

# Lonely planet

[Business](#), [Company](#)



In 1972, Tony and Mareen Wheeler were newlyweds who decided to have one last adventure travel experience before settling down. Their trip was an overland trek from London to Australia through Asia. So many other travelers asked them about their experiences that they set down at their kitchen table and wrote a book titled *Across Asia on the Cheap*. They published the book themselves and were surprised by how many copies they sold. Three decades and 60 million books later, their publishing enterprise has turned out to be one of the most successful in history.

The Wheelers' publishing company, Lonely Planet, has grown rapidly, with typical annual sales increases of 20 percent or more. The company is privately held and does not release sales figures, but industry analysts estimate current annual revenues to be \$50 million. Lonely Planet publishes more than 650 titles in 17 languages and holds a 13 percent share of the travel guide market. The company has more than 400 employees in its United Kingdom, United States, French, and Australian offices who perform editorial, production, graphic design, and marketing tasks.

Travel guide content is written by a network of more than 150 contract authors in 20 countries. These authors are knowledgeable about everything from visa regulations to hotel prices to the names of the hottest new entertainment spots. The combined expertise of the in-house staff and the in-country authors has kept Lonely Planet ahead of its competitors for many years. In recent years, Lonely Planet has expanded its business beyond the publication of travel guides.

The company offers travel services that include a phonecard, hotel and hostel room-booking, airplane tickets, European rail travel reservations and tickets, package tours, and travel insurance. These services are offered by telephone and on the Lonely Planet Web site. The Web site has won numerous awards, including the Society of American Travel Writers 2003 Silver Award and a spot on Time magazine's 2003 " Fifty Best Web Sites" list. It has also won the best travel site Webby three times, most recently in 2004.

The site was launched in 1994 and includes an online store in which Lonely Planet publications are sold. However, the site's main draws are its comprehensive collection of information about travel destinations and its online bulletin board, the Thorn Tree, which has over 220, 000 registered users and more than 400, 000 message posts each year. Another section of the Web site, Lonely Planet images, includes 250, 000 digital photos and other graphics and is used by more than 25, 000 registered users. Lonely Planet is always looking for ways to expand its market and brand image through new technologies.

For example, it has formed a joint venture with Nokia to provide city guides on mobile telephones in more than 40 cities worldwide. The company has also sold its content for use on portal sites such as Yahoo! and has created a B2B division that provides customised content to large corporate customers for their internal use. Despite the excellent Web site and its use of new technologies, most of Lonely Planet's revenues are still generated by book

sales. The typical production cycle of a travel guide is about eight months long.

This is the time it takes to commission authors, conduct research, work through several drafts of writing and editing, select photos, create the physical book, and print it. This production cycle causes new books to be almost a year out of date by the time they are purchased. Only the most popular titles are revised annually. Other titles are on two, three, or four year revision cycles. The time delay in publication means that many details in the guides are outdated or wrong; restaurants and hotels close (or move), exchange rates and visa regulations change and once-hot night spots are abandoned by fickle clientele.

Lonely Planet publications are well researched and of high quality, but the writers do not work continuously because the books are not published continuously. The Web site often has information that is more current than the published travel guides. Lonely Planet has adopted new technologies, but has not used them to revise the revenue model or to make basic changes in the production of its main product, the travel guides.