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TRAVEL AGENCY & TOUR OPERATIONS

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PREPARED BY

MD ABU BARKAT ALI

TOUR OPERATOR & TRAVEL AGENCY

UNIT: I-

1. Travel Agency

Travel agent is a person who has a full knowledge about tourists product – destinations, modes of travel, climate, accommodation and other areas of the service sector. He acts on the behalf of product providers/principles and in return get a commission. Technically, a travel agent is an **owner or manager** of an agency, but other employees are responsible for advising tourists and selling packages tours/individual components of travel products.

A travel agent may be an individual /firm or corporation which is commonly known as a **travel agency**. An agency means the office of travel agent or organization where all travel goods and services are assembled and coordinated for the smooth conduct of travel agency business.

Travel agency is one of the most important organization in the tourism private sector which plays a significant and crucial role in the entire process of developing and promoting tourism in the country or at a destination. It is a travel agency which packages and processes all the attractions, accesses, amenities and ancillary services of a country and present them to tourists. That's why travel agency is known as '**image builder**' of a country.

A prospective travel agency is one which makes arrangements of travel tickets (air, rail, road, and sea); travel documents (passports, visa and other documents required to travel); accommodation, entertainment, and other travel-related services from principle suppliers. It may also secure travel insurance, foreign currency for traveling people.

History of Travel Agency

The first Travel Agency of the world was established by **Thomas Cook in 1845** in England. The use of the term travel trade dates back from the early years of the 19th century, but this should not obscure the fact that what we today describe as travel trade (travel agency and tour operation business) was taking place much earlier in history.

Throughout the history, there was travel middleman who helped the merchants traveling for trade and other who traveled for religious purposes.

In 1841 a fortunate day comes in the history of travel trade when **Thomas Cook**, as secretary of South Midland Temperance Association, organized a trip by a train for 570 members for his association to the distance of 22 miles. He bought railway tickets in bulk to sell them to people.

The experiment was successful and everybody was exultant. Mr. Cook had done his job on a no profit basis. But, incidentally, It gave him a new idea and turned it into a tour business.

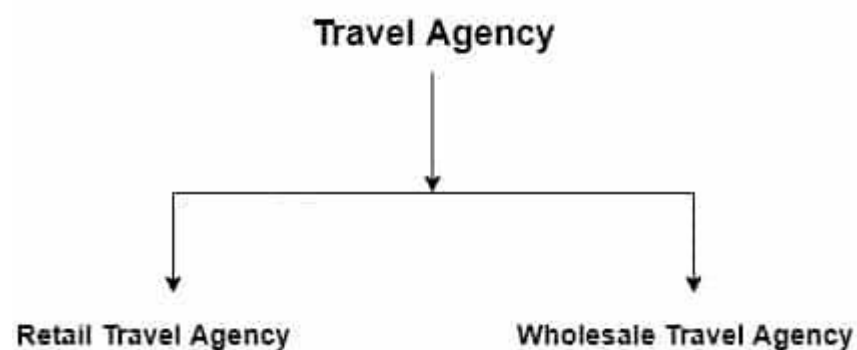
Four years later in **1845**, he set up a '**World's First Travel Agency**' to organize excursions. Due to this innovative approach, **Mr. Thomas Cook** is known as the **Father of Travel Agency Business**. He co-ordinated railway and steamship excursions throughout England, Scotland and Europe.

However, the railways only gave him 5% commission which was not enough to meet his overheads, so he decided to diversify this business into tour operation.

In 1855 Mr. Cook started operating package tours. He conducted the **world's first international tour** from England to the Paris.

Types of Travel Agency

Travel agencies are basically categories in two types-: **Retail Travel Agency** and **Wholesale Travel Agency**.



Retail Travel Agency

A retail travel agency sells tourists products directly to the public on the behalf of the products suppliers and in return get commissions. Some package tour is sold in two ways i.e., on a commission basis and mark up the price.

When a travel agency sells a tour on the marked-up price it means that first, it markups the cost of the tour and then sell it at a higher rate. The markup price is the difference between retail price and wholesale cost.

Definitions

According to Airlines Reporting Corporation (ARC) a retail travel agency is defined as " a business that performs the following functions: quotes fares, rates, make reservations, arrange travel tickets and accommodation, arrange travel insurance, foreign currency, documents and accepts payments."

According to SARC (1967), " retail travel agency business consists of the activities involved in selling tourism products/services directly to the tourists and performs normal functions such as issuing air tickets, making accommodation and transportation reservation, providing specialized services, and accepting and making payments."

The main source of the revenue for the travel agency is the commission received from the vendors. However, the rate of the commission differs from organization to organization an travel component to the travel component.

A travel agency receives appx. 95% of their revenue from the commission, and the remaining 5% from consultancy services and others.

Wholesale Travel Agency

These agencies are specialized in organizing package tours, which are marketed to the customers/tourists through the network of a retail travel agency or directly to the prospective clients (if wholesale travel agency has a retail division). A wholesale travel agency purchases tourists product components in the bulk and designs tour package.

Sometimes, a wholesale travel agency buys travel components from the vendor in bulk and resell them to another travel business originations.

Wholesale travel agencies assemble package holidays and sell them to the clients through retail travel agencies. A typical package tour includes – air tickets, accommodation, and something other services may also be included in it such as entertainment, sightseeing, and sports activities etc.

These packages are referred to as 'package tours' most of these tours include the services of escorts but a few are sold to people who wish to travel independently.

Now a question arises – How a wholesale travel agency generates profits?

Generally, a wholesaler receives volume discounts from the principal suppliers because a wholesaler might agree to purchase a large number of seats from a particular airline or reserve a large number of room at a particular hotel or resorts.

Practically, a wholesaler who sells package vacations/tours is called a **Tour Operator**. However, technically there is a difference between a wholesaler and a tour operator. A wholesaler who sells tourists product individually without assembling them into a package tour is called as a **Consolidator**. Mostly, these are specialized in particular product components such as air tickets, accommodation, and conference, and conventions etc.

Difference between Wholesale Travel Agencies and Tour operators

The wholesale travel agencies may offer or operate the package tours or may specialize in developing tours for inbound as well as outbound travelers. They are often referred to as tour operators, but these two essentially different:

1. Wholesale travel agency does not sell directly to the public, while tour operators do sell directly to clients.
2. A wholesale travel agency usually combines, assembles and contacts for existing travel services to formulate a new travel product she has his own one or more components of travel product i.e. 'inclusive tours.'
3. Wholesale travel agencies are less inclined than tour operators to perform ground services i.e. handling agency or ground operators.
4. A wholesale travel agency may deal with one component of travel product while a tour operator offers a variety of tour programmes.
5. The size of the business is large in the case of tour operators in comparison to a wholesale travel agency.

Features and Importance of the Travel Agency

Travel agency plays an important role in travel sector business. Some most important features and importance of the travel agency business are following as:-

1. An important link between the clients and principal suppliers.
2. Image-Builder.
3. Ensures rapid travel services.
4. Provider of an authentic and reliable travel information.
5. A social a continuous process.
6. Establishes a good relationship with clients and vendors.

These are the most important features of the Travel Agency Business.

Functions and Services of Travel Agency

Today, Travel Agencies have been recognized as a vital component of [travel and tourism](#) and have become an integral part of the travel and tourism industry at global. They account for more than 90% of international and 70% of domestic tourist traffic

Further, more than 60% of all travel agency revenues are derived from business travel. Most travel agencies sell both commercial and leisure travel but there are many travel agencies which only specialized in one sector or the other. The operation of each travel agency is based on the scope of its activities and organizational size. Here we discuss the functions of a large scale travel agency that performs all types of activities such as Retail travel agency, wholesaling and tour operations etc. The main function of large-scale travel agency are:

Travel Information : Whatever the size of a travel agency, it has to provide necessary travel information to tourists. A travel agency must give up-to-date, accurate and timely information regarding destinations mode of travel, accommodation, sight-seeing, shopping, immigration, passport, visa, customs clearance and procedure, health and security rules and about various permits required to travel in particular areas etc.

Itinerary Preparation: The term tourists itinerary is used to identify the origin, destination and all the stopping points in a traveler's tours. It is a composition of various elements and designed after a detailed study of the market. Travel agencies prepare an itinerary for tour packages.

Airline Ticketing and Reservation: A travel agency sells a variety of tourism products. Airline ticketing and reservation is still a major source of revenue. Travel agencies perform a function of airline ticketing and reservation on the behalf of various airlines.

Tour Packaging and Costing: Travel agencies prepare tour package and sell them to tourists. The costing and pricing of tour packages depend to a large extent on the ability of travel agent as to how effectively he is able to negotiate with the principal suppliers.

Reservation: It is a very important function of all types of travel agencies. A travel agency consistently makes linkage with the accommodation sector, transport sector and other entertainment organizations to reserve rooms, and seats in the cultural programmes and transportation.

