

# Unit 1: The World of Travel + Tourism

## Unit 1: The World of Travel + Tourism

Learning Aim B: The types of travel + tourism organisations, their roles and the products and services they offer to customers

Name:

# Unit 1: The World of Travel + Tourism

Learning Aim B: The types of travel + tourism organisations, their roles and the products and services they offer to customers

B1. Ownership + operating aims

B2. The key sectors of the travel and tourism industry  
– components of their role, and the products and services they offer to different types of customer

B3. Interrelationships and interdependencies in the travel and tourism industry

B4. Technology in travel + tourism



## **Assessment outcomes**

**AO1 Demonstrate knowledge and understanding of the travel and tourism industry, types of tourism and organisations involved**

**Command words: complete, describe, give, identify, outline**

**Marks: ranges from 2 to 4 marks**

**AO2 Apply knowledge and understanding of the travel and tourism industry and factors affecting the industry to real-life travel and tourism scenarios**

**Command words: analyse, assess, calculate, describe, discuss, evaluate, explain**

**Marks: ranges from 4 to 12 marks**

**AO3 Analyse information and data from the travel and tourism industry, identifying trends and the potential impact of different factors on the industry and its customers**

**Command words: analyse, assess, discuss, evaluate**

**Marks: ranges from 6 to 12 marks**

**AO4 Evaluate how information and data can be used by the travel and tourism industry to make decisions that affect organisations and customers**

**Command words: analyse, assess, discuss, evaluate**

**Marks: ranges from 6 to 12 marks**

**AO5 Make connections between the factors that influence the travel and tourism industry and how the industry responds to minimise the potential impact on organisations and customers**

**Command words: analyse, assess, discuss, evaluate**

**Marks: ranges from 6 to 12 marks**



## Summary of assessment

This unit is assessed by a written examination set and marked by Pearson.

The examination will be 90 mins in length.

The number of marks for the examination is 75.

The assessment availability is January and May/June each year.



## Content

### B1. Ownership and operating aims

Each type of organisation has different aims that it needs to achieve.

#### • **Private:**

- o characteristics – owned by private individual(s) or company, may be a public limited company (PLC) on stock market, could be large multinational company, may be SME (small to medium-sized enterprise), will be staffed by paid employees
- o aims – usually financial, to make a profit, to increase market share, to increase turnover, to improve or maintain its image, to increase and diversify the range of products/services offered to customers
- o organisations – tour operators, travel agents, most transport organisations and hubs, most large visitor attractions, most accommodation providers.

#### • **Public:**

- o characteristics – owned or funded by the government – local or national, will be staffed by paid employees but may also be supported by volunteers
- o aims – to provide a service to the public, to use funding appropriately, to maintain best quality service, to financially break-even, to ensure that service levels are maintained to reinvest profit to improve services
- o organisations – tourist information centres, tourist boards, some smaller visitor attractions, some local transport organisations, most regulatory bodies, government bodies.

#### • **Voluntary sector:**

- o characteristics – funded by grants, donations, legacies, entry fees, staffed by volunteers though larger organisations, will also have paid employees or tenants, most have charitable status
- o aims – to preserve or protect the environment, buildings, landscape features; to campaign or lobby against inappropriate developments; conservation; sustainability
- o organisations – some visitor attractions, including natural; some transport; charities.



## Content

### **B2 The key sectors of the travel and tourism industry – components of their role, and the products and services they offer to different types of customer**

Each key sector will comprise a range of organisations, from small, local companies to large, multinational businesses, and examples of organisations for each sector will need to be provided. Products and services may be tangible or intangible.

#### • **Transport principals:**

components:

- air (scheduled, charter, low cost or no-frills) – sea (ferry, cruises) – road (bus, coach, hire car, private car, taxi)
- rail (local, national and international, high speed)

Role: to provide transport between destinations, to ensure safety

Products and services: transport for passengers and luggage, catering, entertainment, information, shopping.

#### • **Transport hubs and gateways:**

components:

- airports – rail and coach stations – ferry and cruise ports

Role: to provide access for passengers to transportation, to ensure safety

Products and services: check-in desks, information, catering, shopping, lounge facilities.

#### **Tour operators:**

o components:

- mass-market, package
- special interest, niche, luxury – tailor-made, dynamic packages

o role – to assemble and operate package holidays comprising two or more products or services at an inclusive price. The packages then can either be sold directly or through travel agents

o products and services – package holidays, accommodation, transfers, excursions, information on destinations, representative service in resorts.



## Travel agents:

- o components:
  - retail or high street, multiple, miniple, independent, franchised, specialist – online or web-based
  - call centres
  - business, conference and incentive
- o role – to provide expert advice and guidance; arranging and booking transport and package holidays or individual components and ancillary items
- o products and services – information on destinations and transport; holiday brochures; all types of package holidays; individually booked components – tailor-made packages; accommodation; flight only; ferries; cruises; coach tours; transfers, both in UK and overseas; excursions; holiday insurance; foreign exchange; passports, visas and health advice to travellers.

## Visitor attractions:

- o components:
  - natural areas – national parks
  - natural features – beaches, caves, cliffs, mountains, hills, waterfalls, islands, forests
  - purpose built or man-made – theme parks, museums, art galleries
  - historical or heritage – castles, walls, ruins, towers, monuments, religious, houses, palaces – sports – spectating, participating, stadium tours
  - special events – markets, festivals, parades, exhibitions
- o role – to provide entertainment, education, recreation, hospitality, special events, and facilities for visitors – parking
- o products and services – rides, experiences, interpretation, guidebooks, information boards, exhibits, guided tours, educational talks, hospitality, gift and souvenirs shops, catering.



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## **Accommodation:**

- o components
  - catered accommodation
  - hotels (star rated, spa, golf resorts)
  - bed and breakfasts, guest houses, chalets (in ski resorts) – youth hostels
- o component
  - self-catered or non-catered accommodation – cottages, apartments, boats, log cabins, chalets
  - motels, aparthotels. – caravans, static or touring – motorhomes – tents, including glamping, yurts, tepees
- o role
  - to provide different accommodation options according to customer type, needs and budget
- o products and services:
  - catered – room, reception, restaurant and bar, housekeeping, leisure facilities, gym or health club, conference and business facilities, entertainment
  - self-catered – rooms, kitchen, tent or caravan pitch, entertainment, sports facilities, amenities such as laundry and showers.

## **Trade associations, government departments and regulatory bodies:**

- o components:
  - ABTA, The Travel Association
  - Association of National Tourist Office Representatives (ANTOR)
  - Association of Independent Tour Operators (AITO)
  - Civil Aviation Authority (CAA) which issues the Air Travel Organisers Licence (ATOL) – International Air Transport Association (IATA). – Department for Culture Media and Sport (DCMS). – Foreign and Commonwealth Office (FCO)
- o roles – to provide information and support to organisations; to define, apply and ensure compliance with rules and regulations which ensure safe operations;  
to protect customers financially; to ensure high standards; to lobby the government on behalf of customers and organisations; to repatriate travellers
- o products and services – logos, charters, agreements, bonds, repatriation arrangements, arbitration service, compensation schemes.



Information and promotional service providers:

o components:

- United Nations World Tourism Organisation (UNWTO)
- VisitBritain, VisitEngland, Tourism NI (Northern Ireland), VisitScotland, VisitWales – destination management organisations (DMO)
- regional
- local tourist information centre

o role – to provide information to organisations and customers or prospective customers; to market and promote destinations and organisations; to sell products, merchandise and services relating to location; to research and produce statistics

o products and services – brochures, leaflets, websites, mailing lists, merchandise.



## **B3 Interrelationships and interdependencies in the travel and tourism industry**

Organisations in different sectors interrelate and some larger organisations have integrated either horizontally and/or vertically. These have potential advantages and disadvantages to both the organisations and their customers.

