

WORKING WITH THE TRAVEL TRADE MARKET

Preparing Yourself! (and your partners/colleagues) to make the best of the Travel Trade Market

The Travel Trade market is where other buyers and sellers sell your product on, either to other buyers or direct to the public, to groups and/or individuals (FITs). These buyers and sellers are made up of tour operators, ground handlers, incentive houses, coach operators, group travel organisers, travel agents and other key players in the industry from the U.K. and overseas.

Why Work with the Travel Trade?

1. Someone else is selling you, besides you – and you only pay if a visitor has visited
2. Further your promotion of your product at little or no cost
3. Long-term consistent bookings
4. Bookings in quieter times
5. It is more effective than advertising as you can see direct results and can cost far less

Who's Who? The main players...

Incoming tour operators - put together tours, excursions and voucher programmes (B & Bs, Inns, etc) consisting of U.K. accommodation, attractions, transport and sightseeing products for international operators. UKInbound is a trade association with 120 Incoming Tour Operator members.

Tour Operators & wholesalers - includes accommodation agents - hotels, self-catering, holiday parks; package tour operators - who put together accommodation, attractions, transport for groups and FITs (Fully Independent Travellers); coach tourism operators; special interest operators - activities, singles holidays, seniors holidays, etc.; wholesalers - who don't offer tours but offer individual elements or packages.

Web-based agents - dramatically growing in number. Most will be looking for hotels, some also offer sightseeing and attractions.

Ground handlers - deliver a range of accommodation (usually hotels) and sightseeing product, plus attractions where possible, to wholesalers.

Group Travel Organisers - mostly unpaid social secretaries organising visits and trips for range of groups - very influential on local level,

Coach Operators - create and sell day trips, short breaks and longer holidays

Incentive Houses - put together incentive programmes for corporate contacts - generally looking for something a bit different - special evenings, activities, behind-the-scenes tours, etc.

Travel agents - some only sell tour operator products, others will do some packaging and put together tours themselves.

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If you want to work with the Travel Trade - Be pro-active!

They have a vast selection to choose from, so it is up to you to contact them!

Identify what you want to get out of the market and who you'd like to potentially do business with. Identify potential contacts and email or write and invite them to meet you.

The Travel Trade Market is about growing relationships with those who will suit you and your business. Not all will suit you and you won't always be the right product for them.

It is also about time. This is not a market that happens overnight. Remember they work to a long time frame. For example: There time to learn about new product is from September to March, visiting exhibitions and going on familiarisation trips. They then compile this information during the spring and summer and put in their new brochure. So you can see they are working at least 1 year to 2 years in advance.

Don't forget to take advantage of the chance to speak to and network with other suppliers - they could provide lucrative partnership opportunities for you or lead you to other useful contacts. If you are setting up your own relationships and they are setting up theirs, together you have a wider base of contact. Remember networking is a 2-way process - don't wait to be approached - make the 1st move!

Remember - it is best to have a few good relationships that you keep going, then lots of relationships you don't follow-up on.

Some ideas for how to identify potential contacts

Do your homework and work out who to target

Spend at least a few hours doing some/all of the following:

- **review your own database and leads** from previous events e.g. Showcase Wales, WTM, BTTF, etc.
- **speak to Mike Evans at Southern Wales** – check out their website www.visitsouthernwales.org under Groups and Travel Trade
- **check out Visit Wales' trade website - www.traveltradewales.com:**
 - look at our lists of TEAM Wales partners (click on link from 'Key Suppliers' box on homepage) and also see U.K. operators' list under Tour Planner
- **check out VisitBritain's industry website: www.tourismtrade.org.uk:**
 - see under Market Intelligence, Advice and Opportunities - useful information includes Market Profiles (worth looking at to find out more about your key markets). You can also request Directories of Trade Contacts in relevant markets.

Other useful websites to check out - see members listings on the following:

www.ukinbound.co.uk (see under 'Search Members')

www.etoa.org (see under 'Directory')

www.coachtourismcouncil.co.uk (see under 'Take a Trip' for a full list of operators)

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Be Clear about your Product Offering

Think carefully about what you have to offer as a product (remember this is the trade not consumer market). Think about your product:

1. What is the profile?
2. What is the quality?
3. Which markets is it most appropriate for?
4. Think about your rates - Net rates - FIT rates.
5. Can you offer allocations?
6. Ease of selling: if it's hard to book operators won't sell it.
7. Price - If there is a different price every month how can the operator adapt his/her vouchers to cope with this?
8. Seasons: try to make winter 1 Nov-31 Mar and summer 1 Apr-31 Oct to coincide with trade practice.

