



TOUR & TRAVEL CORE COMPONENTS

UNDERSTANDING THE NEEDS OF TRAVEL PROFESSIONALS AND GROUP TOUR PLANNERS

What mode of transportation is a tour group most likely to use to get to each activity on their itinerary?

- Motorcoach
- Automobile
- Helicopter
- Rickshaw

How many passengers does the typical motorcoach carry? _____

How many hours is a driver allowed to stay at the wheel in a given day? _____

What are some unique characteristics of the following sales methods that group tour operators most often use when promoting trips to your area?

Preformed Groups _____

Retail or Catalog Tours _____

FIT or Voucher Programs _____

How does a tour operator make their money?

1. _____

2. _____

3. _____

What's one thing you can do to make it easier for the operator company to be successful?



WHAT'S A TOUR GROUP?

- Groups typically travel via motorcoach.
- Each motorcoach carries 45-50 passengers plus the driver and the tour escort. Most travel suppliers accommodate the driver and escort free of charge.
- If they're driving to you - they tend to come from within a 5-6 hour driving radius.
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- If they're flying to you - they could be coming from anywhere and will likely spend a couple nights in the area. They generally travel no more than 2-3 hours from the airport.

TOUR OPERATORS HAVE THREE TYPES OF CUSTOMERS...

Preformed Groups - school groups, senior centers, Red Hats, etc. that share a common interest. Typically, the tour operator works with one group leader who then coordinates for the entire group.

Retail Tours - The tour operator offers a travel package through their various sales channels and allows individuals to sign up hoping to get enough individuals to make the trip profitable.

FIT/Independent Travelers - these are consumers or small family sized groups that typically purchase a package from an operator and travel on their own, without a typical group.

HOW DO TOUR OPERATORS MAKE MONEY?

Tiered Pricing - Suppliers charge the tour operator a rate that is below the published rate for the product/service in exchange for the volume the tour operator will deliver. The tour operator can keep the difference between their rate & the published rate and still pass along a perceived value. Ex: My retail price is \$10 per person. I charge the Tour Operator \$8. The tour operator may keep \$2 per person.

Commissions - Suppliers may offer tour operators a commission on products/services purchased for their groups or by the group. Ex: Tickets cost \$50 each & our hotel gives the tour operator a 10-20% commission on room.

Package Pricing - by combining multiple products into a single price point, operators can mark up the product without noting the margin or net price on any component.



CRITICAL COMPONENTS TO A GREAT TOUR...

- Easy to book
- Starts and ends in an area that's easy to get to
- Includes reliable suppliers
- It's reasonable priced and easy to resell
- Creates lasting memories for participants
- Can't be replicated elsewhere
- Has broad market appeal

CHECKLIST FOR INDUSTRY SUPPLIERS

- Can your business accommodate 45-50 people at once?
- Does your business have reliable office hours for tour operators to call with questions or to book the product?
- Do you provide competitive rates for tour operators?
- Can a bus drop off guests at your entrance? Is there a place to park the bus nearby?
- Do you have seating areas for guests to rest while on tour?
- Is your business accessible to guests with mobility issues? If not, do you provide a comparable alternative?
- Do you offer collateral (print, digital, video, online) content to support a future visit?
- Do you have a "welcome" process for groups and do you follow up with a "thank you" note?

HOTELIER CHECK LIST

- How many rooms does the tour operator need to book to qualify for a complimentary room for the driver?
- Does your property offer a welcoming reception and/or breakfast for the group?
- Does your business provide a comfortable, secure and clean atmosphere for guests?
- Do you offer competitive pricing for other hotels in your area?
- Do you offer flexible confirmation procedures?

RESTAURANT CHECK LIST

- Can you effectively serve a meal to a group of 45-50 people at once?
- Can you seat the entire group together?



- Do you have an effective staff to guest ratio that is enforced for groups too? Ex: 1 server per every 10-15 guests
- Do you offer prices that include tax & gratuities?
- Can you provide the tour operator a confirmation within 24 hours of booking?

ATTRACTION CHECK LIST

- Do you offer an all-weather experience?
- Do you offer special incentives, packages or priority access to tour groups?
- Can you offer a guided tour if requested?
- If you're a seasonal business, do you provide a method for tour operators to reach you during the off-season?
- Do you have a net price for tour operators or do you offer commissions to tour operators?

CVB CHECK LIST

- Do you have contingency options available to tour operators in case of emergencies?
- Do you offer a primary point of contact for tour operators with questions about your area?
- Do you offer all weather experiences in your area?
- Do you have any special incentives for groups coming to your area? Ex: discount offers to local businesses?