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## **Unit 6: Organising Travel**

**[AS level, double award, optional, internally assessed]**

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## 1 INTRODUCTION

This document contains guidance on teaching for Unit 5: *Tourist attractions*, including additional resources. It should be read in conjunction with the [Unit Specification](#). The delivery ideas presented, including the sample assignment, are suggestions only and teachers are free to teach the unit as they wish.

## 2 OVERVIEW OF THE UNIT

The focus of this unit is studying the organisation of travel within the industry and the many routes which customers might use to organise any travel arrangements. It will involve a study of the various types of retail travel provider which customers may use and in view of the dynamic nature of the industry more recent developments within travel organisation such as the use of the Internet. The unit will be of particular interest to those candidates who might wish to work within the retail travel sector as it will give them an oversight of the methods of operation and practices used by the different types of providers.

Candidates will need to study all the various types of providers as listed in the [What You Need to Learn](#) section of the specification and be able to distinguish between the aims and objectives of the different providers as well as how they undertake enquiries for travel arrangements in order to complete a sale.

As this is a very dynamic and constantly changing area of work, there will be developments in the methods and systems used by organisations over the period of the qualification, and candidates will need to be aware of these changes and how they will affect organisational practices and procedures. Centres will need to bear in mind that **access to the Internet will be required** not only during the teaching of the unit but also for investigative and developmental purposes. As technology forms a major part of the way retail travel providers operate, candidates will need to be familiar with operating systems and it would also benefit them if they are able to undertake work experience with travel providers in order to gain information on technology used within these organisations. Whilst undertaking their studies, candidates will also need to be aware of the legal requirements when processing bookings and payments and also the regulatory bodies and trade organisations which contribute to the provision of retail travel.

Candidates will also be introduced to the marketing strategies used by the various providers in order to attract customers and increase sales and profits for the retail travel provider. Though this is not a full study of marketing techniques, it would provide a useful introduction to the A2 Unit 15: *Marketing in travel and tourism* which they may study later in their course.

Part of the function of retail travel providers is to provide a customer with the travel itinerary relevant to their journey. Production of suitable itineraries is dependent upon customer requirements and needs which a consultant would need to clarify prior to investigating possible routes. Candidates will be expected to produce **two** itineraries for different customer types which involve more complex arrangements than just a return flight to a destination and any accommodation required. They should be able to investigate the provision of various additional products or services – car hire, transport to departure point if relevant, equipment hire, holiday extras such as airport parking,

hotel accommodation prior to departure, and any other items which may be required by the customer. Not only will candidates need to produce the data but this must also be accurately costed, so they will need to demonstrate their application of number appropriately. As they will need to be able to communicate effectively with customers to obtain the information relevant to the itineraries, candidates will be using their knowledge of Customer Service and it is recommended that this unit is taken following completion of work on Unit 2: *Customer service in travel and tourism*.

This unit, and the assessment evidence which candidates will produce to support it, is made up of **two** items of evidence which are linked but cannot be integrated. The [Assessment Evidence Grid](#) in the Unit Specification indicates that AO1 to AO3 relate to a study of the industry whereas AO4 relates to the preparation of the two itineraries.

### **3 WHEN TO TEACH THE UNIT AND SUBMIT WORK FOR MODERATION**

In order to develop knowledge and understanding from other areas in the programme, it would be advisable for candidates to have completed their study of Unit 2: *Customer service in travel and tourism* and Unit 3: *Travel destinations* as they will need to have awareness of the role of customer service within the retail travel sector and locational knowledge of destinations to which customers may wish to travel. They should also have an understanding of the position of retail travel within the industry, which would imply that Unit 1: *Introducing travel and tourism* has been studied, even if the examination has not been undertaken. If it is not possible for this unit to be covered after study of the mandatory units, then the work could be undertaken alongside study of these earlier units so that the relevant areas of each can be related to the work for this unit. This may enable candidates to see the inter-relationship of the various units within the specification. However it is recommended that work for moderation is submitted in the summer examination session rather than in the earlier January session.

If the AS programme is being operated over two years, then this unit would fall within the second year of the programme. If, however, candidates are working towards the Double AS in one year, it is recommended that this unit is undertaken during the second part of the programme, when portfolios would be submitted for moderation in the summer examining opportunity.

### **4 SUGGESTED DELIVERY PLAN WITH TEACHING STRATEGIES**

#### **4.1 Introduction to Unit 6**

- Revision of role of travel agencies, following from work in Unit 1: *Introducing travel and tourism* (structure of the industry).
- Overview of the unit aims and structure.
- Discussion of how people make travel bookings – this could be done through a class discussion about how they have organized travel or teachers have organised travel for school/college visits. It could be achieved by producing a simple questionnaire for candidates to use with a variety of people (covering good age

range 18+) to develop understanding of where/how people book travel and holidays and changes in buying habits. (See [Appendix 1](#) for suggestions of questions for a questionnaire.)

