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Adventure Life Thrives With Tours of Latin America's Best Spots

By Karen E. Klein - Oct 21, 2010

At a time when most independent travel agencies are struggling as travelers increasingly make reservations themselves online, Adventure Life is flying. That's because the Missoula (Mont.) agency isn't trying to compete with major travel booking sites, such as Orbitz, Expedia, and Travelocity. Instead it's catering to American travelers who want to do more than just book a vacation: They want to have a meaningful adventure.

By focusing exclusively on tours in Latin America and cruises on small ships around the world, Adventure Life aims to provide experiences that delve into foreign cultures and help customers connect with local people. "What we're doing is different. You can't buy a specialized, guided trek on the Inca Trail on Orbitz. The big travel consolidators don't want to bother with the very specialized itineraries that we do," says Chief executive Brian Morgan, 37, who founded the business after spending a year working for a humanitarian group in Ecuador. "The travel industry builds its commission into retail pricing, but recently that commission has gotten smaller and smaller, because the industry is operating like a commodity."

Morgan says Adventure Life -- with 15 employees, about 25 guides who work as contractors in a dozen countries, and nearly a dozen years' in business -- expects \$9 million in 2010 revenue. That's up from 2008 and 2009, when the company experienced 18 percent and 14 percent year-over-year revenue drops, respectively, but not quite back to its 2007 revenue peak of \$11.5 million. Still, Morgan is optimistic about his company's prospects in the \$89 billion global adventure market, with tours that expand on typical destinations, such as Machu Picchu, and range from \$1,000 for a tour through the Costa Rican rainforest to \$35,000 for a luxury cruise to Antarctica.

Hiring experienced, in-country contractors to act as cultural experts as well as tour leaders has been crucial for Adventure Life, which makes most of its money from guided tours. Morgan says his customers enjoy having native guides who can highlight Latin American cultural festivals, sports activities, and such gems as Quilotoa Crater Lake in Ecuador and the Guatemalan village of Tonicapan, and he saves on travel costs for U.S.-based guides, allowing him to price

competitively.

Wealthier Clientele

An August report by the Adventure Travel Trade Assn. and George Washington University concludes that adventure travelers are wealthier and spend about a third more than average trip-goers. They value natural, cultural, and active experiences and intend to travel more in coming years. “Brian is a great example of the heart and soul of the AV [adventure] travel industry,” says Shannon Stowell, the trade association’s president. “He was one of the early innovators and has been an early adopter of innovative strategy. They always seem to be at the forefront of things.”

Morgan, who holds a Masters’ in economics from the University of Montana, admits now that much of that early innovation was driven by desperation. For instance, he built an extensive website in 1999 when most travel agencies had simple sites where potential customers could order print brochures. “I was 25, living in the small market of Missoula, Montana, and I had no friends that could afford these trips. I knew I had to sell to strangers who would find me online,” he recalls.

For about nine years, Adventure Life relied on pay-per-click advertising on Google and print ads in travel magazines. Then, in early 2009, Morgan recognized that while print ads continued to be effective, the ads on Google, at \$350,000 a year, had gotten too expensive. He recalibrated his marketing by dropping pay-per-click entirely and applied about \$50,000 to social networking efforts that included launching a blog and Facebook and YouTube pages and adding travel journals and photo albums to Adventure Life’s website. Visitors to the site, on which Morgan spends about \$60,000 annually, can use drop-down menus to locate aerial views and maps of campsites. In addition, Adventure Life has 22,000 fans on Facebook, “which is one of the larger numbers for this niche,” Morgan says. “Now it’s exciting, because we have leads coming in that have found us on Facebook.”

Adventure Life has earned admiration even from such competitors as Peter Grubb, founder and president of 65-person ROW Adventures, which is based in Coeur d’Alene, Idaho. “Brian has had extraordinary growth in a relatively short time. He started his company about 20 years after me but has grown to be much larger than us in terms of gross dollar volume,” says Grubb, who is a both an excursion outfitter as well as a tour operator. “He is a sharp businessman and discovered a great model.”

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