



Virtual Tours Business

MARKETING FOUNDATION REPORT

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Report prepared by Who-U-R Marketing, LLC.

Business Foundation Report

This report is designed to assist in the development or re-branding of a business. This research defines the business demographics that may be used in the creation or refinement of the business' principle **BRANDING**, **SALES**, and **MARKETING** strategies.

Information in this report includes suggestions for the following:

- Product | Business Market Research
- Customer Demographics
- Sales and Marketing Verticals
- Product | Business Motivations
- Product | Business De-Motivations
- Product | Business Differentiators



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Business Structure

PRODUCT:

A search-able **WEBSITE** and **APP SERVICE** [Hereafter referred to as the **TOUR SITE** in this document] that provides users with hundreds of 3D Virtual Tours of businesses in a specific geographical area users plan on traveling to. This product would allow users an opportunity to **DISCOVER** businesses or locations they desire to visit, but may not have been familiar with. The 3D aspect of the tour would allow visitors to **EXPLORE** and **FAMILIARIZE** themselves with the atmospheric “look and feel” of the business or location.

SUPPLIER:

These 3D Virtual Tours would be provided by independent Matterport Service Providers that have been contracted as **CERTIFIED DEALERS**. These dealers, in turn, would sell 3D Virtual Tours to local businesses, offering these businesses national exposure on the **TOUR SITE** for an annual subscription. These 3D Virtual Tours may also be made available for the business’ use on their own website.

CERTIFIED DEALERS:

TOUR SITE Certified Dealers would be comprised of only the highest quality Matterport Service Providers. These dealers would have a contractual agreement with the **TOUR SITE** which would stipulate business requirements from both parties. Dealers would receive a percentage of the subscription price of each tour. Either parties may terminate their agreement in a prescribed way at any time.

SITE LOCATIONS ON TOUR SITE:

Available site locations should be limited in the beginning to the most visited geographical areas to ensure each area is adequately represented. New sites may be added at predetermined intervals, allowing time to build the option offering and engender interest through advertising/marketing. The following are the biggest destination areas in the United States:

RANK	2018 TOP U.S. DESTINATIONS	RANK '17
1	Cruise – Alaska 47.9%	5
2	Orlando, FL 38.6%	1
3	Las Vegas, NV 35.4%	4
4	Maui, HI 30.9%	2
5	New York City, NY 27.7%	3
6	Honolulu, HI 25.7%	6
7	Cruise – Hawaii 16.5%	15
8	Miami/Miami Beach, FL 15.5%	10
9	Washington, D.C. 14.7%	8
10	Los Angeles, CA 12.9%	7

(U.S. Travel Association)

LOCATIONS TO ADVERTISE THE SERVICE:

With limited advertising dollars, efforts to market the service should be focused in the areas that are most likely to use the product. The U.S. States whose residents do the most travel during their PTO are Virginia, Colorado, New Jersey, and Arizona - in that order. While another report stipulates that the states with the “Most Traveled” citizens are California, Connecticut, Illinois, Nevada, Florida, Hawaii, Alaska, Michigan, and Colorado.

(Hopper.com, Google Trends 2018)

Product Market Research

The following information was collected with regard to this Product/Service.

- Direct spending by resident and international travelers in the U.S. averaged \$3.0 billion a day, \$124.3 million an hour, \$2.1 million a minute and \$34,500 a second. (*ustravel.org*)



- 51% of US travelers said that once they decided to go on a trip, they would spend less than one week conducting research. (*Facebook IQ*)
- Google data found that hotels and flights are booked in advance of 12 weeks. Within the 3 months prior to the trip date, the search increases further for experiences. (*Google 2019*)
- In the 12 weeks leading up to a trip, there are: 3x more experience searches than hotel searches, and 8x more experiences searches than air searches (*Google 2019*)
- “Nine out of 10 [travelers] now have apps to make their life easier when at their destination with maps, airlines, weather and social media topping the list of favorites.” (*Travelport 2018*)

