
GCE Travel and Tourism

UNIT TT12

Business Operations in Travel and Tourism

2008 Exemplar Material

AS & A2 TRAVEL AND TOURISM

PORTFOLIO MARKSHEET

Candidate... ..

Unit	Business Operations		
	Mark	Page reference(s)	Justification for mark
AO1 Knowledge, understanding and skills		1-20	Report is well developed referring to key areas and a range of relevant systems. Comments are made on skills required in the industry.
AO2 Application of knowledge, understanding and skills		21-32	Detail account of interactions between most of the practices. The solutions of relevant problems, issues and work related situations.
AO3 Research and Analysis		33-43	Candidate researches from a range of appropriate and relevant sources. Detailed analysis of how the practices meet their aims. The aims are appropriate and supported with evidence.
AO4 Evaluation		44-53	Detailed evaluation of the importance and usefulness of chosen systems prevalent in the industry. Candidate chooses detailed examples.
Additional comments	<p>Well done!</p> <p>Very good research</p>		

Assessor... ..

Date 7/04/2004

Final

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Introduction

For my unit 12 assignment I plan to look in to and give an account of one specific business operation. The company, which I have chosen to write about and explore, is My Travel PLC, a worldwide and very powerful tour operator. My Travel is a PLC company. The letters PLC stand for Private Limited Company. My Travel is a private limited company because it is mainly privately owned by share holders. A share holder is a person who has a particular share in a business which can be bought and sold although it can not be sold publicly. A shareholder is likely to benefit from dividends; however the rate in which dividends are provided and the sum of dividends received by shareholders varies depending on the business profits and working capital. My Travel is an international and widely spread Company who owns branches in North Europe, the USA, the UK and Ireland. The main customer group for My Travel PLC is the UK and Ireland.

The My Travel Company was originally founded by a man named David Crossland who in 1972 purchased a Travel agency business comprising of two stores in Lancashire. Soon after this, David Crossland then purchased another travel agency business named A.I.R tours. It was then decided to put all three of the travel agency stores under the same name of A.I.R tours. The business expanded as the group developed package holidays from the early 1980's The company grew ever larger and evermore powerful over the next twenty nine years. However all of A.I.R tours accounts were being managed by an American based Accountancy Company named Enron and in 2001 Enron took an incredible gamble with all of the stocks and shares owned by A.I.R tours which resulted in a loss of 50million pounds. This caused A.I.R tours to face terrible financial problems and to almost be declared bankrupt. However, luckily the banks believed enough in the A.I.R tours company to give out many loans to them in order to allow them to rebuild their massive company. This total financial restructuring was undertaken by chief executive Peter McLugh, an American turnaround expert in 2004. Once all of these loans were taken out and a successful financial restructure had taken place A.I.R tours decided to completely re-brand their company and the name My Travel PLC was born. Since then My Travel PLC have continued on the road to recovery uncovering its first annual profit for five years in December 2006 due to a record performance in Northern Europe although its UK operations remained in the red.

Following a successful financial restructure due to the ever-growing levels of competition the company which was now named My Travel PLC decided that they wanted to become even larger and even more powerful so on the twelfth of February 2007 the two different tour operators, Thomas Cook, which was the world's oldest tour operator and My Travel PLC. merged together and the name My Travel PLC remained over the entire company. The merge tied together My Travel airways, Thomas Cook airlines, Condor and Condor

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Berlin. The combined fleet will total nearly 70 aircraft and is totally airbus with its exception of Condor who operates 757 and 767 planes. In its last financial year My Travel made a pre-tax profit of £43.8 million compared with a £17.4 million deficit in 2005 having lost money in each year since 2001. The re-branded company My Travel PLC is now held 52% by KarstadtQuelle and 48% by its share holders.

Like every company My Travel PLC do have their own mission statement. Their mission statement is to "be the best travel company in the world to travel with, to work for and to invest in." The aims of My Travel PLC are also to

- ✓ Be an international company/organisation
- ✓ Win competition in the travel and tourism market
- ✓ Target as many customers as possible
- ✓ Target mass tourism and also special interest groups.

My Travel is now a massive worldwide company which offers many different products and services to many different types of customer. As it is stated in the mission statement My Travel target the mass market and also special interest groups. My Travel offer holidays under the titles of summer sun, winter sun, Snow, city breaks and Cruises. It is also possible when travelling with my travel to book flights on their own, accommodation on its own or flights, accommodation and transfers together as a package. My Travel also offer holidays under the title 'last minute holiday deals' which offers customers a last minute holiday for a reduced, cheaper price than usual. My Travel also offers customers many optional extras. These include

- ✓ Car hire
- ✓ Travel insurance (My Travel also own an entire Travel insurance company named White Horse which belongs to My Travel which can be found on www.whitehorseinsurance.com)
- ✓ Entertainment (such as various excursions which can be bought from the customers My Travel Holiday representative once they have reached their chosen destination.)
- ✓ A Currency exchange service
- ✓ Airport parking

So basically when booking a holiday with My Travel they are able to offer customers everything that they could need in order to build them their dream holiday or a holiday which my travel have already built (a package holiday.)

My Travel offer customers information and different methods of booking through their many different types of distribution channels. The different distribution channels which My Travel offers are:

- ✓ The call centre. My travel has their own call centre which is called 'holiday line'. Holiday line is open from 8am-11pm during peak times and allows customers to call with any queries and talk to informed professionals in order to receive advise about destinations etc and also to book holidays over the phone.
- ✓ My travel also owns many travel agency branches all over the world including branches in the UK northern Europe and the USA. The travel agency branches

belonging to My Travel are called Going Places. Customers can visit their local Going places store with any queries about destinations or accommodation etc and receive accurate advice from experienced sales assistants. Customers can also visit their local Going Places store when wanting to book a holiday.

- ✓ My Travel also has their own websites which allow customers to both view and book holidays, flights and additional extras online. The most frequently used website belonging to My Travel is www.mytravel.com and this website provides customers with information on holidays and a method of online booking.

My Travel need to have all of the above distribution channels in order for them to target different types of customers e.g. some people don't have time to visit a high street travel agent and therefore would rather use the internet although on the other hand some customers are not computer literate or prefer personal contact when booking a holiday and they therefore would prefer to book through a high street travel agency. All of these distribution channels are very important for the company as they are targeting the mass Markey. My travels main customers groups are package holiday buyers such as families and also customers interested in special interest holidays.

Key area 1: Technical skills

The human workforce is definitely the most important resource for any business when aiming for success in the travel and tourism industry. Technical skills can be both something that an employees may already posses and may need to develop in the future or maybe something which an employees must learn from scratch in order to be a valuable member of a travel and tourism organisation. Each career within the travel and tourism industry may require a different range of technical skills although many are relevant to every career within the travel and tourism industry. Examples of important technical skills are being computer literate and being able to make use of a CRS (computer reservation system.)

Travel and tourism as an industry is very reliant on technological equipment. The use of computers within the travel and tourism industry allows businesses to make use of advanced and intelligent software such as both internal and external communication systems. It is important within the travel and tourism industry to make as much use out of their computer software as possible in order for them to save time and money due to increasing competition within the travel and tourism industry.

There are a variety of internal communication systems which can be used within different businesses today some examples of these are voicemail, e-mail, community bulletin boards and more recently corporate intranets and collaboration software have become more popular. All of these examples of internal communication system help to reduce levels of paperwork which saves time and money for the company. The importance of internal communication systems is increasing ever more rapidly as the importance of being able to transfer the right information to the right place at the right time is becoming even more essential.

My Travel internal communication systems

An internal communication system is vital in order for My Travel to run efficiently and effectively. Going places is the Retail brand for the company My Travel. Going places internal communications network used to connect 5000 travel agency staff in 730 shops all over the UK, with daily bulletins about locations, weather, travel information and discounts. However Going Places wanted to re-evaluate their paper based system as the paper based system was laborious, clunky and expensive. After talking to the staff in order to find out what information they felt they needed in order to do their jobs properly it was decided that an intranet was the ideal solution that would provide instant, flexible, functional information straight to the desktop. This intranet system was then named Livewire.

The result of the computer based internal communication system named livewire added value to the company in many ways. Livewire harmonised with the online booking system, drove up PC user experience, differentiated between need and nice-to-know information, re-engineered business process and was apparently fun to use.

Now that the Livewire, internal communication system is active, it is connected to all of the My Travel branches and Going places stores all over the world. Livewire a system which is used for communicating via e-mail. My Travel uses this system to instantly send important messages to staff in branches all over the world. It is not possible for anyone else, for example who is not working for My Travel and is not connected to the livewire system to read any of these messages as each member of staff making use of the Livewire system is issued with a password. As Livewire provides no access from the outside world, this means that Livewire is secure. As well as messages being sent by the management to the staff livewire can also be used for staff in different branches to send messages and communicate with each other.

Livewire is a very important system as the messages which are sent to staff on a daily basis may affect their sales. For example a message may be sent to a sales assistant in one of the going places stores to let them know that there is a special offer on a holiday in that week. It is also important that staffs are informed on extreme weather conditions, for example if there are many earthquakes happening in California. Other important messages could include warnings on terrorism, political instability and Disease. Another important message could be that there is a lot of property development happening next to a specific hotel, in a specific resort so it will be very noisy, dusty and unattractive at the moment. It is important that staffs are informed about all of these things so that if a customer is looking to travel to one of these destinations then the sales assistant can advise against it and use their switch selling skills to suggest a similar destination. It is important that staff know about any of these changes so that they know what can affect the products and services which they are selling. If the customers are not correctly informed about these important issues then this may lead to complaints for the company. The use of the Livewire system avoids complaints and means that staffs are able to advise their customers correctly about various changes which effect specific destinations.

Customers are the blood of the business and this will lead to more satisfied customers which can lead to repeat business for the My Travel Company.

Livewire is flexible, efficient and also saves money and times as it replaces the previous paper based system which was thick, expensive and easily disorganised. As the Livewire system is harmonised with the My Travel booking system named Travel Cat, it is much easier for staff to do their jobs. This will increase both staff satisfaction and job satisfaction. When workers are satisfied it means that they will be much happier and will work much harder, which can lead to them making more sales than they used to which will bring in more revenue for the My Travel company.

In order for staff to use the livewire system correctly they need to possess and develop the appropriate technical skills. In order for staff to use Livewire they need to be able to use the computer as a machine, to be computer literate and also to have enough knowledge of the computer programme itself. Staffs also need to have good levels of product knowledge, for example geographical and destination knowledge in order to be able to understand the relevance of the messages in which they are receiving on a daily basis so that staff can be sure that they are distributing the correct information to customers at all times. Staff also need to be able to recognise the meaning of the messages in which they receive in order to determine whether the message will actually effect their sales or not. For example some messages may only be relevant to one department e.g. the cruise department. Staffs needs to be aware of any change which can effect business and staff also need to know where they can find all of this relevant information.

It is vital that all members of the My Travel staff have the correct technical skill and knowledge to be able to make correct and efficient use of the Livewire system because without the use of this system the business cannot run properly. If the business isn't running properly then this turns My Travel in to an unsuccessful organisation.

The only identifiable disadvantage of the livewire system is that as it is completely computer based is the system goes down, if there is a power cut or the computer crashes then there is no way for the staff to access this system. It means that My Travel will loose precious customers and business as they will not be able to read their e-mail messages or communicate effectively with each other. This could lead to customer complaints and loss of revenue for My Travel. If customers are not able to book with My Travel due to a computer crash then they will go elsewhere and My Travel may loose that customer forever.

My travel external communication systems

As well as Livewire (My Travels internal communication system) My Travel also have their own external communication system named Travel Cat. Travel Cat is an integrated leisure/travel agency with an integrated selling system. Travel Cat is a true online centralised system solution which is proven and scalable. It offers fully integrated, front and back office capabilities giving fast entry of enquiry and booking information, and centralised management controls.

Travel cat is generated through a Global Distribution System (GDS). A global distribution System is basically a huge server. Millions of computer reservation systems (CRS) are connected through the GDS and Travel Cat is one of these many computer reservation systems. Travel Cat is used by every single department within My Travel for example, the finance department, the customer service department and the management and is not only used to make bookings. Travel Cat is also used by all of the distribution channels of My Travel which are their websites, TV, their call centres (holiday line) and their high street travel agency stores (Going Places.)

When staff first log on to Travel Cat each day in which they use it, the first screen which will appear includes a list of functions for the staff members to choose from. These functions include: Enquiries, booking, supplier access and carousel, daily banking and reports, diary, letter production and other functions.

From the list of functions which I have stated above, as the title enquirey would suggest, Travel Cat can be used as a form of search engine. Staff can type their queries quickly in to the system and instantly be provided with sensible answers. For example is a customer wants to find a quiet hotel in Majorca and the sales assistant isn't really shore then they can input it in to Travel Cat and instantly receive a list of options for the customer to choose from.

Travel Cat is also an important system for the marketing department. Members of the marketing department can use Travel Cat to find out previous statistics for example how many people travelled to Majorca last year with My Travel and what sort of accommodation did they opt for. Using Travel Cat to find this information can help the marketing department to establish what the majority of My Travels customers are usually after. This can help the marketing department to establish what customer groups they should aim for in the next year and put together more popular holidays for this target market.

As Travel Cat is a computer reservation system it can obviously be used for making customer reservations and bookings. Every single customer has their own unique booking reference number. Travel Cat has 10 stages to its booking procedure. The first stage of the booking procedure is the customer information screen where all of a customer's specific needs and requests are input in to the computer in order to find suitable holidays which this specific customer will be happy with. Next the passenger details screen will appear this screen will include things like contact numbers, passport information and the medical details of the customer. Once all of the personal details have been completed all of the appropriate travel information must be entered in to the travel cat system. These travel details include things like product codes and accommodation requests e.g. ground floor or sea view apartments. After the customer needs screen and passenger information screen the remaining screens will require information on ancillary services, insurance, costing details, listing of holidays and deposits, payment information and the final booking with checklist information.

My Travel staff can also look up booking details which have already been made for each customer, this can be used for things like making alterations to a passenger booking or viewing customers previous holidays which they have booked in the past with My Travel in order to research the customer history. When viewing the customer booking screen staff can see the personal information which has been required from the customer including things such as, their name, address and contact numbers. This screen also contains many codes which must be learnt by the staff. For example HOL means holiday reference number and SC means self-catering. Learning these codes is an important technical skill for the My Travel staff. The booking screen will also show information about the name of the accommodation and resort. This screen allows the staff at My Travel to view every detail of the arrangements made for a customer holiday in the past.

In order for the staff at My Travel to use the Travel Cat system correctly they must possess certain technical skills such as product knowledge and ICT skills. Staff must also have a good knowledge of the Travel Cat system. Staff also need to learn and be able to understand the various pages which can be presented by the system and what they mean or in the case of making a booking, what information the system requires from the customer in order to make a successful booking. Staff also need to possess other technical skills in order for them to use the travel cat system correctly. These include; airport codes, accommodation codes and the phonetic alphabet.

