your target market wants (e.g. high-yield markets may not be motivated by discounts). Be wary not to 'over package' with too many elements; instead you might like to offer optional add-ons, thus providing some level of freedom for your guests to custom design their own experience. Consider other complementary businesses in your area and which of their products would fit well with your existing offering. These might be businesses that you are already referring your customers to. Where possible, choose to work with companies that have their own loyal market; collaborating with reputable businesses will increase trust in your business and vice versa. The types of products you could include in your package are limitless, so long as they are appealing to your target market. See below for some ideas of different package components:



#### ACCOMMODATION

(e.g. extra night free, room upgrade, late check-out)



#### TOURS

(e.g. hosted walks, tutored tastings)



#### FOOD AND BEVERAGE

(e.g. picnic hamper, wine, breakfast upgrade)



#### HIRE SERVICES

(e.g. bikes, car)



#### TICKETS

(e.g. events, local attraction)



#### TRANSFERS

(e.g. airport to accommodation)



#### GIFT PACKS

(e.g. souvenirs, gifts, vouchers)

#### **Top Tip**

Where possible look to include existing experiences that a customer could buy separately, ensure all staff are trained to deliver this specialised offering. Tried and tested inclusions will support the delivery of a quality experience and result in less room for error or complications. Avoid selling a package which incorporates elements that have not been trialled first.

#### 4. DETERMINE RESPONSIBILITIES

Ensure you have clear lines of communication between you and your package partner/s. Before you sell your package, you will need clarity surrounding each partner's responsibilities. Different areas to confirm might include:

- **Administration:** managing reservations and cancellations; licensing; insurance; internal communications; staff training
- **Payment:** who will take the payment and how will it be shared to other partners
- **Sales and marketing:** paid marketing; promotions; sales calls; trade partnerships
- **Tracking and analysis:** sales reports; customer surveys

Most packages will have a 'lead' partner. This partner will typically have the bigger customer base and an easy to use booking system (e.g. online bookings). Ensure the contact details for the lead partner are easy for customers to find.

#### 5. PRICING

Determine how much it will cost to deliver the package and agree the profit required for each partner. Ultimately, the goal should be for all partners to make a profit, while providing a valuable experience for your shared customers. Offer your best price, keeping in mind that combining resources with your partners will likely result in your own cost savings (e.g. cooperative marketing).

#### 6. HOW WILL THE PACKAGE BE PROMOTED?

Determine which methods of promotion are available to you and your package partners, and which will reach your target market. Pool your resources and assign a collective budget for marketing and promoting this package. Depending on the mediums that will reach your target market, you might like to consider a mix of traditional (e.g. brochures, print advertising) and digital mediums (e.g. online advertising, online editorial), in addition to the platforms you and your partners own (e.g. newsletters, social media profiles, websites). Ensure

you collectively decide on the messaging, imagery, preferred mediums and budget prior to activating your marketing plan. Selling your package through distribution partners may be an option if all package partners have factored the commission structure into their pricing (see the *What is Commission* fact sheet for more information).

#### 7. HOW WILL YOU KNOW IF YOU HAVE BEEN SUCCESSFUL?

Prior to releasing your package, work with your partners to determine your goals. 'SMART' goals are Specific, Measurable, Achievable, Realistic and Time-based. Set measurable targets aligned with your objectives, then agree on how and when you will review your progress. Depending on you are tracking, you may need to adjust different elements of your package or your promotion tactics.

#### CHECKLIST FOR PREPARING TO CREATE A PACKAGE

- I already provide good cross-referrals to tourism operators in my region or surrounding areas
- I am familiar with complementary tourism products in my area
- I have a clear reason to create a tourism package
- I know who I want to target with a tourism package
- I have identified key partners based on positive online reviews and potential to add value to my product
- I have created or contributed to a detailed itinerary for the proposed package
- I understand my responsibilities in selling this tourism package
- I have offered my best price and have factored in the required commissions or allowances
- I am committed to promoting this package through my own channels and have allocated budget to promote through wider marketing mediums
- I have set up a mechanism to record package sales and track against my goals

## PACKAGE PLANNING

### PLANNING CHART EXAMPLE

Use this example as a guideline of what to consider when developing your tourism package.

<b>Primary Business Contact:</b>	Classic Coastal Cottages coastalcottages@website.com +618 8123 4567
<b>Target Market(s):</b>	Adelaide residents seeking indulgent getaways. 25 – 45 y/o couples wanting relaxation, indulgence and rejuvenation; Limited time available to take longer breaks; Self drive; No children or independent of children; Internet savvy; Discerning: Like good coffee, good wine, shopping, relaxing and coastal views. Shift or hospitality workers.
<b>Package Name:</b>	Mid-week Country Indulgence
<b>Summary:</b>	Indulgent mid-week getaway for couples. Includes accommodation in renovated cottage and all meals.
<b>Objective of Package:</b>	Between January and December 2022, attract at least three nights of mid-week bookings per week (Sunday to Thursday)

#### Conditions of use:

Bookings only available Sun – Thur. Subject to availability. Not available during South Australian school holidays. Ages 18 and over.