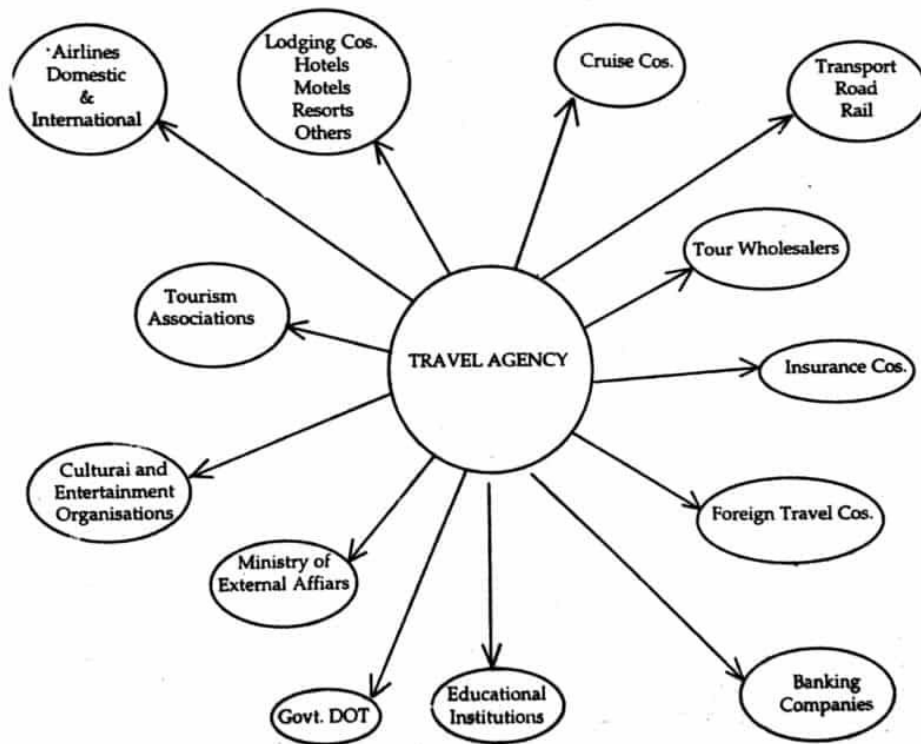
Travel Insurance: Some large-scale travel agencies perform additional functions to serve its clients. Travel insurance protects the travelers against the personal as well as baggage losses resulting from a wide range of travel related happenings and problems.

Currency Services: Approved travel agency authorized by Govt. body provides currency exchanges services to tourist.

Organisation of Conference/Conventions: Large-scale travel agencies offer a complete convention/conference package which includes registration of the participants at the venue to be picked up for dropped to the airport/hotel, overhead projectors, slide projectors, TV, VCR, information counter, sightseen etc.

Travel Agency Linkages and Integration

Basically, a travel agency serves two type of clients: business travelers and leisure travelers. Incidentally, the requirements of these tourists are different and an agency has to assemble or purchase related components from the principal suppliers to cater to their needs.



Tourismnotes.com

Essentially, travel agencies maintain close ties with Airlines, hotels, car rentals, banks, insurance companies, railways, government, trade associations, foreign tour operators and travel agents, ground operators, cruise companies and tourism educational institutes.

Tour operator: Tour operator is an organization, firm or company who buys individual travel components, separately from their suppliers and combines them into a package tour, which is sold with their own price tag to the public directly or through middlemen, is called a Tour Operator.

More precise tour operators are primarily responsible for delivering and performing the services specified in a given package tour. They can provide these services themselves as some have their own cars and coaches, hotels and other travel related services or can obtain these from the other suppliers. That is why they are called manufacturers of tourism products.

Tour operators are sometimes called as wholesalers but this is partially true because a wholesaler buys goods and services in bulk at his own account to prepare a tour package and then retails it through the travel agencies or directly to clients. However, a tour operator who has his own one or more

tourists products components, (SOTC, TCI, Thomas Cook, Indo Asia KUONI formulates a new tourists product for example 'inclusive tours.'

Tour operators generally offer a variety of package tours to cater to the needs of different kinds of travelers.

Definitions: Poyther (1993) defines, "tour operator is one who has the responsibility of putting the tour ingredients together, marketing it, making reservations and handling actual operation."

Holloway (1992) stated that tour operations undertake a distinct function in the tourism industry, they purchase separate elements of tourism products/services and combine them into a package tour which they sell directly or indirectly to the tourists.

Today, tour operators have become highly competitive. They endeavor to achieve a high volume of turnover, and maximum International and domestic market share by effectively operating. Moreover, the success of many developed and developing nations as tourists destinations depend heavily on a tour operator's ability to attract tourists, development and promotion of tourism plant, diversification of tourism product and their social responsibilities to develop a remote and backward area.

Types of Tour Operators

Tour operators are basically categories into four types. These are categories on the basis of their nature of the business and their operations.

Inbound Tour Operators

Outbound Tour Operators

Domestic Tour Operators

Ground Operators

Inbound Tour Operators

These are also known as incoming tour operators. Technically, the operators who receive guests, clients/tourists and handle arrangements in the host country are called inbound tour operators. For example, a group of American Tourists is coming through TCI Ltd. to India and the company makes arrangements and handles the group in India then TCI is called an inbound tour operator.

Incidentally, the inbound traffic to the country for the last two decades has been decreasing. Essentially the tour operators need to adopt innovative marketing strategies and should introduce a special interest tour to cater the special needs of Japanese, Americans, French and British people.

Outbound Tour Operators: Tour operator who promote tours for foreign destinations, maybe business tour or leisure tour is called outbound tour operators. For example a group of American tourists going to a trip of India and Thomas Cook handle arrangement in America like as ticket reservation, hotel booking etc. then Thomas Cook is called Outbound Tour operators in the context of America.

Domestic Tour Operators: Domestic tour operators are those who assemble, combine tourist components into inclusive tours and sell it to the domestic travelers. In general, these tour operators provide travel services within the tourist's native country.

The domestic tour operators operate within the boundary of the home country and offer package tour to the travelers viz. Domestic inclusive tours or independent tours.

Ground Operators/Destination Management Companies: These are commonly known as handling agencies and their main function is to organize tour arrangements for incoming tourists on the behalf of overseas operators. Let us take the case of India as a destination that – has a varied culture.

When a tour operator himself promotes beach holidays, wildlife holidays, adventure tours, heritage tours at the different places, the difficulty arises. It is the ground operator then who by handling the incoming travelers in the same season but at different places ensures that the entire operation is according to the package tours or agreements.

Sometime when a handling agency is at a prominent tourist place i.e., Delhi and it has to make arrangements to Goa, then it contracts (If it has no office of its own) with a local operator (known as excursion agent) to handle the arrangement on his behalf.

Why Ground Operators? :Obviously, the tour operation companies do not have close contact with suppliers, governments, destinations and so on. It leaves no choice with the companies but to appoint handling agencies at the destinations. The main reasons are:

Introduction of new products or plant to promote an exotic destination.

Lack of Government regulations.

Lack of personal contract.

Language problem.

The company cannot establish its own branch.

Recognizing the very fact that the reputation, performance, and profitability of tour company in its own market largely depends on the efficiency and effectiveness of ground operators, it has become necessary for the company to consider various factors before the selection of a handling agency, they are:

Size of business

Professional staff

Length of business

Area of operation/Product line

Market share

Functions of Ground Tour Operators

Over the years of functions and activities of the destination, companies have changed drastically to cope with the changing environment of the tourism industry. In fact, today's destination companies have become more professional and are bound to provide personalized travel services to the tourists. The following functions are performed by ground tours operators:

Land arrangement

Contract and Negotiate with other vendors

Handling of Arrival and departure procedure

Planning and organizing local package tour

Escorting the tourists

Providing market information

Costing and pricing package tour

Practically, if we see the working of the travel agencies and tour operators in the industry we find that most of the organizations are performing different types of activities like the retail travel agency, wholesale travel agency, and tour operators.

The travel agency business is no longer an amateurism. Over the last two decades, the pattern and structure of travel agencies have changed to meet tough challenges in the international market. Today, small-scale agencies are finding the travel industry increasingly complex.

Thus, the small and medium scale travel agencies are disappearing or merging or falling instead of rising. On the other hand, a new concept has also emerged i.e. tour operation business. The tour operation business is new but a maturing business at the global level.

Functions of Tour Operator : A tour operator is an organization, firms or a person who is responsible for the actual arrangement of transport and accommodation facilities in any tour or vacations. They are also responsible for operating and providing vacation through contracting, booking and packaging together of the various components of the tour such as hotel, transportation, meals, guides, optional tours and sometimes flights.

A tour operator is like a service provider, providing the most convenient option for tourists to stay, visit, as well as leave from the city. A tour operator owns a high volume of travel services across carriers, services, and accommodation. Some most important functions of the tour operators are following as:

Planning a Tour: The most important functions of the tour operators are planning a tour. Tour operators plan a tour and make tour itinerary which contains the identification of the origin, destination and all the stopping point in a traveler's tours. A prospective tour operator also gives advice to intending tourists in various types of tour programmes, which they may choose for their leisure or commercial travel.

Making Tour Package: Tour operator buys individual travel components, separately from their suppliers and combines them into a package tour. Tour operators make tour package by assembling various travel components into a final product that is called tour package which is sold to tourist with own price tag. Making tour packages is also an important function of Tour Operator.