Candidates should also be given a chain of distribution diagram to identify different approaches made by customers to purchase travel.

## 4.2 Different providers and methods of organising travel

To include a detailed study of each type of retail travel agency:

- Independent (owned by sole trader or partnership, not tied to specific tour operator).
- Miniple (up to 20 branches in discrete area, not tied to specific tour operator).
- Multiple (often tied to major tour operator and focuses on that operator's products).
- Specialist (specific market, e.g. cruise, adventure, business traveller).
- Hypermarket (such as First Choice Holiday Hypermarkets, located in major population centres).

To cover size of organisation, aims, objectives, place in chain of distribution, market share, making reservations, setting targets and measuring performance, making reservations.

Various approaches can be used to address this topic area – suggestions are:

- Undertake survey of local area to establish which types are present and discuss results in relation to possible reasons for this (population size, competition, awareness of public, demand).
- Teach theory of ownership – independent, miniple and multiple so that candidates can relate operation of travel agency type to size of business.
- Divide class into groups and allocate a travel agency type to each group to research, through visit, discussions with manager, Internet, to cover all topic areas.
- Invite manager of one or two types of travel agent into the centre to explain function, operation, practices and procedures of that type of agency. Candidates to ask questions in order to obtain information needed to be able to respond to each of the points including setting targets and measuring performance, and also cover topics such as the types of products and services offered by the agency using the checklists in the WYNTL 6.2.2. To make best use of speaker's time, candidates should also consider products and services at the same time as how providers operate.
- Arrange group visit to a travel hypermarket (as these are not equally spread over the country) and request meeting with manager to explain the points.
- Group should then analyse results to highlight similarities and differences in size of operation, methods of operation, objectives, market share, setting targets and measuring performance etc.

### 4.3 Market share of agencies

Use the table giving branch distribution of the top five agencies in [Appendix 2](#). Discuss reasons for change in branch numbers, changes in ownership/brand name of these. Try to establish reasons for change such as changes in organisation operation, effect of direct bookings, market changes etc.

### 4.4 Investigate direct booking with tour operators

Using travel supplements in national press and tour operator brochures, identify how direct bookings can be made. Discuss how this can affect the retail travel agency. Use the article from Travel Trade Gazette (TTG) in [Appendix 3](#) as a basis for analysis and discussion, or any more recent articles in similar publications. Try to establish percentage of bookings made direct with tour operators. Discuss why customers choose to direct book – what are the benefits to them?

### 4.5 Direct sell operators

Investigate direct sell operators, such as Saga, Travelsphere, who do not sell holidays through agencies. Why do customers use these organisations? What features do they offer customers? Compare costs for similar holidays with those in other tour operator brochures.

Investigation of this area could also include purchase of travel tickets such as train (through [www.thetrainline.com](http://www.thetrainline.com)), Eurostar, ferry or airline (for example [www.ryanair.com](http://www.ryanair.com)). What are the benefits/disadvantages to organisations who only sell direct to the customer?

### 4.6 Specialist travel agencies

Not usually found on the high street, but through advertisements in the national and trade press. Focus on particular customer types (business traveller, single people, over 50s, students – e.g. STA Travel), on specific locations (e.g. Oz Talk, Austravel, Journey Latin America) or on specific interests (e.g. cruises, coach tours (Shearings, Titan) walking holidays, painting courses, cookery courses etc.).

Using Teletext headings as a guide, candidates should consider a range of providers and investigate how they advertise and accept bookings (direct sell, Teletext, through retail agencies, telephone). They could investigate these through searching through Teletext or the Internet to obtain more information. They could write to the organisations asking for operational practices.

This could lead to group discussions on types of agencies and how they operate, sell their products, set targets and the type of market.

#### **4.7 Home-based travel agent**

Articles in TTG cover theory of home-based travel agency operations and teacher could contact Flight Centre or Travel Counsellors for information on how they recruit, set targets, train and manage home-based operators. This area is more difficult for students to research independently apart from TTG articles, so coverage should be teacher led.

#### **4.8 Customer's own research**

Candidates could be set a task such as finding flights and accommodation at a specific resort. Ask them to identify how long it took them to search the relevant information to put together a package to meet their needs. They should also cost this package and it would be a useful exercise to compare their costs and what is included with that provided in tour operator brochures to identify any additional features (such as meals on transport, transfers to accommodation) which may be included.

#### **4.9 Products and Services offered by providers**

This is best covered whilst studying each type of travel provider and investigation of how they are made available to customers. Concepts such as tangibility/intangibility, seasonality and perishability will need to be taught along with what distinguishes a product from a service.

Candidates will need to be able to explain the provision of each of the products and services listed in the [What You Need to Learn section](#) and also how they meet different customer needs. One approach could be each candidate (or a group of candidates) presents a wall chart of the products and services offered by a chosen travel agency – the class could then compare each type of agency to decide who offers a fuller range.