My Travel PLC provides a training programme of three months for every member of sales staff in which they will also be paid. During this training period staff will learn all of the skills which I have already mentioned and more such as supplier codes, time management, target setting and discount codes. All of these technical skills will ensure that sales staff are aware of the correct way in which to use the travel cat software. This means that no time will be wasted when making bookings meaning that a higher number of sales can be made which creates a higher level of commission for the sales staff and a better reputation for the company.

When staff are undergoing their three month training period they will also learn computer payment skills. Payment perhaps the most important part of a sale as if there is no payment then there is no profit for the company. It is essential that staff know how to make payments with every kind of credit or bank card correctly in order to complete a sale. Staff must also learn how to make bookings and payments over the phone and the various codes which are needed in order to do this correctly. All of these skills are absolutely vital for the staff at My Travel because bookings on the computer system are also used by other areas of the organisation such as the finance department and the customer service department.

If staff at My Travel did not have the relevant technical skills in order for them to use Travel Cat and Livewire then the My Travel daily business operation would not be able to run smoothly. Incorrect use of these systems would lead to many mistakes being made, for example the wrong hotel, or holiday dates being booked for a customer. Mistakes like this taking place will lead to customer dissatisfaction. If customers are dissatisfied then

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they are likely to make complaints. This will give My Travel a bad reputation and can cause a loss of repeat business for the organisation. This may also mean more expenses for My Travel. For example, staff may need to be retrained in using the internal and external communication systems correctly. If mistakes are made then compensation may also be required for customers and this costs the organisation money.

Selling Skills:

When working in the travel and tourism industry there are many instances when the action of sales will take place. Some examples of these are a travel agent selling a holiday to a client, an overseas representative selling tickets for a daytime excursion, airline staff selling drinks and perfumes (in flight goods) to a passenger during the course of a flight or a tour operator call centre

When working as a sales assistant for My Travel there are not only technical skills which must be learnt but there are also many selling skills in which sales assistants must acquire in order to carry out their job roles successfully, in order to make a sale and to satisfy all of their customers.

When working as a sales assistant for My Travel there are four main sales objectives. The first one is that the majority of organisations working within the travel and tourism industry operate in the private sector so selling should be geared towards meeting customer objectives. The second important sales objective is to make a sale and this is the prime objective of selling. The third sales objective is that personal selling is an essential component of the marketing process and should also be seen as a continuous process that can help to cement a customer relationship, build up customer loyalty and provide lasting benefits for an organisation such as a good reputation and repeat business. The fourth sales objective is that selling involves communication between the buyer and the seller in order for the seller to be able to identify and match customer needs.

There are two main attributes of a good sales assistant. These are product knowledge, company knowledge and industry history. Product knowledge is very important. My travel sales staff need to know about all of the products and services which we are selling, it is important that a sales assistant can identify the unique selling point (USP) of the products in which they are selling. It is important that they sales staff know about the benefits and features of the product and also any promotions in order to sell comprehensively and competently across the whole range.

It is important that the My Travel sales staff have enough product knowledge for them to be able to ensure that all of the information which they are giving to their customers is 100% correct because every sales assistant is representing the company and good levels of product knowledge create the image that My Travel is a professional organisation and can increase the positive reputation for the company.

Competition is increasing in the travel and tourism industry therefore My Travel should be aiming towards providing a unique service for their customers and also providing excellent levels of customer care because all of this is part of the selling process which can lead to all of My Travels aims being met and making them a successful business.

It is also important that the My Travel sales staff have good levels of company knowledge. Their sales assistants should be aware of the trading history. Secondly they should know about the current reputation of the company and their current place in the market. Thirdly, the sales staff at My Travel should also be aware of all of the added extras, which the company is able to provide for its customers in order to keep all of their customers satisfied. It is important that staff know this in order to help them to sell a complete package.

The third thing that is really important is that sales assistants for My Travel also have good knowledge of the travel industry as a whole. They need to be aware of the market, competitors, pricing policies and market threats. Having good industry knowledge will also help to create an image of professionalism for My Travel. It will also help to present an image of someone who cares about his/her business and who understands the requirements of the customer.

However knowledge is not always enough. It is also important that staff create their own personal selling skills. People must create their own unique selling style which can also harmonise itself with the aims of the company. Selling is a continuous process and its important that staff create a rapport with their customers, there needs to be a cement relationship between the buyer and the My Travel seller. Building up loyalty will provide lasting benefits for My Travel such as repeat business and more commission for the staff. Establishing the needs of the customer is essential when wanting to make a successful sale and this can be done by asking open and appropriate questions. If a My Travel sales assistant successfully completes a sale and satisfies a customer then this can lead to this customer coming back again for repeat business and this customer may also tell people about the excellent service through word of mouth. This is almost like My Travel marketing itself to the public without even spending any money, promoting the business at no added cost. In order to achieve even more happily satisfied customers sales staff also must be able to distinguish between the different customer types and their different customer needs. For example families, couples and elderly people may not all want the same kinds of things. Once staff have identified their customer group and the needs of this specific customer they can offer only the relevant products and services.

When wanting to make as many sales as possible switch selling can prove to be a very useful skill for any member of sales staff working for My Travel. This means that if staff are unable to match the customer needs for whatever reason then they can offer a similar product instead and highlight the unique selling point and benefits of this product to make it sound more appealing. For example if a customer wants to stay in a specific hotel in a specific resort at a specific time but the hotel is fully booked for the next month then sales staff can offer a similar product instead. Customers will appreciate the staff help

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and have a better chance of still being satisfied instead of simply leaving empty handed. This also means that My Travel don't miss out on a sale and the profit of a sale. Additional products and services can also be offered to customers during switch selling to try and provide the customer with everything they need for the perfect holiday and can also boost the profits for My Travel.

Sales staff for My Travel is also set personal targets. My Travel will provide a daily target, weekly target and monthly target for each member of their sales staff. Sales staff must do their very best to meet the series of targets which they are given. When staff do meet their targets they are rewarded. This gives the employees a strong incentive to do their very best in order to receive their reward.

The reward, which the employees receive, comes in the form of commission. When My Travel sales staff is paid their wages they will receive their basic original salary plus any commission, which they make as well. This is an incentive, which is likely to improve employee performance creating more successful sales. An example of this commission is that if a member of staff sells 25 holidays in one day then in their wages as well as their basic salary they will also receive 7% of the holiday price as well. This can boost staff wages and really make a significant different to their levels of income. Receive Setting targets is a good way to encourage staff to sell more products and also to achieve business targets as well.

If the sales agents at My Travel do not possess the relevant selling skills then this can lead to many problems for the organisation. A lack of selling skills reduces the probability of sales being made to customers. This means a loss of profit for My Travel. The less sales are made to customers, the less profit My Travel will make. If sales agents at My Travel do not possess the relevant selling skills then this can also lead to customer dissatisfaction, which will give My Travel a bad reputation as customers will tell their friends and family of their disappointment which they were provided by My Travel. This will lead to a loss of repeat business and also bad publicity through word of mouth, meaning that potential customers will, in future choose to book their holidays with another tour operator.

Key area 3: Administration systems

Administration systems are concerned with the collection, storage and distribution of information. Administration systems are very important on a day to day bases and also when dealing with situations which do not always occur every day as part of a routine. Administration systems are used to support routine task such as dealing with customer enquiries and recording payments including credit card and cash transactions. Administration systems are also important when dealing with non routine tasks such as the reporting of staff or customer accidents, emergencies, and producing information which is only needed occasionally and not on a day to day basis.

The four main areas of administrative activity within the travel and tourism industry are finance, which involves things like sending out invoices, paying bills and paying wages. Human resources which involve paperwork on things like recruiting staff, admin.on

holiday or sick leave. Customer service, which involves things like customer complaints, and receiving customer opinions by carrying out after sales service. Quality assurance is the last of the four main areas which involves the monitoring of company and staff standards in order to find out how well the company is doing and whether the standards are acceptable.

However all of the main four areas often tend to overlap each other. For example a manager for a reception facility might use all four types. For example they may use finance for keeping summaries of the money received, human resources for keeping staff time sheets, customer service for training staff in customer relations and quality assurance for carrying out customer surveys.

As I have already mentioned administration systems can be used to support both routine and non-routine tasks. An example of a routine task for a My Travel holiday representative would be a daily report including the number of customer excursions and customer payments which will go straight to the head office. An example of a non-routine task for a My Travel holiday representative would be dealing with customer accidents, complaints and lost luggage. Again all of this information must be recorded and is sent straight to the head office.

The customer reservation system Travel Cat which is used at My Travel PLC provides every single aspect which My Travel currently need from the administration system, not just for making bookings but also for things like finance, ticketing, wages and human resources. Travel Cat as well as providing the four main areas of administration activity also produces a range of documents, examples being receipts and vouchers. It also produces a number of reports such as cash flow, turnover and even on clerks' sales performance.

Travel Cat is the Administration system which My Travel uses in order to support their routine tasks and their non-routine tasks. An example of a routine task for a sales assistant at My Travel could be dealing with customer enquiries, recording cash transactions and inputting customer details in to the computer. An example of a non-routine task for a sales assistant at My Travel could be dealing with a customer who wishes to make a cancellation. If a customer does not choose to book a holiday or wishes to cancel a holiday booking with My Travel then them member of staff who served this customer may need to undergo further training.

Travel Cat provides many benefits for My Travel for example it saves stationary costs because information which is input in to the travel cat system will be saved and this information can then be viewed by staff at anytime that they wish to see it. Field entry boxes are also a feature of the travel cat system. These field entry boxes can save staff time when they want to find previous customer booking details. Travel cat as an administration system can also save time as abbreviations of words can be entered in to the system and the system will still understand the information. For example LHR stands for London Heathrow and this airport code can be put in to the system to save time.

Another example is SS stands for summer sun and this is one of the types of holiday which My Travel offers its customers.

Although the majority of the administration within the My Travel business operation is technologically based, for example the Travel Cat system, some of the administration which takes place at My Travel is still paper based. An example of the paper based administration at My Travel is the taking of notes. For example during the selling process, whilst sales agents are establishing customer needs, sales agents are required to take notes on paper of what the customer wants, for example accommodation type and desired destinations. This information can then be put in to the computer in order to carry out a detailed search. This means that sales agents must have neat and tidy hand writing in order to ensure that they can read back what they have written and carry out the computer search. If sales agents read their handwriting incorrectly then this may cause them to enter information incorrectly in to the computer, which could lead to mistakes being made. If mistakes are made then this will lead to customer dissatisfaction, resulting in a loss of repeat business and a loss of profit for My Travel.

Key area 4: Budgeting and cash flow

What is a budget? Budgets are estimates of the income and expenditure of a business or of a part of a business over a time period, which is most commonly six months to a year. The income of My Travel is all of the money which they make from selling their products and services to customers. The My Travel expenditure is all of the money which is going out of the company to pay for its expenses for example electricity bills and paying staff wages. Budgeting is really important for My Travel. It is a plan which can help them to see their profitability. A budget is only a prediction in to what My Travel hopes will happen because budgets are not actual, and changes can occur throughout the year. For example, My Travel may use a budget to predict that their overall expenditure for 2008 will be 100,000 but it may turn out to be £8500,000.

There are different types of budgets. The first type is a flexible budget. Flexible budgets are budgets that take in to account changing business conditions for example natural disasters or expanding businesses. A flexible budget is the best type of budget for My Travel because the travel industry is constantly changing and there are things happening everyday, all over the world for example terrorist attacks and changes in the weather which can affect My Travel. This is why the managers at My Travel should always have a contingency plan. This is when the managers are planning for unpredictable situations so that hopefully My Travel will be able to better cope with this issues should they arise. The second type of budget is an operating budget and these are based on the daily expenses of a business for example staff training expenses. Objectives based budgets are budgets driven by objectives set by the firm. And finally, capital budgets are plans of the relationship between capital spending and liquidity (cash) in the business.

It is very important that the managers at My Travel keep a very close eye on their budgets and cash flow. This is due to the fact that in order for My Travel to get themselves back on their feet ready for them to merge with Thomas Cook in order for them to become My Travel PLC My Travel were required to borrow incredible amounts of money, 50 million pounds to be exact from the bank in the form of loans. Now My Travel must try their best to make as much profit as possible because now they are paying back to the bank all of the money which they borrowed. Its important that My Travel have a carefully thought out budget in order for them to make sure that they do not over spend and to make sure that they have enough money to pay back all of their loans whilst making a profit at the same time.

Managers at My Travel must keep an eye on the budget because it allows goal setting and target setting for the company it also helps the company to plan for the future. It is also possible for the managers to monitor the budgets, checking the budgets against the reality of what's actually happening. The success of the budgets set are shown in regular financial reports so that the My Travel managers can keep track of what is going on.

Looking at the financial report from 2005 the profit loss was £17.4 million and in 2006 the total profit was 43.8 million. This incredible change took place in only one year. The profit loss in 2005 was due to the fact that My Travel was trying to increase their market status and aiming to become more recognised under the name of My Travel PLC. This name change made the customers more apprehensive hence why My Travel made a large profit loss in 2005.

If My Travel didn't care about their budget and didn't monitor it correctly and regularly then My Travel would simply cease to operate because they would not actually know if they were in profit or in loss. If My Travel began to overspend then they wouldn't be able to pay staff wages, operate flights or even to do such simple things as buy stationary supplies for the staff to use. A lack of budgeting would lead to My Travel becoming unstable financially and mean that they would become financially insecure. If budgets are not set correctly then there will be insecurities.

not travel and tourism is vulnerable

My Travel is a very sensitive company because of all of the changes which are constantly happening within the travel and tourism industry for example changes in climate, terrorism and market change. Unpredictable situations can effect the daily operation of the organisation. For example in the 1950s people were looking to pay for domestic holidays such as British people travelling to a British seaside resort for a week. But now in the year 2007 people want specific holidays for example summer sun holidays in the caribbean or skiing trips to Australia. For My Travel there are also many threats to the changes in their prices which can be due to political situations. For example the war in Iraq may effect the price of flights to this destination, the passenger count will become very low and this makes the amount of money which the company My Travel can make can become more limited.

Budgets give the management of My Travel an opportunity to gain more control over the expenditures of the company. It also allows the managers to become more aware of the

extent of their responsibilities. For example if the annual report shows that there is overspending in any department within the entire organisation then the manager will be the one who has to act on it.

Cash flow is the flow of money in and out of a business. Cash flow should be regarded as the life blood of any organisation. Without it, like with budgets a company will cease to operate. It is the single biggest factor in the failure of new organisations. Cash flow is a prediction of income and expenditure over a period of time. It allows a company to plan and identify any shortfalls or problems it may have. It is important for My Travel to prepare a cash flow forecast statement so that they can correctly identify times of cash shortage, support applications for funding, enhance the planning process and also monitor their cash flow.

In order for My Travel to calculate their net cash flow they take the total revenue, which is the total amount of cash flowing in to the business, then look at the total expenses which are the total amount that My Travel is spending, meaning all of the money that is being paid out by the company. My Travel will then get the net cash flow by taking the total expenses figure away from the total revenue figure. This will lead to showing the profit or deficit.