- Distribution channels—direct to customer, through an intermediary company.
- Interrelationships—defined as 'organisations that work together to benefit them both'.
- Interdependencies—defined as 'organisations that rely on each other to enable them to provide a better product or service to the customer'.
- Potential advantages of interrelationships and interdependencies—shared costs and economies of scale, increased sales, better image, reputation, customer care, more customers, more income.
- Potential disadvantages of interrelationships and interdependencies – loss of individual image, less personal customer service, shared commission on sales, effects of poor service by one organisation may potentially impact on the other.
- Horizontal integration—where an organisation buys or merges with another organisation of the same type to enable it to offer a wider variety of products and services.
- Vertical integration—when an organisation buys or merges with another organisation of a different type to enable it to control more sectors of the market.



## B4 Technology in travel and tourism

Technology, including mobile and digital technology, is used by different organisations in the industry, and there are potential advantages and disadvantages of its use to both businesses and their customers.

- Technology for communication, booking and promotion:

- o ebrochures and websites
- o reviews, blogs, virtual tours, videos
- o mailshots, popups, adverts
- o making and confirming bookings
- o emailing tickets and vouchers
- o apps for mobile and digital devices.

- Technology specific to different organisations:

- o visitor attractions – multimedia presentations, animatronics, interpretation, fast-track tickets, webcams
- o transport hubs and gateways – self-service check-in, body and baggage scanners
- o accommodation, for check-in, for in-room entertainment, for information
- o travel agents, transport principals and tour operators – for eticketing, mticketing, payment systems, displaying availability, seat selection.



## Activities

- . **Variety of tasks**
  - **Examples**
  - **Research**
  - **Exam style questions**
  - **can be done individually, in pairs or small groups**
  - **completed as mind maps, presentations, judgments to be shared with the rest of the class**

## Exam questions

- **examples of exam questions from past papers**

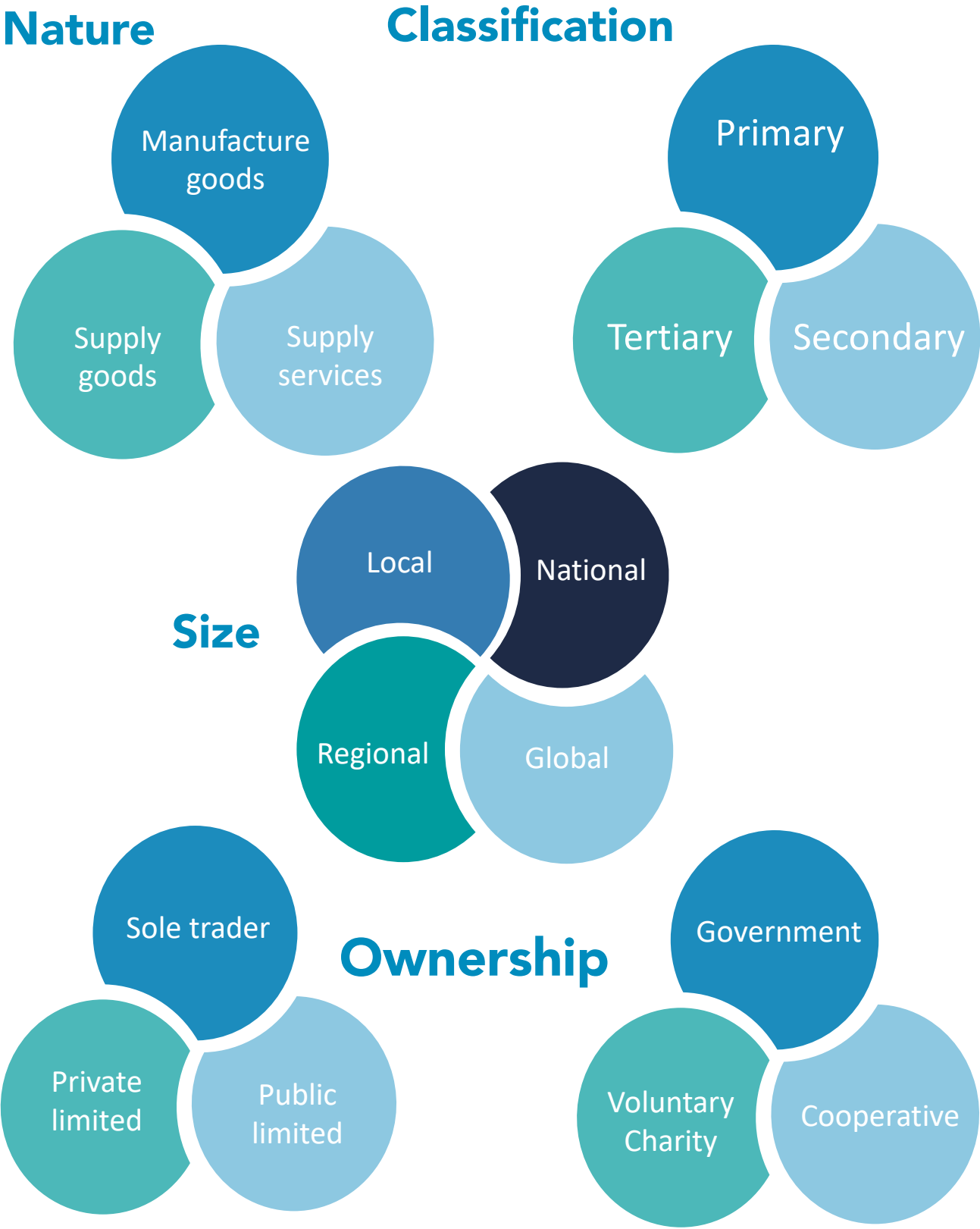
## Quizzes



# Unit 1: The World of Travel + Tourism

## B1. Ownership + operating aims

B. The types of travel and tourism organisations, their roles and the products and services they offer to customers





B. The types of travel and tourism organisations, their roles and the products and services they offer to customers

### Private sector - Profit making businesses:

Aims to make a profit, grow market share, increase revenue, diversify products/services, create brand recognition etc.



**Sole trader** business is usually a small business, own by one person. No limited liability – so personally responsible for all debts.

### Private limited company

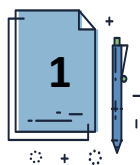
owned by shareholders. Shares bought + sold with permission of shareholders. Limited liability means not personally liable for debt. Finances reported to Companies House, but not made public.



### Public limited company (PLC)

is owned by shareholders. Shares can be bought and sold by anyone on the **stock exchange**.

If the business makes a profit the shareholders receive a share of the profit – a dividend.



**List examples of each type of business**



B. The types of travel and tourism organisations, their roles and the products and services they offer to customers

### Public organisations:

Largely owned and funded by the government

Funding: central government grants, local government, lottery funding etc.



**Government** oversees directly or indirectly a large number of T+T organisations.

DCMS is responsible for national tourist boards + agencies – Visit Britain, Visit Scotland, Visit England, Visit Wales, Visit NI + local tourist information centres.

**Government** is also responsible for many of the most popular tourist attractions – major museums.

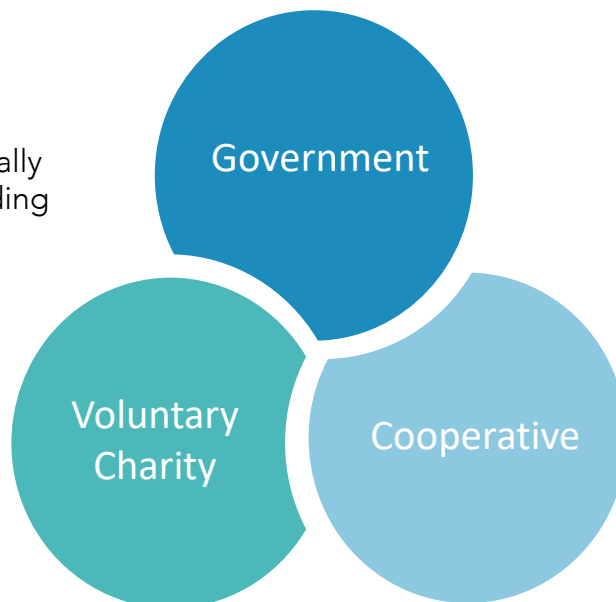
The government sets out the criteria that funded organisations must meet, including:

- . operate to at least break-even point
  - . reinvest any profits back into their products/services
  - . provide value for money with the funds they receive
  - . provide the highest quality customer service
- Most employees are paid but many have volunteers.