Arranging a Tour: Tour operators make tour package and also arrange a tour according to tourist demands. Tour operators arrange the tour package and various tourists activities to provide the best experience to tourists/traveler.

Travel Information: Whatever the size of tour operators, it has provided necessary travel information to the tourists. This task is utterly difficult and very complicated. A tour operator must give up-to-date, accurate and timely information regarding destinations, modes of travel, accommodation, sightseeing, immigration, health and security rules about various permits required to travel in a particular area etc.

Reservation: It is a very important function of all type tour operators and travel agencies. Tour operator makes all the reservation by making linkages with accommodation sector, transport sector and other entertainment organizations to reserve rooms, and seats in cultural programmes and transportation.

Travel Management: Tour operators manage tour from beginning to the end of the tour. A tour operator has the responsibility to look after the finer details of a vacation or tour such as hotel, accommodation, meals, conveyance etc. Tour operators provide travel guide, escorting services and arrange all travel related needs and wants.

Evaluate the Option Available: Tour operators evaluate all available options to provide a unique or unforgettable travel experience to tourists during their journey. Tour operators evaluate the various options available for a tour package and provide best of them to tourists.

Promotion: Tour Operators makes tour packages and promote them into various tourists markets at domestic as well international level. Tour

operators promote a travel destination to attract a large group of tourists at domestic as well as international level. In the promotion of tourist destination, tour operators play a key role. Travel agencies or tour operators are called as image builder of a country.

Sales and Marketing: Tour operators do sales and marketing of tourist products. Tour operators buy individual travel components, separately and combine them into a tour package, which is sold with their own price tag to the public directly. Tour operators do marketing of tourist destinations and tourism product to attracts the attention of the tourists/travelers.

Taking Care of Glitch: Tours operators are also called handling agencies which handles tour package and take care of all the glitches and problems arises during a tour package. Tour operators fix the glitches and provide the best available alternative to tourists during their journey.

Importance of Tour Operators

Tours operators play a key role in the tourism sector. Tour operators create tourist product, promote them and finally sold them to tourist.

Tour operators provide the best and competitive price to the tourist. Tour operators negotiate with suppliers of tourism product such as hotels, airlines and provide the best possible price to the tourist. Tour operators buy tourist product in bulk and get huge discounts from suppliers. So that they provide tourist products at cheap price.

Tour operators organized a tour in the best way. They personalize and make sure each and every component of the tour is well-taken care. Tour operators provide best travel experience during a tour. Tour operators save tourists times and money.

Tour operators provide immediate support system at host country as well as foreign land. When tourists travel to a foreign land and things get uncertain, maybe its a health or loss of documents and need to return back or change of travel plan. A qualified tour operator takes care of all these unseen events with efficiency.

Tour operator caters to the needs of tourists on the based on their taste of travel. Tour operator provides all the best available option according to tourist needs and demands

Difference between Travel Agent and Tour Operator

There is a lot of confusion about the difference between tour operators and travel agents what exactly makes them different. The main difference between a Travel agent and Tour operator are following as:

A travel agent is a person who has a full knowledge of tourist product – destinations, modes of travel, climate, accommodation and other areas of the service sector. He acts on the behalf of the product providers/principals and in return get a commission.

Tour operator is an organization, firm or company who buys individual travel components, separately from their suppliers and combines them into a package tour, which is sold with their own price tag to the public directly or through middlemen.

Tour operators are like wholesalers and travel agents are the retailers.

A tour operator makes the package holidays up and the travel agents sell them on.

Tour operator taking up the bulk of the responsibilities and his fee is obviously much greater than a travel agent.

A tour operator has the responsibilities to look after the finer details of a vacation or tour such as hotel, accommodation, meals, conveyance etc.

The wholesale travel agencies may offer or operate the package tours or may specialize in developing tours for inbound as well as outbound travelers. They are often referred to as tour operators, but there is a difference between Wholesale Travel Agencies and Tour operators.

4.2. PROBLEMS OF TOUT: President of World Federation of Tourist Guide Association, on Friday said the tout menace is a world-wide problem, and if tourist destinations want to earn money and a good promotion, then they need to train and qualify their guides. Wressnig, who heads the Vienna-based organisation, said, “Guides are not only persons who give a narrative to a place, but also help in building the infrastructure of a tourist destination, and thus play a major role in the economy. It is tourists who come for the second or third time to a destination who spend more money. This happens when they get good guides who help them savour their stay and make it memorable.”

The tout problem, she said, is not limited to India, but is a world-wide phenomenon. “They harm tourism. It’s awful. It is repeat tourism which brings in more money. When tourists visit the place for the second or third time, he or she is done with the primary sight-seeing and is there to enjoy the stay. And in that case they spend a lot more than on the first visit. Cruise is the largest growing industry in tourism in the world. Last year it grew by 6%. Half of the cruisers were repeaters,” she explained.

Citing a study by UN World Tourism Organization on adventure tourism (which cover 90% of the tourism sector), of every 100 dollars spent at a place, only 10 dollars are left on the spot. To increase this, she said, one needs to better equip the guides. In Wressnig’s opinion, guides should avoid accompanying tourists to shops. “I don’t take commission and I don’t like it, but in many countries, guides don’t earn enough money, so they are dependent on commissions. They don’t

have any regular job and insurance, so it becomes a necessity," said the veteran guide, who has been in the profession for 51 years. Talking about the relationship between tour operators and guides, she said there is a need to bring in better understanding. "Tour guides are not the only source of getting assignments," she added.

Delhi airport's Terminal 3, or T3, changed the way foreigners view Indian airports.

For them as well as Indians, the magnificent glass-and-steel structure represents everything that Indian airports were not till T3 happened. At T3, international passengers deplane and emplane through aerobridges, which one got to see only at overseas airports till some years ago.

The terminal building is the A380 of Indian airports, marking a step-change over the country's old airports. T3 is world-class, spacious and grand. You need not go to New York any longer to experience JFK International Airport or Singapore to experience Changi. Many foreigners will tell you T3 is better than a JFK or a Changi.

How Delhi has changed, tourists wonder as they make their way out of the airport.

"Sir, looking for a hotel?"

"M'am, visiting Delhi for the first time?"

"I can arrange taxis and hotels at cheap rates..."

Some things never change - like the touts outside the Delhi airport.

Suave and smart

Despite its reputation as a world-class airport, T3 has not been able to end the menace of touts, who are attracted to foreigners like nails to a magnet.

Speaking English, the touts play the waiting game at the airport disguised as taxi drivers or travel agents to escape the police deployed there. In the vast area outside the terminal building away from the eyes of the police, they wait for an opportunity to strike, cornering foreigners with offers of stay and tour packages at mouth-watering prices.

Although police take prompt action if a complaint is brought to their notice, officers say their men cannot do much as it is difficult to identify the touts often turned out in chauffeur's uniform or expensive clothes.

The large number of touts operating outside Delhi's airport as well as the foreigners they 'trap' is an eye-opener for all those who think that touts only target the poor, the uneducated and the helpless, and that foreigners, educated and aware, can beat them back.

Tourists helpless

Tourists arriving in the city say running into touts right outside the airport is not an experience that they like but they are helpless and don't know how to escape the harassment.

For the touts, however, the probability of landing customers at the airport is very high, which makes it a favourite hunting ground for them. According to 2011 figures, at least three million people arrive in the Capital every year, out of which around 1.4 million are tourists, a goldmine for touts.

"It only takes a few minutes to convince a tourist and involves less risk," a tout, standing against a car outside the airport as he wooed foreigners, said.

Trick and fleece

Either they offer the tourists lowpriced deals. Or they scare them into submission. These touts tell the tourists that the Capital is not a safe place to explore on their own and that they were exposing themselves to mindless risk by refusing their help.

Sample this. "If a tourist tells me that he has a booking in a particular hotel, I just try to convince him that the hotel ran into trouble with the authorities recently, is shut or the place is unsafe for tourists. It works most of the time," a tout said.

Instead of landing at a safer place as promised, these tourists end up in shabby hotels or guesthouses in Mahipalpur, Paharganj and Old Delhi. The touts earn money from both the tourist and the hotels, which are dens of illegal activities.

"A tout forcibly took me to a hotel of his choice from the airport. I changed hotel the next day," L. Tang, a visitor from California, said.

This January, a German couple who had travelled to Delhi for honeymoon was lured by a tout at the airport and forced to pay him Rs 1.6lakh. Kai Trostrum and Shirin, residents of Bonn, had to approach the German embassy, which called the Delhi Police. The tout and a tour operator were arrested.

Strict law

The seriousness of the problem is reflected by the Delhi government's decision in 2010 to pass an ordinance - Delhi Prevention of Touting and Malpractices against Tourists - that gives the police powers to seek one-year jail term or slap Rs 10,000 fine on touts caught harassing foreigners.

If a foreigner is lucky to escape touts at the airport, the visitor is sure to be waylaid at the various historical sites and tourist destinations in the Capital frequented by them and home to up to 500 touts, who roam these places illegally.