If you are representing an area or a number of members go armed with information such as the following:

1. Which accommodation providers in your area will work with the trade? i.e. do they offer commission?
2. Which ones have capacity to accept large groups?
3. Take their contact details: website address/contact name/telephone number/email address
4. What do the attractions in your area offer the travel trade and groups?
5. Take some suggested itineraries

***And don't forget to have business cards
– little reminders of who you are!***

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After a meeting or networking event

Working with the Travel Trade market really begins after you have met them. Again, you are one of many on their books. It is about the on-going personal relationship you establish with them, about keeping them up-to-date with any changes, or even just reminding them you are there.

Here are the most important things to remember:

1. **Speed of Response** - follow up all leads and requests for information swiftly – 24 to 48 hours
2. **Flexibility & Commitment** - if at first you don't succeed, don't give up. If the operator wants something different can you be flexible?
3. **Accessibility** - you have to have a good website and email that can receive lengthy attachments.
4. **Website** - Is it friendly? Does it protect the Tour Operator by showing higher rates to the public than those given to Tour Operators? i.e. are you competing with yourself?
5. **Images** - Do you have good slides and transparencies you can provide to assist them in promoting you, copyright free?

And Finally –

The Travel Trade Market is a long-term commitment that pays off in consistency, additional and far reaching promotion and most of all, once you are working with the market could be your bread & butter with any additional visitors as a bonus.

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Developing Your Business through the Travel Trade: Checklist

Topic	Considerations to Check
Product & Accessibility	<ol style="list-style-type: none"> 1. Is your product suitable for the tour operator market? 2. Does the Operator actually have a demand for your sector of the market? 3. Is it good quality? 4. Who is it suitable for- the Japanese? Americans? etc., youth or senior market? 5. Is your product easy to book? 6. Operators won't sell something which is hard to book. Is your product ACCESSIBLE? 7. Does the operator know about you? 8. Is your website friendly/ easy to use - and only displays gross prices?
Rates	<ol style="list-style-type: none"> 1. Operators require a <u>net</u> rate which they will pay to you. This rate is confidential between you and the operator - it isn't published anywhere. 2. Net rates are usually different to FIT rates which are for individual travel. 3. When negotiating with operators be sure to explain <u>exactly</u> what is included. <p>If you are unable or don't wish to offer net rates, then it is unlikely that operators will be interested in working with you.</p> <p>Pricing / Costing - have you considered your pricing structure?</p> <ol style="list-style-type: none"> 1. It would benefit you to be as flexible as possible. 2. Have you taken into account pricing for out of season dates for example? 3. How will you charge? 4. Will you use vouchers/ accept credit cards? 5. Offer discounts? <p>Yield Management</p> <ol style="list-style-type: none"> 1. Is your ticket / room price diluted to the point that you cannot forecast / calculate your real receipts? 2. Remember to take into account promotion costs and ancillary spend.
Allocations	<ol style="list-style-type: none"> 1. Ideally an Operator needs guaranteed allocations i.e. where you commit your product for an agreed length of time and a mutually agreed release date. 2. With the increase in short break and 'impulse' travel, booking trends are now very late and some operators could look for a 24hour release time. 3. Groups however are different and a longer lead in time is required - as well as a very competitive rate

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Developing Your Business through the Travel Trade: Checklist continued

Topic	Considerations to Check
Seasonality	<ol style="list-style-type: none"> 1. It is here that operators can make a big difference but your pricing policy would need to be aggressive to enable the operator to make attractive offers. 2. You will also need to define your off peak periods. It helps if you can come in line with the industry as a whole. Winter= 01 Nov - 31 March and Summer = 01 April- 31 Oct
Photography	<ol style="list-style-type: none"> 1. Providing quality images is crucial. 2. Does your product / website / brochure stand out? 3. Does it have the WOW factor?
Flexibility & Commitment	<ol style="list-style-type: none"> 1. When operators want something different, can you be flexible? 2. Give it the <u>YES</u> Factor ! 3. It's important to build and nurture a relationship with an operator - and to demonstrate commitment!!!!!! 4. If at first you don't succeed, don't give up - personnel changes are numerous in the travel industry and a new person may be more receptive
Speed & Response	<ol style="list-style-type: none"> 1. Linked to the commitment issue and the essential detail that can make or break an opportunity or partnership. 2. Crucial to respond to requests and leads immediately!
Partnerships	<p><u>2 aspects:</u></p> <p>1st –</p> <ol style="list-style-type: none"> 1. Linking to member trade organisations such as BITOA and attending trade shows- excellent for networking. 2. Remember to study the buyers list / target who you want to see/ pre-show mailing and <u>FOLLOW UP PROMPTLY.</u> 3. An important point to remember if you wish to reach the international market is that it would be more cost effective to link up with an incoming operator rather than market your product overseas independently. <p>2nd –</p> <ol style="list-style-type: none"> 1. Partnering with e.g. attraction / activity operator and offering a package to encourage extension of stay in your area. 2. Be aware of regulations governing packaging - read the brochure on EC Package Travel Regulations. (You can get more information and your free copy from the DTI http://www.dti.gov.uk/ccp/topics1/guide/packtravel.htm)