



CUE Travel

Business Plan

Cesar Bojay
Uthman Mohammed
Evisa Lumani

+ Table of Contents

Executive Summary 4

- Objectives 5
- Mission 5
- Keys to Success 6

Company Summary 8

- Company Ownership 8
- Company History/Start-Up Plan 9
- Company Location and Facilities 9

Products 11

- Product 11
- Competitive Decision 11
- Sales Literature 11
- Sourcing 11
- Technology 11
- Future Products 11

Market Analysis 12

- Market Segmentation 13
- Target Market Segment Strategy 14
- Industry Analysis 16

Strategy and Implementation 17

- Strategy Pyramids 18
- Value Proposition 20
- Competitive Edge 20
- Market Strategy 21
- Sales Strategy 23
- Milestones 24

Management Summary 25

- Organizational Structure 26
- Management Team 26
- Management Team Gaps 28
- Personnel Plan 28

Financial Plan 29

- Important Assumptions 30
- Key Financial Indicators 30
- Breakeven Analysis 31
- Projected Profit and Loss 31
- Projected Cash Flow 32
- Business Ratios 32
- Long-term Plan 32



Overview



Executive Summary

CUE Travel is a web based travel agency where clients can reserve and flights, hotels and car rentals in any major city in the world. We specialize in providing deals from major airlines and hotels to customers. We will provide preset packages as well as custom deals.

CUE Travel is run 100% online which means our services are available 247 to our clients. Our main focus is to provide our clients with the best deals these airlines and hotels have to offer.



Objectives

- Provide discounted travel services for 100+ clients with the first year.
- Add 50 – 70 clients each additional year through promotions and online ads
- Develop strategic alliances with hotel chains and airlines locally, nationwide and abroad.

Mission

CUE Travel is a web based travel agency that specializes in providing the public with the cheapest Airfares and hotel rooms around the world.



Keys to Success

- Effectively segment and target individuals, groups and families interested in travelling nationwide or overseas.
- Use social media and internet trends to attract new customers.
- Be the first to announce deals from airlines and hotels around the world by strategic research and studying the pattern.
- Establish a relationship with loyal customers to develop repeat-business.
- Provide additional promotions within our reach to attract new customers.



Company Summary



Company Summary

CUE is a 100% online travel agency that provides travel deals on hotels and airlines and also customizes packages for individuals and groups. Holiday packages will be one of our strongest segments as we know this will be the best period to attract new customers and re-establish connections with previous ones.