Forts breached

Known as 'lapkas ' locally, the touts are present at all major historical sites, from Qutub Minar and Red Fort to Humayun's Tomb and at the high-security India Gate area.

In April this year, a tout posing as a tourist guide snatched the camera and cellphone of a Japanese tourist at Humayun's Tomb and fled.

Hundreds of touts operate in the guise of autorickshaw drivers, another 50 operate at Connaught Place and 20-25 lurk outside each historical monument.

The touts-turned-autorickshaw drivers gain the confidence of tourists by promising them a ride around the Capital for just Rs 30- 50. Little do these foreigners realise that they are being taken for a ride. The driver then stops at several shops that sell merchandise for tourists, where the foreigners are fleeced.

At CP, touts employ a different strategy. One tout picks up a fight with a tourist; another steps in, brokers peace and wins the confidence of the tourist. He then takes the visitor to particular shops and restaurants which pay him a commission for bringing customers.

Often, touts take tourists to non-Archaeological Survey of India sites for sightseeing.

Many language students also act as touts and earn some money. Overall, however, these people are giving a bad name to the Capital and hitting at the livelihood of registered tourist guides.

"Police always act in connivance with these touts and travel agents," Kapil Rohtagi of the Tourist Guides Association, a registered body for guides, said. "Most complaints go unregistered," he added.

4.1. Tour Guide and their Role

The terminology of a tour guide its self can be defined as : a person who is hired to conduct a traveler or tourist and point out objects of interest (general sense of term). The other definition, state that a tour guide is a person employed , either directly by the traveler, an official or private tourist or organization or a tours and travel agency, to inform, direct and advise the tourist before and during his journey (the tourist point of view).

According to the definition of a tour guide, we know that duty and responsibility of a tour guide include all activities related to the tourist activities started from tourist arrival to a country, tour activities until departure activities. In this case off course according to the tour package which is ordered and reserved by a tourist. If we talk about tourist, actually it can be divided into individual tourist (more familiar with terminology FIT or free individual tourist) and group tourist (more familiar with terminology GIT or group inclusive tourist). In giving this category, we can use an instrument type of transportation is used by tourist. For example, if we use private car, we can say that it is an individual tourist. But if we use bus with many capacities (28 seats, 40 or 45 seats, and 54 seats) we can say that they are group tourists. In this case, actually many consideration, to determine a certain tourist included in individual or group. For example, according to the airliner rules : a total of passenger can be said as a group if fulfill number of passengers are 15 person or more. Even the airliner policy of group category is changed, from 15 persons to 20 person. And this policy is different between one airliner and other airliner.

Total of participants of a tour, have influence for facilities and services that is offered and given to the tourist. Beside that some step in giving service also different although in general there is not different in service. It is caused all of company which related to the tourist industry focus in client satisfaction so they never differ between individual or group tourist on condition that the tourist is satisfied. Talk about tourists, it can be divided into domestic and foreign tourist. A domestic tourist can be defined that all persons who do traveling to tourist objects either part of them or whole tourist objects that spread out in a region, city, province or country of tourists them self. A foreign tourist can be defined that all persons who do traveling to tourist objects either part of them or whole tourist objects that spread out in a region, city, province or country out of tourists them self (or with a simple term : tourists who visit tourist object which is in other country). Either this domestic or foreign tourist, constitute a main aspect in developing a tourism industry with all components related such as transportation, accommodation, tourist object, tours and travel agency and others.

A tour guide as a part of a travel agency also a tourist object, have great roles in developing tourism in any scale either in regional or national. A tour guide has duty to inform about tourist objects and any point of interest in certain regions which spread out in whole country. In this case, he is also as a front liner in developing tourism who is expected to give the best services to the tourists so that they are feel satisfied and have willing to come back to this tourist object in other time. It is hoped that they can come back to the tourist destination not only come alone but also invite their friends, families or colleagues as a prove that they are really satisfied and impressed with the tourist destination that they visit. This is a real duty of a tour guide and this is not an easy duty but a heavy duty.

Role of tour Guide Tour guides are referred as tourist guides in some country. A tour guide is a person who guides the visitors in the language of their choice. He leads a group of people around the museum, town, and important venue. Guides are representative of the cities for which they are qualified and they interpret the culture and heritage of the area. Guide helps travelers to understand the culture of the region and the way of life its inhabitants. On one hand their role is to promote the cultural and natural heritage and on other hand making the visitors aware of its importance. Guide provides full information about the features and history of the location. As the importance of places is known by the guide, he will educate and narrates you all the local stories, history and culture as and when the location comes. The importance is placed on the guide's knowledge; he will try his best to explain you in language you know. While traveling to next location guide entertain you, and gives you relevant information about the place where you will land up next. On visiting any historical place, a guide with complete knowledge of that place is required. So that he narrate the history of that place in detail. If you move without a guide you will not come to know anything about the place and you will not understand what you are seeing and what does it means. Guide answers all your questions and you can gain lot of knowledge from him. Many times it happens that we ignore small things, but always a small thing contains a big story, so only guide can educate us about the place. Before going for a trip you can ask your friends and relatives about the place who have been there. But to get the whole insight information it is better to appoint a guide. A guide helps you to know about the climatic condition, culture, language, specialty of the place and also helps us to buy the famous thing available there.

TYPES OF TOUR GUIDE.

- Free Lance: not permanently connected with any travel agency and paid per trip.
- Staff Guide: permanently connected with a travel agency, receives monthly salary.
- Local guide: a person competent enough to guide in a certain locality or area.
- Escort: a person who accompanies a group of tourists from the point of origin to the destination, and back to the origin. Usually handles group's check in and check out.

- Specialist: a person who specializes in a certain field such as botany, architecture, etc.
- Linguist: a person who speaks fluently two or more foreign languages.
- Driver guide: operates vehicle while providing commentary.
- On-site guide: conducts sightseeing and educational tours through site of interest.
- Step-on guide: conducts tours and provides commentary while traveling on a vehicle.
- Transfer Guides: Those who receive the passengers in the terminals; dealing mainly provide general information and reconfirming the destination programs acquired by the passenger (hotels / tours / etc.). His main skills lie in-depth knowledge of the standard procedures at airports and hotels: check in, flight reconfirmation, luggage logistics, among others.

UNIT-II

5. Tour Brochure

Tour Brochure is a small booklet or pamphlet, often containing promotional material or product information about destinations or travel services. A brochure (also referred to as a pamphlet) is a type of leaflet. Brochures are most commonly found at places that tourists frequently visit, such as museums, major shops, and tourist information centers. Another type of brochure is interpersonal brochures, which are brochures based on other people. The two most common brochure styles are single sheet, and booklet (folded leaflets) forms.

The most common types of single-sheet brochures are the bi-fold (a single sheet printed on both sides and folded into halves) and the tri-fold (the same, but folded into thirds). A bi-fold brochure results in four panels (two panels on each side), while a tri-fold results in six panels (three panels on each side). Brochures are often printed using four color process on thick gloss paper to give an initial impression of quality. Businesses may turn out small quantities of brochures on a computer printer or on a digital printer, but offset printing turns out higher quantities for less cost. Compared with a flyer or a handbill, a brochure usually uses higher-quality paper, more color, and is folded.

Despite the ubiquity of travel information on the Internet, many people still turn to the traditional travel brochure when preparing their vacations or business trips. Travel brochures provide a wealth of information about specific locations, all in an easy-to-read, colorful, handy booklet that you can throw into your suitcase and take with you wherever you go. The Internet offers many deals and discounts as well as reviews from fellow travelers about hotels, destinations and airlines, but it's hard to beat the portability and ease of the travel brochure.

Portability: Travel brochures have the advantage of being small and portable enough to fit into a purse, backpack or suitcase. Even a big stack of brochures can lay flat and be bundled up into a neat package to take along with you on your next vacation. When you're having breakfast at your hotel restaurant

and wondering how to spend your day, it's much easier and more convenient to pull out those handy brochures and browse through them as you plan your vacation itinerary.

Ease of Storage and Filing: A great advantage of collecting travel brochures is the opportunity to store them for future reference. For example, when you cross the state line at an interstate highway, you will often find a state "welcome center." It typically has a collection of travel brochures, maps and other useful information about the state and its most popular destinations. If you're in Colorado, you'll find maps and information about the Rocky Mountains, Colorado National Monument, Estes Park, Aspen, Vail and other must-see sights. In Texas, you can browse photographs and maps of Big Bend National Park, Fredericksburg, Austin/Hill Country, and other tourist hotspots. Even if you're just driving through, collect the brochures that interest you and file them away for the future. You might find yourself in Northern California and need some quick tips on where to go and what to see. An added bonus: you'll never need to pay for a map.

Convenience: There may come a time when you'll find yourself in a location unexpectedly and don't know where to go or what to see. If you're on a business trip and didn't have much time to plan your itinerary for the off-hours, the travel brochures available at local tourist information centers, visitor's bureaus and even the lobby of your hotel will come in handy. Browse through the stacks and pick up the ones that catch your attention. Whether you love shopping, antiquing, river rafting, cruising, hiking or even balloon riding, you'll probably find plenty of things to occupy your time. Brochures allow vacationers who prefer a more spontaneous approach to set their itinerary as they go. If you'd rather spend your time enjoying your vacation and less time actually organizing it, travel brochures are the way to go.