### Voluntary sector

organisations are usually charities and get funding from:

- . government (grants, loans etc)
- . donations from the public
- . entry fees, parking, merchandise etc



Charities are regulated by the Charity Commission. They are non-profit – this means any profits are used for their cause, reinvested

Aims of charities differ but may include:.

- . reserve and protect the environment – landscape, buildings etc
- . be sustainable – minimise impact
- . promote arts, science, culture + heritage
- . inform and educate visitors
- . promote community development



**List examples for each sector**

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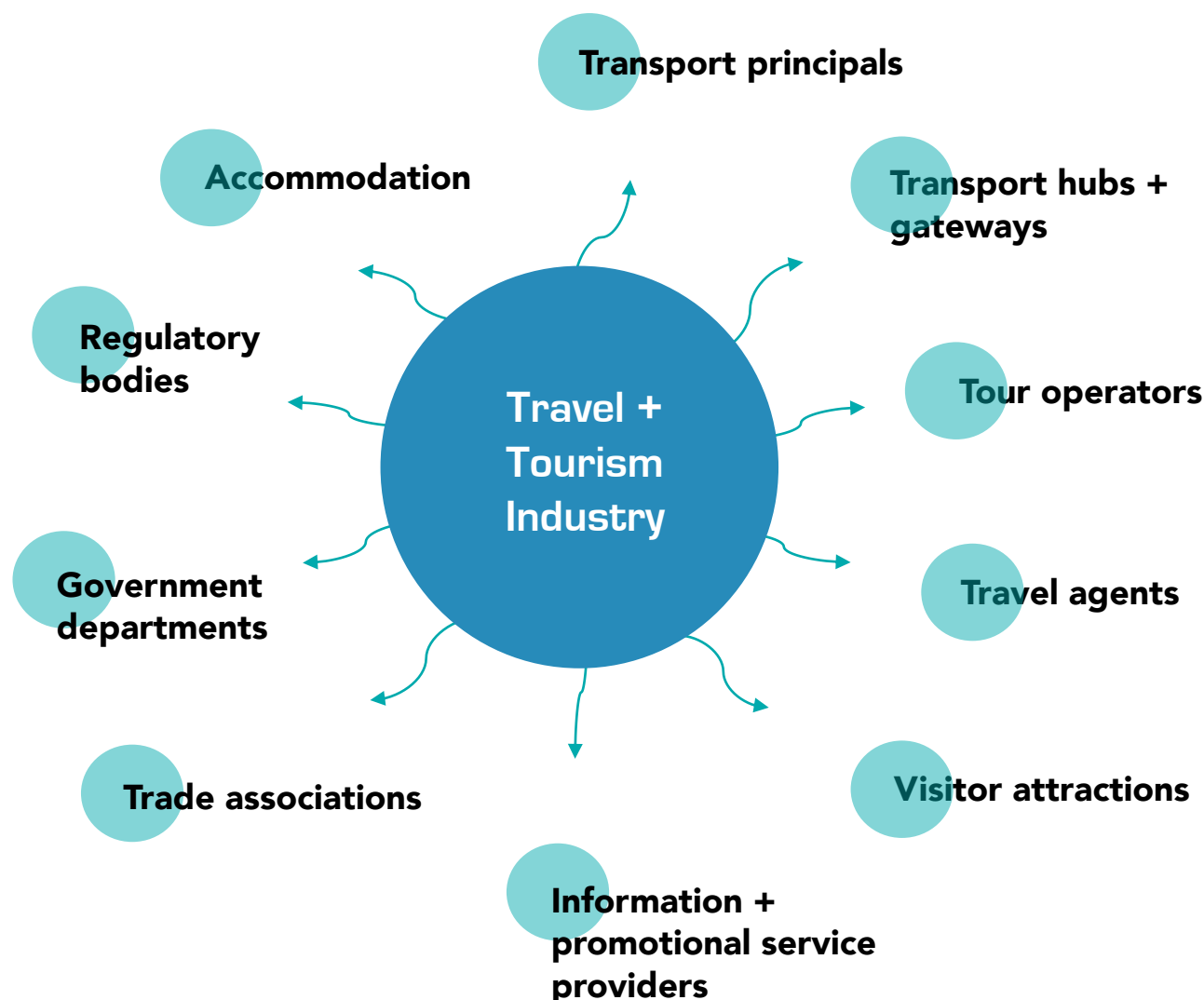
**Different sectors** offer a range of T+T products and services.

The sectors are interdependent upon each other.

Products + services can be:

**Tangible** – something that is a physical item

**Intangible** – an experience; sightseeing, visitor attraction





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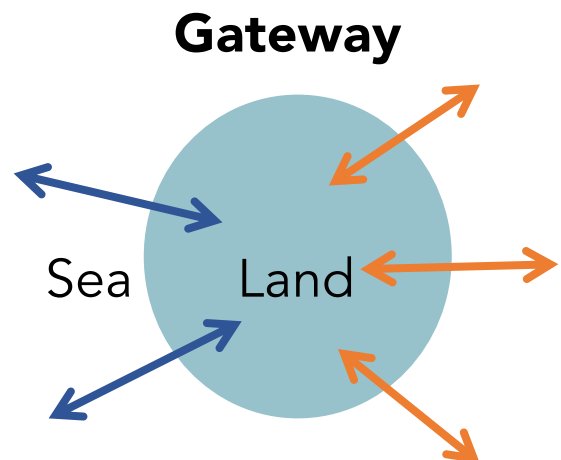
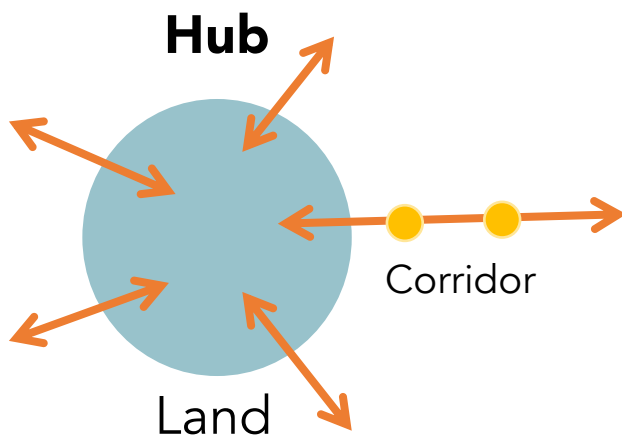
## Transport hubs + gateways

Transport gateways and hubs are locations where transport converges and are connected to other hubs and locations



Terms gateway and hub are often interchanged – many 'hubs' are in fact gateways, where there are different modes of transport available even if it is primarily one mode e.g. railway station

Gateways are where you can change from one mode of transport to another e.g. plane to train.