Company Ownership

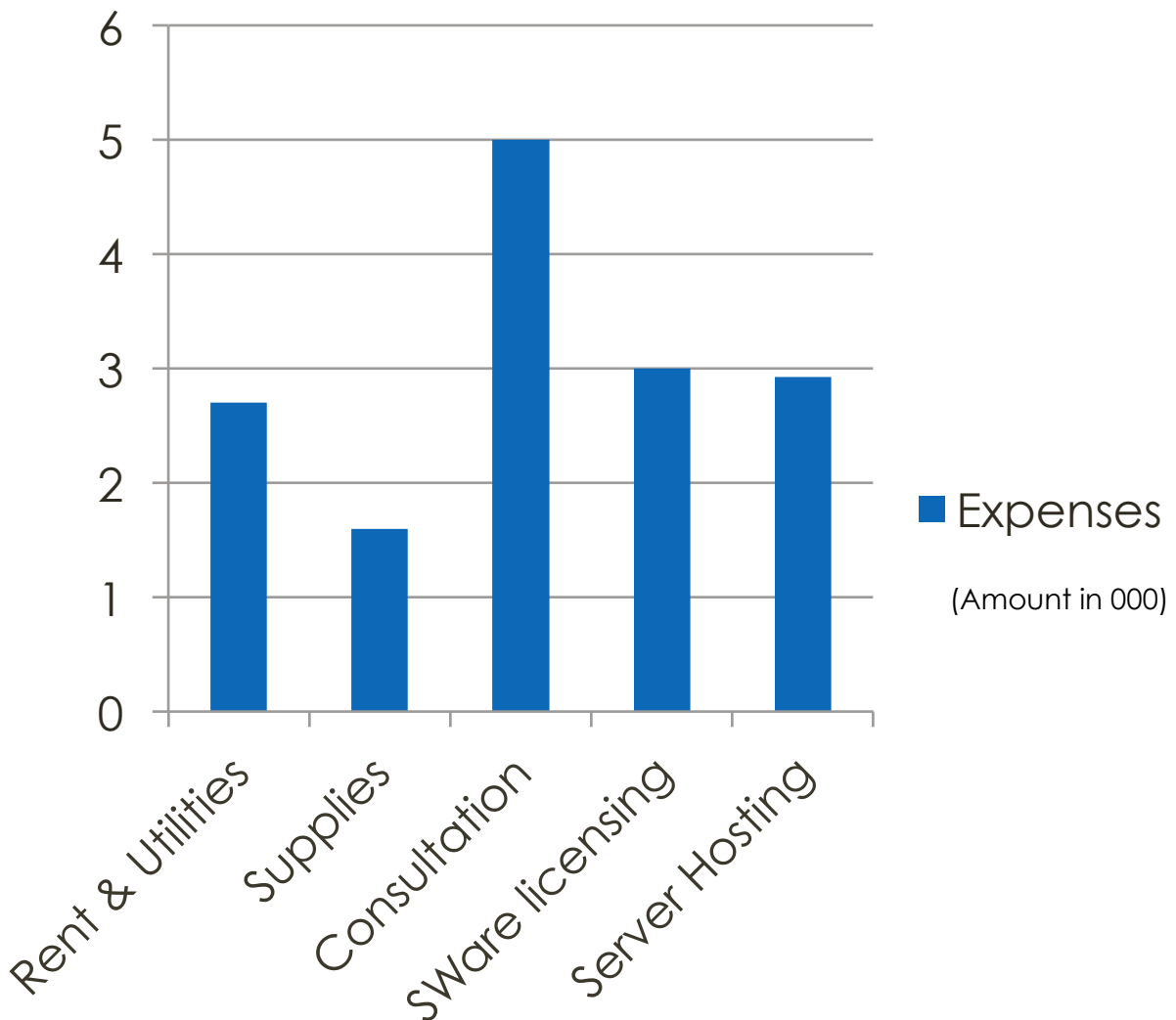
CUE Travel is a 3 way partnership between Evisa Lumani (33.3%), Cesar Bojay (33.3%) and Uthman Mohammed (33.3%). CUE will also be a Limited Liability Company (LLC) within the first two months. CUE will be primarily located on N. Lamar Street in the downtown area of Dallas, TX.



Start-up Plan

- Monthly expenses would amount to \$15,225 broken down below.
- This will be financed by the members of the group and a long term loan secured from Bank of America

Expenses





Services

+ Service Description

We will help customers get tickets and rooms for lower prices from providers. We will achieve this by partnering with the providers directly.

- Since we are trying to provide cheap rates to clients, we will make our income from getting a percentage of sales from the providers.
- Our standard rates from Hotel chains will be 10% while we would charge 8% from airlines.
- We would also bill providers that specifically want their ads and promotions placed in our consultation leaflets.





