Executive Summary

Local independent businesses face a number of challenges in getting started. Building a customer base, hiring talented people, spreading brand awareness, and balancing growth with quality. Through these challenges maintaining motivation can become an additional test. Local independent businesses need to take the right steps in order to steadily grow into an established enterprise.

This case study entails the journey of local independent business USA Guided Tours. Other local independent business’s can take inspiration from the steps of Co-Founder Rauf Shakir who built the company from scratch into the reputable and award winning business it is today.
Executive Summary

USA Guided tours is a sightseeing company based in Washington DC, the business offers sightseeing of historic attractions as well as transportation services in Washington DC. USA Guided Tours faced common business challenges that almost all local independent businesses face; building a customer base, maintaining product quality, building the right team, and adjusting to changes in the market.

Recruiting the right members played a crucial role in the success of the company. In the tour industry employees represent the face of the company, customers are primarily interacting with the employees. Co-Founder Rauf Shakir ensured his team of employees consisted of only talented individuals who would make others feel comfortable. Rauf's valuable team was the key to achieving steady growth while maintaining service that is of the highest quality. He kept the company's focus on the quality of the product rather than the company's growth, his choice equated to the natural growth of the company.

The digital age has resulted in changes in many markets. Potential customers in the tour industry are drifting away from the use of traditional travel agents and directly finding tour companies through their own effort. To combat this, USA Guided Tours has put an increased effort into their SEO and online presence. The company improved their online presence through the creation of a user friendly and highly informative site. Through displaying their knowledge and expertise on their website USA Guided Tours was able to grow their customer base and improve their brand awareness. The company also became very active on social media, connecting with their audience on a personal level to display the enjoyment their customers experience on their tours.

USA Guided Tours successfully combated the challenges they faced using affordable and practicable solutions.

Learn how to grow your local independent business into an established enterprise. This case study will help you:

- Grow your customer base
- Maintain a quality product/service
- Build the right team
- Improve online presence to create brand awareness
Background
About USA Guided Tours

USA Guided Tours is a sightseeing and tour company based in Washington DC. The business offers sightseeing tours of historic attractions in Washington DC as well as transportation services for large and smaller groups (including Limousine and SUV service).

The business was founded in 2013 in Washington DC, operations have expanded to New York and earlier this year in Boston. Across all three cities the company has over 40 employees.

Co-Founder Rauf Shakir’s passion for travelling and tours inspired him to start the business. His former position working as a bellman at a hotel in Washington allowed him to experience many interactions with guests asking for tour recommendations. Through these interactions Rauf was able to develop connections with a few companies and began working as a part time driver. The change in position later led to Rauf becoming a licensed tour guide, later on he got another job in the tour industry as a sales person for a tour company. In 2012 Rauf was approached by his 3 current partners who were looking to start a tour company in Washington DC. Rauf filled in the gap of having the right connections to hotels and knowledge of the tour industry. The four came together in 2013 to start USA Guided Tours.
Challenges

1. Building the right team

Creating a quality team and recruiting the right members plays a crucial role to the contribution of creating a stable base for a business. Rauf expressed recruiting the right employees can be a challenge for any business. The importance of the right employees in the tour industry is particularly imperative as they are the face of the company. Customers primarily interact with the company’s employees throughout their whole experience. The transaction between USA Guided Tours and customers is not simply an exchange of money for sightseeing service, but for a high quality experience.

2. Changes in the Market

The digital age has resulted in an increase of potential customers drifting away from the use of traditional travel agents. As a result potential customers are directly utilizing online travel agents or finding tour companies through their own efforts.
Rauf combats his challenge by turning it into a strength rather than facing it as an obstacle. When it comes to creating a place for yourself in the market, many businesses are striving towards filling the same gap in the market. In the end, the business with the best competitive strategy and edge in the market will obtain that spot.