Hubs connect the same mode of transport e.g. train to another train

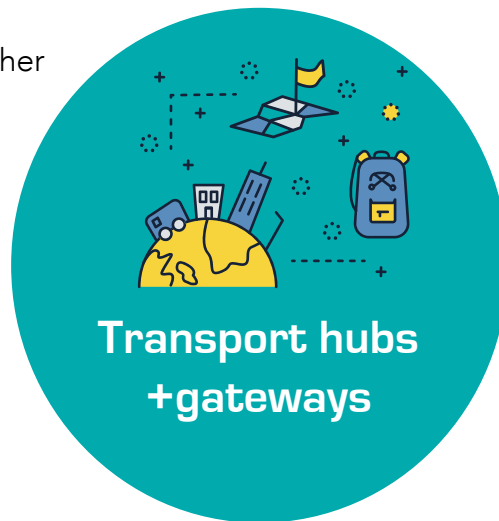
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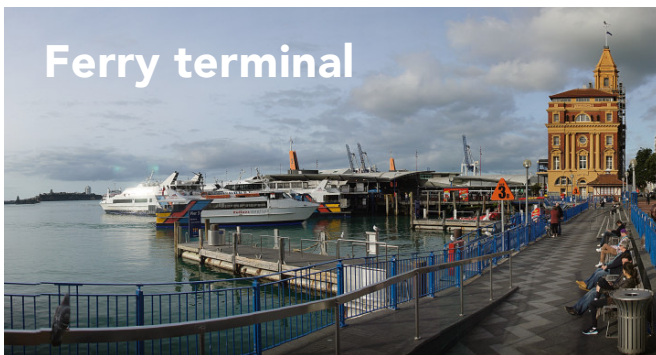
B. The types of travel and tourism organisations, their roles and the products and services they offer to customers



Connecting from one train to another or on a corridor, perhaps connecting with other land transport - taxi or bus



Connecting from one flight to another (in transit) or one flight perhaps connecting with other land transportation



Connections with land transport



B. The types of travel and tourism organisations, their roles and the products and services they offer to customers

## Air transport – types of flights

- . domestic - within the country
- international - country to country
- . direct flights – not stopping
- indirect flights – via other airports

## National carriers

Represent their country – sometimes owned or part owned by the government

## International and domestic flights

Airlines in most countries fly domestic routes and international routes  
e.g. United Airlines, American Airlines, Lufthansa, British Airways, China Southern Airlines  
Many of these airlines have more than one base e.g. British Airways = Heathrow and Gatwick

## Transport principals: AIR TRANSPORT

## Scheduled flights

(a regular timetabled service – summer/winter service)  
Full service = include entertainment, refreshments, check-in baggage etc (Virgin, British Airways, Emirates)  
Economy – food + drink, baggage (20-24kgs)  
Premium economy – wider seat + extra baggage  
Business – special menu, (champagne inc.) seat/bed, own departure lounge, generous baggage  
First – personal suite, luxury bed, pjs, special menu

## Chartered flights

For package tour holidaymakers to holiday destinations.  
Tour operators pre-book seats on the flights or have their own chartered airline (TUI).

**Low cost airlines** – budget = keep costs low with online booking, limited or no entertainment, charge extra for priority booking baggage, refreshments etc. (EasyJet, Ryanair)

**Private jet hire** - individuals or businesses 'charter' a flight for a specific destination



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## Airports

Terminals for all flights or for: domestic - within the country and international - country to country  
Cater to inbound and outbound passengers



## Ownership

UK only country to have airports fully privately owned.  
Some smaller airports are publicly owned –  
Newquay = Cornwall County Council.

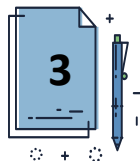
Airports not only provide a range of airline services but also a variety of connected services e.g. accommodation, transport and information Services, to enhance the customer experience.  
These associated businesses pay rent to the airport to operate there, adding the airport's revenue.



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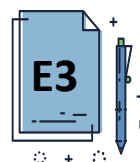
B. The types of travel and tourism organisations, their roles and the products and services they offer to customers



**a. List the facilities at LHR**

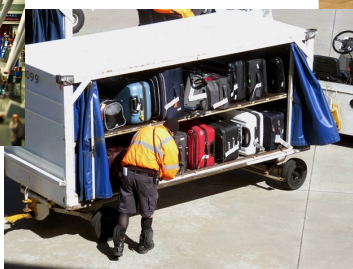
**b. Research Emirates Airlines and list the extra benefits that Business and First Class passengers receive**

**c. List the advantages and disadvantages of national carriers and budget airlines**



**a. Explain one potential advantage for transport hubs and gateways of each of the following technologies. (8)**

- (i) Self-service check in**
- (ii) Eticketing**
- (iii) Body scanners**
- (iv) Iris scans**



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## Ferries

As a group of islands the UK has a large number of ferry services to a number of countries offering a service for passengers with and without vehicles.

**Ferry Terminal** is a location for the boarding, departure, or arrival of a ferry service. Ferry terminals cater to freight and passengers.

Passengers can either be walk on or with a vehicle – car or coach.

Large ferry terminals have facilities similar to airports:

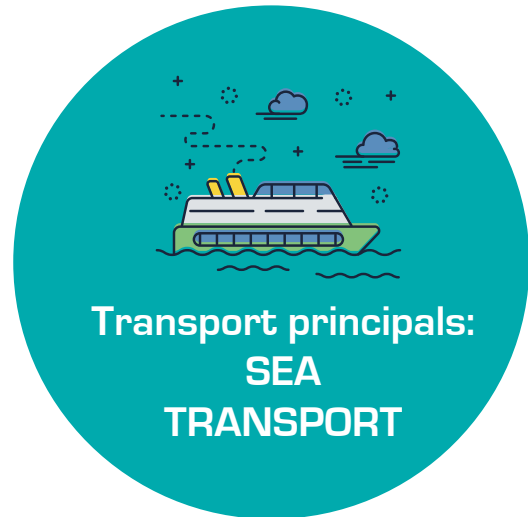
- . Shops
- . Currency exchange
- . Food & drink
- . Toilets/Showers/Baby changing.
- . First aid
- . Internet access
- . Left luggage
- . Car charging points

Ferry terminals are part of an integrated transport system connected to taxis, buses, coach and train services

## Water taxis

Airports & sea ports to destination (Maldives)

Taxis across rivers + lakes





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## Cruises

Oceans, sea, rivers and lakes

### Facts:

- . Passengers: 26.7 million
  - . Jobs: 109,000
  - . Revenue: \$134 billion
- Growing 4% pa with 19 new ships due to launch in 2020

## River cruises

- . Increasingly popular esp. in Europe on the Rhine, Danube, Moselle and Nile in Egypt and in the USA on the Mississippi, Colombia + Great Lakes

### Key benefits:

- . All inclusive
  - . On board entertainment
  - . Visit a range of cities + countries (1 a day)
- Cruises in creasing popular across the age groups, themed cruises for target market



Transport principals:  
**SEA  
TRANSPORT**

### Origin of cruise passengers:

United States 11.9  
China 2.4  
Germany 2.19  
United Kingdom 1.93  
Australia 1.34  
Canada 0.92  
*Passengers in Millions*

### Main sea cruise companies

Carnival Cruise Lines  
Celebrity Cruise Lines  
Costa Cruises  
Royal Caribbean  
Holland America  
Norwegian Cruise Line  
Star Cruises  
P&O Princess

P&O CRUISES

Royal Caribbean  
INTERNATIONAL

MSC  
CRUISES

NCL

NORWEGIAN  
CRUISE LINE®

SILVERSEA®

Disney CRUISE LINE

CUNARD

Carnival

Celebrity X Cruises®  
SAIL BEYOND BORDERS™

Holland America Line®

CRYSTAL  
CRUISES



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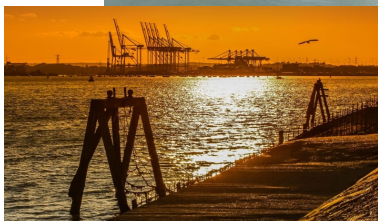
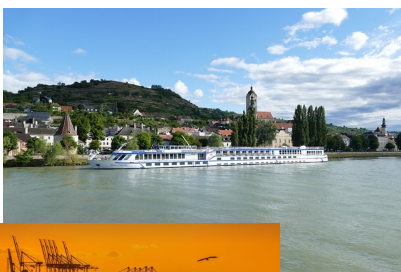
## Research



**a. List the facilities on a cross channel ferry**

**b. Evaluate the appeal of a river cruise**

**c. List the advantages and disadvantages of ocean cruise holidays**





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## Cruise terminals

### Example: Southampton

Southampton has 4 cruise terminals:

QEII, Ocean, City, + Mayflower

Deep water berths means it can accommodate any size cruise ship

Southampton unusually has high water for 80% of the time, meaning it has easy access for cruise ships

Cruise terminal handles 500 ships per year - 2 million passengers

Destinations include:

- . mini-cruises to France, Belgium and Holland as well as long Mediterranean cruises in summer

- . world cruises with several 'legs'

Popular itineraries for cruises from Port Southampton include:

Iceland and Greenland; the Norwegian Fjords and Baltic Sea; the Mediterranean; Iberia and Gibraltar; the Canary Islands; Black Sea to Turkey, Bulgaria, Ukraine and Russia; Transatlantic cruises (either seasonal repositioning or aboard the majestic QM2).