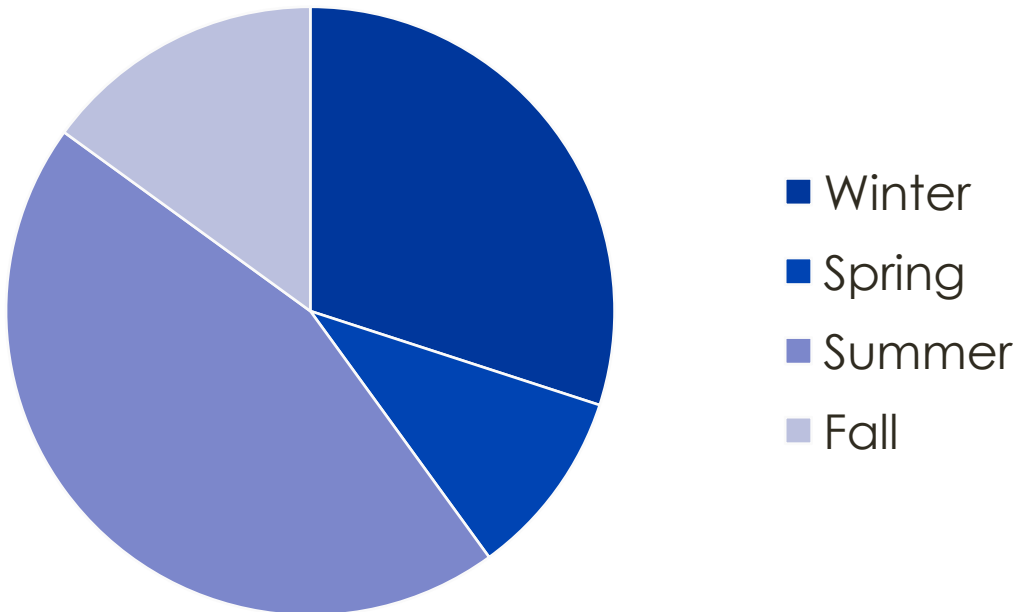
Market Analysis



Market Segmentation

The market segmentation includes any couple or family whom are interested to take a vacation or an adventure. Most couples range from the ages of 18-28. Most families would consist of 4-5 individuals. It would be ideal to book a trip during the holidays because that's when we run our special deals. Our customer are guaranteed to have an experience of a lifetime. CUE Travel would be the better choice because of our wonderful customer service, unbeatable rates, and flexibility.

Best Times to Travel



+ Target Market Segment Strategy

The best way to target our future customers would be via Internet. This way, customers can have easy access to our website from home to learn more information about our deals or rates. Social media will play a vital role in the growth on the company. It is estimated that about 85% of our clients will find out about us via social networks. CUE Travel plans to create social media accounts such as Facebook, Twitter, and Google+ to reach the public.

Market Needs

- Many of our potential customers plan their vacations months in advance but many of them have a hard time deciding where their next adventure should be. A future customer shouldn't have to worry about that if they were to choose us. CUE Travel helps them decide through questionnaires and surveys. If the customer is still undecided, we will be willing to sit down with them and discuss many options. We will also offer financial planning. Most of our customers are going to want to know how much they're going to spend. At CUE Travel, we will offer free consultation and provide the customer an estimate of the trip.



Market Trends

- The travel industry has its ups and downs. The economy plays a big role in the industry. Many individuals cut back mainly because of prices. One thing that we hope becomes a trend for people to find out more about travel through social media. This will help the industry grow.

Market Growth

- According to ustravel.org, close to 77% of individual travel for leisure purposes. Activities include visiting relatives and friends, shopping, fine dining, and beaches. We believe that number will increase due to our low and satisfying prices that we offer here at CUE Travel.
 - Reasons to travel
 1. Culture
 2. Adventure
 3. Language
 4. Experiences



Strategy and Implementation

+ Strategy Pyramids

Strategy: As mentioned earlier on section 3 (Products) and 4 (Market Analysis), the main focus of our company will address the needs of the younger generation of ages 18-28 and families of 4-5 persons, all more prone to leisure travel experiences than other age groups. The company aims at competing successfully in the market via its products - holiday packages and deals, and services – overall travel and financial consulting.



+ Strategy Pyramids (continued)

- Tactics: The tactics aimed at implementing our strategy include:
 - Ensuring reliability as a travel agency through differentiated and thorough customer service. This would promote customer reliance and expansion of the business.
 - Ensuring trust among potential customers through the establishment of business relations and contracts with the more reliable and favorable airfares, hotels and car rental companies.
 - Advocate travelling in general, as a means of leisure, adventure, cultural and historical appreciation etc.
- Programs: The programs aiding our tactics include advertising and increasing our company's presence in the social networks and internet especially, and also through the more traditional methods of local media ads, brochures, business events, press releases etc.

+ Value Proposition

CUE Travel shares the same values of passion and enthusiasm for travel as its potential customers. We aim at facilitating the burden of destination and financial planning to our customers and providing the most qualitative and economically feasible packages through which we can build trust. In addition, we hold the same values of integrity and cooperation with our business partners.

Competitive Edge

At CUE travel, we strive for our customer's satisfaction in receiving the products and services delivered through dedicated and customized attention, focus and consultancy. We are committed at making your holiday the most exciting and cheerful period of relaxation you can experience.

+ Marketing Strategy

Positioning Statement

- The first year of operation will be especially significant for our company, as we start creating and enhancing our image. It will be significant, since we will offer our services throughout the most crucial time periods for our business, namely summer, spring break and Christmas holidays, and thus, will gain the first customer insights.