Candidates will also need to be able to differentiate between products and services (e.g. a product may be a package holiday but a service may be foreign exchange facilities).

The teacher could use the list of products and services in the WNYTL as a basis for this discussion prior to further study of each of the items.

#### **4.10 Package holidays**

Candidates will need to know the components of a package holiday and how this is marketed to customers. Study of tour operator brochures will provide basic understanding of the components, and this should link in to the way these are usually sold to customers.

Candidates could be divided into groups with each group studying one brochure or operator, and making a presentation to the rest of the class on how that tour operator packages its holidays, the target market the brochure is aimed at, what other brochures that operator may offer (e.g. Thomson have Summer Sun, Winter Sun, A La Carte, Ski, Platinum, Small & Friendly, Lakes & Mountains etc.), discounts and offers for groups or families, extras included within the packages or which have to be paid separately,

range of destinations and availability of flights. What other services does the tour operator provide to help customers make the most of their destination (e.g. holiday representatives, children's clubs etc.)?

The candidates should make notes from the presentations of other groups as the information may be useful when they come to undertake the assessment for AO1.

#### **4.11 Car Hire**

Candidates need to be aware that though car hire may be a component of a package (such as a fly/drive holiday), car hire is also sold as an extra to a package holiday, or as an additional service for a traveller booking flights only.

Candidates should investigate various car hire companies in relation to costs of hire, locations available, conditions of hire. Some of this information can be obtained from tour operators' brochures, but it would be advisable for the teacher to obtain a range of leaflets from car hire companies to use as a basis for individual or group study. Candidates may need this type of information later in their work when they are preparing itineraries for AO4, so a wide range of information should be made available to them.

#### **4.12 Foreign Exchange**

This topic is a good opportunity to develop application of number skills.

Candidates should consider all the locations in their area where they can obtain foreign exchange. Is it available at all travel agencies in the area – if not why might this be the case? Consider cost, security, training of staff.

Why do travellers need foreign currency and in what forms is it available? Explain travellers' cheques and reasons why travellers consider these more secure than carrying cash. Which currencies are probably the most regularly requested – why? Why is the 'buy' rate higher than the 'sell' rate? How much commission do local providers charge to sell foreign currency?

Develop this with exercises calculating currency exchange. Use exchange rates in the national press which are current at the time. See [Appendix 4](#) for possible exercises to be undertaken by students using current exchange rates.

#### **4.13 Insurance**

Candidates should be aware of why travel insurance is recommended and how it is made available to customers. They should be able to differentiate between single and annual policies and compare the relative costs. Different brochures can be used – insurance is usually covered at the back of these – to compare rates for different lengths of holiday. Candidates could produce a table showing how rates vary between different providers and for different periods of time, or different age groups. Candidates will also need to study the types of cover which are included in policies and again comparisons could be made between different policies on such topics as compensation, cancellation periods and limits to claims for different eventualities.

Discuss pressures on clients to purchase travel insurance due to high commission paid to agents – see article in [Appendix 5](#) as stimulus.

#### **4.14 Car parking and hotel accommodation at airports**

Investigate airport hotel accommodation rates and identify those which provide car parking facilities for customers. Compare the rates of various hotels offering car parking near a particular airport.

Investigate the types of car parking available for customers at an airport – is it secure and what actions are taken to ensure security of vehicles? What are the relevant costs in relation to distance from the airport?

Do travel agents in your area offer this service to customers? Why might this be a valuable additional service to the travel agency? Consider income generated from commission, improving customer service by providing ‘that little extra service’, convenience and time-saving for the customer.

#### **4.15 Ticketing procedures including ferry/Eurostar bookings, rail and coach tickets, flight-only bookings, theatre or entertainment bookings**

Candidates will need to consider this from the aspect of the service provided by travel agencies and also arrangements for supply of tickets for individual bookings (such as those booked direct on the Internet).

How are tickets sorted within an agency – by departure date, by customer surname, by tour operator? How are customers informed that tickets are available and what security is in place at the agency for safe-keeping of these?

Can the agency issue tickets for major airlines, UK rail, National Express, Eurostar or ferry transport? How does this process take place within the agency? Can all the agencies in your locality issue tickets for major transport principals? If not, why do they not offer this service?

Does the agency offer facilities to book entertainment tickets (such as major concerts, Disney park tickets, sporting events) or theatre bookings? Are these only for local events or do they include national events also? Why do they offer this service – does it earn good commission rates for the agency, or is it regarded as an additional service to improve the overall product?

How do direct-sell principals make tickets available to customers? Do all principals issue tickets? (Ryanair and other low cost airlines use booking references and computer printouts by the customer as tickets.)

#### **4.16 Visa/passport advice**

Investigate from brochures (such as Kuoni) which destinations require visas for entry. What is a visa? How much does a visa cost for these countries? How can customers obtain visas? Enquire at travel agencies whether they offer the service of obtaining visas for customers, or do they just advise customers on how to obtain visas?