Transport  
hubs + gateways:  
**CRUISE  
TERMINALS**

### Facilities

Hotels – some local hotels offer 'cruise packages', one night stay + breakfast + transfer to cruise terminal

Shuttle transfer from Heathrow etc, Car parking, Restaurant, Shops, Toilets, Internet – Shopping centre nearby



- Southampton is home to leading cruise companies and ships including:
  - P&O Cruises – Arcadia, Aurora, Azura, Britannia, Oceana and Ventura
  - Celebrity Cruises – Celebrity Silhouette
  - Cunard – Queen Victoria, Queen Elizabeth + Transatlantic liner Queen Mary 2
  - Princess Cruises – Royal Princess and Sapphire Princess
  - Royal Caribbean - Independence of the Seas and Navigator of the Seas
- Many other cruise ships call into Southampton

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**national  
express**

## Coaches

- . Coach travel can be part of a package or as separate holiday or a mode of transport.
- . Coach travel is often a multi-centre holiday, where people visit a number of places
- . Coach day trips are popular to attractions and events.
- . Coach trips can cheap travel option (or for those who do not like to fly) and are popular in the 'grey market'.
- . Coach travel between airports and cities and city to city is a cost effective way to travel
- . Coaches have become more luxury with toilets, Wifi, onboard entertainment + refreshments.



Transport  
principals:  
**LAND TRAVEL**

## Buses

Buses provide a cheap and convenient way to travel especially in large towns and cities where the service is regular. Rural areas have less frequent services.

Sightseeing tours – like Big Bus – provide 'hop-on hop-off' services as well as information about the city.

## Underground

Underground trains (tube - metro) provide fast and convenient travel in many large cities around the world.

This form of transport like buses are popular with local and tourists





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## Hire cars

- . Hire car (or rental) companies operate in most towns and cities. Some are local, others are national or international companies
- . They offer:
  - . a range of vehicles to suit customer needs
  - . airport pickup and drop-off
  - . one way hire
  - . insurance cover



Transport  
principals:  
**LAND TRAVEL**

## Taxis + Ubers

Taxis + Ubers are used primarily for short journeys. Tourists more likely to use taxis that they can hail in the road.

Taxis are also used for airport and railway station drop offs and pick-ups.



## Private cars

Most domestic holidays + visits use cars as the primary mode of transport.

Private cars are the most convenient ways for most people but traffic congestion can be problem.

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## Rail

### National and international networks

- . rail networks link airports, sea ports etc with major towns and cities and include international routes (Eurostar runs from London to Paris via tunnel)

### Standards

- . vary from country to country - often need government subsidy or are totally owned by governments
- . French TGV are high speed trains designed for tourists
- . Different classes of seat
- . Fast travel and cheap if booked in advanced

## Railway holidays

### Rail tours & holidays Short or long distance

#### Luxury

Orient Express

#### Heritage

Tourist attraction:

Compass Tours

DPS Rail tours

Stobart Pullman

Pathfinder Tours

Vintage Trains

Retro Rail tours

Green Express Rail tours

Kingfisher Rail tours

Scottish Railway Preservation Society

Venice-Simplon Orient Express



Transport  
principals:  
**LAND TRAVEL**

### Scheduled rail operators

**Short and long distance** – many or few stops

**Intercity:** East Coast – West Coast – Midlands – Great Eastern – Great Western

**Regional:** Network South East – North East – North West - Scotland

**Local:** Docklands – Mersey rail – Wrexham & Shropshire



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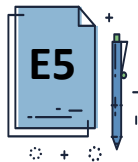


**a. Compare coach and bus terminals with airline terminals.**

**b. Assess the benefits of coach travel.**

**c. What are the advantages of hiring the car as a form of transport for families**

**d. Compare traveling from London to Paris, by air, coach, car and rail. Reference travel time and cost.**



**a. Explain two reasons why tourists may take their own vehicle when travelling on holiday to France. (4)**

**b. Explain two reasons why older tourists may prefer a coach holiday when touring Europe (4)**



# Unit 1: The World of Travel + Tourism

B2. The key sectors of the travel + tourism industry - components of their role, and the products and services they offer to different types of customer

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## Rail terminal

### St. Pancras Station, London

Opened in 1868 – expansion and renovation in 2000s to include an International Terminus at a cost of £800 million for the Eurostar – connecting the UK to France by rail via the Channel Tunnel.

Eurostar provides services to Germany, Italy, Netherlands and Spain.  
Rail services via four railway companies to the Midlands and the South East.



### Other rail terminals

London Waterloo is the busiest, Birmingham New Street busiest outside of London.

In London, Kings Cross = Euston serve the north  
Waterloo the south  
and Paddington the south west.  
Network Rail manages the rail lines + 18 stations



### Connections

Connected to King Cross station and connects to all other London railway stations via the underground system.

Direct connections to London airports including Heathrow, London Gatwick, Luton and London City Airport.

Taxis and bus services available at the station.

### Facilities

Hotels, Car parking, Restaurants, Bars, ATMs, Bicycle racks, Farmers' market, Shops, Toilets + Showers, Left luggage, Internet, Bureau de Change  
Departure lounge – including a dedicated Eurostar lounge



# Unit 1: The World of Travel + Tourism

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## Package Holiday Directive (2018)

Defined what a package holiday is. Previously packages were sold that had multiple contracts with different suppliers.



Tour operators create holidays by putting different components together:

- . Accommodation
- . Transport
- . Activities

Different packages are combined to meet the customer needs. All the package holiday details are contained in their brochure – in travel agents or online.

There are over 2,000 UK tour operators

## Single contract

- . All components combined under one contract

## Example

- . A traditional package sold by a travel agent

## Multiple contracts

- . Selection of services from the same place and pays for them
- . Selection of services for the same trip sold for a total price
- . Products and services that are added by a customer after the contact has been accepted.
- . Customer compiles a trip through linked website to a second trader to add components and customer details are passed on to conclude the booking.

## Example

- . Website that offers a range of products/services to create a package
- . Different contracts for services combined
- . Package may allow specific add-ons – trips + meals
- . Flight booked online then on that website clicks through to recommended car hire company or hotel – a package is created, through two traders



# Unit 1: The World of Travel + Tourism

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## Mass market

- . Mass market tourism has dominated for many years. Tour operators sell similar packages in different destinations that appeal to a broad section of holiday makers.
- . Mass market tour operators make their profit through sell large numbers of similar value for money holidays. Each holiday has a low profit margin.