Travel brochures are promotional documents that advertise specific destinations, hotels, tours, vacation packages, or exotic locales. Who makes them? Basically anyone who provides travel and tourism-related services to the public, including companies, agents, hoteliers, and tour guides. Who uses them? Seasoned travelers and newbies alike!

Proper brochure marketing can help hoteliers and travel agencies build relationships, drive more traffic and bookings, showcase expertise, earn loyalty, improve SEO rankings, and tell meaningful stories.

Travel brochures are important because they help people find and book exciting vacations. And **everyone needs a good vacation** from time to time. They're packed with helpful information, providing travelers with all the details they need to make the most of their trips. These documents also serve as initial points of contact between agents and potential clients.

A boring brochure will ensure that no one ever steps foot in the place you're trying to promote. A creative one will entice people to visit an area by highlighting its very best features.

6. TRAVEL ITINERARY:

An itinerary is a travel plan that includes every information like the route of travel, distance and time taken to travel to a place, means of transport that will be used, any activity or sightseeing at a particular place for every tourist to follow while on a tour.

An itinerary is followed by every tourist irrespective of it being a customized, independent or escorted tour.

IMPORTANCE: It helps a tourist stick to the plan and enjoy the tour thoroughly. According to Leiper,(1990) itineraries provide not only the information to the travelers to reach the destination, but also the intermediate places which may be visited enroute. Today's travelers are accustomed to flexibility. With do-it-yourself travel tools readily available and very much the norm for booking leisure travel, its understandable employees have come to expect the same when planning business travel. They rely on the ability to do the research, know the options and make informed travel decisions all on their own. And, they appreciate the ability to change plans when the need arises. Itinerary brings added flexibility, convenience and assurance to your employees throughout the travel planning process: **Flexibility:** Because travelers can calculate the costs of itinerary changes with Online Ticket Exchange, they're empowered to make informed decisions while experiencing the flexibility to change travel plans as they see fit – all without picking up the telephone. **Convenience:** With Hold Trips, travelers experience the convenience of shopping and reserving airline seats, hotel rooms and rental cars even before trip details are finalized. **Assurance:** Pre Trip Approval is added assurance for travelers that their making the right moves on behalf of the company – all facilitated online and automatically. **Simplicity:** Travelers can research costs and exchange tickets online with a few simple clicks, hold itineraries without driving fees and receive prompt pre-trip approval. This also brings simplicity to travel managers' day-to-day responsibilities by automating features that typically required travel agency intervention. **Employee Satisfaction –** Travelers are empowered to make or change travel plans as needed **Role of Itineraries** Traveller Departing Tourist Tourist Generating Transit route regions Destination Regions Returning tourist Region Cost Savings – More cost savings as more transactions are moved online **Compliance:** Because travelers are working within an online system backed by powerful rules engines, multiple checks and balances are automatically in place to ensure policy compliance. **Control:** Travel managers experience more control over program process with the ability to set and enforce policies online when it comes to exchanging, holding and approving travel itineraries.

Itineraries are divided into three types: On The basis of Use

1. Tourist itinerary is the one given to every tourist by the tour company for which they have signed up. It has a basic outline of the tour and what will be done day wise, hour wise for everyone to follow through.

2. Tour conductor's/Manager's itinerary will have all the details that are on the tourist's itinerary, but it will also have the minutest details like details of travel arrangements, contact name, and numbers of the people associated with the tour plan, other tour related formalities, etc.

3. Tour Escort's itinerary is a detailed one giving step-by-step information of the tour including the time taken to travel, modes of transport taken, accommodation details, sightseeing details, any tickets needed, list of other essential things to carry on the tour like water, food, brochures etc, essential contact name and numbers required on tour etc.

Apart from these, the service-specific itinerary is given to the hotels having all the details of the guest and their basic travel details needed for any kind of arrangements to be done at the hotel, and to the associated transport company providing coaches or cars for the tourists.

Itineraries are divided into two types: On The basis of Kind of Travel package.

1. GIT: A **Group Inclusive Tour** itinerary means the customer will be a part of the group and all inclusions will be same for all the travelers. Such itineraries are generally hectic and involve more of travel & less of rest. The idea is to cover more sightseeing in less time. Such itineraries are done by Bus which is on sharing basis.

2. FIT: A **Free Individual Tour** itinerary is a tailor-made itinerary which a traveler plans for himself or with the help of the travel agent. The itinerary is relaxed and focus is to keep traveler relaxed while he is on tour. Such itineraries are done by private vehicle.

A Travel itinerary can be one destination or combination of more. It's always better to understand your reason and then plan any kind of travel. In India, you can find both the kinds of itinerary available with the travel agents.

Let us understand by example :

An itinerary of Coxandkings **European whirl** is a GIT itinerary.

An itinerary of **Fexihol** of Coxandkings is a FIT itinerary.

Always remember to choose your itinerary carefully, Jai says -Travel consultant I have seen customers opting for GIT and never coming back and complaining. They should understand FIT will be expensive than GIT as there is a saying "Good things comes with a Price".

There are essentially two types of itineraries:

1. A General Itinerary that is aimed at and marketed to a wide variety of clients. It is an open itinerary taking in to consideration a wide range of Interest.
2. A Personalized Itinerary that is specially drawn up for a specific client according to that clients needs and interests.

7.TOUR COST:

Cost is the sum of total expenses. It is the amount of expenditure incurred on or attributable to a given thing to ascertain the cost of a given object.

Tour cost means the total cost incurred or attributed to a tour product or service. It is the sum total of costs incurred to create or formulate a tour package. Since tour is an assembled product, its costing involves bulk purchase. Therefore the cost of the tour packages is determined according to the client requirement or company strategy. As the quality of the product /service and the price of that product go side by side, hence in travel trade the cost unit is a package tour because a company sells a large number of packages. The identification of cost unit will help costing manager to separate the cost into smaller sub-divisions attributable to tourism industry. A tour package is a combination of various tourism services/ goods like transport, accommodation and other facilities en route and at the destination. However, in reality, it has only two basic components; (a) Travel services (b) Ground services. Travel agency prepares a package, keeping in view the preference of target market, which is based on different factors like modes of travel, client choice, income, age group country and region. After the identification of target market the travel agency liaisons with service/ goods providers and enters into a contract with them. The costing and pricing of tour packages depend to a large extent on the ability of travel agent / tour operator as to how effectively he is able to negotiate with the travel principals. Thus negotiation is also an important function of travel agency. The cost of tour is calculated on the basis of what he has negotiated with the producers. Some extra cost is added to the unforeseen / further contingencies. Thus costing is done by adding each element of cost i.e. transport, accommodation, sightseeing, guiding, administrative and fixed expenses. For fixing the price of a tour package, one has to add some percentage of profit margins to the cost (which is based on organization objective, pricing policy and competitiveness of the product). Every travel business operations involve risks. In many cases these risks are transferred to an insurer. However in others, though not transferred, they are measured and allowed for an element of cost. The value releases, which occasioned by the transfer of risk of an insurer, or by an uninsured risk, which lends them selves to measurement, are called costs. The value releases occasioned by unforeseen, or highly uncertain risks are not called costs but should be considered in evaluating the risk of the operation. If incurred, they are of course, considered as losses in determining the net profit. The cost of a tour package includes.

Tour Package

Package holidays, popularly known as a tour package or simply the word 'tour' in the travel and tourism industry refers either to a package tour escorted or not escorted by the tourist guide.

When we say tour package, it means **a pre-arrangement, prepaid trip that combines two or more travel components like airfare, airport transfer, accommodation, and other services.** Practically, to define the tour package concept is complex one rather understand.

Holloway defines a tour package as "a total tourism product consisting of transportation from the market area to the destination, accommodation at the destination and recreational activities promoted by the tourists."

According to Gregorg "a tour package is advertised journey including specific features, arranged and promoted with tour literature by a tour operator and paid for in full by the tourists before starting the tour."

Technically, a package tour/tour package is a total tourism product as it generally includes transport from the origin place to the destination, accommodation at an en route place or at the destination and other recreational or travel services. These components are purchased by an individual, firm or company called the '**tour operator**'. He combines all the travel components in a package and sells them at all-inclusive prices to the clients.

History

The term 'tour' was in vogue as early as 1670. The Britishers traveled to widen their knowledge of the continent, especially to study the culture and social life. This practice was gradually adopted by other lovers of cultural centers.

The result of the process was that many European historic and cultural centers were opened to the British tourist. By the early 1730's the small fishing resorts around the British coast begin to attract tourists seeking to their diseases by drinking the sea-water or by immersing themselves in it.

The introduction of a rail link between the major centers in 1830, had a profound impact on the pleasure travelers for the first time. Many entrepreneurs began to inspire rail travel by organizing excursions for the public at discounted offers.

However, to 'the origin of package tour' the credit goes to **Mr. Thomas Cook in 1855**, Cook, extended his business operation to different countries by introducing the first '**inclusive tour**' to the Paris.