A cash flow forecast will be made on the past experience of My Travel and their previous difficulties will also be considered so that they can try to avoid the same mistakes and unfortunate financial events reoccurring in the future. The forecast will also depend on future economic and financial trends. If after the forecast a decrease in company profit occurs then My Travel will be forced to reduce their outgoings by cutting back in certain areas. If their profit loss becomes too great then they will have to take out another loan as they did in 2004.

If My Travel did not have a very well designed budget and a cash flow forecast due to poor management then the management will have a lack of control over My Travel's financial department. This is likely to lead to overspending and again result in financial difficulties for My Travel. It will lead to instabilities of the company and can end in deficit.

Key area 5: Electronic transactions

E-commerce (electronic transactions) is a business activity which is conducted through some electronic medium. This is becoming an increasingly popular method for businesses to be involved in and many businesses have already taken the opportunity of setting up a website as a means of establishing a presence electronically. The use of e-commerce can reduce spending costs for a company on things such as advertising. The use of e-commerce also gives a company the ability to reach even more customers all over the world. This is why when My Travel decided to expand in to e-commerce it was very important that they made sure that they were investing in a well designed website. It might be that this presence is merely to provide information to customers; it could be that this presence is part of the total presence of the business has. For example, My Travel

PLC has both high street travel agents named Going Places and also a method of purchasing online through their website (www.mytravel.com.) In other cases a business may only operate online. For example Easy jet doesn't have any retail outlets and so they operate strictly over the internet. Whatever form it takes an online presence and the opportunity to do business using technology is increasingly important especially as a business goes global as My Travel did when they merged with Tomas cook and became My Travel PLC.

An online presence includes the setting up and developing of a website for a business; this website is likely to have a variety of functions ranging from promoting the company, offering support and advice and also selling their products and services via e-commerce. If a business is thinking of expanding in to e-commerce there are a number of factors which should be considered. These include payment systems, security because the company needs to be sure that all of their information will be safe for example individual customer paying details must not be available for other website users to view, distribution methods, maintenance and updating of the sites customers because it is important that the site is updated very regularly in order to make sure that customers are receiving the correct information and for example aren't looking at offers which have already expired, after sales service and legal issues this could include the data protection act for example if a member of the public gets a customers credit card details from making payments on the site then the company could be in a lot of trouble legally.

There are various types of e-commerce. The first of which is referred to as B2C which stands for Business To Customer. B2B refers to business engaged in servicing customer demand directly, this can done through an internet presence. My travel provides e-commerce in the form of B2C through their internet presence, through their website.

Another form of e-commerce is called B2B. This stands for business to business. This form of e-commerce refers to businesses who serve other businesses. These could include suppliers of machinery, equipment, spare parts and other services such as payroll, insurance, banking services and maintenance. My Travel PLC do not provide e-commerce in the form of B2B as they do not provide supplies and or services for other business. My Travel focus only on the demands and the needs of their customers.

Another form of e-commerce is called Clicks and Mortar. A business which uses e-commerce in the form of clicks and mortar could be described as a business that might combine high street presence with an internet presence. However some companies for example amazon.co.uk or lastminute.com who are wholly dedicated to an online presence only. My Travel PLC as well as providing e-commerce in the form of B2C also provides e-commerce in the form of clicks and mortar. This is due to the fact that My Travel combines both a high street presence in the form of travel agencies named going places and also an internet presence. As I have already mentioned the My Travel online presence can be found under www.mytravel.com and has been extremely popular within recent years and continues with its success today due to its large number of advantages and benefits which it promotes.

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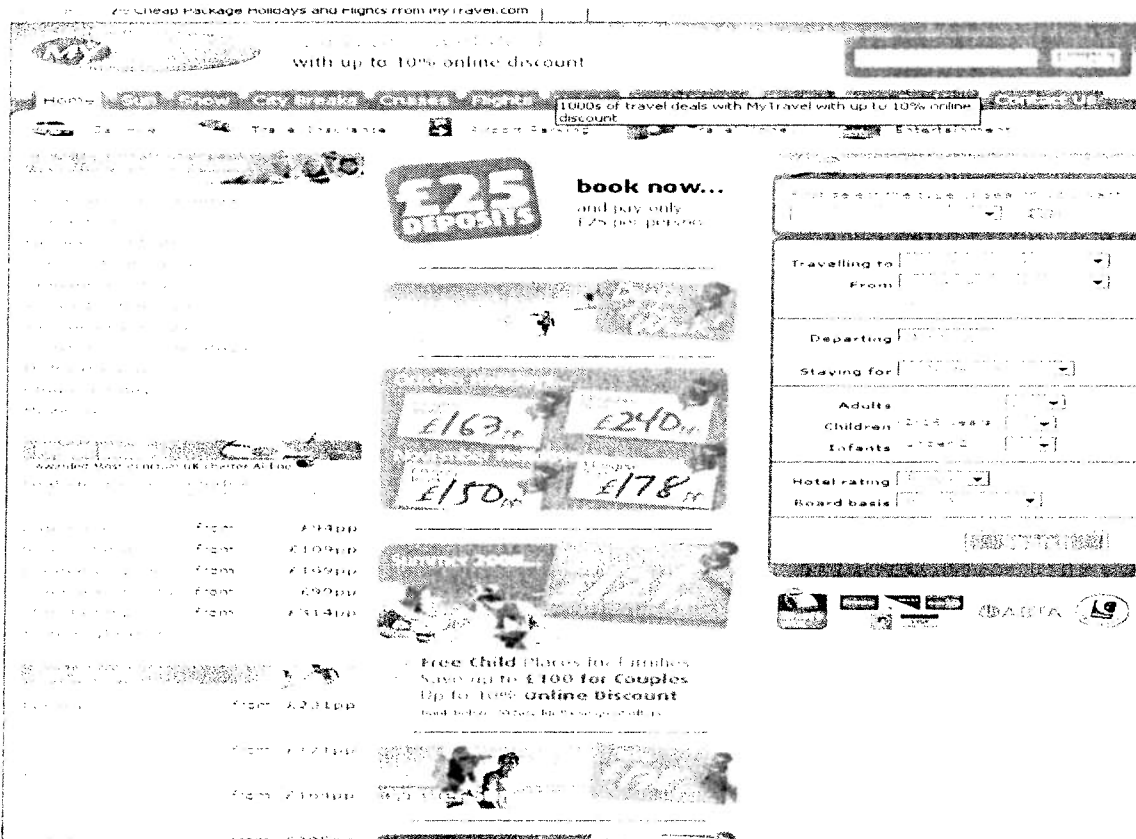
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The fact that My Travel has their own online presence (their website) makes their transmission of information to customers and their range of services that can be provided for their customers subsequently much greater. This can help a business to expand and has already helped My Travel to expand. For example when they merged with Thomas Cook and became a global organisation.

One disadvantage that can be caused by the My Travel website is that it means that it provides easily accessible information to competitors such as Thomson. Competitors can just look on the My Travel website and see how much My Travel are charging for certain holidays and what kind of special offers are available. The competition can then go away and make their prices even cheaper in order to try and gain the advantage over My Travel.

The My Travel website is very eye catching and therefore likely to catch the attention of their customers and keep them focussed. The logo colours for My Travel are blue and bright orange. The whole of the homepage fits with this orange and blue theme making it easy for customers to instantly know that this website belongs to My Travel. The My Travel logo is also at the top left of the screen and being bright orange was one of the first things on the homepage that my eyes were drawn to this being a worldwide recognisable logo. Below is a screenshot of the My Travel homepage. The whole of the website uses only one specific font which is clear and easy to read.



Straight down the centre of the homepage are some beautiful photographs of the beach and the ocean which definitely caught my attention straight away. Above these pictures is the title Deals Of The Week. This has purposely been put right in the middle of the page in terms of mainly beach holidays including winter sun, summer sun and also special holidays which in this case is Disneyland. This column is also illustrated with eye catching pictures in order for customers to see the cheapest prices and think that My Travel offers excellent deals. This will make customers more likely to book with My Travel.

To the middle left of the page is a section which is titled Flight Deals. The writing is in bright orange in order to try and catch the eye of the customers. Below is a list which is titled last minute deals. This title is also written in bright orange making it more eye catching. And at the top left of the homepage there is a section titled top ten destinations, also written in bright orange. This can allow customers to find out where the most popular destinations are and can also be a faster way of looking up holidays.

All of these flight, holiday and last minute deals and also the top ten destinations sections have further links in order for customers to gain a wider range of information regarding the offers. For example a group of special offers which are promoted on the homepage of the website www.mytravel.com is as follows:

Summer 2008 from only £121 per person

In order to gain information on this particular category of deals customers must click on the link which locates them to a series of options available regarding the summer sun holidays. For example it gives me more information on early booking offers and what's included in the price, it also gives me a list of top deals to all different destinations, the dates, the prices, the departure and arrival airports and the holiday durations. In order to find further information on these holidays' customers can click a holiday from the list which will be hyperlinked. When customers do this they will then find information on different hotels includes their board type and the hotel rating. Clicking on the name of the hotel will also bring up more information about the specific destination for example when I clicked on the link Costa Brava Santa Susana I was able to gain information such as the time difference, general attractions to the destination and was also able to view a series of photographs which made it possible to get a better idea of what the destination looks like.

Also available on the homepage of the My Travel website is a booking form which customers are able to fill in order for them to check things like the availability and pricing of which ever destination or hotel which they desire. This booking form consists of questions like the type of search required e.g. Accommodation only, flights only, sun holidays, city breaks etc, the date of departure, the duration of the holiday, the number of travellers and the desired accommodation rating.

Along the top of the My Travel homepage is a list of other links to different pages including, sun, snow, city breaks, cruises, flights, hotels, last minute, car hire, travel insurance, airport parking, travel money and entertainment which will also provide customers with extra information. When customers click on the sun, snow, city breaks, cruises flights and last minute deals each hyperlink page will include an enquiry form for customers to fill in and find the availability and total prices for the kinds of holidays which they have asked for.

The My Travel homepage also has a very useful link which can provide for customers a very useful destination guide. This destination guide will provide customers with information on any of the hundreds of destinations which My Travel offer holidays to. Each of these destinations have hyperlinks which will when clicked on will bring up information for customers on each specific destination including information such as the flight time from the UK, the time difference from the UK, currency information and attractions within the specific destinations. This travel guide is very important because it can provide for customers a list of every destination which they can visit when travelling with My Travel. This list may encourage customers to travel to different destinations and make them more likely to want to fly with My Travel because they are so spoilt for choice.

Once customers have decided on a destination that they would really like to travel to or have just found the perfect hotel for them they are then able to begin the My Travel online booking process. I think that this booking process is very simple. Once customers

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have found the holiday which they desire they can then click on the 'get quote' link. This will provide customers with a price breakdown of the holiday in which they have chosen including the price of each of the departure and return flights separately the price of the taxes, the accommodation price etc and also the total price of the holiday over all per person. This page also allows customers to book some ancillary services such as travel insurance. If a customer still wants to go ahead with the booking once the price has been broken down then they can now fill in the booking form. This booking form requires information of each of the customers who are travelling, including details on the lead passenger who is the only person who is actually allowed to make any changes to the booking.

On the My Travel website payments can be made by the following credit cards: Switch, Visa, Visa Delta, Solo, and MasterCard. We do not accept Electron and American Express (AMEX). When booking a holiday via the My Travel website customers will instantly receive a 10% discount although it is mentioned on the website that when paying by credit card there is a credit card transaction charge of 2.5% of all holidays booked online.

A very important link on the My Travel website is named FAQ's this stands for 'frequently asked questions'. This can be useful for many customers and I have found it a very useful function to use on different websites in the past. This is because sometimes customers want to ask a question but are not sure how to word it in a way that the website will understand. If the site doesn't understand the question then the site obviously can't give the correct answer to the customer. When clicking on the FAQ's link a list of questions will appear on the screen which is asked the most by customers and all of these questions have already been answered for you. It can be very likely that one of these questions is one that the customer was looking for, now the customer can receive a fast and straight forward answer.

In conclusion I think that the new and improved My Travel PLC website is a very good one. In my opinion when searching around the website for various pieces of information I have found that there are many useful links available and many of these links can save much time for customers. I found the booking process to be very straight forward and think that the FAQ'S link could also be a handy time saving tool for many customers all over the world. I also think that the My Travel website is very attractive with its use of bright colours and beautiful beach images. So overall I think that the My Travel PLC website is one of the best information and booking websites' which I have come across.

Although the My Travel website has proved to be very well developed and secure, it is still possible for problems to occur. For example, although the website is fantastic, there may still be huge amounts of customers who would still prefer the face to face contact with sales agents when booking their holidays. This is why My Travel must ensure that they continue providing high street travel shops, in order to cater for everybody. For example some customer may not be very computer literate or would prefer not to book online. If My Travel do not provide high street travel shops in addition to the website,

then the organisation will lose customers. This would mean a loss of business for My Travel.

Although the My Travel website is being used by customers wanting to book holidays, the website can also be viewed by competitors such as First Choice and Thomson. This could prove to be a problem for My Travel because it allows competitors to see what it is that My Travel are offering their customers, once the competitors have seen this, they can then attempt to offer their customers even better offers exceeding the offers of My Travel. This means that competitors may begin to gain more customers meaning a loss of business for My Travel.

Because of the increase of the amounts of customers booking holidays online with My Travel, the numbers of customers ringing the call centres has increased. If a customer rings the My Travel call centre for booking advice, whilst booking a holiday over the Internet, this means that the staff in the call centre must have many skills. They must possess the correct technical skills in order to be able to navigate around the website and they must also have product knowledge in order to advise customers. If these members of staff do not possess these skills then this could lead to the dissatisfaction of customers. Dissatisfied customers can lead to more complaints and a loss of business for My Travel and this can have a negative impact on the business operation.

Unit 12
Business Operations

An account of how these examples interact at My Travel PLC. To solve specific problems, issues or work-related situations.

For this second part of my assignment I aim to discuss how each of the five key areas which I have written about in A01 interact with each other. These include technical skills, selling skills, administration systems, costs and budgeting and finally electronic transactions. I aim to demonstrate in detail how the correct use of each of the above five areas can help to solve work related problems and work related situations throughout the whole of the My Travel organisation. In order to do this I have already been provided with a very common scenario which could happen often in relation to the daily operation of the My Travel organisation. I am going to explain how the correct use of each of the five key areas can solve the problem which I have been assigned. The problem which I have been assigned is written below:

A different hotel has been booked for a customer; the customer did not request this hotel in the original booking.

Key area 1 - Technical skills

As I have said before the human workforce is the most important resource for any business when aiming for success in the travel and tourism industry. A technical skill is something that a member of staff must learn and perfect in order for them to carry out their job role correctly. The phrase 'technical skills' could be defined as: a skill which a person is not necessarily born with but a skill which must be taught and practiced in order to use that skill to the best of its potential. Technical skills are important for the My Travel business operation for many reasons.

In order to prevent any problems or mistakes taking place in relation to the daily operation of the My Travel organisation technical skills have proved to be a very important component. Technical skills are the most important component of the My Travel Staff. This is why My Travel invests a lot of money in their training programme. The sales staff training programme lasts three months, trainees will be paid for this training and every member of staff will receive exactly the same training. This is why the training programme is so important. Staff at My Travel must complete all of their required training in order to make sure that they can be the best sales assistants possible and always deliver first class customer service.