## Tour operators



## Niche market – Special interest

- . Hundreds of tour operators offer specialised package holidays – often tailor-made to meet the customer needs.
- . These holidays are considered to be in the niche market.
- . Niche can include:
  - . Specific destinations; adventure; safari; ski; eco etc
- . Large tour operators may have niche brands selling specialist holidays e.g. TUI own Crystal Ski
- . Other niche include Cox + Kings offer luxurious holidays that are created to meet individual needs
- . Saga holidays cater for the over 50s market

SAGA



## Tailor-made + dynamic packages

- . These types of holidays are growing in popularity as customers are becoming more experienced travellers and seek to customise their own holidays.
- . Customisation can incorporate all aspects of the holiday; transport; accommodation; F+B; activities etc
- . Travel agents specialise in offering this service





# Unit 1: The World of Travel + Tourism

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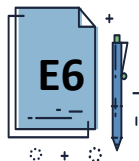
B. The types of travel and tourism organisations, their roles and the products and services they offer to customers



**a. Research a major tour operator and list the different types of holidays it offers**

**b. Research 5 specialist tour operators and identify the niche market they cater for**

**c. Research the differences between TUI travel agent and Hays Travel**



**a. Describe the role of a tour operator. (2)**

**b. Describe two specialist tour operators. (2)**

**c. Describe package holidays (2)**



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## Travel agents

- . Travel agents create and arrange holidays for their customers
- . Most cater for the leisure market – package holidays, whilst some specialise or cater to the business market
- . Travel agents can be on high streets and/or online

**TRAVELBAG™**

*Hays Travel*

👉 **Thomas Cook**

📱 **Expedia**

## Role

- . Provide advice + information on products and services
- . Sell + book holidays
- . Independents sell from a variety of providers
- . Some agents linked to tour operators + sell own brands
- . Travel agents receive a **commission** from the tour operators
- . Customers can pay a fee for agents to put together a tailor-made package

## Travel agents



## Products + Services

- . Provide information on travel + holidays
- . Book travel + holidays - package and specialist
  - travel: flights; ferries; car hire + trains
  - accommodation: hotels; self-catering; camping etc
  - other services: airport parking; travel insurance; excursions; transfers etc
- . Create tailor-made or dynamic package holidays
- . Offer advice on passports, visa, health issues inc. vaccinations

# Unit 1: The World of Travel + Tourism

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## Franchise

- . Franchises sells the branded products of a company
  - . Receives a fee
- Example: MTC Travel

## Multiple

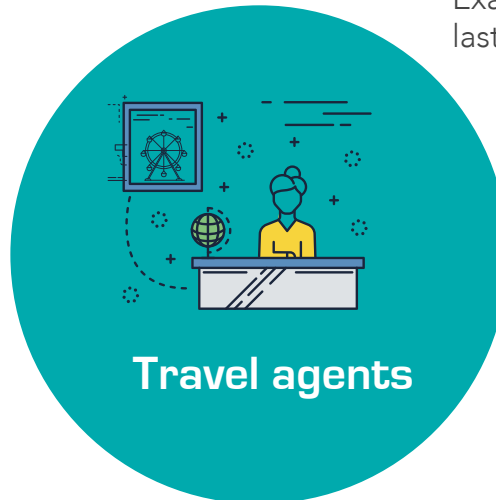
- . Multiples = 50+ branches
- . Large PLCs – TUI + Hays Travel

## Online

- . Online only
  - . Sell a range of products/services
- Example: expedia.com  
lastminute.com

## Miniple

- . Multiples =  
5 - 50 branches
  - . Often is in regional  
area
- Example:  
premier-travel.co.uk



## Business

- . Business travel agent  
focus on business travel  
often for large  
companies
- . Specialise in MICE

## Independent

- . Independent = 1 - 5 branches
  - . Often family owned
- Good reputation for personal service

## Specialist

- . Often independent agents
- . Specialise in destinations of  
type of tourism: cycling;  
water sports etc

## Call centre

- . Call centre dedicated agents
- . Many large tour operators, airlines  
have call centres



# Unit 1: The World of Travel + Tourism

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**a. For each type of travel agent list examples**

**Multiple**

**Online**

**Miniple**

**Independent**

**Franchise**

**Specialist**

**Business**

**Call centre**

**b. What are the advantages and disadvantages of using:**

- . a 'high street' travel agent**
- . an online travel agent**

**c. Research the differences between TUI travel agent and Hay Travel**



**a. What is an independent travel agency? (2)**

**b. What is a specialist travel agency? (2)**

# Unit 1: The World of Travel + Tourism

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## Visit attractions

. UK visitor attractions are important of domestic tourism + inbound tourists

Purpose: entertainment; education + recreation

Attraction facilities:

- . Parking
- . Cafes/Restaurants
- . Gift shops
- . Information (displays, apps etc)

## Sports

. Sporting events in the UK and Globally attract visitors from around the world. The Olympics and Football World Cup are the largest world events

## Nature

. Include: national parks (15); AONB; coastlines; mountains; lakes; parks and beaches



## Visitor attractions

## Man-made

. These sector covers a wide range of attractions from museums to theme parks.  
. UK museums are world famous – British, V+A, Science, Natural History – and attract millions of visitors each year.

## Historical - heritage

. UK famous for its historic buildings. National Trust and English Heritage oversee many of these

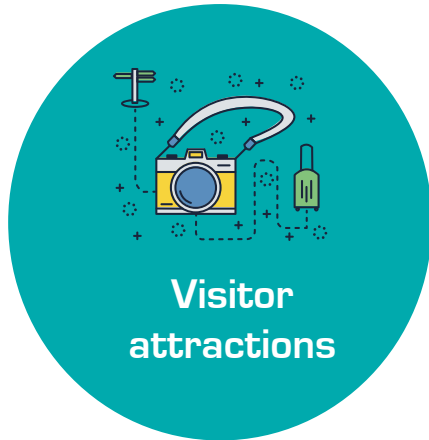
## Special events

. Special events include festivals + parades

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***a. For each type of visitor attraction list examples***

**Visit attractions**

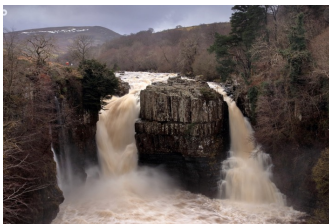
**Sports**

**Man-made**

**Nature**

**Historical - heritage**

**Special events**





# Unit 1: The World of Travel + Tourism

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## Accommodation

Catered or self-catering. Different types and standards that meet different needs and budgets



### B+B Guest houses

Most are family run and provide breakfasts – sometimes dinner. Facilities limited.



### Camping + Caravans

Self catering – cheaper. Family focused. Clamping: yurts + tepees. Sites have a range of facilities



### Air BnB

Provided by individuals - rooms or entire properties. Usually self catered



## Accommodation



### Hostels

. Basic, cheap and communal For 'backpackers'



### Apartments

Self catered mainly in cities for family or groups.



### Hotels

Catered accommodation – business + leisure

Independent + chain hotels

Range of quality 1 – 5 stars + facilities

Different style of rooms (suite, double, twin)

Budget – Premier Inn    Luxury – Hilton

Facilities:

. Food + beverage (bars + restaurants)

. Swimming pool . Gym . Spa. . Toiletries

Business facilities:

. Meeting rooms. .

