

# Year 12 Travel and Tourism— Unit 1 The World of Travel and Tourism?

## A1 Types of tourism

**Tourism** - a trip away from home for one night or more

**Domestic** – taking holidays and trips inside your country of residence

**Inbound** – visitors from overseas coming into the country

**Outbound** – tourists leaving their country of residence to travel to another country

## A2 Types of travel

**Leisure travel** – travelling for pleasure e.g. short breaks, package holidays, sporting events

**Corporate travel** – associated with work or job but it will take place away from the usual place of work e.g. meetings, conferences, exhibitions, incentive (defined as a trip offered as reward for good performance in your job)

**Specialist travel** – travelling for a specific purpose e.g. a hobby, sport, interest, or to meet specific needs of the type of customer e.g. adventure, health

**Visiting Friends and Relatives (VFR)** – domestic, inbound, overnight stay, usually in home of friend or relative

**Day trips** – visits that do not involve an overnight stay e.g. visitor attractions, cities for shopping or events, countryside

## A3 Types of travel and tourism customer

Individuals and couples, families with a range of ages and structures

Groups, educational, senior citizens, special interest

Corporate travellers (business travellers)

Customers with specific requirements – different languages or cultures, specific needs – visual, hearing or mobility.

## B1 Ownership and operating aims

**Private** – Owned by private individuals or companies, can be large multinational companies or SME,.

Aim to make a profit, increase market share and turnover, improve its image, increase and diversify products and services

Examples are tour operators, travel agents, most transport organisations, large visitor attractions, accommodation providers.

**Public** – Owned or funded by the government – local or national, staffed by paid employees (supported by volunteers)

Aim to provide a service to the public, use funding appropriately, maintain best quality service, financially break-even, ensure that service levels are maintained

Examples are tourist information centres, tourist boards, some smaller visitor attractions, some local transport organisations, most regulatory bodies, government bodies.

**Voluntary** – Funded by grants, donations, legacies, entry fees, staffed by volunteers though larger organisations, will also have paid employees or tenants

Aim to preserve/protect the environment, buildings, landscape features; campaign or lobby against inappropriate developments; conservation; sustainability

Examples are some visitor attractions, including natural; some transport; charities.

## 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

**Transport principals** – air, sea (ferry, cruise), road and rail

**Role:** to provide transport between destinations, to ensure safety

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

**Transport hubs** – 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** – mass-market (package), special interest (niche, luxury), tailor-made (dynamic packages)

**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

**Products and services:** package holidays, accommodation, transfers, excursions, information on destinations, representative service in resorts.

**Travel agents** – retail or high street, online or web-based, call centres, business, conference and incentive

**Role:** to provide expert advice and guidance; arranging and booking transport and package holidays or individual components and ancillary items

**Products and services** – information on destinations; all types of package holidays; individually booked components – tailor-made packages; accommodation; flight only; ferries; cruises; coach tours; transfers; excursions; holiday insurance; foreign exchange; passports, visas and health advice

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

**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’.

**Advantages**– shared costs and economies of scale, increased sales, better image, reputation, customer care, more customers, more income.

**Disadvantages** – 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.

**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.

**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.

## B4 Technology in travel and tourism

**Technology for communication, booking and promotion** – e-brochures and websites, reviews, blogs, virtual tours, videos, mailshots, popups, adverts, making and confirming bookings, emailing tickets and vouchers, apps for mobile and digital devices.

**Technology specific to different organisations** – visitor attractions (multimedia presentations, animatronics, interpretation, fast-track tickets, webcams), transport hubs and gateways (self-service check-in, body and baggage scanners), accommodation (for check-in, for in-room entertainment, for information) travel agents, transport principals and tour operators (for e-ticketing, m-ticketing, payment systems, displaying availability, seat selection).

## C1 Importance of the UK as a global destination

**Tourist numbers** – world ranking, tourist arrivals, main generating areas.

**Economic importance** – value of inbound tourism, tourism receipts and employment, contribution of tourism to UK balance of payments and gross domestic product (GDP), the UK's role in international tourism.

## C2 Employment in travel and tourism

**Direct employment** in travel and tourism: transport principles, transport hubs and gateways, tour operators, travel agents, visitor attractions, accommodation, trade associations and regulatory bodies, information and promotional services.

**Indirect employment** in organisations that support travel and tourism: insurance companies, brochure and website content researchers and maintenance, suppliers for retail, catering and hospitality, souvenir shops and manufacturers, travel journalism.

**Roles:** customer-facing (telephone and web-based roles), support or administration, graduate programmes or trainees, managerial and supervisory.

## C3 Visitor numbers

**Visitor numbers by type of tourism** – Inbound, outbound, domestic, business, VFR, day trips.

**Visitor numbers by other factors** – type of transport, country of origin or destination, accommodation type, region or city visited, by types of activities carried out.

**Trends:** growth areas of origin and destination, changing purpose of visit, transport type used, length of stay, increase and decline in popularity of destinations, tourism types.

## D1 Product development and innovation

**Development and innovation** – larger and faster transportation; airport growth; improved accessibility to destination; improved facilities both on transport and in terminals, hubs and gateways, increased range of choice in accommodation and increased variety of attractions, booking systems, computers, online, mobile, rise of call centres, advances in Computer Reservation System (CRS) and Global Distribution System (GDS) for agents and operators, comparison websites, technology, including potential hackers and system failures and maintaining security of data.

**Media factors** – increased TV coverage, film locations, adverts, social media usage, by organisations and customers, influence of social media in research and customer reviews and opinions, media coverage of events, importance of managing – bad and good press, incidents, image

## D2 Other factors affecting organisations in the travel and tourism industry

**Economic factors** – recession or growth, currency exchange rates and fluctuations, available disposable income as a result of changes to mortgage rates, inflation and unemployment rates, world oil prices.

**Social and lifestyle factors** – changing family structure, one parent families, rise of the 'grey' market – increased proportion of retired people, changing working patterns, current fashions and trends, holiday allowance and amount of holiday with pay.

**Government legislation:** health and safety, airport tax/APD (air passenger duty), passport and visa requirements, data protection requirements.

**Safety and security** – terrorist attacks, war, civil unrest, security measures – on transport, at terminals, at destinations, at events, transport disasters and crashes and safety concerns, health – reactions to disease outbreaks and prevalence of disease, e-safety

**Environmental and climatic:** climate change, the importance of sustainability, extreme weather events (floods, landslides, hurricanes, cyclones), natural disasters (volcanic eruptions, earthquakes, tsunami).

## D3 Responses of travel and tourism organisations to external and internal factors

Competitive pricing  
Increased range and new products and services to match changing and emerging markets.  
Membership of trade organisations for financial protection  
Fuel surcharges on holidays and flights.  
Increased security measures for maintaining security of data and prevention of hacking and system failures.  
Product diversification or specialisation.  
Increased research – local, national and international.  
Updated technology and staff training on legislation, compliance and new systems. Public relations management.  
Investment or upgrading facilities or introducing new facilities.  
Variable opening times and flexible staffing arrangements.  
Crisis management and major incident plan.