Pricing Strategy

- As expected, the pricing strategy will be determined by the travel industry market at the specific timeframe. Our products and services' prices will be dependent on our business partners (airfares, hotels, car rentals etc.), as well, and on the cost of incorporating their services into our day-to-day business activity. We aim at keeping our costs low and generating profit out of our practices; however, at the initial stage of our business, we will more oriented towards a competitive pricing strategy, so as to distinguish ourselves from the rest of the industry and to build trust from our customers.

+ Marketing Strategy (continued)

Promotion Strategy

- Promotion strategy will focus on the distribution of our services. We will focus primarily on the on-line promotion; however, we will still employ the more traditional strategy of promotion in our local representatives.

Marketing Programs

- In order to encourage customers to try our services, we will focus on the following:
- Networking with already acknowledged hotels, car rental agencies, resorts, health clubs etc. in order to attract potential customers; e.g. via printed advertisements in these businesses' facilities.
- Online marketing through the establishment of our company's website.
- Social network as well as local media (television, radio, newspaper etc.) advertising.
- Organization of promotional events, which will be open to the public in our local representative agencies, with the collaboration of our business partners. Travel packages and other items will be given as a means of advertising.

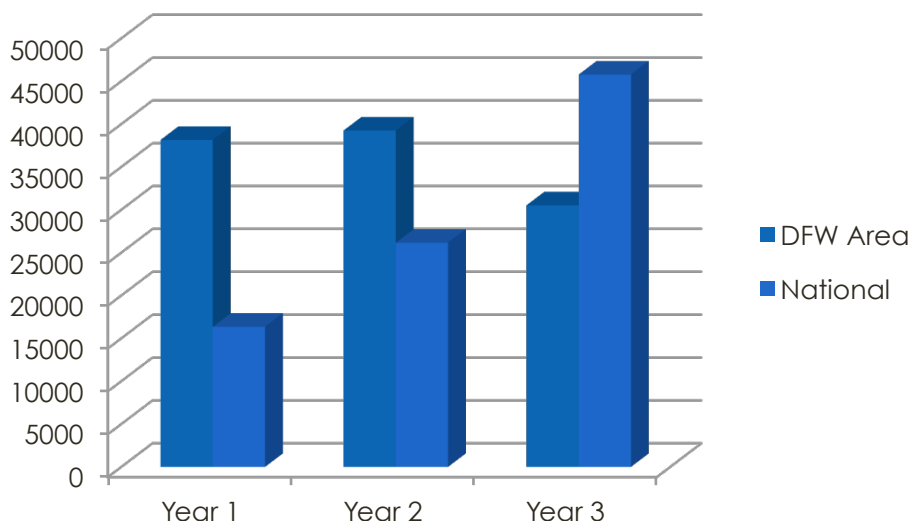
+ Sales Strategy

Sales forecast

- As indicated in the graph below, the company is expected to generate sales at the break-even point in its initial year of operation. Sales are expected to increase in such a way that the company operates more nationwide.

Sales programs

- As mentioned, CUE Travel, we are focused on the customer's overall satisfaction; therefore, our program will not be focused on extracting maximal profit out of each specific sale. We aim at controlling costs and profit primarily through competitive sale offers, at least in the short-run, so that we establish ourselves within the market. Our programs include individual sale of tickets, hotel reservations and car rentals and overall holiday planning packages.





Milestones

- Promotional opening event at CUE Travel headquarters (Marketing Department)
- Launching of CUE Travel website (IT Management Department)
- Conclude business alliances (Sales and Public Relations Department)
- Reach breakeven point (Finance and Accounting Department)





Management Summary



Organizational Structure

CUE Travel will operate as CUE Travel is a 3 way partnership between Evisa Lumani (33.3%), Cesar Bojay (33.3%) and Uthman Mohammed (33.3%). The company will start with a small base of employees, therefore the shareholders will initially share responsibilities in management and decision making in the various departments.

Management Team

CUE Travel will start operating with Cesar Bojay will start operating with three initial full-time positions:

- General Manager: Cesar Bojay, BCIS major, will be responsible for the overall supervision of company's operations and approval of all company-level decisions
- IT Manager: Uthman Mohammed, BCIS major, will be responsible for the design, development and maintenance of the company's website.
- Human Resources Director: Evisa Lumani, BCIS major, will be responsible for initiating the hiring campaign.