Technical skills are important for the My Travel business operation for many reasons. Technical skills are the main thing that will make a sale possible, without them staff will not be able to complete a successful sale. For example sales staff at My Travel must be able to use the internal communication system (Livewire) and the external communication system (Travel Cat). Being able to use both of these systems correctly is an important technical skill which staff must possess in order to carry out both their routine daily tasks such as making bookings and carrying out payment transactions.

In order for the sales staff at My Travel to make a sale possible they will need to possess many technical skills including a good knowledge and understanding of the internal and external communication systems at My Travel which are called Livewire and Travel Cat. This is important because if sales staff don't understand how to use these systems correctly then they will not be able to make a booking for a customer or use the system to search for information for their customers, communicate with other staff in other departments or receive important e-mails which will effect the products which they are trying to sell. So basically if staff at My Travel are unable to use the Livewire and Travel Cat systems then no sales will be made and the company will simply cease to exist.

Another important technical skill which sales staff at My Travel must acquire is an excellent understanding of each of the My Travel abbreviations. These abbreviations are used in order to simplify the computer reservation systems and administration systems. When staff are using the Travel Cat external communication system to make a booking for a customer, if they don't understand the appropriate abbreviations then they will not understand the booking screens. Some of these abbreviations include airport codes for example London Heathrow will be written as LHR, and half board will be written as HB. If staff don't understand each of the different abbreviations then they will not be able to make a correct booking for a customer.

Within the My Travel group PLC it is also important that all of their sales staff have excellent product knowledge. It is vital that sales staff is aware of information on all of the products and services which they are selling. For example it is also important that staff also know about each of the products which they can offer to customers for example package holidays, flights and ancillary services. If staff has good product knowledge then this will help to make customers trust in My Travel because their staff know what they are talking about. This can help to increase customer satisfaction and will also present a professional image of the company.

As I have mentioned previously in my first assignment named AO1 the My Travel organisation has not just one method of distribution channel but a number of different distribution channels. One of these distribution channels is known as Holiday Line in which sales are made over the telephone. Sales staff at My Travel who work on the holiday line must possess another very important technical skill, appropriate telephone manner. An appropriate telephone manner is very important because it insures that all information is expressed correctly and heard correctly by customers. Having an appropriate telephone manner means talking at a steady pace and with a clear tone. This will reduce the number of mistakes which can be made and can therefore reduce the number of complaints for My Travel.

When working for either the My Travel Holiday Line or the Going Places high street stores sales staff must also be able to use the telephone correctly. For example when customers have a complaint they tend to call the landline of the branch in which they booked their holiday or the Holiday Line. However these sales staff working in these departments are not inclined to deal with complaints. This means that sales staff must put customers through to the customer service department. If staff are unable to do this then customers will be very dissatisfied because they will be unable to make their complaints heard. This will provide a very unprofessional image for the company and also result in a loss of repeat business.

A lack of technical skills can occur regularly within many organisations for a number of different reasons for example a lack of training. A lack of technical skills can often occur throughout the staff working for My Travel as well. One mistake that can occur due to the staff at My Travel lacking in technical skills is an incorrect booking being made and this is the scenario which I was given at the beginning of the assignment. The exact scenario was 'A different hotel has been booked for a customer; the customer did not request this hotel in the original booking.'

There are a number of conclusions as to why this incorrect hotel booking may have taken place. Firstly it would be very possible that the member of staff at My Travel who made the incorrect hotel booking simply didn't understand the abbreviations on the computer reservation system named Travel Cat. If staff don't understand all of the abbreviations then they might have entered an abbreviation incorrectly for example when a customer requests a sea view apartment which would be abbreviated to SV, but the member of staff didn't understand the abbreviations so they put PV which means pool view instead.

Listening skills are another very important technical skill which the My Travel staff must possess in order for them to carry out their job role successfully. If the staffs weren't listening to the customer properly then they will not be able to correctly establish the customer needs meaning that a mistake may occur during the booking process for example resulting in the wrong hotel name being input in to the computer Travel Cat system by staff, ultimately meaning that the wrong hotel will be booked for the customer.

In order to ensure that staff at My Travel do possess all of the relevant technical skills in order to carry out their job roles successfully, I have a few suggestions as to what the management could be doing in order to improve their training and to prevent mistakes from being made, for example, the wrong hotel being booked for a customer. I think that it would be a very good idea for the staff at My Travel to be tested more frequently during the training programme. For example once each section of the training programme has been delivered to staff, for example technical skills, each member of staff should be tested, to ensure that they have gained all of the correct knowledge. I also think that staff performance should be monitored. For example qualified staff should be monitored regularly to ensure that they are still performing to the best of their abilities. I suggest that this could be done by management sending mystery shoppers in to the travel agency. Staff will not know that the customers are in fact monitoring their performance, and this is why mystery shoppers are an excellent way of checking the levels of skills which staff possess. Staff can then be informed of their weaknesses and will have the opportunity to improve. I also think that staff who lack in technical skills must receive further training as this will increase sales and therefore mean more profit for My Travel.

Key area 2 - Selling skills

As I have already mentioned in my A01 assignment My Travel PLC are a private sector organisation, which, like all private sector organisations is geared towards meeting customer objectives and the most important sales objective is to make a sale. Making a sale is the prime objective of selling. According to the Holiday line

information books the three main attributes of a good sales person are product knowledge, company knowledge and industry knowledge.

Selling skills are one of the most portent aspects involved with each of the My Travel distribution channels. The Going Places, high street travel agency stores which are located in many various destinations is an example of one of My Travels distribution channels. Another example is the My Travel call centre named Holiday Line: sales are also made over the internet. Many products and services are sold through these various distribution channels such as package holidays and ancillary services.

Selling is an important process within the daily business operation of the My Travel PLC. As I have already mentioned product knowledge is one of the most important attributes of a good sales person and is vital when sales staff at My Travel are trying to make a sale. Without good levels of product knowledge it would be nearly impossible for the sales staff to make a sale. Product knowledge is an important aspect throughout the selling process because it means that once staff know what the customer wants from their holiday then staff will know which destinations, resorts, hotels etc to offer which should satisfy the customer as much as possible meaning that the customer will be more likely to purchase a holiday with My Travel. If sales staff at My Travel have good levels of product knowledge then this will result in more sales being made, which can result in an increase in the My Travel budget.

Another very important selling skill which I have talked about in my A01 assignment is a skill which is called switch selling. Switch selling is a very important selling skill because it means even if My Travel are unable to give a customer exactly what they asked for, for example the exact resort which they wanted to visit on an exact date then the My Travel sales staff can offer the customer something similar. Often the customer will purchase the alternative holiday.

The use of switch selling creates an interaction with the budgeting department. This is because the amount of times in which sales staff at My Travel use their switch selling skills will directly effect the budget. For example, if staff aren't properly trained and are not aware of how to make a switch sale then the companies budget is likely to be lowered because less sales are being made this means that the company wont make as much profit and therefore wont have as much money in the budget meaning that they may not have as much money to spend on things like advertising the company.

Similarly if the sales staff at My Travel regularly put their switch selling skills to good use meaning that they are selling very large amounts of holidays this will also have a direct effect on the budget. This is because of the fact that the more holidays which are sold, the more profit for the company meaning that My Travel then have more money available to spend on things like advertising and this also means that it may be possible for My Travel to offer more special offer holidays to their customers.

Selling is a continuous process. It is important that the sales staff at My Travel build up a rapport with each of their customers. This rapport can then help both the customer and the sales person to feel more relaxed and confident. This will also create an element of trust between the customer and the sales person. It is important that the

sales staff ask their customers open and relevant questions in order for them to be able to establish the customer needs. For example asking the customer about their desired locations, type of accommodation and duration of stay. However in the case of this instance when mistakes have been made for example, the wrong hotel has been booked for a customer, it is likely that a rapport was not correctly established between the sales agent and the customer. It is possible that the sales agent did not ask the customer the correct questions and did not correctly establish the customer needs. If a rapport has not been established between the sales agent and the customer then it is unlikely that the customer needs will successfully be met. I suggest that sales agents at My Travel take their time when attempting to build rapport's with customers, as this may help both the customer and the sales agent to feel more relaxed.

Meeting the needs of the customer can create high levels of customer satisfaction, meaning that the My Travels will be likely to choose My Travel again when booking their next holiday, creating repeat business for the company. If a customer is satisfied with the service they may also tell people about it by word of mouth, this is a bonus because its like advertising for free. This can create lasting effects for the company such as customer loyalty and a great reputation.

As I have just mentioned it is very important for sales staff at my travel to establish a rapport with each of their customers in order to establish the needs of the customer. In many situations within businesses such as My Travel there have been many instances during the booking process in which customer needs are not being met. I am able to relate this with the original problem which I have been given: A wrong hotel has been booked for a customer, the customer did not request this hotel in the original booking.

As I have already said, it is vital for a member of sales staff at My Travel to identify the needs of each of their customers in order to offer a customer a holiday which they will be satisfied with. A wrong hotel booking could possibly have been made for a customer because the member of sales staff dealing with them was not asking the correct kinds of questions, the kinds of open and closed questions which are needed to be asked in order to correctly establish the needs of the customer, such as their desired duration of stay and their preferred locations. If the correct questions are not asked by the sales staff then it is possible that a wrong hotel could be booked for a customer.

When the continuous sales process of building a rapport with a customer and the process of establishing the needs of a customer it is very important that sales staff use their listening skills perfectly. If a member of sales staff at My Travel isn't listening carefully to the customer, then the sales staff will not be able to correctly establish and record (write down) the needs of the customer. Therefore this could result in a wrong hotel being booked for a customer.

When working as a member of sales staff for My Travel mistakes can often take place. For example the original problem which I was given: a wrong hotel was booked for a customer when the customer did not request this hotel in the original booking. If a mistake such as this does take place then this is likely to result in the dissatisfaction of customers. If a customer is not satisfied with the service which they have been provided by My Travel then they are likely to place a complaint. Complaints are something that really ought to be avoided by the staff working for any organisation. This is because often when a complaint is made by a customer, some

form of compensation may need to be offered for a customer in order to compensate for the inconvenience caused, for example free flights next time they book or free car hire. It is important that My Travel compensate their customers when a complaint is made because otherwise they may have lost the customer forever, and this way My Travel can show that they care about the customer and show their apologies.

It is important that sales staff try their best to carry out their job without making mistakes such as a wrong hotel being booked for a customer. This is because in the event of compensating customers who make complaints, this will cost the company money. The more complaints made, the more extra expenses for My Travel. This can affect both the administration of the business and the budgeting and cash flow of the company.

The budgeting and cash flow will be affected because it will alter the amount of money flowing in and out of the business. For example, more cash will be flowing out in order to compensate customers. The fact that there will be more cash flowing out of the business will create a lower profit level for My Travel and therefore lower the budget.

My Travels administration system is not only used to support routine tasks such as dealing with customer enquiries and recording money transactions but also to support non routine tasks such as dealing with customer complaints. The customer service department is one of the four key areas of an administration system and dealing with complaints takes up valuable time and money for the My Travel organisation.

Key area 3 Administration systems

As I have previously mentioned in my A01 assignment administration systems are concerned with the collection, storage and distribution of information. The My Travel administration system is used to support routine tasks which are carried out on a day to day basis for example recording payments and also for supporting non-routine tasks such as staff and customer accidents and emergencies. There are four main areas of administrative activity within the travel and tourism industry. These are finance, human resources, customer service and quality assurance. Although all of these four areas are very important, they can also very often overlap each other as their importance can be relevant within many different areas of the organisation.

Travel Cat is the name of the computer reservation system used at My Travel. The Travel Cat system provides every single aspect that My Travel currently need for their administration system. Travel Cat provides the relevant technology needed in order to support each of the four main areas of administrative activity. As I have already mentioned in key area one, being able to use the Travel Cat system correctly means that the staff at My Travel must possess many vital technical skills which they should have perfected during their training programme. These technical skills include things like learning the appropriate abbreviations which are used on the various screens such as the booking screen within the Travel Cat system such as SS stands for summer sun and HB stands for half board.

There have been many problems in previous years within the My Travel company, mainly due to the fact that their man administration system. Travel cat is such a complex system. One incident that could possibly occur during the use of the administration system is the scenario, which I have been provided. (a wrong hotel booking has been made for a customer.) This problem could occur due to an assortment of reasons. The first of which is simply that a member of staff when making a booking may have incorrectly input the booking information in to the Travel cat system. For example entering the incorrect hotel name. This kind of mistake could occur due to the staff having poor technical skills and if this is the case then staff may need retraining.

When members of sales staff at My Travel are entering a booking process with a customer, it is important for them to establish the customer needs. In order to do this, as I have already mentioned in key area 2, staff must ask open and appropriate questions. For example, number of passengers, and the desires duration of stay when the customer answers these questions it's important that staff write the answers down. Notes will be taken by staff through the use of pen and paper. This paper-based information must then be entered in to the computer administration system. However there is a chance that this information may be put in to the computer wrong. This could be due to the fact that the member of staff has poor handwriting and is unable to understand what they have written. This could also be because staff were not using their listening skills properly when they were taking their paper based notes based on what the customer said they wanted. If staff aren't listening to the customer carefully enough then they may record the wrong information.

An important technical skill which, every member of sales staff at My Travel must posses is the ability to understand and recall an assortment of codes, for example airport codes and accommodation codes. If the member of staff doesn't understand these codes correctly then this could cause them to enter the wrong code in to the computer administration system (Travel Cat). If a member of staff doesn't posses this important technical skill, then this may cause them to enter the wrong accommodation code in to the system, which may result in the wrong hotel being booked for a customer. If staffs do not posses the ability to recall these kinds of codes then they may need retraining.

If any mistakes do occur during the administration process, for example the wrong hotel being booked for a customer, then this is likely to result in complaints from the customer. This means that the customer service department will be affected. The customer service department deals with customer complaints with a synthetic approach. Dealing with customer complaints due to dissatisfied customers, can be a lengthy process, a letter of apology must be sent to the customers home. If a passenger returns from their holiday, in which the wrong hotel was booked for them, they may demand some kind of compensation. Giving out compensation to customers will ultimately affect the My Travel budgeting system, as it will lower the company's budget. And can result in a poor cash flow within the business.

Almost every customer complaint, which is made within the My Travel business operation, will effect the finance department. This is because within any organisation, the more customer complaints which are made, the more staff must be hired in order to deal with those complaints. Every new employee which is hired must go through

the training process, which is very expensive to run. These new members of staff must also be paid wages. When a customer places a complaint, My Travel must send a letter of apology to their homes, to try and regain customer satisfaction. This will therefore have an effect on the financial department and ultimately reduce profits. Therefore a larger budget is required in order to cover all expenses required to pay for employees working within the customer service department such as training costs, wages etc as well as covering all compensation costs.