#### Operational Matters

1. Payment to suppliers will be made via a voucher issued to guests on arrival
2. Cleaning staff roster must be notified of late check out
3. Order picnic hamper upon booking confirmation.

	PAX ALLOWED	REGULAR PRICE	PACKAGE PRICE	COMMISSION INCORPORATED?	IF NO COMMISSION - COST TO PACKAGE*
<b>INCLUSION FROM CLASSIC COASTAL COTTAGES</b>					
1-night in Miner's Cottage Breakfast provisions Late check-out (12pm)	2	\$200	\$150	Y	-
<b>INCLUSION FROM SILVER SPOON RESTAURANT</b>					
Main course Dessert Glass of local wine	2	\$100	\$95	N	\$9.50
<b>Inclusion from Vino Winery</b>					
Wine tasting Picnic hamper lunch	2	\$70	\$50	N	\$5.00
<b>Value: \$370    Price: \$295</b>					
<b>OPTIONAL ADD-ON</b>					
Extra night at Classic Coastal Cottages	2	\$170	\$120	Y	-

**\*Note:** If planning to sell through distribution partners, each supplier will need to have commissions already factored into their pricing, or else an extra allowance into the package price can be considered. You will need to mutually agree what the cost of the sale would be prior to selling. In the example above, there is a 10% allowance. Refer to the *What Is Commission* fact sheet for more information.

### Promotional Plan

METHOD	COST	SALES TARGET (12 MONTHS)	ACTION DATE	RESPONSIBLE
Website promotion - link to online booking platform	\$100	10	ASAP	Classic Coastal Cottages
Facebook paid advertising	\$200	20	30 Nov	Classic Coastal Cottages Vino Winery
Own newsletter	\$0	15	Monthly	All
<b>TOTALS</b>	<b>\$400</b>	<b>45</b>		

## PLANNING CHART TEMPLATE

Use this blank chart to plan your package.

**Primary Business Contact:** [Lead business and contact details]

---

**Target Market(s):** [Describe your target market in as much detail as possible]

---

**Package Name:** [Give it a catchy name]

**Summary:** [Succinct description highlighting key inclusions]

---

**Objective of Package:** [Specific, Measurable, Achievable, Realistic, Time-bound goal for your tourism package]

---

**Conditions of use:**

.

### Operational Matters

- 1.
- 2.
- 3.
- 4.
- 5.

	PAX ALLOWED	REGULAR PRICE	PACKAGE PRICE	COMMISSION INCORPORATED?	IF NO COMMISSION - COST TO PACKAGE
<b>INCLUSION FROM [PARTY 1]</b> [details]		\$	\$	Y/N	
<b>INCLUSION FROM [PARTY 2]</b> [details]		\$	\$	Y/N	
<b>INCLUSION FROM [PARTY 3]</b> [details]		\$	\$	Y/N	
		<b>Value: \$</b>	<b>Price: \$</b>		
<b>OPTIONAL ADD-ON</b> [details]		\$	\$	Y/N	

**Promotional Plan**

METHOD	COST	SALES TARGET (12 MONTHS)	ACTION DATE	RESPONSIBLE
	\$			
	\$			
	\$			
<b>TOTALS</b>	<b>\$</b>			

**DISCLAIMER:** This document is not business advice. It is intended only to inform and illustrate. You should not act on the basis of any matter contained in this document without first seeking appropriate professional advice that takes into account your own particular circumstances. The Government of South Australia, its agents, instrumentalities, officers and employees: (a) make no representations, express or implied, as to the accuracy of the information and data contained in this document; (b) accept no liability however arising for any loss resulting from the use of this document and any information and data or reliance placed on it; and (c) make no representations, either expressed or implied, as to the suitability of the said information and data for any particular purpose. The Government of South Australia supports and encourages the dissemination and exchange of public sector information, and endorses the use of Creative Commons Licenses by its agencies. With the exception of the Piping Shrike emblem, images, and other material or devices protected by a trademark and subject to review by the Government of South Australia at all times, the content of this document is licensed under the Creative Commons Australia Attribution 4.0 Licence. All other rights are reserved. Where specific licence terms (such as Creative Commons) are applied to this document, those licence terms shall prevail over any inconsistent provisions in this statement. The Government of South Australia has undertaken reasonable enquiries to identify material owned by third parties and secure permission for its reproduction. Permission may need to be obtained from third parties to reuse their material. When using content from this document that is licensed under a Creative Commons Licence you are required to attribute the work in the manner specified in the licence (but not in any way that suggests that the Government of South Australia endorses you or your use of the work) and the Government of South Australia requires that you use the following form of attribution. The Government of South Australia, >>title of works<<, sourced on >>insert date the content was sourced<<, >>insert URL<<. Please email [feedback@tourism.sa.com](mailto:feedback@tourism.sa.com) to make an enquiry about the use of this document.