To avoid candidates visiting travel agencies and disrupting their normal work, the teacher could obtain relevant information about visas and the countries which require visas. This can be found on Internet sites such as [www.ukvisas.gov.uk](http://www.ukvisas.gov.uk)

The teacher could download sections from this site to use as discussion topics with candidates.

The teacher could prepare a worksheet to guide candidate investigations on passports. This could include questions such as:

- Have candidates got a passport?
- Where did they obtain it?
- How long is it valid for in total?
- What type of information is included in a passport?
- What are the proposed changes to passports required to make them more acceptable in the USA for example?
- What are the reasons for these changes? (Refer to 9/11 and increasing terrorist threats.)
- Does the travel agency offer passport advice to customers, and if so what type of advice do they give?

This topic could be discussed with a speaker from a travel agency if one is included in the investigations of types of agency earlier in the programme.

#### **4.17 Health advice**

What advice is current re medical protection and care if travelling in Europe? (See article [Appendix 6](#).)

Where can customers obtain information about health protection from regions in the world? A good source of general information would be from research on the government websites, such as [www.doh.gov.uk/travel](http://www.doh.gov.uk/travel), or [www.fco.gov.uk/travel](http://www.fco.gov.uk/travel), or [www.cdc.gov.uk/travel](http://www.cdc.gov.uk/travel)

Brochures such as Kuoni could also be used to investigate what protection is advised for customers travelling to certain countries.

If candidates have visited any of these countries, what advice were they given by the travel agent? How aware are travel agency staff of recommended protection? Have they been trained to cover this adequately? Is there a specialist within the agency who is more aware of health protection issues who can assist other consultants?

#### **4.18 Tailor-made holidays**

How many of the types of travel agency studied offer tailor-made holidays? What are tailor-made holidays? How can they be organised by travel agencies or independent bookers? Candidates need to consider all types of transport which might be included, accommodation, stop-overs, tours or any other component which makes this type of holiday individual to the customer. How does the agent earn commission on this type of holiday?

## 4.19 Cruise bookings

Do any of the agencies have cruise specialists in their shops? Are there specialist cruise agents in the area? Candidates could look at advertisements in the national press to obtain details of cruise specialists or cruise clubs which undertake bookings. They should consider the growth of this market and how agents are meeting demands for this type of holiday.

## 4.20 Work towards AO1

Candidates should now have the basic information to approach AO1, but they need to select **two** types of travel organisation from those studied and the types of products and services each offers.

They could use or adapt the sample survey form in [Appendix 7](#), which will also give them evidence towards AO2 and AO3, particularly if they are undertaking the survey as a mystery shopper. This form could also be used later in this delivery programme when they have sufficient understanding of technology and marketing.

## 4.21 Marketing and advertising techniques used by providers

To include:

- window cards;
- posters;
- leaflets;
- use of colour;
- direct booking numbers;
- websites advertised on brochures;
- impact of lead prices.

Introduce candidates to simple marketing theory, such as offering the right product at the right price in the right place at the right time, and the use of AIDA principles (attention, interest, desire, action) to gain customers. This should not be a detailed study of marketing, but an introduction to the use of marketing techniques by travel agencies to increase market share.

Use travel advertisement sections in the national press as a focus for study of impact of colour, headlines, offers, amount of information given, contact details, etc. Candidates could then explain the aims of the advertiser and what he hopes to achieve. Consider also the types of customer to whom the advertising material might appeal. Obtain promotional leaflets from agencies or copies of posters they no longer use to expand and develop candidate awareness of marketing techniques.

This should help them understand the use of posters, leaflets, window cards, colour, direct booking numbers, websites and the impact of lead prices.

They could produce a window card suitable for display in an agency, for a specified date, destination and price. Display all the cards, and discuss each in terms of impact, appeal to target audience.

## 4.22 Other promotional methods

To include:

- use of media (e.g. video, interactive displays, press releases);
- special events, e.g. cruise evenings;
- Teletext advertising;
- drop in boxes on Internet search engine travel sites.

Candidates would benefit from a visit to a local Holiday Fair or Travel Exhibition to study various marketing techniques used by principals. These would include use of interactive displays, video, and other media. A visit to a Holiday Hypermarket will also give them a greater understanding of marketing techniques used.

Discussion could take place around special events, such as cruise evenings, organised by a travel agency as to who might be invited, what is the aim of the agency, what might be the special marketing techniques used at such an event.

If the centre has its own travel agency, then candidates might arrange a special event to promote particular holiday types, or present a display suitable to be used in the agency to promote specific destinations or holidays.

Candidates should look at Teletext pages to see how these are classified, which agencies are advertising and how they can be contacted, what types of holidays are on offer, how do they use marketing techniques to attract customers.

Using Internet search engines on travel sites, candidates could identify type of agencies using these, how they aim to attract business. They could develop this further by looking at sites such as lastminute.com, or even by just putting 'holidays' or 'travel agency' in the search section they could be directed to various agency types who promote their products differently.

