

Working with the Travel Trade

Who are the Travel Trade?

The travel trade are buyers and sellers of YOUR product that either sell direct to the consumer or to other buyers.

They consist of:

Outbound tour operators located in markets outside of the Yukon and Canada (aka tour wholesalers)

- o Examples: DERtour, Canusa, First Class Holidays, TravelPak, HotelPlan, etc

Inbound or receptive tour operators are located in the destination (Canada or Yukon). They can also operate as tour wholesalers and sell to outbound tour operators.

- o Examples: Jonview Canada, Maxxim Vacations, Yukon Adventure Company, Yukon Pride Adventure Tours, All Alaska Tours, Dominion Tours, etc

Travel agents may contact you (the supplier) directly or work through tour companies. They can be located anywhere.

Meeting and Incentive planners book special-customized programs for corporate groups. Generally they work through the local convention bureau and/or through destination management companies.

Suppliers of products, services and experiences may also buy from other suppliers who are located in the destination. This allows them to build an experience without having to own all components.

- o Examples: accommodation with meals, attraction passes, day tours - rafting, hiking, dog sledding and other adventure activities, restaurants, etc

What are Markets?

Markets refer to the geographic area where travellers are from. In Yukon, the majority of travellers are from the following areas:

- Primary Markets – UK, Germany, United States, Canada
- Secondary Markets – Japan, Australia, France, Netherlands and Switzerland
- Tertiary Markets – Mexico, Italy, Austria, New Zealand

Why Work with the Travel Trade?

To expand your marketing and sales reach – someone else is promoting and selling for you in places that you may not be able to reach due to various reasons (ie. administration and marketing capacity, market awareness, point of sale, etc)

Provides opportunity for greater promotional reach of your product at little or no extra cost. (You only pay commission or offer a discount price when the sale is made. It costs you nothing to add a profit margin onto your price in order to work with the travel trade)

Build relationships that can last for years. The trade gets to know you and trusts you to deliver a quality and consistent product. They will continue to promote and sell your product year after year, or until market demand suggests otherwise.

They become the conduit between your product and the consumer up until the time the consumer arrives to take your tour. The trade deal with various general information inquiries, financial transactions, and problems the clients encounter should they arise. They also have the ability to sell all of the other components of the traveller's holiday to Yukon and often into Alaska.

What are the Travel Trade looking for in their partners?

They are looking for suppliers that can provide a consistent and quality product with competitive pricing while operating within recognized industry standards.

They look for supplier partners who are fully licensed, insured and who understand how to work with tour operators and international visitors.

What else are they looking for?

Although negotiations and discussions with travel trade will vary, much like their markets, there are a few key questions to expect in a working relationship.

- What makes your product unique from your competitors?
- What makes your product unique from what their competitors are selling? (*why sell you and not just sell what their competitors are selling?*)
- Can you confirm and guarantee the booking immediately or within 24 hours?
- Can you provide block space at your property?
- Can you provide confidential net or commissionable pricing?
- Can you work within their booking and cancellation policies?
- Do you accept vouchers?
- Can you provide and guarantee pricing and scheduling one year in advance of travel season?

The above are only some of the questions you may be asked. Others will depend on the product offering and details the trade will require to effectively promote and sell on your behalf.

They are not expecting you to provide them with generalizations on the environment, weather, seasons etc – that information is easily found and most often provided by Destination Marketing Organizations such as Tourism Yukon and the Klondike Visitors Association. They want to know about YOUR product and how it works. What can their clients expect?