Mr. Cook put together all the components of tourism products and sold them as 'inclusive tour' to the tourists. His pre-packaged tour inspired other tour organizations in the travel industry to organize similar tours to all parts of the globe.

Most of the Cook's tours were a linear tour i.e., the person went from place to place on a single destination. Basically, Mr. Cook developed the concept of 'grand tour and escorted tour', the concept which is still used.

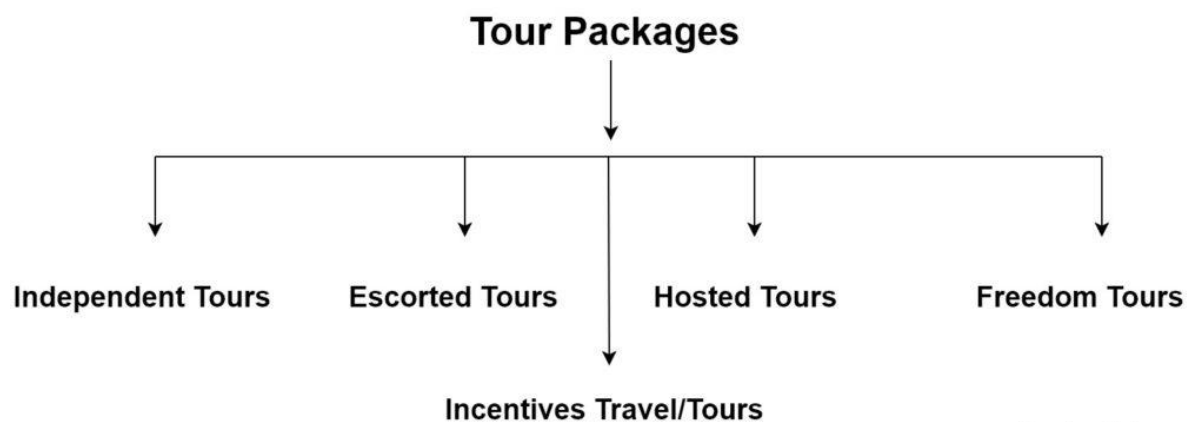
Incidentally, World War II has tremendously developed the package tour concept because of the following reasons:

- Social and Economic Conditions
- Lower Cost
- Increase in Aircrafts
- Marketing Conditions
- Legal Requirements
- Integration took place.

Today, package tours are a vital segment of the world's travel and tourism industry. According to WTTC, the package tour sales generates \$25 billion annually in the United States, \$18 billion in Europe, \$19 billion in Britain and \$21 billion in Asia. Today tour sales represented 50 percent of all leisure travel sales and 35 percent of all travel agency revenues.

Types of Tour Packages

A travel agency/tour operator deals with variety of 'tour packages,' catering to the diverse needs of tourists such as adventure, beach, architecture, cultural, business, conference, incentive tours, ayurvedic packages, Buddhist, religious, incentive tour, special interest tours, cruise tour group tour, educational tour, heritage, monuments, wildlife lovers, etc. These are broadly classified into **five categories**:



TourismNotes.com

1. Independent Tours
2. Escorted Tours
3. Hosted Tours
4. Incentives Travel/Tours
5. Freedom Tours

Independent Tour

Independent tours are prepared/formulated for those tourists who want to travel independently. The components of such tours are air travel, air transfer, accommodation, travel documents, sightseeing, boat riding, entertainment, and other travel services.

However, in some cases, the tourists are free to purchase every single component separately. Thus, this type of tour provides the tourists considerable freedom to plan the activities according to their own choice.

An independent tour may or may not be an all-inclusive tour. Therefore, tour price varies depending on the type of air travel, air transfer, accommodation and is inclusive of other tour components. The foreign independent travel (FITs) and domestic independent travel (DITs) are examples of an independent tour.

Escorted Tour

When a travel agency includes the services of a well educated and trained tour manager in its package, the tour is called an escorted tour. Basically, escorted tours are meant for those travelers who are planning to visit a foreign country first time.

The escort's responsibilities and duties are to provide comprehensive information and assistance to the group or individual traveler, at the origin, en route and the destination place. The excursion tours are the example of escorted tours.

Hosted Tours

A hosted tour means when an agency utilizes the services of another agency at a particular destination. Suppose a group of French tourists is coming to India. When the group arrives in India, they are greeted at the airports by TCI, which assists them in clearing their baggage and transfer them to the hotel.

Their tour-host (TCI) is available to offer device and information about the local attractions and entertainment. Further, when the group arrives at another designation in India, a different travel agency greets them at each tourist spot. Thus, a hosted tour provides the tourists maximum level of pre-arranged and personalized services.

Incentives Travel/Tour

It is a motivational programme or a fully paid holiday which is given to the employees by the enterprises as a reward. Mostly in medium and large-scale companies and usually too distant destinations to spur them in maintaining their track record, to increase output, improve the image and moreover to earn the long period loyalty of the employees.

There are a number of the other packages offered by a tour company such as a custom tour an excursion tour, an adventure, and special interest package tours.

Freedom Tours

Freedom tours are becoming very popular these days among the working class. These tours are designed as per the choice of tourists. The tourist is free to choose and plan how they want to travel and enjoy their holidays. These types of tours are meant for that kind of people who like to decide how, when, and where to travel.

This tourist may be an individual, family, group holidays for families and group travel for business. These tours are promoted and developed by the ORBIT.

Components Of a Standard Tour Package

What is to be included in a package tour largely depends and varies from one tour organization to another, or from the one country to another, or from one destination to another and from one market to another market. But there are certain well-defined travel services which always form a part of a package tour irrespective of the tour operator/travel agency, destination and even the market condition.

If we study and see the package tours offered by Thomas Cook and Sons Ltd., Cox and King Ltd., and other international travel companies, we find that a package tour has two major components. Therefore, a standard package tour has two basic components namely:

- Travel
- Ground Arrangements

Travel industry experience has shown that the first component, i.e. 'Travel' is directly bought by the agency from the principal providers like airlines and transport operators and for ground arrangement, the travel agency management asks the ground operators.

The reason behind buying ground arrangement from a handling agency is that it represents as a ground operator at a particular destination for the numerous tour organizations. Secondly, the price offered by it are much lower than an individual agency obtain. Thirdly, it is very difficult to get credit from the supplier and finally, it ensures professional travel services.

Factor Affecting the Tour Package Formulation

Generally, the business of package tours involves great risk, high breakeven, high-quality product, and competitive prices. Therefore, the tour management requires in-depth tour planning and market survey. However, before a tour is designed the tour manager should take into consideration certain factors which are crucial in the formulation process.

These factors have a profound impact on the tourist's satisfaction. The main factors are:

- Purpose of Tour
- Choice of Destinations
- Tourist Budget
- Legal Requirement
- Types of Tourist Accommodation
- Tour Period
- Departure and stay information
- Tour price; inflationary condition
- Tour Reference Tools
- Tour Features – political stability
- The relationship between the host and tourist generating nation

Tour Package Design and Selection Process

The quality of a package tour is entirely based on the above factors. Essentially, to design/formulate a travel product, the tour manager has to take the biggest responsibility, intuitiveness, imagination, and innovation coupled with a lot of business activities which range from finding new exotic destinations and planning, organizing or promoting such tour.

The following are the main stages in the tour design and selection process:

1# Initial Research

(i) The Destination Research

The decision to develop and formulate a new package is a multi-stage process that involves various positive and negative points/steps. Normally, the idea for a new product comes either from the tour executive within the company due to a review of the questionnaire completed by the previous tour members because of the political, economic and social development in a particular area.

When a tour manager see that a large number of old clients are interested in taking a trip to particular destinations, naturally, those destinations become the nucleus of a new ‘tour concept’.

(ii) Market Research

Since tour package is a complete tourism product, obviously, before formulating/designing this product, market research needs to be analyzed and assessed in a systematic manner. Market research provides us the answer to the following questions:

- What is the size of the tourism market?
- Who are the existing clients?
- Where do they live?
- Who will be their potential buyers?

- Who are their competitors – their strategy and area of business leisure?
- How many tourist ones want to cater?
- What price will the clients accept?
- What facilities are available and required?
- What are the constraints viz., license, permission, finance, restrictions, taxes, and others?

Once we know the basic components of the package tour, distribution channels, market conditions, constraints in the tourism market, we can develop the marketing strategy. It enables the smooth functioning of the agency and also offers a clear picture of the tour programme. Practically, market research is conducted by the private tour companies/ private tourism enterprises in order to penetrate the market.

2# Itinerary Preparation

By itinerary one means the designing of a programme which one wants to sell and it includes destinations, stopping points, number of days and the travel services that are to be included in the programme. Whether it is a lean season or an offseason, escorted or not escorted, consumer-oriented or readymade tour programme, the itinerary is prepared to identify the origin, destinations, stopping points, accommodations, sightseeing and other travel services on travelers' trip.

3# Handling Agency or Destination Company

The appointment of handling agency not only ensure excellent travel services to the tourist but also make the operation smooth and profitable. It is a matter of great significance as the success of travel business largely depends upon the clients are actually taken care of during the tour.