## 4.23 Legal requirements when marketing and advertising

Including:

- Trade Descriptions Act;
- Sale of Goods Act;
- Consumer Credit Act;
- EU Package Holiday Directives.

Candidates do not need to know the legislation in detail, but need to know how each affects marketing and promotion and the operation of travel agencies. Obtain copies of the relevant legislation from government websites, extract or précis the relevant sections. Candidates then analyse these sections in relation to provision and selling of products and services by travel agencies. Ensure you are using the most recent legislation, and do not rely on that identified in the textbook as changes may have occurred.

#### **4.24 Work for AO3**

Developing from the candidates' work on the chosen travel organisers for AO1 and using the questionnaire suggested as a mystery shopper, candidates should now be able to develop their work on marketing techniques of their two chosen organisations. They may include in their work examples of types of marketing materials used by their chosen organisations to support evidence of research, but for higher grades they need to ensure they have researched from a broad range of sources and covered a wide range of techniques.

#### **4.25 Use and development of technology and its effect on organising travel**

When undertaking the survey of travel agencies, candidates will obtain some information about technology used in that agency. They should compare their results with their colleagues to identify trends, effects of developing technology, ease of operation for agents, impact on high street travel agencies. They could also use their findings from their initial survey of how people booked holidays to compare the different methods customers use. Have any organised their own travel, and if so what approaches did they use, how long did it take them to fulfil all their requirements?

Candidates need to understand how Global Distribution Systems operate and the range of information available on the sites. If they use [www.galileo.com](http://www.galileo.com) then they will have access to much of the information needed to respond to this. They could develop this study by looking at other GDS systems, such as Sabre, Worldspan and Amadeus. Work experience within a travel agency would give candidates an opportunity to study the systems in more detail whilst observing agency consultants at work. Candidates could also study the Travel Trade Gazette for information on dynamic packaging systems and how these operate or are used by agencies to tailor-make holidays for customers.

#### **4.26 Work for AO2**

Having studied technological developments and effects on the industry, candidates should be ready to undertake work for AO2. The changes in technology should relate to their study of the two types of travel organiser in AO1.

#### **4.27 Choice of forms of transport with advantages and disadvantages to meet varying customer needs**

Work on this topic area can be developed from their work on Unit 3: *Travel destinations*, as they will have considered transport routes to chosen destinations. To revise this area, candidates could investigate routes to a destination such as Paris, using road/ferry, rail and air to compare the cost and convenience aspects. If they considered the costs in relation to a family of four they would be able to draw comparisons leading to them being able to identify advantages and disadvantages of the different forms of travel. If three customer types were chosen (say family of four,

couple where one has a physical disability, and single traveller) for this exercise they should then be able to highlight more advantages and disadvantages of each type of travel to the relevant customer type. To develop the skill further, candidates could discuss what should be in an itinerary, the amount of detail it should contain and industry layout using the example in [Appendix 8](#) as a basis.

This will provide valuable underpinning knowledge for when they organise itineraries for AO4.

#### 4.28 Sources of information used for travel organisation

Including:

- Brochures
- Internet
- Gazetteers
- Guide books
- Atlases
- Directories
- Timetables

Through earlier study for this unit candidates should be familiar with using brochures and the Internet to locate information, but their skills will need to be developed in using other sources of information.

In their work for Unit 3: *Travel destinations* candidates will also have used guidebooks, atlases and gazetteers, with possibly some directories.

If the centre does not have copies of guide books, gazetteers or directories for specific areas, it may be possible to obtain some from local libraries. It is recommended however that the centre develops a bank of resources such as these which can be used for a variety of units in the qualification. Some gazetteers may be obtainable from travel agencies when they become out of date, but are adequate for research and practice purposes.

Candidates need to develop skills in reading timetables, and useful source is the local railway station where booklets of intercity and local routes are available (free of charge). Rail, local bus and airline timetables for specific routes are available on the Internet. Candidates need to be able to interpret the 24-hour clock when reading timetables and this skill can be developed with exercises.

Candidates will need to be able to read and interpret sources of information to prepare their itineraries for AO4.

#### 4.29 Work for AO4

Having undertaken simple research into possible routes to Paris earlier, candidates should have a fuller understanding of selecting routes and methods of travel to meet the needs of specific customer types. Before working on this assessment evidence, candidates should be shown how to present itineraries in an acceptable industry format (see [Appendix 8](#) for an example).

Now they need to prepare **two** itineraries – each for a different customer type or group size which must have some complexity and which must be fully costed. Some analysis of why each specific itinerary was chosen to meet the needs of those customers should be included with possible alternatives having been considered but rejected. It might be beneficial if candidates have a budget to work to for each of the itineraries, then their costs can be related to the budget. Numerical skills are important for this as costs should be identified for each component of the itinerary and totals should be accurate.