Customer dissatisfaction and customer complaints are likely to have a large effect on the sales department within any organisation including the business operation of My Travel. In some cases is a customer was very dissatisfied with the service, which they have been provided for example the wrong hotel being booked for a customer they may decide to arrange for a court case to take place. This will result in a lot of bad publicity for the company and can ultimately reduce sales. Dissatisfied customers are also likely to tell their friends and family about their bad experience with the company through word of mouth, providing more bad promotion for the company. This will have an effect on the sales department and again, reduce profits for the company.

Finally, the last department which is likely to be effected by mistakes being made when using the computer administration (Travel Cat) for example the wrong hotel being booked for a customer is the quality standards department. It is important that every member of staff at My Travel is monitored in order to asses the strengths and weaknesses of each member of staff, ultimately to find out if anyone needs retraining.

Key area four: Budgeting and cash flow

As I have already explained in my A01 assignment, budgets are estimates of income and expenditure of a business or of part of a business over a period of time, which is most commonly six months to a year. The length of time can depend on the nature of the business. There are various different methods of budgeting. These are flexible budgeting, objective budgeting, operating budgets and capital budgets. A flexible budget is the best suitable budget for the My Travel business operation. This is because travel can be a very unpredictable industry and My Travel should always have a contingency plan.

Budgeting, if carried out correctly can be a very beneficial process as it can limited resources are used. Budgets can help a company to see how much of their profit they are able to spend within different departments throughout the company. Budgets can also help an organisation like My Travel, from overspending and therefore prevent the company getting in to trouble i.e. from becoming in debt or going bankrupt.

As I have already mentioned, there are many problems which can occur within the many businesses, including the My Travel business operation, due to poor technical skills, low levels of selling skills or because of the complexity of an administration system such as Travel Cat. One mistake which can be caused by each of these three things is the scenario which I was provided with: The wrong hotel has been booked for a customer, the customer did not request this hotel in the original booking. If this

mistake is made by a member of sales staff at My Travel the customer dissatisfaction is likely to occur. In the event of customer dissatisfaction an apology letter must be sent to the customer's home, and there is likely to be some kind of customer compensation involved.

The more mistakes which occur within the My Travel business operation, the more staff will need to be hired in order to deal with all of the complaints. This will cost money as each of these new members of staff will be required to carry out the three month training period which is very expensive to run, these staff also need to be paid wages. As training is such a long and expensive process, this will definitely have to be taken in to account when the budget is being set. A budget will also need to be set which includes the allowances for customer compensation costs, so that if a customer is dissatisfied with the service which they have been provided then My Travel can afford to offer them compensation which may mean that they can re-gain that customer's trust and loyalty. My Travel also need to include in their budget enough money just in-case more serious instances do occur. For example if a customer wanted to take the company to court then My Travel need to make sure that there is enough money in their budget to pay for legal costs etc.

When sales staff do make mistakes, which result in customer dissatisfaction such as the scenario I was given, a wrong hotel has been booked for a customer, staff may then need retraining in order to try and avoid the instance of another mistake taking place. Both the initial training, and if required, the re-training of staff is very important. This is why it is very important that there is enough money in the My Travel budget to pay for further staff training when it is required.

Money is the most important asset of any business. The core objective of any business or organisation including My Travel is to make a profit. Without money a business will go in to liquidation. Without money it will become impossible for a budget to be made. Cash flow is a vital asset of any private or public limited company. This is because it ensures there is enough money flowing in to the business in order to ensure that it will run smoothly on a day to day basis, and long term basis. A cash flow forecast can be a very important part of the budgeting system. A cash flow forecast can help with warning a company such as My Travel if they are likely to face cash flow problems which can lead to liquidity. From the cash flow forecast a company can plan ahead. For example if the company has poor cash flow then they can arrange to take out a loan etc. A poor cash flow means that there is not enough money flowing in to the business to support their daily outgoings eg paying their electricity bills and paying their suppliers.

It is very important that the My Travel PLC produce a cash flow forecast because a cash flow forecast can help to cover any costs which may be down to unexpected circumstances and unexpected circumstances are very likely to occur within any travel and tourism organisations.

It is especially important that a cash flow forecast is produced within the customer service department, in order to cover any costs which may arise from unexpected circumstances. For example if more customer complaints are made than usually expected. It is important to ensure that there is enough cash within each particular budget in order to cover all costs, whether the circumstances are expected or not.

Key area 5: Electronic transactions

E-commerce (electronic transactions) is a business activity which is conducted through some type of electronic medium. This is becoming an increasingly popular method for businesses to be involved in and many businesses including My Travel have already taken the opportunity of setting up their own website as a means of establish a presence electronically (an online presence). The use of e-commerce gives a company such as My Travel the ability to reach even more customers all over the world and therefore the My Travel website is perhaps their most important distribution channel. Some online presence's are to give information to customers and some are the total presence which a business has, however the My Travel PLC use their website for distributing information to customers and also as a means of placing holiday and flight bookings and also for the purchasing of ancillary services online.

There are various types of e-commerce. My Travel operates through clicks and mortar. This means that My Travel do not only operate online through their website but they also have a high street presence as well in the form of high street travel agents named Going Places which can be found in various countries over the world. Many more businesses are choosing to create an online presence for themselves. An online presence can be very beneficial for both the customer and the company. For example, when booking online with My Travel customers will receive a 10% discount on their holidays, this is because of the fact that booking online is doesn't require any staff to be paid and therefore saves money for My Travel as they don't have to pay any extra wages or commission for extra staff.

When customers are booking holidays online instead of through a high street travel agent less mistakes are likely to occur, for example the original scenario which I was given: the wrong hotel has been booked for a customer. Less mistakes are likely to be made because a customer is filling in all of their own details and entering all of their own holiday preferences in to the computer. This means that the lack of staffs technical skills or correct selling skills will not have anything to do with the booking. For example if staff listening skills are poor then they may misunderstand something a customer says resulting in the wrong information being entered in to the computer. However if the customer is entering all of their own details then nothing will be lost in translation and less mistakes are likely to take place.

Another advantage of customers booking online is that in the unlikely event of a mistake being made it will not be possible for the customer to make a formal complaint to My Travel. This is because the customer placed the entire booking themselves so if any mistakes are made, the My Travel PLC cannot be held responsible. This can have lasting benefits for the company. For example, the fact that there will be less customer complaints, means a better reputation for the company. Since My Travel cannot be held responsible for any mistakes which are made by the customer booking online, this means that My Travel will not need to give out any compensation. The fact that My Travel will not have to give out any compensation to their customers means that My Travel can save more money, meaning that they will gain more profit and less expenditure.

The fact that through booking online it's the customers and not the staff who are responsible for any booking mistakes which may occur for example, a wrong hotel being booked for a customer will save My Travel money in another way as well. For example, as I have already mentioned, when staff make mistakes during the booking process this means that they may need re-training which can be a length and expensive process. However if it's the customers making their own mistakes independently and not at the fault of the members of staff then staff will not need re-training, and in the form of training costs this will save the My Travel PLC money, resulting in a higher available budget and better cash flow.

Developing the means of an online presence can be very beneficial for an organisation such as My Travel. However there are a couple of drawbacks to providing a distribution channel in the form of e-commerce. Extensive amounts of time, effort and expense are required, not only when setting up the website, but also for maintaining the website and keeping it up to date for customers. The fact that the ability for a company to provide an online presence has grown and become much more possible for company's all over the world means that the online holiday market has become very competitive. The fact that many customers now choose to book with My Travel through their online presence (www.mytravel.com) does have a knock on effect on the high street stores named Going Places and the call centre (Holiday Line.) However there are still many customers who prefer to book a holiday face to face or over the phone, rather than booking over the internet. This is why My Travel has various types of distribution channel, (holiday line, going places, www.mytravel.com.) because this means that they can reach more customers all over the world and still allow customers the ability to choose their preferred method of booking. This is perhaps why My Travel is such a popular tourism organisation for customers to book with.

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A03

The research and analysis of how far the examples given in A01 meet the aim for which they were designed.

Introduction

Key area 1 – Technical skills

The human workforce is definitely the most important resource for any business working within the travel and tourism industry. Technical skills can be skills which an individual may already possess and may need to develop further. Technical skills can also be skills which an individual must learn from scratch in order to become a valuable member of the My Travel PLC workforce and to ease the everyday running of the My Travel business operation. As the travel and tourism industry has developed it has become more and more reliant on technological equipment. The use of computers within the travel and tourism industry allows businesses such as My Travel to make use of intelligent and complicated software such as the My Travel internal communication system named Livewire and the My Travel external communication system named Travel Cat.

The combination of both employees with excellent levels of technical skills and also advanced, complex software can help My Travel to satisfy their customer's needs as quickly and efficiently as possible. This is very important when working within such an ever changing, fast paced and competitive industry as travel and tourism. Competition within the travel and tourism industry is constantly growing and it's important that the My Travel PLC invest money in both the training of their staff and the updating of their complex ICT systems as this could give them an edge against their competitors and help them to be the public's number one choice of tour operator.

Sales agents at My Travel need different types of knowledge in order to be able to make as many sales as possible and present a positive image of the company. For example, sales agents at My Travel need good geographical skills as this will help with their switch selling. For example if a customer wants to travel to a destination but there are no holidays available then the sales agent will need to possess the correct geographical information in mind in order to offer the customer a similar holiday, close to the customer's desired destination. This will leave the customer feeling satisfied with a similar holiday rather than feeling let down about not receiving the holiday they wanted. It is very important that all of My Travel's customers leave feeling satisfied as customers are the blood of the business and without customers there will be no profit.

Another example of technical skills which sales agents at My Travel must possess is a good knowledge of various codes such as Airport codes, for example LHR stands for London Heathrow. It's important that the staff learn these codes because abbreviations can save time, as full airport names don't have to be written on tickets etc. The codes are international which makes things easier for sales agents and anyone working within the airports. Sales agents at My Travel must also be trained correctly in making use of the telephones. For example all of the appropriate telephone codes must be learned and memorised.

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As I have already mentioned the My Travel PLC work with two very complex and sophisticated ICT systems. These are, the My Travel internal communication system named livewire and the external communication system named Travel Cat. These two systems are essential to the daily business operation of My Travel. This is why the managers must ensure that employees are provided with the appropriate training in order for them to learn and perfect the appropriate and relevant skills in order to use both of these systems correctly and to be able to operate within specific and individual areas of the business in order to work towards always achieving the aims of My Travel.

Livewire

As I have already mentioned Livewire is the internal communication system at My Travel. Livewire is an intranet. The result of the computer based internal communication system named livewire added value to the company in many ways. Livewire harmonised with the online booking system, drove up PC user experience, differentiated between need and nice-to-know information, re-engineered business process and was apparently fun to use. Livewire is connected to all of the My Travel branches and Going Places stores all over the world. Livewire is an e-mail based system. My Travel uses this system to instantly send messages to staff in branches all over the world.

It is absolutely vital that the staff at My Travel are trained correctly in being able to use this system because the use of livewire means receiving and sending information to the right place at the right time. Livewire allows staff at My Travel to be informed of any changes which may affect their daily sales. Not being able to use livewire correctly could result in very dissatisfied customers which, can lead to complains and will provide My Travel with no customer loyalty, no repeat business and also a bad reputation. This why My Travel invest a lot of money in to the training regime at My Travel to ensure that employees at My Travel can make correct use of the livewire system, because this will result in more satisfied customers, a better reputation for the company, customer loyalty and more repeat business.

Travel Cat

As I have already mentioned, Travel Cat is the name of the My Travel external communication system. Travel Cat is an integrated travel/leisure agency with an integrated selling system. Travel Cat is an online centralised system. Travel Cat is a fully integrated system offering front and back office capabilities giving fast entry of enquiry and centralised management controls. It is very important that staff at My Travel are trained extensively in how to make correct and efficient use of the complex, Travel Cat system. This is because Travel Cat is used within every single department within My Travel and is not just used for making bookings. For example, the marketing department can use Travel Cat to find out previous statistics in order to support their research and to find out which holidays are the most popular with customers and the Travel Cat system can also be used as a search engine.

Training

The training period at My Travel lasts for three months and within the three months training, trainees are paid their wages from day one. Training is a very lengthy, time consuming and expensive process. However it's important that My Travel invest a lot

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of money in the training programme. This will provide lasting benefits for the company. Although the training is an expensive process My Travel will be reimbursed for their efforts because their excellently trained staff will sell more holidays therefore making a large profit for the company.

During the My Travel Training period each of the trainees will receive a package which includes many handouts for example, a development course booklet which helps the trainees to understand the important of customer service skills and also to develop their customer service skills further. In order for trainees to develop their geographical knowledge they are also given blank maps which, they must fill in order to demonstrate and to further their geographical knowledge and as I have already mentioned, geographical knowledge can be a very important aspect of switch selling. The training is tested regularly with tested regularly one and occasionally twice a week. These tests will give the trainers a good insight in to the appropriateness and the effectiveness and the standard of the training regime and gives the trainers to make any changes and improvements in the training where necessary. The testing of the training also allows the trainers at My Travel to see how well the trainee sales agents are doing and what stage they are at. Testing also takes place every morning at the beginning of the training sessions, for example trainees are given blank sheets in which they must fill in all of the airport codes. If any of the airport codes are filled in incorrectly then the trainee will be told to study harder at home and get them all correct during the next session which is usually the next day. Test at the end if pass fully fledged sales agent. If not take again and train more.

The above procedures are very important. The reason that these procedures are so important is because the carrying out of these various training procedures will help The My Travel business operation to reach its aims. The main aim of My Travel is to produce a first class customer service to all customers. In order for My Travel to achieve this aim, all of the training procedures must be followed correctly. In my opinion if the managers at My Travel updated their training programme in order to add some of the improvements and suggestions which I have made then this will help My Travel to reach its aims by delivering a first class customer service.

Key area 2 - Selling skills

Selling skills are very important within the travel and tourism industry and very important for My Travel. Without sales agents who posses good selling skills the My Travel PLC will not make enough profit to stay alive and the company will simply cease to exist. Selling skills are essential when wanting to make a sale in order to make a profit.

As I have mentioned in my previous assignments there are many areas within the My Travel business operation in which selling takes place. My Travel has a variety of distribution channels. My Travel sell holidays through their high street travel agency stores named Going Places, via their website (www.mytravel.com) and also through their call centre named Holiday Line. The fact that My Travel has such a variety of distribution channel means that they can reach even more customers all over the world, meaning that My Travel can make a greater profit and become a more well known and popular tour operator.

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Training at My Travel will help the sales agents to develop their selling skills. My Travel should focus on training in order to maximise the efficiency of their employees as this can lead to success of the business. In order for staff to be able to develop their selling skills they must possess certain levels of knowledge. Sales agents at My Travel must have excellent levels of product knowledge, geographical knowledge, industry knowledge and company knowledge. These are the key four areas of knowledge in which sales agents at My Travel must build upon before they begin to learn, develop and incorporate their selling skills into the mix. This can be used as a basis in which sales agents can build their selling skills upon.

Having both industry and company knowledge will present a professional image of the staff to the customers. This is very important because it can also help to increase a customer's levels of trust for a sales agent, therefore making it easier to build up a rapport with the customer.