It is a positive match between the promised services and tourist's actual experiences or feelings. Thus, the tour operator should consider the experience of the handling travel agency in the business, the area of operation, reputation, credibility, professional staff, credit facilities and the competitive price in appointing a handling agency.

4# Negotiation

It is another important management decision area in tour designing and planning. Once the decision has been made regarding the destination's concerning their date, duration and number of clients to be carried during the trip, the tour management starts negotiations with the principals' suppliers for a normal contract.

Negotiation means talk between the travel companies and the principal suppliers for the terms, conditions, and prices of the components of a tour package. When both parties are satisfied, it leads to a formal or informal contract between them. The tour company negotiates with the following tour vendors/suppliers:

- Airlines
- Accommodation
- Transport Operations- Rail and Road
- Ground Operators
- Cruise Companies
- Car Rental Companies
- The overseas representatives
- Ancillary Service Organizations

5# Coasting and Pricing a Package Tour

The cost of a package tour encompasses the air ticket, the hotel room, car rental, entertainment charges, administrative costs, promotional costs, and other travel services. The confidential tariff helps the travel company in preparing the cost sheet which will enable the concern to determine its price strategy.

Tour pricing is a big factor in the success of the company's tour programme. The price of a package tour is, whether it is an escorted, independent or hosted the tour, often lower than the combined costs of the same components purchased separately from the principals. However, the purchase price of a travel product is based on three factors: Cost, competition, and demand.

Every tour package sold by a vendor has a quantifiable cost. To produce profit the price paid by the tourists must be greater than the agency's cost.

6# Tour Brochure

The tour package is an intangible product which has to be purchased by the tourists/clients without inspection and sometimes even without adequate knowledge. In these circumstances, the brochure becomes the principal instrument to perform the major tasks to inform the clients about the products and to pursue them to purchase it.

Designing, printing, and distributions of tour brochures require necessary skills and knowledge about the components of the tour package. Basically, in the era of specialization and intense competition, tour brochure creates awareness and provides the description of the holiday programme.

Thus, tour management should consider various pros and cons while preparing a tour brochure. A brochure should contain the following information:

- Name of the Travel Company
- Means of transport
- Details about destinations
- Itinerary

- Accommodation, types, location, meals
- Name of the overseas representative
- Duration of each tour
- Booking, reservation and cancellation conditions
- Details of other services – insurance, currency, entertainmentTravel documents required
- Details of price

7# Development of Reservation System

The next step in tour formulation process is reservation system. The agency management in order to put a package into operation must develop and implement a scientific reservation system. The system depends on whether the reservation is to be handled manually or with a computer working on the distribution method.

Whatever method the agency may adopt, the agency management should always keep in mind the sole objective of the reservation system.

8# Marketing of Tour Package

Once a tour package is ready, travel agency management has to make a careful decision regarding promotion and marketing of the particular package tour. The basic objective of management is to make a tour package widely known to make it more and more attractive.

To achieve these objectives, the management must consider the budget available, promotion mix, potential market, easiest and most effective media, campaigning through the international, regional or the public/private sector etc.

The promotion of a package tour means increasing its sales potential and creating an awareness of the existing and potential markets. The following methods are commonly used to promote package tours:

- Middlemen – Retail Travel Agents, GSA, consolidators
- Familiarization tours
- Building Brand Loyalty
- Encouraging Potential Buyers
- Competitive Market
- Courier

9# Tour Handling/Actual Tour Operation

After the successful marketing and achieving target sales, the next and final step in the process of tour designing is tour handling. It means an actual operation of tours, which generally includes administrative work and passenger handling like maintaining reservations, handling deposits, sending

advice to ground operators, arranging travel representation, analyzing the feedback received from clients/escorts/ground operator and so on.

All this is not an easy task. At every stage, one has to face different types of queries and problems due to lack of coordination and communication.

Significances of Tour Package

Tour package is beneficial to travel companies, travelers, destinations and other organizations which are directly or indirectly involved in the tourism business. The main benefits are:

- Time Saver
- Increase the seasonality of a destination cost/price
- Earn foreign currency
- Better quality of productsProfessional services
- Wide-variety of the tour package
- Provide bulk business to organizers

8.Travel Insurance India - An overview

While traveling overseas from India to a foreign country, you should find the best travel insurance plan to suits your needs. The Indian international travel insurance plans are designed for the needs of Indian travelers and the coverage includes accident and hospitalization expenses, sickness and medications, repatriation of remains in case of death, loss of checked baggage, passport loss...

Types of travel insurance India

Individual Travel Insurance

Individual travel insurance plans are designed for individual travelers both traveling overseas from India or for domestic travel within India. Given the changing lifestyle of people and stresses involved in our daily life, we are prone to many health disorders even at younger ages. Added to this increased vulnerability to health ailments is the increasing cost of healthcare day by day.

While overseas travel insurance covers both accident and sickness medical expenses while domestic Indian travel insurance covers only accident medical expenses. There are few insurance providers who cover pre-existing medical conditions for a limited amount. An individual traveling overseas can buy travel health insurance online and the policy will be emailed to the customer along with the coverage details and relevant phone numbers in case of any emergency.

Family Travel Insurance

A Family refers to an Individual, individuals spouse and children. Family travel insurance is a family floater common coverage plan covering the whole family under one policy. Family travel medical insurance are cheaper than individual travel insurance plans. The benefit of family travel insurance is that any of the individuals under the policy can use the entire sum insured or part of the sum insured. It is advisable to buy the family floater travel medical insurance when you are traveling for shorter durations or traveling to a country where medical expenses is cheaper.

Group Travel Insurance

Group travel insurance is an insurance plan that will cover a group of people who might or might not belong to the same family for their overseas or domestic trip. Group travel insurance is cheaper when compared to individual travel medical insurance. A team of travelers going for a holiday, or employees of a firm traveling overseas to participate in a seminar or conference can choose group travel insurance. One advantage of group travel insurance is that they can be customized according to the groups specific requirements.

Single Trip Travel Insurance

Single trip travel insurance covers the traveler for any unforeseen emergency medical expenses during ones travel outside India for the insurance coverage duration which is stated in the policy. These are also popularly known as round trip insurance. The maximum available duration usually is **180 days** but this varies from company to company. [Know more](#)

Multi Trip Travel Insurance

Annual multi trip travel insurance which is suitable for business people who travel overseas frequently but for shorter stays. The trip period varies for different companies but is usually **30, 45, 60 and 90 days**. [Read more](#)

Health Regulation

(A) For entry into India:-

Any person, Foreigner or Indian, (excluding infants below six months) arriving by air or sea without a vaccination certificate of yellow fever will be kept in quarantine isolation for a period up to 6 days if :

- He arrives in India within 6 days of departure/transit from a yellow fever endemic area.
- Has come on a ship which has started from or transited at any port in a yellow fever endemic country within 30 days of its arrival in India provided such ship has not been disinfected in accordance with the procedure laid down by WHO.

(B) For leaving India:-

There is no health check requirement by Indian Government on passengers leaving India.

Persons leaving for a yellow fever infected area are advised in their own interest to get themselves vaccinated and to be possession of valid yellow fever vaccination certificates before they leave the country.

An administrative Arrangement for the health control of sea, air and land traffic exists between the Government of India and the Government of Bangladesh. It implies that ,if any aircraft or ship or land traffic from a third country arrives first at any airport or port or border check post in either of the agreement countries and then directly (without touching any other third country enroute) reaches the second country of the agreement, all health checks will be completed in the country of first arrival and the travellers will be exempted from any further health check on arrival in the second country.

Persons exempted from production of vaccination certificate :

The under mentioned persons are exempted from production yellow fever vaccination certificate:

- Infants below the age of six months.
- Any person suffering from some chronic illness and has poor resistance and is thereby exempted from being vaccinated.
- Crew and passengers of an aircraft transiting through an airport located in yellow fever infected area provided the Health Officer is satisfied that such persons remained within the airport premises during the period of stay.

Countries regarded as yellow fever infected

The following countries are regarded as yellow fever endemic :

Africa:

Angola, Benin, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, Congo, Cote d' Ivoire, Democratic Republic of Congo, Equatorial Guinea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea Bissau, Kenya, Liberia, Mali, Mauritania, Niger, Nigeria, Rwanda, Senegal, Sierra Leone, Sudan, South Sudan, Togo, Uganda.

South America:

Argentina, Bolivia, Brazil, Colombia, Ecuador, French Guyana, Guyana, Suriname, Trinidad (Trinidad only), Venezuela, Panama, Paraguay,

Peru.

- A Yellow fever vaccination certificate is valid only if it conforms to the model. The validity period of international certificate of vaccination or re-vaccination against yellow fever is 10 years, beginning 10 days after vaccination.
- Foreign nationals residing or who have passed through the Yellow fever endemic countries during the preceding six days, are granted visas only after the production of vaccination certificate of Yellow Fever. After checking the vaccination certificate an entry reads as “Valid Yellow Fever Vaccination Certificate Checked” is made in the passport of the foreigner.