Conference facilities



### Motels

. Roadside

(motorway service stations) for motorists, offering bed (perhaps breakfast) Very popular in large countries (USA)

### Others

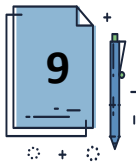
. Ski chalets . Boats – narrowboats

. Log cabins

# Unit 1: The World of Travel + Tourism

B2. The key sectors of the travel + tourism industry - components of their role, and the products and services they offer to different types of customer

B. The types of travel and tourism organisations, their roles and the products and services they offer to customers



- a. For each type of accommodation, give two examples and suggest the target market
- b. You can create a table like the one below

Accommodation	Type of visitor	Why is this accommodation appropriate?
Hotel		
Hostel		
Campsite		
City apartment		
Air BnB		
Guest houses B and B		



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## Accommodation



**a. Describe two direct job roles within the accommodation sector. (2)**

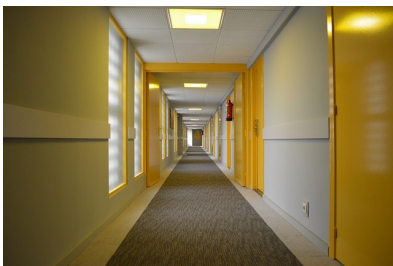
**b. Many types of accommodation are SMEs. What does SME stand for? (1)**



**c. Many people do not pay for accommodation as they are VFR. What does VFR stand for? (1)**



**d. Explain two reasons why self-catering accommodation may be suitable for a family with a baby and a toddler (4)**





# Unit 1: The World of Travel + Tourism

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## Trade associations, government departments and regulatory bodies

### ABTA



#### Association of British Travel Agents

Tour operators + travel agents members follow code of conduct: accurate advertising; fair booking terms; customer complaints. Arbitration for customers.

### CAA

#### Civil Aviation Authority

Regulates UK civil aviation. Statutory body that issues licences to fly. Tour operators must be members of ATOL and provide a bond. This bond is used if a company goes bankrupt to fly passengers home.

### DCMS



#### Department Culture, Media + Sport

Govt. department responsible for tourism. To promote UK tourism and T+T businesses

Trade associations, govt departments and regulatory bodies



### IATA

#### International Air Transport Association

Represents 265 world airlines. Creates and enforces safety measures for airlines. Travel agents have to sell tickets only for IATA airlines.

### ANTOR



#### Association of National Tourist Office Representatives

Represents tourist offices – chance to share ideas through networking. Comments on issues that affect the T+T industry



### AITO

#### Association of Independent Tour Operators

Represents tour operators – have a charter + code of business practice: truthful descriptions + get customer feedback to maintain standards

### FCDO

#### Foreign Commonwealth + Development Office

Govt. department responsible for relations with other countries. Gives travel advice – what the situation is in every country. Where it is safe to travel. Responsible for bringing stranded citizens home.



Foreign, Commonwealth & Development Office



# Unit 1: The World of Travel + Tourism

B2. The key sectors of the travel + tourism industry - components of their role, and the products and services they offer to different types of customer

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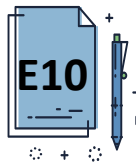
Trade associations, govt departments and regulatory bodies



**a. Choose one organisation and explain its aims**

**b. What is the impact of the organisation on travellers/tourists**

**c. Research the FCDO website and list the travel advice for *THREE* different countries**



**a. Explain two ways that customers will benefit from AITO's Quality Charter. (4)**

**b. Explain two ways that customers will benefit from the FCDO website (4)**



# Unit 1: The World of Travel + Tourism

## B1. Ownership + operating aims

B. The types of travel and tourism organisations, their roles and the products and services they offer to customers



### Information + promotional service providers

Aim: to develop and promote travel + tourism to improve economies and employment.

### Tourist boards - National VisitBritain/England/Wales/Scotland/NI

- . Aims of each is to promote tourism
  - . To promote and expand tourist economic activity
  - . Provide marketing materials
  - . Focus on special events
- Example: Visit Britain promotes destinations outside of London

### Tourist boards – Local

Tourist information centres funded by local councils, provide information on local attractions, accommodation, F+B, tours etc



### Information + promotional service providers



### Tourist boards – Regional

Each region promotes its local destinations + attractions as partners as well as local authorities and businesses



### Destination management organisations

DMOs coordinate the different components in a destination by building partnerships with the range of organisations e.g. attractions, transport + marketing



### United Nations World Tourism Organisations

- UNWTO responsible for the promotion of sustainable = accessible tourism.
- Members = 158 countries
- . encourage sustainable tourism to improve local economies
  - . promote tourism to improve economy and peoples' standard of living
  - . educate local population to take advantage of tourism opportunities
  - . tourism research to support members e.g. identifying trends



# Unit 1: The World of Travel + Tourism

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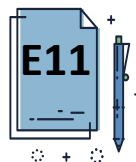
Information +  
promotional  
service providers



**a. Research a national tourist board and list 5 events that they are promoting – how are they promoting each of these events?**

**b. Research a local tourist board and list 5 events that they are promoting – how are they promoting each of these events**

**c. Research how a local tourist information centre can assist tourists**



**a. Evaluate the importance of both VisitBritain and the FCDO in supporting the travel and tourism industry.**



# Unit 1: The World of Travel + Tourism

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## Distribution channels

Getting products and services to customers.

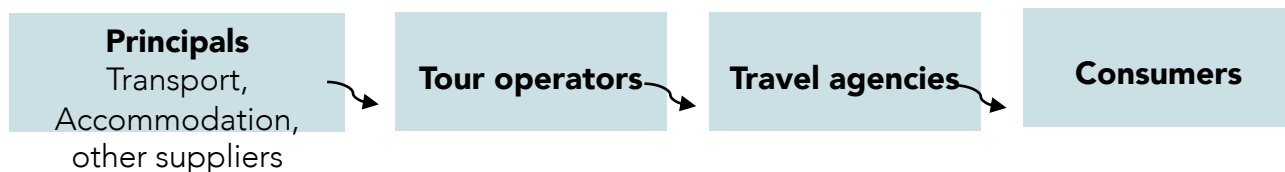
This can be done direct to the customer or via travel agents

The variety of distribution channels is in part to meet different customer needs. Some still seek the knowledge of a travel agent whilst others are confident to book themselves.

## Traditional distribution channel

Wholesalers

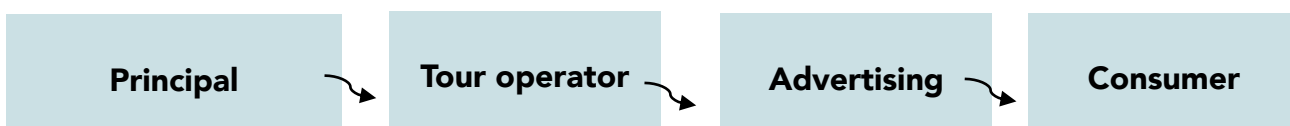
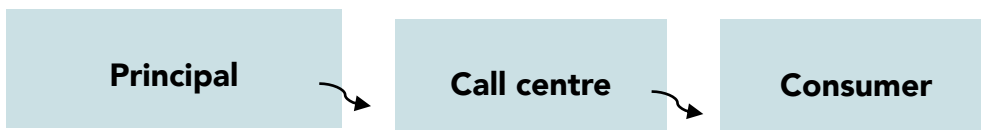
Retailers



## Variations of distribution channels



[watch?v=knWIWsJdpmc](https://www.youtube.com/watch?v=knWIWsJdpmc)



# Unit 1: The World of Travel + Tourism

B2. The key sectors of the travel + tourism industry - components of their role, and the products and services they offer to different types of customer

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- a. ***Research TUI and list all their distribution channels***

***Explain the impact of choosing their channels***

- b. ***Research Ryanair and list all their distribution channels***

***Explain the impact of choosing their channels***





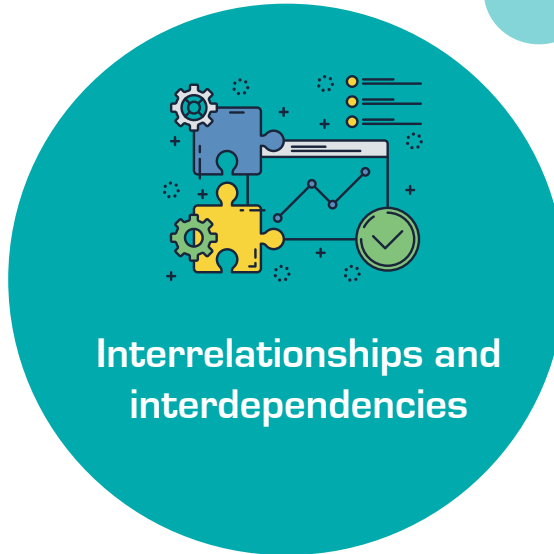
# Unit 1: The World of Travel + Tourism

## B3. Interrelationships and interdependencies in the travel and tourism industry

B. The types of travel and tourism organisations, their roles and the products and services they offer to customers

### Interrelationships

Organisations working together for mutual benefit.  
Hotels work with tour companies  
Rail companies promote destinations  
Tesco Clubcard offers discounts for attractions.