When it comes down to the competitive strategy that allows Rauf to gain an edge in the market, he referred to his key differentiator as quite “cliché”. USA Guided Tours has rose to success because of their customer service.

Rauf’s employees are an important contribution to his key differentiator. He ensures every single employee recruited to be part of the team has an outgoing personality others can get along with. Every employee at USA Guided Tours is on the same page and in it for the long term success of the company.

“Every level in the company has to have the same mentality. That starts from the person who answers the telephone, and then on to the drivers, the tour guides, everyone has to have the same mindset”.

Rauf is very careful in his recruiting process; he puts lots of emphasis on hand selecting the company’s tour guides. Rauf ensures the staff serves customers to the best of their abilities and provides the highest quality experience. His background in working for hotels and hospitality is what played a huge role on the core focus of a customer centric business structure.

“Guest experience is number one for us, we give 100% refunds to keep customers happy. We go the extra mile for our customers”.

USA Guided Tours is one of the few companies in Washington DC to be “hop on – hop off” style with fully guided escorted tours on the bus side, along with a high quality experience of smaller capacity, climate controlled luxury tour buses that offer a comfortable sightseeing environment. The company’s main selling point and market interest is people who are smaller groups. USA Guided Tours buses can accommodate up to 30-40 people, they cater to smaller groups that are fully escorted and guided with a narrator on the bus and a live person at every location. It is reflected from all USA Guided Tours reviews that customers are provided with a personalized and high quality experience. In almost all the reviews written, the authors are able to refer to the name of the tour guide and praise their engaging and friendly personalities. Finding a negative review is quite a challenge as the overflowing positivity from satisfied customers is overwhelming.
2. Changes in the Market – Improved Online Presence

To combat the increase of potential customers directly planning their trips online, Rauf has put effort into USA Guided Tours online presence and SEO.

Rauf described online presence as a work in progress since the company started. USA Guided Tours began their online journey with a clean website.

“First thing was creating a website that made people want to stay there. We started with a clean website, that’s super important, we partnered with the right designer to come up with the right logo”.

Rauf and the team did lots of research to find out what works for the website, it was an ongoing process. During the process the team was able to constantly improve and make changes along the way; such as the importance of the content put on the site, the images used, and creating a layout that is easy to navigate for viewers.

Rauf emphasized on how important the content on a site is, every year he revisits the content and makes adjustments such as rewriting and changing it to make improvements.

A winning strategy Rauf implements is looking at the site from a different perspective. He pointed out as a content creator for the site, what is obvious to him may sometimes not be obvious to viewers. To solve this he has people from outside with little to no knowledge of tours and the area read the content and let him know what stands out to them and what needs to be clearer. By doing so Rauf is able to gain perspective on his content and create a more user-friendly experience.

Solutions

Get different perspectives to avoid your own bias. You may be overlooking areas for improvement because they are clear to you. Ask others for their opinions and experience from their use of your product/service.
Rauf and his team use social media as a means to leverage customer experience and share the valuable moments on their tours that potential customers may not get a chance to visualize from simply reading content put up on the site.

“Pictures are worth a thousand words as they say, having the right images are super important as these are images serve as a first impression to viewers”.

The website started off with pictures of monuments and memorials representing the places potential customers would be seeing on tours. Later the company found that potential customers want to see a person experiencing the tour and having a good time, rather than viewing images that can be found on Google. After receiving this feedback the team made the transition of getting more live shots.

“Your social media page goes hand in hand with Google and SEO, be sure that you have an active social media page”.

The main platforms USA Guided Tours is on are Facebook and Instagram. The audience for each platform is different. Facebook has an older audience that is more content oriented, as they want to sit and read more.

Rauf describes Instagram as image focused. On USA Guided Tours Instagram the focus is to capture moments and real pictures that bring the joyful experience of the tours to the viewer through the photo. Professional shots that a photographer took on tours don’t generate nearly as much attention that pictures from someone’s phone on the tour are able to attract.