## 5 SAMPLE ASSIGNMENT

You are considering a career in the retail travel sector. In order for you to decide which type of travel organiser would best suit your interests and career goals, you need to investigate how the industry operates. You need to read all the assignment carefully to identify areas for investigation so that you obtain the maximum amount of information required to cover the tasks 1-3.

Having investigated the operation of the industry and the range of products and services offered by different providers, you then need to research the marketing techniques used by the industry and how information technology has affected the popularity of different providers within the industry. You will also consider the variety of sources of information available to travel organisers and how these are used to prepare two itineraries for specific customers with different needs.

### Task 1 (AO1)

Undertake an investigation into the operation of **two** different types of travel organiser. This investigation should cover the aims and objectives of the organiser, its place within the chain of distribution and the advantages and disadvantages of using that type of provider from the customer's point of view. It should also investigate how that provider makes reservations and how targets are set for employees including how employee performance is measured against targets. Your methods of investigation may be through discussions with employees/managers in the two types of organisation, through a survey conducted in both types of organisation, or from work experience in retail travel.

You will also need to investigate the range of products and services provided by each of the organisers in order to explain how these meet the needs of different types of customers.

You will then produce a description of your findings for both of the travel organisers studied and a comparison as to their methods of operation and their role in the chain of distribution. You should also compare the different products and services provided by each. The more comprehensive your description and comparison will demonstrate your knowledge and understanding of the industry and lead to higher points being awarded for your study.

### Task 2 (AO2)

Developments in technology have had a major impact for providers of travel organisation and you need to provide a detailed description of the effects of these developments for both your chosen travel providers on their current operational practices. After discussion with your chosen providers and using your understanding of advances in the industry, you should attempt to forecast how these developments will affect your two chosen providers in the future. You should include in your work details of the current use of technology including global distribution systems and access to information through the Internet and how this relates to current working practices. But you also need to demonstrate your understanding of developments within technology to forecast how these might affect your two providers in the future.

### Task 3 (AO3)

There are many marketing techniques used by travel providers and you should investigate those used by your two chosen providers. You should consider a wide variety of techniques and be able to explain the reasons for the organisation using these methods in order to appeal to customers. Effectiveness of techniques also need to be explained and you will need to undertake some research to establish how various techniques have led to increasing sales or performance of the provider. You should then attempt to analyse the effectiveness of these techniques and may also consider alternative techniques each organisation could use.

### Task 4 (AO4)

You need to be able to demonstrate your ability to research information to meet various customer needs and produce two itineraries in the correct industry format which meet the needs of the chosen customers. These itineraries must be fully costed so that the client is aware of exactly how much the booking would cost. You will also need to explain why one particular route or method of transport or type of accommodation was chosen over another to meet the budget requirements of the customer.

You should choose **two** from the following scenarios and prepare your itineraries and justification for chosen type of travel to meet the needs of the customers and their budgets.

- a) A family of four (parents and two boys) wish to go to Austria for a week's skiing holiday, travelling from their home in Birmingham. They will need to hire skis and boots at the chosen resort and prefer a resort with lots of other activities, such as snowboarding, heliskiing and evening entertainment. You should investigate alternative methods of transport to suit their needs and also types of accommodation available to them. Their budget for the whole holiday is £2000.
- b) An elderly couple, one of whom has mobility problems, wish to go to Benidorm for a month during the winter from their home in Manchester. They would prefer to travel in January and want to hire a car at the resort which would be large enough to accommodate the wheelchair. They would prefer accommodation which offers dinner, bed and breakfast rather than self-catering. Their budget is a maximum of £1750 for the booking.
- c) A single businessman from Bristol has to travel to New York for a 3-day conference. He has to make his own accommodation booking as this is not provided by the conference organisers. He would prefer a 4 star type of accommodation, which has 24 hour room service or access to catering at any time of day or night. He has no particular preference as regards airline, but will require transport from the airport to the accommodation and also for the return to the airport. There is no definite budget but costs should be as reasonable as possible.

Having produced the itineraries, you now need to undertake an analysis of how each itinerary meets to needs of the customers and justify your chosen itinerary by comparing it with alternatives for the same scenario.

## 6 RESOURCES

In addition to those given in the specification for the unit and in the delivery plan:

Textbook	<i>GCE AS Double Award for OCR Travel and Tourism</i> Hilary Blackman, Ann Rowe, John Smith, Sue Stewart, pub. Heinemann.
Travel Trade Gazette	Annual subscription @ £100 through United Business Media, Tower House, Sovereign Park, Market Harborough, Leics LE16 9EF  If budgets do not allow purchase of this weekly journal, develop good working relationship with a local travel agency who may pass on back copies. Invaluable for current developments in the industry, study of skills in agencies, articles on home working, travel agency operations, commissions. It is also possible to obtain articles on line through <a href="http://www.ttglive.com">www.ttglive.com</a>
Tour operators' brochures	Travel agencies will often let schools and colleges have past editions of brochures to keep as a resource, rather than students obtaining new copies for each topic studied.
Promotional videos/DVDs	P&O Cruises Collection, cost £6/£8, contact P&O Cruises, PO Box videos/DVDs, 22, Abingdon, Oxon, OX14 4SP  Rent videos from Holiday Hypermarkets, or show videos during a visit to one.
Guide books	Lonely Planet guides, Dorling Kindersley Top 10 guides, AA City Guides, RAC/AA Gazetteers, Rough Guides, World Travel Guide.  Some are available on the Internet, e.g. <a href="http://www.virtualtourist.com">www.virtualtourist.com</a> <a href="http://www.lonelyplanet.com">www.lonelyplanet.com</a> <a href="http://www.wtgonline.com">www.wtgonline.com</a>
Timetables	Local rail and intercity routes – from local station Local bus route timetables Airport websites lead to airline timetables Brochures have flight schedules for practice checking availability and routes
Other websites	<a href="http://www.dti.gov.uk">www.dti.gov.uk</a> (for legislation) <a href="http://www.expedia.com">www.expedia.com</a> Travel agency websites such as: <a href="http://www.trailfinders.com">www.trailfinders.com</a> <a href="http://www.ryanair.com">www.ryanair.com</a> (timetables) <a href="http://www.aa.com">www.aa.com</a> (for travel routes, mileages)

## APPENDIX 1: INVESTIGATING HOW PEOPLE BOOK HOLIDAYS OR TRAVEL

Suggested questionnaire or questions to be included:

Age group:    18-25                  26-40                  41-50                  51-56    65+

How did you book your most recent holiday or travel?

- Local travel agency – if so, was this:
  - an independent travel agency?
  - a high street chain such as Going Places, or Thomson?
- Holiday Hypermarket
- Travel provider/Tour operator's direct sell telephone line
- On-line travel agency (e.g. Sky, Thomas Cook Direct etc.)
- Contacting different providers on the Internet (airlines, train, accommodation etc.)

Why did you choose this method?

- Price
- Prefer personal advice
- Choice offered
- Convenience/time

Did you book 'extras' for your holiday at the same time as the main booking, such as:

- Car hire
- Airport parking
- Airport hotels
- Insurance?

Were there any other services offered at the time you booked?

- Foreign exchange
- Taxis to/from the airport
- Other?

Did you feel pressurised to purchase any extras or services? YES/NO

If YES, what was your reaction to this?

Did you visit more than one travel provider or compare prices? YES/NO

Were you satisfied with the service received? YES/NO

If NO, what method do you normally use

- Travel agency
- Direct sell on the telephone
- Internet
- Other (give details)?

Do you have access to the Internet at home? YES/NO

If you do, would you use this to book future holidays? YES/NO

If YES, why?

## APPENDIX 2: TOP FIVE TRAVEL AGENCIES IN 2005 BY NUMBER OF BRANCHES

Travel Agency	No. branches in 1998	No. branches in 2005
Thomson (Lunn Poly)	850	889
Going Places	750	670
Thomas Cook	400	618
Co-op Travel	320	379
First Choice (including Hypermarkets)	-	243

Source: ABTA

## APPENDIX 3: DIRECT BOOKING

Extract from Travel Trade Gazette article by John Welsh, 12 November 2004:

TUI UK has admitted its 700 shops are in direct competition with its online business, which offers the same products at cheaper prices than on the high street. This admission puts further pressure on the group's agency chain, which learned last week that its Lunn Poly branding was to be replaced by Thomson. Customers will inevitably pick up the operator's brochures in its shops, then book their holidays cheaper at home. The company had always offered lower prices online, but they were 'the least aggressive discounts of the big four'.

## APPENDIX 4: FOREIGN EXCHANGE EXERCISES

**Obtain most up-to-date exchange rates from bank/travel agency/newspaper prior to doing these exercises.**

1. A customer wishes to change £500 into Euros. How many Euros would they receive at the current exchange rate? If commission rate of 1% is charged, how many Euros would be deducted from this?
2. Another traveller wishes to exchange into sterling a travellers' cheque valued at €100. How much would be received? Was commission payable and if so how much would be deducted?
3. A family going to America wish to purchase £750 in travellers' cheques and currency to the value of £150. Which currency would you advise them to use for travellers' cheques and why? What would be the value of the travellers' cheques in this currency and the value of currency obtained. How much commission would be charged – are these regarded as two transactions or just one?

Other exercises of a similar nature could be produced by the teacher to develop the candidates' skills in using foreign exchange tables to confirm their understanding of how foreign exchange rates operate.