### Interrelationships and interdependencies

### Interdependencies

Interdependent sees organisations relying on each other for success.  
Airlines and airports work together to create a mutually beneficial business relationship.

### Advantages

- . Economies of scale - sharing functions (admin, offices, aircraft)
- . Shared advertising and promotions
- . Increase in revenue as more customers reached through ads
- . Benefit from each others reputation
- . Share customer databases to promote products/services



### Disadvantages

- . Lose your own identity – confuse customers
- . More generic – less personal, less specific
- . A bad reputation for one can affect the good reputation of the other

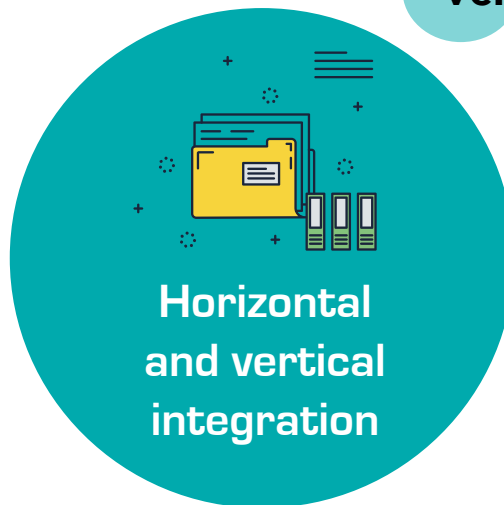
B. The types of travel and tourism organisations, their roles and the products and services they offer to customers

### Horizontal integration

When an organisation joins (merges) with another of the same type –  
airline with airline

### Vertical integration

When a business merges or buys another that has a different role in the same industry – airline buys a travel agency



- . Increase market share + revenue
- . Reduce competition
- . Economies of scale
- . Extend geographical reach
- . Add products + services
- . Become more efficient

BUT

- . Buying another business can create debt
- . Expand too quickly – too large
- . Can be difficult to buy/merge in different countries

- . Control more of the distribution channel
- . Extend geographical reach
- . Economies of scale
- . Become more efficient

BUT

- . Buying another business can create debt
- . No knowledge of new business area



[watch?v=Vc8FQuZbxQI](https://www.youtube.com/watch?v=Vc8FQuZbxQI)



[www.tui.co.uk](https://www.tui.co.uk)

B. The types of travel and tourism organisations, their roles and the products and services they offer to customers

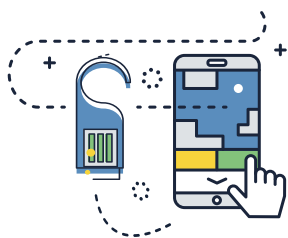
### Technology for communication, booking and promotion

Technology inc. digital + mobile, is increasingly being used by T+T organisations.

#### ebrochures + websites

Websites are fundamental to all businesses. These websites provide information about their products and services and the opportunity to purchase.

Brochures were the traditional way people found out about holidays - these have become ebrochures, online and downloadable. TUI considered not printing brochures at all to save money, but then changed their mind .... see the link below.



### Technology in travel + tourism



#### Reviews, blogs, virtual tours + video

Review sites are an increasingly important part of the T+T decision making process.

Travel blogs (YouTube) are numerous and are a popular way for people to discover new destinations.

Virtual reality tours started in 2015 and were popularised during COVID when places like museums and galleries used them to engage with people.

#### Adverts

Web adverts are increasingly linked to your browsing preferences – via cookies – to target ads to your personal likes. For T+T organisations this means they are getting their ads to their target market.

#### Mailshots

Promotional materials are sent by mail or email. Via email it is a very cost effective way to reach large numbers of customers.

Email addresses are gathered from bookings, online purchasing, etc

B. The types of travel and tourism organisations, their roles and the products and services they offer to customers

### Technology for communication, booking and promotion

#### Pop-ups and adverts

Pop-up advertising appear when browsing the web.

Some Pop-ups are time driven – after a person has been online for a certain period. Or certain ads appear at particular times of the day.

Other ads appear according to the behaviour of the browser – clicking or viewing a certain part of a site.

Exit driven pop-ups appear as you leave the site – perhaps offering a deal before you go.

Increasing web browsers block these pop-ups.

#### Technology in travel + tourism

#### Bookings

T+T online bookings has grown in the last 10 years to over 50% of all bookings. Most are via computers and tablets rather than phones – though browsing for information on phones is common. However, travel agents on the high street remains a very popular way of booking.

#### Ticketing

Ticketing is increasing done via email or on smartphones across the T+T industry.

Entry via a QR code for attractions is the norm;

. Ticketing is instant

. Cheaper and saves paper

. Changes can made quickly

#### Apps

T+T organisations are increasingly using apps to communicate and inform with customers. Everything from weather apps, to travel itineraries and bookings.



B. The types of travel and tourism organisations, their roles and the products and services they offer to customers



### Technology in travel + tourism



- What are the advantages + disadvantages of ebrochures***
- What are the advantages + disadvantages of websites***
- What are the advantages + disadvantages of mailshots***
- What are the advantages + disadvantages of eticketing***



B. The types of travel and tourism organisations, their roles and the products and services they offer to customers

### Technology specific to different organisations

### Transport hubs and gateways

Technology is widely used for ticketing, check-in and boarding. Advanced scanning devices are employed at airports to check baggage. Full body scanners are now used with metal detectors to screen passengers. Hubs and gateways offer Wifi and electronic beacons that send relevant information to passengers including departure information and available facilities.



### Technology in travel + tourism

### Visitor attractions

Technology is extensively used by attractions to improve the visitor experience and help differentiate them from their competitors.

**Animatronics** – lifelike robots are used by the NH Museum to bring dinosaurs to life!

**Virtual tours** - introduced during COVID allow people to view exhibits from their own homes.

**Smell** – is used by the Imperial War Museum in their WWI trench exhibit

**Holograms** – recreate people and objects to bring them to life

**Virtual reality** – recreate scenes for total immerse experience, often historical settings

B. The types of travel and tourism organisations, their roles and the products and services they offer to customers

### Technology specific to different organisations

#### Accommodation

Online bookings are the norm for the full range of accommodation. Many budget hotels have self check-in – particularly 'after hours'. Some allow to choose your own room at booking. Others allow rooms to be accessed via a smartphone. WIFI access is the norm in all accommodation.



#### Technology in travel + tourism

#### Transport principals, travel agents and tour operators

Website technology needs to be comprehensive to provide the necessary information – availability of flights, seats, latest prices etc.

Travel agents and tour operators use global distribution systems – an IT system that allows T+T businesses to access airlines and hotels and book in real time.

E-tickets are issued via email and smartphone – Ryanair insists on passengers printing their own boarding passes (or charge £110 at the airport).

Google 'travel dashboard' shares online users searches allowing T+T organisations to spot trends and assess their own popularity.

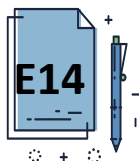
B. The types of travel and tourism organisations, their roles and the products and services they offer to customers

### Technology in travel + tourism



**a. Choose a T+T organisation and list the different uses of technology**

**b. What are the advantages and disadvantages of a small bed and breakfast hotel having a website?**



**a. Assess the benefits of technology used in airports for both the airport and the traveller (10)**