- Greenberg analyzed over a thousand travellers' online behavior and found that searches for activities are happening across devices in the three months prior to a trip, but shift significantly to 54% mobile when travelers are in-destination. (*Google 2019*)
- 8% of experience bookings are happening once travelers arrive at their destination. (*Google 2019*)
- Customers are comfortable researching, booking and planning their entire trip to a new travel destination on a mobile device. Top consumer markets displaying this trend include India who came out top with 87%, Brazil (67%), Japan (59%), South Korea (53%), US (48%), Australia & United Kingdom (45%) and France (44%). (*Google 2018*)
- #3 requested experience for 2019 is local experiences. Travelers are choosing to become more immersed in the local culture when visiting a destination. They want to do what the locals do and eat where locals eat. Airbnb Experiences are offering a solution where travelers can book a local experience with a destination native. (*trekksoft.com*)
- In Ask Your Target Market's latest survey, 59% of respondents said that they take a vacation during the summer. 46% of those respondents said they take their summer vacation during July, making it the most popular month for summer travel. More specifically, the second week of July is the most popular week for summer travel. Just 7% of respondents said they take vacations during May. 11% take vacations during June. 36% take vacations in August. (*Ask Your Target Market*)

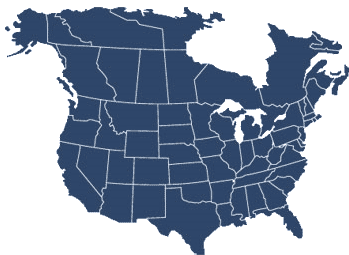
Customer Demographics

The **TOUR SITE** has two target customers: the PRIMARY CUSTOMER, the group that uses the services, and the SECONDARY CUSTOMER, the group that provides the 3D Virtual Tours. COMPANY BRANDING should be directed to the PRIMARY CUSTOMER in order to provide the business incentive to the SECONDARY CUSTOMER.



PRIMARY CUSTOMER DEMOGRAPHICS

NORTH AMERICAN MARKET



AGES 24-35 (MILLENNIALS)



ADVENTURE SEEKERS



Customer Verticals

PRIMARY VERTICAL: MILLENNIAL ADVENTURE SEEKERS

- Expedia Media Solutions, Expedia's advertising arm, polled 1,001 U.S. travelers who booked a trip online in the last year on their behavior and preferences. Results show that Millennials (ages 24 to 35) travel the most, 35 days each year, but were followed closely by Generation Z travelers (ages 18 to 23), who travel 29 days each year. Generation X travels the least, the result of work and family.
- The top 4 reasons for travel by Millennials are in order of importance: Relaxation, Visiting Family, Family Play, and Romantic Getaway.
- 72% of Millennials say that they are influenced by advertising.
- For 82% of Millennials, checking off "bucket" items is a primary travel motivation.

Up and coming Generation Z also show some encouraging trends for this business opportunity.

- Relaxing and site seeing are two of the main travel reasons for Generation Z.
- 90% of Generation Z say that they are influenced by Social Media.
- 83% of Generation Z say that they opt for off the beaten path locations and recommendations from locals.

SECONDARY VERTICAL: BUSINESS TRAVELERS

- 327 Billion dollars were spent last year on business travel in the United States.
- Four out of every 10 dollars spent on business travel in the U.S. can be attributed to meetings and events.

Product | Business Motivators

In marketing, it's essential to understand the motivation behind someone's desire to use your product or service. This determines to how to tell your marketing story and to whom.

PRIMARY CUSTOMER MOTIVATIONS - Millennials Explorers

1. Online Convenience

Millennials are comfortable with technology, planning and booking the majority of their travel online.

2. User Experience

Tours are very close to being videos, and they are completely controlled by the user. Videos are the predominant media form and will continue to be going forward.

3. Explorers at Heart

Many Millennials are explorers, looking for different, new, out-of-the-ordinary experiences in their travel. They are using the internet to find adventures that will fulfill a sense of curiosity and adventure. If they can't find the information online, they are not afraid to ask the locals about the best places to visit.

4. Planning Reduces Wasted Time

By planning out their visits beforehand, they are better able to plan their day trips and vacations, experiencing more of the types of businesses they like, while wasting less time visiting those that don't quite suit them.

SECONDARY CUSTOMER MOTIVATIONS - Matterport Service Providers

1. New Business | Revenue Stream Opportunity

A national search 3D Virtual Tour Database would allow them to generate more clients for their business and the opportunity to create more tours. Online tours also helps to keep Matterport and the provider's business at the forefront of the 3D Virtual Tour business, adding value to their camera purchase. As an online tour site grows, advertising dollars multiply creating more opportunity for their business growth.

2. Residual Income

Most business owners are trading time for money and would like to find ways to add a residual income stream to their business. Selling annual, 3D Virtual Tour subscription space to other businesses in their community gives them this opportunity.

3. Recognition and Status

Many Matterport Service Providers are “artists” and would jump at an opportunity to receive wider recognition for their work.