Management Team (continued)

At the end of the hiring campaign, and throughout the company's existence, the staff and facilities will have extended enough to support the following departments:

- Finance and Accounting, recording the financial activity of the business and providing accurate and relevant information for decision-making processes
- Human Resources, facilitating the recruitment and employment procedures
- Sales and Public Relations, responsible for establishing business relations with major suppliers (airlines, hotels and car rentals) and for concluding favorable deals to potential customers
- Marketing, engaging in promoting the image of the company
- Travel Consultancy, comprising a group of specialists in travel and holiday planning to assist specific customers' needs
- IT Management, responsible for the establishment and support of the technological infrastructure of the company, as well as web development and e-commerce.



Management Team Gaps

In the early stage of development, the company will start with few full-time positions, which requires the employees to be adequately knowledgeable in various areas of business and information technology in order to provide valuable solutions and decisions. This initial gap will be overcome given the nature of the employees' area of expertise (BCIS) and the following hiring campaign, which will enable new positions to be filled with more specific experts as indicated by the needs of each department.

Personnel Plan

The personnel will include the following positions: General Manager, Accountant, Travel Agent, Financial Consultant, IT Specialist (networking; web development), and specialists in various fields of Business Administration, Public Relations and Marketing.



Financial Summary

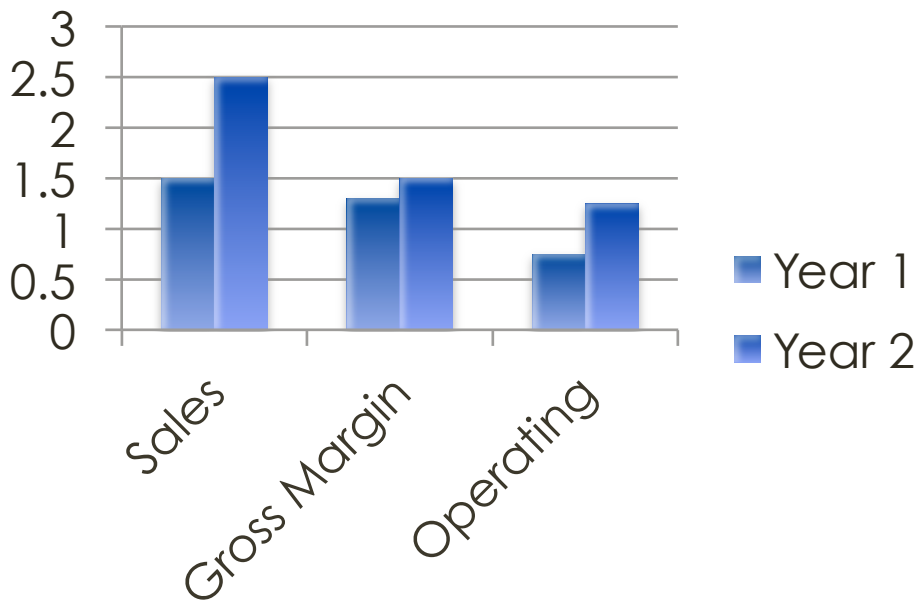


Important Assumptions

CUE Travel will assume the following:

- Assuming the economy will get better, more people will have the income to travel more often.
- People will use social media to book their vacations.
- Individuals will trust travel agencies to help them make financial decisions.

Key Financial Indicators





Break-even Analysis

CUE Travel's goal is to break-even within its two first years of going public. We strongly believe in our strategy and we're confident about how increasing our revenue by 22% every year after. Our target is 155 customers which is roughly about \$54,500, which is needed to break even.

Projected Profit and Loss

Below is the company's project profit and loss.

Number of Customers	50	100	200	400
Income	\$15,000	\$30,000	\$60,000	\$120,000
Expenses	\$15,225	\$15,225	\$15,225	\$15,225
Profit/Loss	-\$225	\$14,775	\$44,775	\$104,775



Projected Cash Flow

Our projected cash flow will depend on an average of 25 customers per month in order to break even. It would be better for us if it were more. The worse case scenario would be to not reach that amount of customer which will result in cutting back on costs.

Business Ratios

With the amount of revenue that we currently have to start up the business, we will be fortunate to stay in business for at least 4 months. As mentioned earlier, it is critical that we reach our goal of 25 customers a month and earn at least \$54,500 to break even.

Long-term Plan

Our long-term plan is to make as much profit as possible to become a well known international travel agency. We strongly count on social media to play a large role in this adventure. Our customer service and prices will determine if we have what it takes to make it to the top.