## **APPENDIX 5: TRAVEL AGENTS ACCUSED OF MIS-SELLING INSURANCE POLICIES**

Extract from Daily Mail, Wednesday Nov 17 2004:

Travel agents have been accused of using 'underhand' tactics to pressure customers into buying their holiday insurance policies. More than 700,000 people who bought cover from agents were told they could not book their trip without taking out a policy from the same tour operator, according to a report produced by Sainsbury's Bank. These customers were not asked about pre-existing medical conditions which could mean that if taken ill abroad they may not be suitably covered, and others complained that the terms of the policy were not fully explained by the agent.

Travel agency staff are encouraged to try and sell insurance cover alongside a holiday to earn commission and it is claimed that this type of insurance is among the most expensive. ABTA comments that if anyone suspects they have been mis-sold insurance by a travel agent complaint should be made to them.

Discuss why travel agents might try and encourage selling of travel insurance.

What is meant by 'pre-existing medical conditions'?

What do you understand by 'terms of the policy'? Consider various policies in the back of tour operator brochures to see how these differ from one insurance company to another.

Why do you think ABTA is concerned about mis-selling tactics? What action could ABTA take with travel agents who might have mis-sold policies?

## **APPENDIX 6: HEALTH PROTECTION IN EUROPE**

A new E111 form will operate from January to December 2005 (only valid for one year) which is available free from Post Offices. It will be valid in all European Union countries, plus Iceland, Liechtenstein, Norway and Switzerland. When applying for this form, if the customer ticks the relevant box they will automatically receive the new EHIC card.

At the end of 2005, the UK will be part of the new Europe-wide European health insurance card (EHIC) scheme. This EHIC card will be valid for five years and will be free. It will be issued to individuals, not families, although only one form needs to be completed to get cards for each family member. The card will only have your name, date of birth and personal identification number and will not hold any clinical or electronic data.

## APPENDIX 7: TRAVEL AGENCY SURVEY

Name of Agency \_\_\_\_\_

Type (Independent, Miniple, Multiple) \_\_\_\_\_

Topic	Excellent	Good	Fair	Poor	Comments
<b>Location</b>					
Accessibility for all					
Layout					
<b>Staffing</b>					
Number of staff					
Presentation of staff					
Product knowledge					
Attitude of staff					
Size of shop (space for customers, chairs etc.)					
Products and services					
Brochures: - display					
- availability					
- range					
Dominance of one brand					
Focus on package holidays					
Focus on independent holidays					
Foreign exchange facilities					
Add-ons sold (insurance, hotels, taxi, car hire etc.)					

<b>Topic</b>	<b>Excellent</b>	<b>Good</b>	<b>Fair</b>	<b>Poor</b>	<b>Comments</b>
Ticketing procedures					
Ability to tailor make packages					
Other services offered					
<b>Marketing techniques</b>					
Window cards					
Posters					
Leaflets					
Point of sale					
Others					
Clarity of information					
<b>Search systems used</b>					
Company own					
Amadeus					
Sabre					
Galileo					
Other					
Type of information available on search system					
Other types of technology used by the travel provider					
Other features of the outlet (e.g. coffee shop, children's play area)					

## APPENDIX 8: SIMPLE ITINERARY EXAMPLE

Single business traveller has to travel from Poulton-le-Fylde, Lancashire, to Newport, Gwent, for a meeting at 9.00 am on 16 November 2004. Travel can be by car or rail but subsistence is limited to:

- Bed and breakfast outside London           £75.00
- Dinner   £15.00

Mileage rate is 35p per mile

Mileage works out at 217 miles per single journey, making 434 for the return @ 35p per mile = £151.90. Journey times are approximately four hours each way, making eight hours travel time in total if traffic is free-flowing.

Investigation of rail costs are £46.15 for the return journey, with journey times approximately 4 hours each way, and two changes of train on each journey.

As the meeting starts early morning, it will be necessary to travel the previous day and have an overnight at the hotel. It would be preferable if this is the same hotel as the conference to avoid unnecessary travel. The conference is at the Hilton Hotel, Newport and after investigation room rates for Bed and Breakfast are £75.00.

Having undertaken the research the itinerary would now read:

Date	Departure	Arrival	Details
15 November 2004	13.54 Poulton-le-Fylde station	14.11 Preston station	Transpennine Express
	14.38 Preston station	15.14 Crewe station	Virgin Trains
	15.41 Crewe Station	17.51 Newport Station	Arriva Trains Wales
	17.55 Newport Station	Approx 18.15 Hilton Hotel	Taxi to Hilton Hotel (15 mins)
			Dinner Hilton Hotel
16 November 2004	17.00 Hilton Hotel	17.20 Newport station	Taxi
16 November 2004	17.28 Newport station	19.35 Crewe station	Arriva Trains Wales
	19.55 Crewe station	20.39 Preston station	Virgin Trains
	20.58 Preston station	21.15 Poulton-le-Fylde station	Transpennine Express

Costs:

Rail ticket	46.15
Taxi fares (estimate £9 each way)	18.00
Dinner Hotel	18.25
Overnight accommodation	75.00
Refreshments on train	10.00
	_____
Total Cost	£167.40