During the training programme, trainees at My Travel are given a booklet containing information on My Travel, its history, agent information and information on how the My Travel business is operating. It is important that staff at My Travel have a clear understanding of the daily operation of the business and that staff at My Travel also have a positive opinion of the company otherwise they will have little motivation and this can have negative effects on their selling skills.

It is vital for a member of sales staff at My Travel to build up a rapport with their customers. Well developed selling skills can help to assist with this process, and these selling skills will be developed through the three month training programme. Building up a rapport with a customer will also help the customer to trust the sales agent. Building up a rapport with between the sales agent and the customer can help My Travel to meet its aims. As I have already mentioned building having good selling skills such as company knowledge and building up a rapport with customers can gain a customer's trust and demonstrate a professional image of the company. This can help to increase customer satisfaction. This can have lasting benefits for My Travel. If customers are satisfied then this can increase customer loyalty, which can then lead to repeat business, which means more profit for My Travel PLC. Satisfied customers will also tell their friends and family of the excellent customer service which they received whilst booking a holiday with My Travel, through word of mouth. This is an excellent benefit for My Travel because it is like advertising, free of charge, more people will then book with My Travel, meaning more profit for the company.

Selling is a continuous process. There are eight main stages to the selling process. These are:

- ✓ Customer makes contact with a sales agent.
- ✓ If the customer has a definite idea in mind of what kind of holiday they desire, for example, a desired destination and a desired duration of stay then the sales agent can check the availability.
- ✓ If the desired holiday is available then the booking can proceed and if not then, more destination and holiday advice will be given to the customer by the sales agent.
- ✓ The sales agent will carry out a search on the computer (dates, types of holiday e.g. summer sun, city breaks etc.)
- ✓ If the sales agent finds a holiday that the customer is satisfied with then the sales agent can take out an option with the customer, giving the client the

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- chance to think about their choice before committing him/herself. The option will be entered in to the computer systems and normally lasts 24hours, after which time it automatically lapses and the holiday is put on sale again.
- ✓ If the customer makes contact with the sales agent within 24hours then the customer can pay a deposit and the booking will be confirmed.
 - ✓ A written confirmation invoice will be sent direct from the tour operator, giving precise details of the clients travelling, the booked holiday, the travel details and any special requirements.
 - ✓ Final tickets and documentation are received by the sales agent who will pass on the tickets to the customer.

New sales agents are given the various booklets with information about selling at My Travel, as part of their training process. These booklets provide information about all of the relevant selling skills which new agents will need to learn and perfect in order for them to aspire to delivering a first class customer service. These techniques include things such as, switch selling, building up rapport with customers, establishing customer needs, probing and matching, open and closed questions, how to close a sale, customer care and staff motivation. Learning all of the skills which are explained in the booklets will help agents at My Travel to deal with many different types of situations, which will maximise their selling.

The new employees at My Travel must complete exercises to give feedback to their trainers, who test the trainees as well to check on the appropriateness of their methods and their progress levels. Role play situations are also set up During the three month training period. This is done so that the training sales agents can experience a feel of what its like to be a qualified sales agent who would be dealing with real customers. This gives both the trainers and the trainees the opportunity to asses their progress and also allows the trainees to practice their selling skills in face to face situations.

The training process at My Travel is very important in relation to selling skills. The three month training programme provides employees at My Travel with all of the information which they need in order to learn and develop all of the relevant skills which are needed to become a good sales agent. The training programme also allows trainees to put these skills in to practice through acting out various role-play situations. It is important that staff at My Travel develop all of the needed selling skill, which they are taught as this will help them to meet the aims of My Travel which includes providing a first class customer service. This will result in customer needs being met, which will result in more satisfied customers, which can lead to customer loyalty and repeat business for My Travel.

Therefore, the selling skills which an employee possesses within My Travel are particularly important. This is because the overall aim of My Travel is to make a profit. The improvement of employees selling skills will ultimately increase the number of sales made within the business on a daily basis. This will create a higher level of profit for My Travel.

Key area 3 Administration systems

Administration systems are concerned with the collection, storage and distribution of information. Administration systems are essential for the daily running of the My

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Travel business operation. Administration systems are used for dealing with routine tasks such as booking holidays and selling ancillary services or recording payments, administration systems are also used for dealing with not routine tasks such as customer complaints and accidents at work and producing information which is only needed occasionally.

The four main areas of administrative activity within the travel and tourism industry are finance, which involves things like sending out invoices, paying bills and paying wages. Human resources which involve paperwork on things like recruiting staff, admin. On holiday or, sick leave. Customer service, which involves things like customer complaints, and receiving customer opinions by carrying out after sales service. Quality assurance is the last of the four main areas which involves the monitoring of company and staff standards in order to find out how well the company is doing and whether the standards are acceptable. However all of the above four areas of administration do often overlap and integrate with each other.

Travel cat, as I have already mentioned is the name of the My Travel external communication system. Travel Cat is an integrated travel/leisure agency with an intergraded selling system. Travel Cat offers fully integrated front and back office capabilities giving fast entry of enquiry and booking information as well as centralised management controls. The Travel Cat system provides every aspect which My Travel currently needs for their Administration system. Although Travel Cat is a computer reservation system (CRS) this very complicated piece of software is not only used for making bookings, in fact it has many important functions. Every single department within the My Travel business operation uses Travel Cat. For example Travel Cat can be used as a search engine for customer enquiries, can record payment details which will concern the finance department, can record a customers reservation history, can be used by the customer care department, the marketing department, travel agencies stores (Going Places) and can in fact be used by all of the distribution channels. As a result of this My Travel can save money because less paper is needed for recording documentation and less staff are needed.

The fact that every department within My Travel uses Travel Cat and all the staff at My Travel use Travel Cat is very important and very beneficial for the company because all staff at My Travel need to be familiar with the administrative activities and procedure which are taking place throughout the company, which are required in order for them to successfully complete selling processes. It's important that staff know their way around the system in order for staff to be able to sell products and services efficiently to customer whilst providing a first class level of customer service which will result in customer needs being met and satisfied customers. This is important because satisfied customer will lead to customer loyalty and repeat business.

Travel Cat provides many advantages for My Travel. One example of this is that each customer who books with My Travel has their own unique reference number; this makes it very easy to recall customer data including previous booking information. All of the information on the booking screen is abbreviated with codes. For example SS means summer sun and LHHR stands for London Heathrow. This takes up less space on the screen and can save time as sales agents don't have to type full words in to the system, staff must possess the relevant technical skills in order to understand all

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of these codes. They only have to type abbreviations. Staff can also gain knowledge by entering inquiries in to the system to complete the process of booking. Another advantage is that the fully integrated screen can be reached easily.

The use of the Travel Cat system can help to speed up the decision making process. The use of this system also saves money as all documents to remain within the computer system and there are no written documents on paper. This also creates less confusion as a paper based system would mean that documents would be likely to be lost, however this is not the case when using Travel Cat. Travel Cat helps the managers at My Travel to get an overview of all of the business activities which are taking place, which helps them to make decisions for the future. This was a major objective when inserting the Travel Cat system in to the My Travel business operation. Staff at My Travel can use Travel Cat to access lots of information which can help them to plan for the future for example, finding out which products they should be focussing on promoting and the ways in which they should go about doing this.

There is much evidence available which shows that the My Travel external communication system named Travel Cat was a great investment for the company. This system is extremely multifunctional and can also produce financial reports, cash flow forecasts and budgets along with providing customer letters and flight tickets.

If staff at My Travel were provided with more extensive training on how to use the Admin system named Travel Cat this may allow them to speed up the booking process. For example sometimes length of time of the booking process at My Travel can be extended, because if My Travel does not provide a product which is wanted by a customer then the sales agent can access another tour operator's database in order to find out if another tour operator offers the desired product. This is one of the many advantages of Travel Cat. However how to access databases belonging to other tour operators is not included in the My Travel three month training programme. This means that the sales agents will have to teach themselves this skill whilst dealing with real customers. This will cause long delays and waiting periods for customers and also means that mistakes are more likely to be made whilst processing a booking which, could result in dissatisfied customers and is not good for the My Travel daily business operation.

Budgets and cash flow

In relation to budgeting the aims of My Travel are that the training period provides staff with all of the relevant knowledge needed, in order to ensure that the training programmes are worth the money, expenses and time that training takes up in order to ensure that the costs of the training programme are not losing My Travel and profits. My Travel aims to develop sufficient budgets programme which My Travel are required to provided to their staff in order for the staff to provide a first class customer service. These budgets need to take in to account all expenditures in order for My Travel to maintain a healthy cash flow. My Travel also aims to monitor their budget in order to make sure that their expenditures do not exceed the profit at any time.

The quality of the employee's performance can be improved by the training programmes. These programmes at My Travel are aiming for positive skills

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development for the trainees. During the three month training period targets are set for trainees in order to increase trainee's skills. If the training is carried out correctly and effectively then the training programme will prove to be worth while. The main aims of the training programme at My Travel are to improve performance task, increase the quality of staff work, decrease the labour turnover and for updating the skills of staff. Motivated staff can be very important when aiming to achieve the aims of My Travel.

Within the My Travel business operation it's the manager's responsibility to make sure that the staffs are working effectively. Travel and tourism is a labour intensive industry. Staffs are the most important resource for the company and personal function is always one step ahead of other business functions. This is why the basic concern of management is the staff and why its important that My Travel have enough money in their budgets to cover all of the costs for the training programme to ensure that a first class customer service will be provided to customers which will help My Travel to make a tidy profit.

The training programme needs a sufficient budget and calculation of expenditure is also important. Poor levels of management at My Travel could lead to a poor quality of training. Training must provide the relevant skills and knowledge to the staff at My Travel in order for them to carry out their jobs to the best of their ability in order to meet the aims of My Travel and this includes providing first class levels of customer service, which can lead to the future success of My Travel. As I have already mentioned, poor management leads to poor levels of training. This also can lead to a poor sales performance from staff due to insufficient and irrelevant training programmes. A poor sales performance from staff will therefore provide My Travel with negative effects on their budgets and cash flow.

Managers at My Travel need to make sure that the budgets are being monitored effectively and efficiently. This means that My Travel may need to spend more money on investments such as investments in the improvements of the training programme in order for them to make a greater profit overall. If extra training is necessary then the managers at My Travel need to make sure that they have enough money in their budget to cover the costs of this because if sufficient levels of training are provided to staff then less profit will be made overall because they will have poor levels of sales performance. It is important that My Travel provide their staff will all the training needed for them to provide a 1st class customer service. If My Travel don't have enough money in their budget to provide a better service than their competitors then they are likely to make less profit, and not to be the number one choice of tour operator for people all over the world.

The budgets at My Travel are built to cover the entire year and take in to account the extra training which may need to be provided to staff who are already fully fledged sales agents. This does however suggest that the training programme at My Travel may need to be improved slightly to ensure that once staff become fully fledged sales agents, they will carry out their jobs efficiently and correctly in relation to the original training providing a first class customer service and maximising profits for My Travel meaning that no further training will be needed. If My Travel have no need to provide any extra training to staff in addition to the original training then this will provide My Travel with less expenditure and a higher profit which could lead to a healthier cash flow.

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Electronic transactions

A definition for the phrase e-commerce would be a means of establishing a presence online. Through the website www.mytravel.com My Travel aims to sell each of their products and service online both successfully and efficiently. The website means that the company can reach more customers all over the world. Staff working for My Travel need to be able to use all of the CRS systems within the company and staff will be taught to do so through the three month training programme. In relation to electronic transactions managers at My Travel also intend that staffs are taught how to correctly process payments, without making mistakes, during the training period.

During the training period at My Travel staff are educated in the correct and efficient use of Travel Cat, My Travels external communication system. Travel Cat is the administration system which is used at My Travel. The use of Travel Car means that staff at My Travel are also available to access computer reservation systems which belong to other tour operators such as First choice or Thomson. This is important when wanting to satisfy a customer because if My Travel do not offer the customers desired holiday then staff at My Travel can offer the holiday on behalf of another tour operator such as First Choice, this will leave the customer satisfied that they were still able to travel on their desired holiday instead of disappointed that the holiday wasn't on offer. My Travel is connected to computer reservation systems belonging to other tour operators, but the staff at the company still have to complete the payment for the holiday by using Travel Cat. This is important for other tour operators, to make the payment. Even though My Travel booked the holiday for the customer through a different tour operator My Travel will still make a profit because the other tour operator will pay My Travel commission for selling the holiday for them. However staff at My Travel are not provided with any training on how to reach the computer reservation systems belonging to other tour operators such as Thomson. This is a very negative aspect of the training.

Although millions of holidays are sold through www.mytravel.com as the existence of the website means that My Travel can reach more people all over the world, staffs are not provided with any training of how to use, or navigate around the website during the training period. This means that sales agent will not know about any holidays or special offers which have been posted on the website. If a customer phones My Travel to speak to a sales agent about one of these holidays, then the sales agent will have no knowledge which they can give to the customer. If sales agents at My Travel are not aware and familiarised with the holidays and special offers which are posted on the website then this could lead to poor selling which can cause customer dissatisfaction and a loss of profit.

As I have already mentioned electronic transactions at My Travel include taking payments, this could be via cash or credit card. It would be important for sales agents at My Travel to be educated and familiarised with the different credit cards in order to be able to identify them and make payments. However the three month training period at My Travel provides staff with no information on credit cards. However education for staff on credit cards could be very beneficial for My Travel would make selling more efficient and faster. For example the issue number and the expiry date because some customers are not aware of this.

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The amount of customers who are choosing to book their holidays over the internet is increasing and e-commerce is now a vital part of selling for all travel and tourism businesses including My Travel. The use of the website at My Travel saves lots of money e.g. less staff are needed and money is also saved on paper. Staff at My Travel are using the CRS systems effectively which means that the training in relation to the purpose are working correctly. The methods which, are used to educate staff at My Travel about the payment systems are successful, as these are currently being completed accurately. Training is Important for staff about selling products and services over the internet, as this is a big part of business today and a big part of My Travels revenue. The different CRS and payment systems at My Travel must be learn by staff, so that holidays can be searches, booked and paid for successfully. Training will help staff at My Travel to be able to carry out tasks well, which can lead to customer satisfaction. Satisfied customers mean customer loyalty, repeat business, more profit and a good reputation for My Travel.

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A04 an evaluation of the example given in A03 contribute to the efficiency of My Travel

Introduction

Throughout this assignment I am going to evaluate a variety of factors which contribute to the success of the chosen organisation which is My Travel Group PLC. Throughout this section of my portfolio I am going to describe the importance of the My Travel CRS and administration system named Travel Cat. I also going to explain the importance of the My Travel internal communication system named Livewire and finally the My Travel information processing systems such as Travel Cat and Livewire. When evaluating these various business systems there are five factors which need to be considered. These are value for money, fitness for purpose, accuracy, efficiency, ease of use, security and the legal requirements of the business system. I also plan to evaluate each of the five key areas given in my previous assignments, by using the above criteria.