Product | Business De-Motivators

Marketing and sales tools should address clients de-motivators (fears) so as to overcome objections during the sales process.

PRIMARY CUSTOMER DE-MOTIVATIONS - Millianniel Explorers

1. Fear of Technology

While most of the target market is comfortable with technology, there are those that are not. STEP-BY-STEP INSTRUCTION VIDEOS can be added to the site to alleviate their discomfort.

2. Too Cumbersome of User Experience

Some may feel that clicking around large tours feels like too much effort. Tours should be insightful and interesting. KEEP THE TOURS CLEAN AND SIMPLE without giving too much detail, making the tours too busy and complicated. Dealers can be given a TOUR CREATION GUIDELINE outlining best tour creation practices they can follow.

3. Loss of Sense of Discovery

Some may feel that exploring locations through a 3D Virtual Tour would take away from the spontaneous experience and thrill of in-person discovery. While some may choose not to use the service for this reason, ACKNOWLEDGE THIS FEAR in your marketing - and who knows, once the 'huff' has been taken out of their objection, they may get curious and look anyway.

4. Not Enough Content

Some may feel that there is not enough content in the geographical areas they are interested in. RELEASE CONTENT GEOGRAPHICALLY, starting with a large amount of content in the most visited locations and adding new areas as content from these cities and States are built up. This also allows for more concentrated use of marketing dollars.

SECONDARY CUSTOMER DE-MOTIVATIONS - Matterport Service Providers

1. Jealousy

Some providers may feel threatened by the work of others in their area. USE THIS FEAR to build the business, informing providers that available dealerships in the area are limited and only the best Matterport Service Providers will be allowed to participate in this business opportunity.

2. Wanting More Money

Some providers may feel that their work is worth more than the opportunity is offering. Provide a FINANCIAL BREAKDOWN of how the money will be used so that they can understand the financial distribution.

3. Unsure of Business Longevity

Some providers may be concerned with an untested business model and wonder what happens if the site fails and they lose expected income. Provide a BUSINESS PROSPECTUS showing the stats and trends to reassure and build their confidence in the opportunity.

Business Differentiators

Marketing is all about contrast - highlighting the things that make you stand out from your competition.
Why should your customers choose you instead of someone else?

PRIMARY CUSTOMER - Millennial Explorers

1. New Way to Plan, Travel, and Explore

Travelers are choosing to become more immersed in the local culture when visiting a destination. For those who are after EXPERIENCES, the **TOUR SITE** allows them to Find, Explore and Experience the places they may have only found through asking the locals.

2. Mobile Friendly

The **TOUR SITE** allows those who travel and explore spontaneously to access all the great information on their mobile devices, allowing for the discovery of the hidden gems that may be located just down the street.

3. Quality of Site

Because the **TOUR SITE** is professionally designed with the end-user in mind, the site will be easy to use and navigate. Tour Guideline Creation allows the site to have a concise and consistent look and feel - even though there may be hundreds of contributors.

4. Time and Efficiency

Life is busy enough. The **TOUR SITE** allows users to find what and where they want to go before they arrive - saving time in avoiding locations that they wouldn't enjoy.

SECONDARY CUSTOMER - Matterport Service Providers

1. Advertising Reach

The **TOUR SITE** will offer their clients a national, and eventually a global reach for their business - unlike small, local virtual tour sites or their own websites.

2. Participation Prestige

Providers have the opportunity to participate from the ground-up in what is planned to be the largest, most well known 3D Virtual Travel Tour site in North America, and perhaps the world.

3. Innovation

25% of revenue will be used towards the continued development and maintenance of the site, allowing an investment in the technology needed to keep the **TOUR SITE** at the forefront of innovation and the user experience.

4. Business Partnership

As a **TOUR SITE** Certified Dealer, Matterport Service Providers will be able to participate in an exciting new business opportunity and/or revenue stream.

WHAT'S NEXT?

With the information in this report, you are now ready to move forward with the branding or re-branding of your business - and Who-U-R Marketing is ready to assist you with this process. Based on our discussions, the following are the products or services that we would recommend you pursue next. These products and services are available in packages or individually.

- Business Name Creation
- Logo Design
- Slogan Development
- Branding Guide
- Business Cards and Letterhead
- Website Design
- Digital Business Prospectus
- **TOUR SITE** Advertising Brochure
- Dealer Contracts
- Tour Creation Guidelines
- **TOUR SITE** Focused Market Advertising
- Continued Marketing Support and Consultation



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