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The Business of Tour Guiding

Learning objectives

After studying this chapter, you should be able to understand:

- How to set up a tour guiding business
- How to plan an itinerary
- The importance of various partners in tour guiding business
- The spirit of relevant laws and the legal considerations in tour guiding
- The importance of ethical conduct

Most tour guides are freelancing professionals who associate themselves with tour operators. A guide may associate with more than one company to broaden their market, earn more income, and reduce risk at any point in time. However, there are also companies that offer the services of professional tour guides. They deploy different business models to position themselves. Some companies enrol and promote tour guides that are more comfortable with digital connect. They profile the registered professionals on parameters, rank them, and sometimes offer some orientation or training before connecting them with tour operators (business-to-business) or presenting them directly to the tourists (business-to-consumer). They provide information on the tour guide's USP (unique selling point), language proficiency, and other relevant skills.

Some tour guide companies meticulously curate experiences and offer the same through professionally trained tour guides. These companies invest in research and curating theme-based experiences, but also put considerable effort into recruiting and training their tour guides. A variant that has become popular these days are the companies that organise walking tours. They often create a limited sightseeing event based on local culture, heritage, or simple contemporary life. For example, there is a husband-wife team in Morocco which offers the popular food trail called Marrakech Food Tours. The visitors get the

opportunity to taste slow-cooked lamb, traditional salads, pastries and the famous mint tea. India City Walks is a much-acclaimed company that curates a range of experiences and operates in several cities. They also invest time and effort in training walk leaders.

Guiding companies are popular in niche operations like nature walks, adventure trails, forest bathing, and wellness therapies. Especially in areas where the tourist finds it simpler to go via an established channel or is unaware of that destination. However, technology has empowered individual guides, and many of them operate as one-person companies. This chapter is about the nuances of tour guiding businesses – setting up, designing an itinerary as an essential product, networking, underlying ethics and principles of conduct and other issues.

Tourism has witnessed a paradigm shift. Visitors today are less interested in visiting the identified popular tourist spots at a destination. Instead, they seek immersive, unusual experiences. Any destination has many resources. Locals are advantageously situated to curate experiences based on tangible and intangible resources at hand. It could be a simple culinary experience or a walk through a haunted quarter. Demand for customised and unique experiences is on the rise. It may be an excellent opportunity to be self-employed and monetise one's passion for showing around their place with such a demand.

Communities and governments have also realised the importance of entrepreneurship. They support startups through policy and institutional interventions. For example, India's government brought in legislation permitting the creation of a company with just one director and one member. In these companies, compliance requirements are lesser than that of a private company.

Setting up a business

It is a good idea to start a tour guiding business in a popular tourist destination or one which has potential in the near future. However, it is better if the guide is familiar with the place – its history and geography. Thus it is always advantageous to have a guiding company in your native place where you can have a good relationship with the local community. A personal tour guiding business can be started with less than USD 2,500 and earn more than USD 100,000 a year. Tour guiding is a business based more on skills than on investment. There are multiple revenue streams for a tour guide, and there are many examples of tour guides doing exceptionally well financially. A good marketing plan and networking is the key.