Customs

Import regulations:

Free import by non-residents. Is only permitted if they enter India for a stay of not less than 24 hours, not more than 6 months, and not more than once a month.

- a. persons of 17 years of age and older: 100 cigarettes or 25 cigars or 125 grams of tobacco; 2 liters of alcoholic liquor or wine;
- b. medicines in reasonable quantities;
- c. 2 ounces of perfume and 1/4 liter of eau de toilette;
- d. jewelry, up to a combined value of INR 50,000.- for male travelers or INR 100,000.- for female travelers;
- e. travel souvenirs imported by:
 - nationals and residents of India or if being of Indian origin and being over 9 years of age:
 - if returning from Bhutan, China (People's Rep.), Myanmar or Nepal: up to INR 6,000.- if stayed outside for more than 3 days. If stayed outside up to 3 days: nil.
 - if returning from other countries: up to INR 45,000.- if stayed outside for more than 3 days. If stayed outside up to 3 days: INR 17,500.-.

For persons under 10 years of age:

- nationals of, or being of origin, Bhutan and Nepal and coming from respective countries: nil. If coming from other countries: up to INR 8,000.-
- nationals of, or being of origin, Pakistan and coming from Pakistan: up to INR 6,000.-. If coming from other countries: up to INR 8,000.-.
- all other nationals: up to INR 8,000.-. If coming from Pakistan: up to INR 6,000.-.

f. goods for personal use.

Prohibited: e-cigarettes.

Goods in excess of the maximum permitted amount will be subject to an import duty of 60%.

Arms and Ammunition regulations:

Import Permit required from the Directorate General of Civil Aviation in India.

Additional Information on regulations:

Remote controlled drones and helicopters: import is allowed with a WPC license issued by the Ministry of Communication and Information Technology.

Seeds and plants: the import of seeds and plants for the purpose of sowing, planting and propagation, consumption, research and breeding requires an import permit. Import is restricted to the airports of Amritsar (ATQ), Bengaluru (BLR), Chennai (MMA), Delhi (DEL), Guwahati (GAU), Kolkata (CCU), Mumbai (BOM), Patna (PAT), Hyderabad (HYD), Thiruvananthapuram (TRV), Tiruchchirapalli (TRZ), Varanasi (VNS).

Livestock and livestock products: the import of these, by any means including cargo or baggage is restricted and requires a sanitary import permit, as well as a "No Objection Certificate" (NOC). A NOC must be obtained in advance from the Animal Quarantine and Certification Services (AQCS). Products include:

- meat and meat products of all kinds of fresh, chilled and frozen meat, tissue or organs;
- egg and egg powder;
- milk and milk products;
- bovine, ovine and caprine embryos, ova or semen;
- pet foods of animal origin;
- gelatin, fur, animal skin, wool, leather, carpets, horns, bone and bone grist, feathers, shuttle cock etc.

Prohibited: the following livestock and livestock products:

- all kinds of birds and bird products (incl. eggs, feathers, meat etc.); and
- pigs and pig meat products.

A minimum of 48 hours is required by the Airport Health Office for the importation of human remains or ashes. A death certificate is also required (in English or translated into English). A death certificate indicating cause of death as unknown or pending will not be accepted. Please contact airline for further requirements that apply to the carriage and importation of bodies.

Export regulations:

Prohibited:

1. Indian coins which are covered by the Antique and Art Treasure Act of 1972;
2. e-cigarettes.

Crew members customs regulations:

Gifts up to a value of INR 1,500.-. Crew members must declare all dutiable goods on the PPL (Private Property List). Import of alcohol and tobacco is not allowed.

Pets:

1. Pets being (re-)imported by an owner who is transferring residence to India, after a minimum two years of continuous stay abroad:

- a. import of a max. of two pets as baggage is allowed only through Bengaluru (BLR), Chennai (MAA), Delhi (DEL), Kolkata (CCU), Mumbai (BOM) and Hyderabad (HYD); and:
- b. holding a health certificate from country of origin. The health certificate must contain name/address of the passenger in both country of origin as well as country of arrival. The name of the owner mentioned on the health certificate must match with the name on the ticket; and
- c. holding a "No Objection Certificate" (NOC) arranged at least 7 days prior to import from the Animal Quarantine and Certification Services (AQCS). Upon arrival all pets will be examined by the Quarantine Officer .

2. Temporary visitors need to apply for a license issued by the Director General of Foreign Trade (DGFT), see www.dgft.gov.in. Entry would be possible only from airports where there are Animal Quarantine and Certification Services officers (AQCS) posted for inspection. This would be mentioned on the license. A NOC arranged at least 7 days prior to import from the AQCS is also required, clearly specifying the port of entry.

Baggage Clearance regulations:

Baggage is cleared at the first airport of entry in India.

Exempt: baggage of transit passengers with a destination outside India.

Currency

Currency Import regulations:

1. Local currency (Indian Rupee-INR): up to max. INR 25,000.-.
 - a. not allowed for nationals of Bangladesh or Pakistan residing outside India;
 - b. if arriving from Bhutan or Nepal, only currency notes in denominations of max. INR 100,- are allowed.
2. Foreign currencies : unlimited. However, amounts exceeding USD 5,000.- (or equivalent) in cash, or USD 10,000.- (or equivalent) in traveler's cheques must be declared.

Foreign currencies include currency notes, traveler's cheques, cheques, drafts etc. (Re)exchange only through banks and authorized money exchange points.

Currency Export regulations:

1. Local currency (Indian Rupee-INR): up to max. INR 25,000.-.
2. Foreign currencies : up to the amount imported and declared.

Foreign currencies include currency notes, traveler's cheques, cheques, drafts etc. (Re)exchange only through banks and authorized money exchange points.

Airport Tax

No airport tax is levied on passengers upon embarkation at the airport.

DEBIT & CREDIT CARD:

Traveling with money is a task that makes many people uneasy, especially when foreign currency is involved. Carrying cash abroad can be deemed as risky, but credit and debit cards can be notoriously finicky because of bank security and the fees that come with international credit charges can have a major effect on your funds in the long run. So, what's a poor old wandering soul to do?

These are questions to bring up with your bank, of course, but the safest method is perhaps to use them all. In other words: The "don't put all your eggs in one basket" saying applies. Using a mix of cash, credit, debit, and maybe even the odd traveler's check ensures that if the fees for one method are particularly astronomical, your bank account won't take as much of a toll. It also helps if one of your cards or a wad of cash is lost or stolen.

Cash

Cash is convenient and relatively cheap to exchange. You can take money from your home country into a foreign bank almost anywhere in the world and they'll easily exchange it without the worry of tiny bank fees adding up, pesky ATM fees, or losing out on a bad exchange rate. Alternatively, though, carrying coins and paper money is a security risk. When stolen, it cannot be replaced. The key is to have just a small amount of backup cash stashed away in a safe money belt.

Debit Card

If properly protected, a debit card can't be stolen as easily as cash. Debit cards can be used across many countries, although you should notify your bank of international usage first. Better yet, they can be used to retrieve cash—if the occasion calls for it—at an ATM and are all-around less bulky than carrying cash on your hip.

Be aware, however, that not all ATM machines (especially in more rural places) accept foreign debit cards and certainly not every restaurant and store will, either. Shops have been known to ban foreign debit altogether, so carrying a form of backup currency is always wise. Additionally, using debit regularly could lead to an accumulation of transaction fees. At ATMs, for instance, you'll be charged for converting funds into local currency *and*, if outside of your network, an additional ATM fee.

You may also need to change your PIN before you go, seeing as some countries' ATM machines can't process PINs with more than four digits. Others can't

process ones with zeros. Lastly, before swiping your debit card abroad, educate yourself on ATM scams and learn how to avoid them.

Credit Cards

Like debit cards, credit cards are small and packable. They're replaceable and reliable. In fact, some hotels only accept authorization via credit, so this may be an integral method for you. MasterCard and Visa are widely accepted in other countries and you can use them for ATM transactions, too.

The bad news is that unscrupulous merchants can steal your credit card information and while you can dispute fraudulent charges and eventually get them removed from your account, the process can be grueling. You may need to cancel your card mid-trip to resolve fraud issues. It would be wise to also find out what your bank charges in international transaction fees before swiping your card haphazardly.

Prepaid Travel Cards

Prepaid travel cards like Visa TravelMoney *look* like credit cards but function more like a modern version of travelers checks. You simply load the card with money from your bank account and use it like a debit card at ATMs or like a credit card at merchants and hotels. They're locked with a PIN number, as your other cards are, for extra security, but they can sometimes be difficult to use at ATM machines. Additionally, fees for foreign currency transactions can be extremely high—as much as 7 percent in some cases.

Traveler's Checks

Although traveler's checks are historically secure and can be replaced if lost or stolen, they're hardly used anymore. Not many merchants or banks still accept them, even if they're written in their local currency. Merchants may charge you an additional fee for paying with traveler's checks, which are expensive to purchase in the first place (on top of the standard service fee, you'll also pay for shipping if you order them online). Not only are they one of the bulkiest means of payment to carry with you, they're one of the least useful, too.