Throughout this section of My portfolio I am also going to evaluate the efficiency of the three month training period provided at My Travel, in terms of employees learning technical skills and how staff can put My Travel on the right track to reaching all of their aims, to be a successful company and leader in the travel and tourism industry and also to provide a first class customer service to all clients and potential clients. I will also make suggestions for the management at My Travel on how they can provide sufficient support for their staff to be able to meet the company aims. Throughout this section of My Portfolio I am also going to evaluate the effectiveness of administration systems used by My Travel and also evaluate the importance of budgeting and cash flow in relation to the training provided by My Travel. Finally, I will discuss both the benefits and the drawbacks of the online presence and also discuss the training provided for employees, which is designed to help with a variety of transactions.

Key area 1 – Technical skills

As I have mentioned in my previous assignments people and their skills are the most valuable resource/asset for any company and this includes My Travel. Travel and tourism is a very labour intensive industry. The management at My Travel rely on their employees and the skills of the employees to ease the daily running of the My Travel business operation. People and their skills can prove to be so important for the company. The technical skills possessed by employees are a major factor for the business success of My Travel. This is why My Travel provides all of their new employees with an intensive training programme at the beginning of employment to ensure that staff possess all of the required technical skills needed in order to ensure that a first class customer service can be provided to customers by all members of staff. Although the required technical skills will depend on the nature of a business.

When entering in to employment with My Travel staff must undergo a three month, paid training period in which they will learn all of the relevant technical skills needed in order to carry out their job roles successfully. During the training period staff will be given various booklets which they must read including a booklet full of important information about selling skills for example telephone manner and switch selling.

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Staff must also gain geographical knowledge, various codes including destination codes, airport codes, accomadation codes and telephone codes. Learning all of this information will improve an employees sales performance which can lead to satisfied customers and increased levels of profit for My Travel.

During the training period employees will usually be split in to groups of 10 people. This is an advantage for employees to help their learning as it allows the trainer to get to know each of the employees and allowing the trainer to get their point across in the correct manner, giving each individual enough attention for each person to develop their skills to the best of their ability, which complies with the requirements and aims of My Travel. This can also give each of the individual members of staff greater levels of confidence, as they are able to identify their strengths and weaknesses. Once these have been identified, the weaknesses of individuals can be improved. I think that this will also increase the motivation of the members of the group; giving them goals to work towards can help them to aim towards working on the skills which they need to develop in order to become one of My Travels valuable sales agents.

From carrying out my research in to the training methods which are used at My Travel, in my opinion the training regime which is provided for staff is effective and motivating. However I do believe that there are some drawbacks to the training programme, in relation to learning the technical skills. For example, all of the trainers who train the staff during the training programme have in fact not been trained themselves. I think that this is a major downfall for the company as the trainers should be taught effecting teaching skills as this would help the staff at My Travel to develop their skills.

Another criticism of the training programme is the three month duration. Although staffs are taught many important technical skills during this time. I feel that there are some important technical skills which have been let out of the training programme. For example if the training period was extended then staff at My Travel may have time to be taught about navigation around the website and also how to connect to other tour operators CRS systems. These two technical skills are not taught to staff during the training. Travel Cat is a very complex system and being educated in how to connect to CRS's belonging to other companies will provide employees with better navigation of the system. Not learning how to access other tour operators CRS's will cause long waiting periods for customers as staff will have to figure out how to do this all by themselves, and this may cause delays in the booking process. Delays could lead to dissatisfied customers, lack of customer loyalty, a loss of repeat business and a bad reputation for the My Travel PLC. The fact that employees at My Travel are not taught these skills can cause decreasing levels of sales making My Travel a less successful business.

I think that it would be a good idea for the three month training period to be extended so that staff could also learn how to easily navigate around the My travel website and have practice at doing this. There are many special offers which are posted in the website. Many customer will be calling My Travel about these holiday offers, however staff working within the high street travel agents named Going Places and also the Call centre named Holiday Line will have no idea about these offers and therefore will not be able to provide advice and information for the customers. I think

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that its important that My Travel extend their training period long enough for staff to be taught about the efficient navigation of the website because My Travel are putting a lot of effort in to promotion of the website in order to make it a major feature of the company. The fact that staff are not able to do this will have a bad effect on the employees and bad on the company of My Trave. This could affect the turnover of the company, reduce repeat sales, which can reduce the levels of profit and also reduce the market status because of the decreased number of bookings which will cause a loss of profit for My Travel. I think that if training would be provided in connecting to other companies CRS's and navigation around the website then this would increase the companies profit as it will result in more satisfied staff and customers. This will provide more job satisfaction for the staff.

As I have mentioned. I think that its very important that the training period is extends in order for staff to learn every single technical skill which is required for them to deliver a first class customer service. However this is not the only reason. I also think that the training period should be extended for another reason. There is a lot of information and skills which employees must learn, and three months is an insufficient amount of time for this to be done correctly. There is too much pressure on new employees to learn all of these skills in the insufficient amount of time provided. Trainers are insufficiently trained to teach the skills required to carry out the job properly and managers might not be monitoring the training process appropriately. It can be difficult for employees to deal with the pressure. For example on average, if 12 people start the training programme, it is only an average of six of those people who carry on to become fully fledged sales agents.

I think that My Travel should be making more efforts to be sure that their employees receive more job satisfaction. My Travel provides a large amount of budget for training, however the training is not currently as successful as it should be. As the above example shows, there is a lot of staff turnover. In My opinion management at My Travel should be better monitoring the training process. They could do this by, sitting in on training sessions and seeing for themselves how the trainers are interacting with the employees and monitoring the progress of their employees in relation to the training. Maybe this will help the management at My Travel to be aware of the fact that the trainers do in fact need to be trained themselves. Management at My Travel could also introduce the idea of Mystery shoppers in order for employees to put their skills in to practice more and be tested.

My Travel aim to motivate their staff to stay with the company. One way in which they do this is to provide and friendly and happy atmosphere during the training programme, with positive and friendly trainers. Training is a vital process which will help to fulfil employee's roles effectively. Training can be a good investment because investing money in the training will increase staff performance in delivering a first class customer service; this will increase sales and therefore help to bring more profit in to the company in the long run. Well designed and regularly monitored training can help to make the My Travel business operation more effective because better trained staff will help the business to run more smoothly.

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Key area 2 Selling skills

Selling is a continuous process. There are eight main stages to the selling process these are:

- ✓ Customer makes contact with a sales agent.
- ✓ If the customer has a definite idea in mind of what kind of holiday they desire, for example, a desired destination and a desired duration of stay then the sales agent can check the availability.
- ✓ If the desired holiday is available then the booking can proceed and if not then, more destination and holiday advice will be given to the customer by the sales agent.
- ✓ The sales agent will carry out a search on the computer (dates, types of holiday e.g. summer sun, city breaks etc.)
- ✓ If the sales agent finds a holiday that the customer is satisfied with then the sales agent can take out an option with the customer, giving the client the chance to think about their choice before committing him/herself. The option will be entered in to the computer systems and normally lasts 24hours, after which time it automatically lapses and the holiday is put on sale again.
- ✓ If the customer makes contact with the sales agent within 24hours then the customer can pay a deposit and the booking will be confirmed.
- ✓ A written confirmation invoice will be sent direct from the tour operator, giving precise details of the clients travelling, the booked holiday, the travel details and any special requirements.

The majority of organisations within the travel and tourism industry including My Travel PLC operate within the private sector. This means that the main aim of the company is to make a profit. In order to make a profit, sales must be made and this is why there is so much emphasis on selling skills during the three-month training period. Customers are the blood of the business as they are the ones who are buying the products and therefore creating a profit for the My Travel PLC and this is why all customers should be treated with a first class customer service, as this will help to maximise sales. Selling is always geared towards meeting commercial objectives. Selling takes place in many instances throughout the holiday process for example, an overseas representative selling tickets for an excursion or airline staff selling in flight products during a flight.

Products are sold through distribution channels. The definition of the phrase distribution channel would be, 'a way of selling a companies product, either directly or via distributors. At My Travel there are a series of distribution channels, these include, the customer call centre named Holiday Line, A chain of high street travel agents named Going Places which can be found in various countries all over the world, and finally over the internet through the My Travel website (www.mytravel.com.) Occasionally My Travel also make sales through interactive TV although this is not one of their major distribution channels.

The selling skills of staff are very important in relation to the My Travel business operation in order to generate repeat business, meet planned increases in sales volume and this is very holiday in companies selling package holidays, increasing customer satisfaction levels and part of this includes providing excellent customer care service

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and finally increase the profitability – more sales should lead to more profits. If staff at My Travel possess excellent levels of selling skills then this could also help to secure competitive advantage for the company and therefore keep one step ahead of competition and also to raise customers awareness of new facilities, products and services.

For My Travel, having members of staff who possess excellent levels of selling skills can help to meet the company's aims. My Travel aims to: 1- be an international organisation, 2- win competition in the travel and tourism market, 3- target as many customers as possible, 4 – to target the mass tourism market as well as special interest tourism.

As I have already mentioned, selling is a continuous process. It's very important that sales agents at My Travel are able to establish the needs and wants of their customers. This can be done by asking the appropriate questions for example, open and closed questions. It's also important to build up a rapport with the customers in order for staff to gain the customer's trust and make both the sales agent and the customer feel more comfortable. If the sales agent establishes the needs of the customer correctly then a sale is more likely to be made. This can also lead to customer satisfaction which will increase high levels of customer loyalty. If the customer is satisfied then this could also lead to repeat business which can guarantee future profit for the company. This is an example of how well developed selling skills can maximise profits.

All of the appropriate selling skills which are required for trainees at My Travel to become successful sales agents are taught during the three month training period. The training can help to develop the staff's selling skills in more ways than one. During the training period staff/new recruits will receive a series of booklets containing information on selling skills. These booklets include things like, industry information, company information, selling and product knowledge. Trainees must study this information. Trainees are also required to carry out role plays in which various situations between sales agents and customers will be re-enacted. This will help trainees to put their selling skills into practice in order to improve their skills. These role plays also help trainees to get an idea of their overall personal progress and it also helps the trainers to see which areas each trainee may need to work on in order to become a successful sales agent. Trainers at My Travel must ensure that sales agents possess the correct selling skills.

The aims of the My Travel business operation are related to selling. For example the company aims to employ highly motivated staff who are satisfied, employee satisfaction is very important because it certainly helps to reduce labour turnover. This means that less money will be required for recruiting new members of staff and training them. This would prove to be a big advantage for My Travel because training is a lengthy and expensive process. My Travel's mission statement also shows evidence of the importance of training: To be the best tour operator, worldwide to travel with, work for and invest in.

Key area 3 Administration systems

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Administration systems are concerned with the collection, storage and distribution of information. At My Travel they are currently using an online system named Travel Cat in order to undergo all of their administrative activities. Travel Cat is playing a major part of the My Travel administration. Travel Cat is a centralised on-line system, which gives a solution for each of the Admin tasks of the company. It offers front and back office capabilities, giving fast entry of enquiries and booking information. It also provides a centralised management control.

The Travel Cat system fulfils its fitness for purpose because it can be used for all of the administrative activity which must be undertaken in order for the My Travel daily business operation to run smoothly. Travel Cat also fulfils its fitness for purpose because every department within My Travel uses the Travel Cat system and it can benefit many departments in different ways. For example, the marketing department can use this system to look at percentages of past sales, for example how many people booked a holiday to Majorca with My Travel last year. This can help the marketing department to find out which holidays are more popular with customers and can therefore help them to make the decision of which holiday destinations to offer and promote in the future in order to maximise profit. The sales department uses Travel Cat for the processing bookings, recalling data and as a search engine by entering enquiries. The finance department uses Travel Cat because payments are made through Travel Cat. The Admin department also uses Travel Cat, for example, tickets are printed through this system, which the Admin department then pass on to sales agents and customers. Administration systems are designed to ensure the smooth running of an organisation. For example, making reservations, processing bookings and ticketing.

Although Travel Cat is a very complex and expensive system, this system is worth the money for My Travel. Travel Cat, the My Travel external communication system is although expensive, is still very good value for money because this system has many advantages which ease the running of the My Travel daily business operation. Once a customer has booked at least one holiday with My Travel each customer is provided with a unique booking reference number. This makes the recalling of data a much faster and simpler process for staff. Many of the screens which are available within to view within Travel Cat including the booking screen contain many different codes. Travel Cat understands abbreviations of words such as SS stands for summer sun and HIB stands for half board. This makes information easier and quicker to input in to the system and for staff to read from the various screens. As I have already mentioned, Travel Cat provides as search engine, which gives fast entry of enquiry for staff. This means that if staff is unsure on anything to do with a destination or resort when dealing with a customer then they can look up information on the search engine. Travel Cat replaced My Travels previous paper based system. Travel Cat has saved My Travel money on paper, stationary supplies and has also saved much time for the company because; information doesn't need to be looked up from piles of paper anymore.

The Travel Cat system is also a very satisfactory system when it comes to levels of security. One of the main factors which makes the Travel Cat secure is the customers booking reference numbers. As I have already mentioned once a customer has booked at least one holiday with My Travel, Travel Cat will provide that customer with a unique booking reference number. This helps to keep customer details and customer

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booking information secure. Nobody from outside of the My Travel business operation, for example staff who are working with other tour operators or anyone from the general public will be able to view this customer information. Travel Cat therefore also abides by all of the necessary legal requirements for an external communication system owned by a tour operator. For example, the fact that nobody from outside the My Travel business operation can view customer information means that the Travel Cat system is abiding by the data protection act.

As I have already mentioned, Travel Cat is a very complex system. There is much training required for staff in order for them to be able to use this system correctly. When new staff are employed at My Travel they will undergo an intense, three month training period in which they will be taught about the Travel Cat system. This will include things like learning various abbreviations such as SS stands for Summer Sun and HB stands for Half Board. The intensity and accuracy of the three month training period should then ease the use of the Travel Cat system for staff. As long as all of the correct instructions are given to staff during training, and staff are provided with time to practice making good use of the Travel Cat system before they become fully fledged sales agents then staff will find ease when using Travel Cat.

The main disadvantage of the Travel Cat system is that the system is based 100% online. This means that if there is a power cut or the computers crash then the system will not be able to be used. Depending on the length of the crash, this can cause a loss of customers for My Travel, as they will not be able to serve them at this time. This will also cause a loss of profit for the company.

In order to ensure that the My travel administrative system named Travel Cat is used in the most effective way management at My Travel should regularly monitor the employees work, how they are putting the data in the system and how they are looking for various types of products and services which My Travel are selling. They can do this by looking for the reservation history, making sure all details are correct, making mystery calls and then check the reservation system after.

Key area 4 – Budgets and cash flow

A budget is a plan that shows an organisations income and expenditure. Budgets are a prediction of what a company will hope to happen. Creating and setting budgets can help My Travel to figure out whether they are going to make a profit or a loss. Budgets are very important for My Travels daily business operation and can provide many advantages for My Travel. This is because budgets will allow My Travel to set targets, make appropriate plans and monitor the current profit and expenditure reality in comparison with the budget.