Rauf is aware of the importance of the type of content that is shared on each social media platform and what is needed to grow accordingly.

“A lot of people think to sell the content which is not the right approach, the right approach in our space is to be informative”.

USA Guided Tours tells potential customers about the destinations that they will be heading to rather than trying to market their tours. This strategy is one that more businesses need to take on, displaying knowledge in the industry rather than convincing the purchase of a product/service. Telling people about the historic attractions displays their knowledge and expertise in the area rather than trying to convince potential customers to buy like competitors. Rauf refers to this as an “educational approach”.

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**TIP**

Try to take on an “educational approach” when displaying a product or service to a customer. Rather than convincing them to make a purchase, display your knowledge and expertise in the area.
Since the company began they have had an average of 30-40% growth every year. They owe this growth to the emphasis that has been put on making sure all experiences are top of the line. USA Guided Tours puts lots of effort into making sure they have a really great quality product.

“It goes directly back to our great reviews, I try to master what we already have”.

Rauf described how he continuously educates himself and his partners on different ways to connect with their target audience. Attending tradeshows has been a “game changer” as he puts it. Attending the right trade shows and making the right connections has been a step in a great direction for USA Guided Tours. Rauf is constantly ahead of the game, looking ahead in technology.

In 2017 USA Guided tours launched a convertible tour with a Mercedes Benz, something that really set them apart from other tour companies as no one else in the city offered it, USA Guided Tours was the first company to have the vehicle. Making moves that puts the company as the first to take a step in the industry is a great way to spread brand awareness.

Last year the company launched a virtual reality tour with virtual reality headsets. The approach the company takes is that even though the product may not be successful and bring lots of revenue, having those unique products is what sets USA Guided Tours apart from their competitors.

“The way I look at it is ‘I’m going to launch this new product, not because its going to be a money maker but because its going to get us headlines... people writing about us, its going to get my foot in the door’”.

USA Guided Tours does not make the same mistake many other local independent businesses make – after creating a successful product or service they are comfortable with, they simply stick with it and put all possibilities of innovation on pause. USA Guided Tours continuously innovates making sure to avoid any possible breaks in growth that could come from getting too comfortable. The key is to always look for more and never simply feel what you’re doing is enough.
Co-Founder Rauf Shakir has no regrets in the steps taken and process of USA Guided Tours becoming the established company it is today.

“We definitely made a lot of mistakes along the way, but those were all mistakes we learned from. So I wouldn’t have done that differently because those were great mistakes”.

As for the future plans of USA Guided Tours, the company would like to tap into more industries that are connected directly with their industry. As an example, 90% of their customers are going to invest in souvenirs in New York or Boston. A smart move to make in the future might be to invest in a souvenir/gift shop. He explains that already being in the tour business and having an existing customer base, this type of incremental business will be much easier to grow. Rather than trying to start a new business in a different industry which he may have little to no knowledge of and acquire new customers, he could simply sell souvenirs to the same customers he sells tickets to.

Rauf stressed the importance of getting into a business one is very passionate towards.

“I’ve tried other companies in the past in different industries but tourism is what I’ve always been really passionate about. If you do something you’re passionate about it’s going to help you to face the challenges you will come across down the road”.

Local independent businesses working toward growth for a company they truly hold a passion for will be more dedicated to its growth, more patient in the process, and will be in it for the long haul. Success does not come over night; it took USA Guided Tours 3 years to become profitable.

Continuously educating himself in his industry is a practice of Rauf’s; he constantly reads articles about tourism in order to understand the trends in the coming future to ensure the company does not remain stagnant to changes in the market.

Choosing the right people to be apart of your team is crucial. Rauf owes his success to his partners, as he was lucky to have a team that trusted in the process and were in it for the long haul.

“If my partners expected to see return on investment and results in 5-6 months or one year we wouldn’t have made it this far. Be patient, trust in the process”.

Results, Future Plans

Advice
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