Cash flow is the money flowing in and out of a business. Cash flow should be regarded as the lifeblood of any business. Without cash flow any organisation including My Travel PLC would cease to operate. It is the single biggest factor in the failure of new organisations. Cash flow forecasting is a plan of expenditure over a period of time. Creating cash flow forecasts will prove to be an advantage for My Travel PLC. This is because it will allow My travel to plan and identify any shortfalls or problems they may have.

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My Travel can also benefit from setting up different budgets for different departments within the organisation. This will give a much more specific overview of the desired expenditure and profit levels for each individual department therefore helping My Travel to better equip themselves in terms of the amounts of money they think is needed for different departments. It also allows managers at My Travel to distribute the company's money accordingly across each of the departments.

The budgeting and cash flow at My Travel does fulfil its fitness for purpose because it helps the business to manage its money efficiently and ensure that the money is distributed evenly within different departments through the My Travel business operation for example on advertising and on the training programme.

The cost of the staff working with the budgeting and cash flow at My Travel are value for money because the budgeting and cash flow system within the organisation is ultimately what will prevent the business from failing and overspending. The system used by the budgeting department is secure because it is stored on the PC and is password sensitive.

Staff training at My Travel can have effects on budgets and cash flow within the company. For example sufficient training will ensure that less mistakes are made by staff, therefore resulting in less complaints for customers. Budgets are objective driven and if the training is not good enough then the My Travel objectives will not be met.

The quality of the employee's performance can be improved by the training programmes. The main aims of the training programme at My Travel are to improve performance task, increase the quality of staff work, decrease the labour turnover and for updating the skills of staff. Motivated staff can be very important when aiming to achieve the aims of My Travel.

The training programme needs a sufficient budget and calculation of expenditure is also important. Poor levels of management at My Travel could lead to a poor quality of training. Training must provide the relevant skills and knowledge to the staff at My Travel in order for them to carry out their jobs to the best of their ability in order to meet the aims of My Travel and this includes providing first class levels of customer service. As I have already mentioned, poor management leads to poor levels of training. This also can lead to a poor sales performance from staff due to insufficient and irrelevant training programmes. A poor sales performance from staff will therefore provide My Travel with negative effects on their budgets and cash flow.

Managers at My Travel need to make sure that the budgets are being monitored effectively and efficiently. This means that My Travel may need to spend more money on investments such as investments in the improvements of the training programme in order for them to make a greater profit overall. If extra training is necessary then the managers at My Travel need to make sure that they have enough money in their budget to cover the costs of this because if sufficient levels of training are provided to staff then less profit will be made overall because they will have poor levels of sales performance. It is important that My Travel provide their staff with all the training needed for them to provide a 1st class customer service. If My Travel

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don't have enough money in their budget to provide a better service than their competitors then they are likely to make less profit, and not to be the number one choice of tour operator for people all over the world.

Key area 5 -- Electronic transactions

A definition of the phrase e-commerce would be, the means of establishing a presence online. My Travel operates their e-commerce through the My Travel website (www.mytravel.com.) E-commerce is very important for My Travel as it helps the company towards reaching their aims. For example one of the My Travel aims which I listed earlier: To reach as many customers as possible. The use of the website allows My Travel to do just this. The use of the website means that more people all over the world will be able to book their package holidays, flights, accommodation, transfers and ancillary services with My Travel PLC, this helps to create a much a greater levels of profit for the company.

For My Travel to create their website www.mytravel.com was very expensive. Although expensive, the website is absolutely good value for money for My Travel. This is because the use of e-commerce, through the website is absolutely essential for My Travel. This is mainly because customers buying behaviour has changes so dramatically over the last 10 years. For example 10 years ago the majority of people all over the world would simply purchase products and services by visiting high street companies and shops. However these days perhaps the majority of people all over the world now choose to purchase some, if not all products and services over the internet. Also 10 years ago the majority of people may not have owned their own computers, but today the vast majority of people all over the globe have at least one, if not more than one, computer/laptop in available in their home. Even for the minority of people who don't have computers, they can still have access to the internet via a library, school, college or perhaps a community centre. The fact that potential customers can book holidays with My Travel without even leaving their homes makes the website one of the most important distribution channels for My Travel, therefore making it excellent value for money.

As I have already mentioned the website, www.mytravel.com is perhaps the most important distribution channel for My Travel. This is because the highest percentage of bookings are made on line than through any of the other My Travel distribution channels. This therefore means that the My Travel website does fulfil its fitness for purpose. The website was built in order to enable My Travel to be able to reach more customers all over the world and this is exactly what is happening. Because of the website My Travel has become a more much more global and much more leading tour operator within the travel market.

Another change which has happened over the last 10 years is that, today people have much more disposable income than they would have 10 years ago. This means that more people can afford to travel on holidays. Because a lot more people have more disposable income nowadays, this also means that more people own their own cars, making it easier for people to travel either for domestic tourism, or to travel to airports in order to take more holidays abroad.

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Another advantage of the use of e-commerce is that when customers are booking their holidays through the website, this doesn't involve and contact with staff, or labour from staff in order to complete the booking process. Because no customer contact from staff is needed in order for these online bookings to be processed, this means that My Travel don't need to employ so many people. The fact that My Travel don't need to employ so many people means that less staff wages need to be paid. Not only this but also, no high street travel agents or offices need to be used for a holiday to be processed on line because its all done automatically. This means that My Travel can save money on not only staff wages, but also on the rental of buildings, stationary plus heating, electricity and water bills for the buildings. This is a big advantage for My Travel because it means that there will be less expenditure for the company to pay out, therefore creating a higher profit and this is another reason why the My Travel website is excellent value for money. Although the website was expensive to create, the use of the website can save money in other areas of the My Travel daily business operation.

Because of the fact that the use of the website has such important advantages for My Travel. The company put much effort in to promoting the website to customers. My Travel try to encourage customers to book their holidays over the Internet, instead of through a high street travel agents. They do this by offering all customers a 10% discount on all products and services booked through the website. However the website states that there is a credit card transaction charge of £4.95 for all holidays booked online. This means that customers, when booking over the internet will however, not actually receive the entire 10% discount for their online booking.

This is meant to then encourage more customers to choose to book over the internet, My Travel are so anxious to do this because even though they are offering discount to customers who book online, the fact that people are choosing to book online still manages to save the company a lot of money, on the things such as staff wages and the rental of shops/offices.

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Straight down the centre of the homepage are some beautiful photographs of the beach and the ocean which definitely caught my attention straight away. Above these pictures is the title Deals Of The Week. This has purposely been put right in the middle of the page in terms of mainly beach holidays including winter sun, summer sun and also special holidays which in this case is Disneyland. This column is also illustrated with eye catching pictures in order for customers to see the cheapest prices and think that My Travel offers excellent deals. This will make customers more likely to book with My Travel.

To the middle left of the page is a section which is titled Flight Deals. The writing is in bright orange in order to try and catch they eye of the customers. Below is a list which is titled last minute deals. This title is also written in bright orange making it more eye catching. And at the top left of the homepage there is a section titled top ten destinations, also written in bright orange. This can allow customers to find out where the most popular destinations are and can also be a faster way of looking up holidays.

All of these flight, holiday and last minute deals and also the top ten destinations sections have further links in order for customers to gain a wider range of information regarding the offers. For example a group of special offers which are promoted on the homepage of the website www.mytravel.com is as follows:

Summer 2008 from only £121 per person ✓

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In order to gain information on this particular category of deals customers must click on the link which locates them to a series of options available regarding the summer sun holidays. For example it gives me more information on early booking offers and what's included in the price, it also gives me a list of top deals to all different destinations, the dates, the prices, the departure and arrival airports and the holiday durations. In order to find further information on these holidays' customers can click a holiday from the list which will be hyperlinked. When customers do this they will then find information on different hotels includes their board type and the hotel rating. Clicking on the name of the hotel will also bring up more information about the specific destination for example when I clicked on the link Costa Brava Santa Susana I was able to gain information such as the time difference, general attractions to the destination and was also able to view a series of photographs which made it possible to get a better idea of what the destination looks like.

Also available on the homepage of the My Travel website is a booking form which customers are able to fill in order for them to check things like the availability and pricing of which ever destination or hotel which they desire. This booking form consists of questions like the type of search required e.g. Accommodation only, flights only, sun holidays, city breaks etc, the date of departure, the duration of the holiday, the number of travellers and the desired accommodation rating.

Along the top of the My Travel homepage is a list of other links to different pages including, sun, snow, city breaks, cruises, flights, hotels, last minute, car hire, travel insurance, airport parking, travel money and entertainment which will also provide customers with extra information. When customers click on the sun, snow, city breaks, cruises flights and last minute deals each hyperlink page will include an enquiry form for customers to fill in and find the availability and total prices for the kinds of holidays which they have asked for.

The My Travel homepage also has a very useful link which can provide for customers a very useful destination guide. This destination guide will provide customers with information on any of the hundreds of destinations which My Travel offer holidays to. Each of these destinations have hyperlinks which will when clicked on will bring up information for customers on each specific destination including information such as the flight time from the UK, the time difference from the UK, currency information and attractions within the specific destinations. This travel guide is very important because it can provide for customers a list of every destination which they can visit when travelling with My Travel. This list may encourage customers to travel to different destinations and make them more likely to want to fly with My Travel because they are so spoilt for choice.

Once customers have decided on a destination that they would really like to travel to or have just found the perfect hotel for them they are then able to begin the My Travel online booking process. I think that this booking process is very simple. Once customers have found the holiday which they desire they can then click on the 'get quote' link. This will provide customers with a price breakdown of the holiday in which they have chosen including the price of each of the departure and return flights separately the price of the taxes, the accommodation price etc and also the total price of the holiday over all per person. This page also allows customers to book some ancillary services such as travel insurance. If a customer still wants to go ahead with

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the booking once the price has been broken down then they can now fill in the booking form. This booking form requires information of each of the customers who are travelling, including details on the lead passenger who is the only person who is actually allowed to make any changes to the booking.

On the My Travel website payments can be made by the following credit cards: Switch, Visa, Visa Delta, Solo, and MasterCard. We do not accept Electron and American Express (AMEX). When booking a holiday via the My Travel website customers will instantly receive a 10% discount although it is mentioned on the website that when paying by credit card there is a credit card transaction charge of 2.5% of all holidays booked online.

A very important link on the My Travel website is named FAQ's this stands for 'frequently asked questions'. This can be useful for many customers and I have found it a very useful function to use on different websites in the past. This is because sometimes customers want to ask a question but are not sure how to word it in a way that the website will understand. If the site doesn't understand the question then the site obviously can't give the correct answer to the customer. When clicking on the FAQ's link a list of questions will appear on the screen which is asked the most by customers and all of these questions have already been answered for you. It can be very likely that one of these questions is one that the customer was looking for, now the customer can receive a fast and straight forward answer.

In conclusion I think that the new and improved My Travel PLC website is a very good one. In my opinion when searching around the website for various pieces of information I have found that there are many useful links available and many of these links can save much time for customers. I found the booking process to be very straight forward and think that the FAQ'S link could also be a handy time saving tool for many customers all over the world. I also think that the My Travel website is very attractive with its use of bright colours and beautiful beach images. So overall I think that the My Travel PLC website is one of the best information and booking websites' which I have come across.

The My Travel website (www.mytravel.com) is in my opinion very secure. When booking a holiday through the My Travel website holidays must be paid for by credit card. This means that customers must enter their card details in to the computer in order to purchase any products and services. When clicking on the security icon, which is located on the homepage of the website, a link will take customers to a page which explains the security measures of the website. The website states that a customer's browser's will go in to 'secure mode' before they enter any personal or payment details. Being in 'secure mode' means that all customer details are encrypted to help keep them secure. Encryption creates billions of code combinations to protect each transaction made on the site. This means that customer's card and personal details cannot be viewed by anyone else using the website or any other site on the internet. The 'secure mode' function of the website means that the My Travel website does comply with the legal requirements of the data protection act.

When looking on the My Travel website I searched to see if there were any assistant services available, for example a helpline. This would be a useful feature for the website because if a customer needs any assistance with their booking then they can

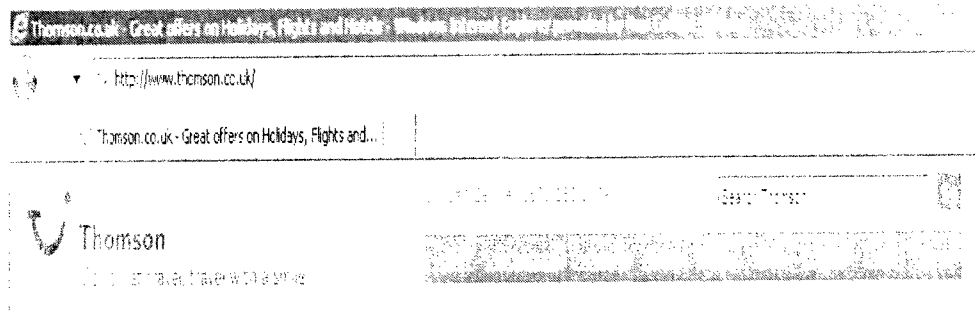
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phone up an instantly receive help. However I experienced great difficulty when looking for a contact number on the My Travel website and was ultimately unable to find one. This is a major downfall in regards to the website because it means that if any customers have any difficulty with booking then they will not be able to receive help. This may cause customers to then choose to book through another website, which does offer a helpline in order to ease the booking process, such as Thomas Cook. I looked on the Thomas Cook website in order to make a comparison of the website in relation to My Travels. As soon as I logged on to the Thomson website I was easily able to identify a customer service telephone number located at the top of the homepage. The easy identification of the Thomson UK customer call centre (helpline) is shown in the screenshot below.



The fact that the My Travel website does not clearly state a phone number for a customer call centre means a possible loss of customers for the organisation. This means that My Travels competitors such as Thomson may gain the customers who have had difficulty booking online with My Travel.

Other features of the website which can help My Travel to promote sales are the FAQ's link which is located on the homepage of the website. This is ideal for customers who aren't sure how to phrase their questions or what exactly to ask in order to receive the information which they need. FAQ's stands for frequently asked questions. This link provides a list of the questions which are asked most often by customers, with My Travels answers written next to the questions. This is a quick way for customers to find information and have their queries answered. The newsletter subscription which is offered to customers is another feature of the website which can help My Travel to promote sales. If customers click on the newsletter link on the website's homepage then they can choose to subscribe to the My Travel newsletter. The newsletter provides customers with regularly updated information on promotions, new routes, schedule launches and special offers etc.

In my opinion it is fairly easy to navigate around the website. The amount of useful links provided by the website help to provide ease of use for customers. The customer booking for is easy to understand and each of the heading which are provided by the website are clear and easy to understand, this helps customers to find exactly what they are looking for when using the website, creating extra ease of use for customers. This is a big advantage for My Travel.

In comparison to its competitors, the My Travel website does contain a lot of useful information which is accessible for customers, this can provide lasting benefits for My Travel. All of their latest news, travel deals, strategies and statistics, financial

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reports and investor relations news is valuable information. Competitors can know what they're up against and also steal ideas and maybe get one step ahead of My Travel. This is one downfall of relying on the website to carry out transactions electronically.