Specify clearly to the trade what it is you are selling:

- What quality is the product? (be truthful – consider quality of service, condition of equipment, accommodations, etc – are you a five star experience with 3 star equipment?)
- What sort of experience you are providing (lots of free time?, Physical activity? Reflective time? Educational aspects?, etc)
- Which market(s) is your product most appropriate for? (singles, families, budget travellers, time conscious travellers, seniors, etc)
- What rates do you offer? Group net rates or FIT(fully independent traveller) net rates?
- Is your pricing consistent or does it change based on day of week, month etc? (if it changes find out if will this be difficult for the tour operator to accommodate on their vouchers, in their booking systems, confusing for their accounting, etc)
- Can you offer block space in accommodations? On tours?
- Is it easy for travel trade to understand your product so they can advise the consumer and is it easy for travel trade to book with you? (you won't be given direct contact to the consumer until, and maybe not even then, the sale is made. If the product is difficult understand and to book, the trade just won't bother to sell it. Time is money as the saying goes and there are many other destinations and suppliers whom they could work with if they choose.)

- Seasons – do you offer a price difference and/or product difference for winter? For shoulder seasons? For holidays?

The following are approximate times for seasonal pricing consideration in Yukon:

- Shoulder season/spring April 30 – June 1,
- summer June 1 – Aug 31,
- shoulder/fall Sept 1 – Nov 15,
- winter November 15 – April 30

If the travel trade is interested in carrying your product, be prepared when asked to provide quality digital images reflective of the true experience *you are providing*. Have your own images in stock and ready to go. Make sure you have permission to use the images you provide.

How to Select Travel Trade Partners

Are you Trade Ready?

Refer to Tourism Yukon's Business Market and Trade Ready Criteria at:

<http://www.tc.gov.yk.ca/1138.html>

If you require assistance in becoming trade ready, contact Tourism Yukon to book an appointment with the Product Development Officer. (Tel: 867-667-3053 or e-mail tirc@gov.yk.ca)

Identify Potential Travel Trade Partners

Know who it is you are approaching. What do you know about the products they sell? Who are their customers? How do they sell to their customers? Do you have a product that would be attractive to their customers? Can you provide the level of service the travel trade expects, not just for their client when on the tour, but also the business and management side that the trade needs from you in order to promote and sell your product?

- Do not assume that what is appropriate for one company is relevant for all companies.
- Do not assume that what works for the UK market will work for the Asia-Pacific Market.
- Understand the markets travelling to Yukon. You can find Market Knowledge through the following link on Tourism Yukon's corporate website, <http://www.tc.gov.yk.ca/763.html> or come in and speak with a Tourism Yukon Marketing Officer who deals with the market on a regular basis.

Working with the Travel trade is about building relationships with those who will suit you and your business. Not all will suit you, nor will your product suit all.

Patience is key. Working with the travel trade means an investment in time. By the time they are introduced to the product, experience the product and incorporate the product into their offerings may take 1 to 2 years. Then there is time needed to generate interest and awareness of the product in the market. This can also take time as consumers tend to be cautious and may need time to budget and plan a trip to Yukon. After all a trip to Yukon and Alaska can be expensive, and for many, the trip of a lifetime.

How to meet the Travel Trade

If building relationships is the cornerstone of working with the travel trade then the best way to meet them is in person. Ways to do this include:

- Attending travel trade / tourism shows
- Hosting travel trade to test your product (complimentary or heavily discounted rate)
- Sales calls in the market
- Attending trade / supplier introduction events organized by Yukon DMO's

After Meeting the Travel Trade

This is when working with the travel trade begins. It is about the on-going relationship you have established with them, it's about keeping them informed on any changes or just reminding them that you are there. Remember you are just one of the many suppliers who want their attention.

Important Things to Remember:

- Quick and professional response – follow up on inquiries, reservations, etc, within 24 – 48 hours (*or sooner*)
- Flexibility and Commitment – don't give up if at first you don't succeed. If the operator wants something different can you accommodate that request?
- Accessibility – can the travel trade reach you when they need? Do you have a good website and e-mail that can receive lengthy or large file attachments? Are you available year-round and if not, how can they reach you in a timely and efficient manner?
- Website – is your site user friendly? Does it protect the tour operators / wholesalers by showing higher retail rates to the public than those offered to the trade? (or are you undercutting your trade partners through your website prices? – a big no-no when working with the travel trade
- Images – can you provide the tour operator with quality digital images in the format necessary for brochures or website? Are the images copy right free?
- Your customer is the travel trade. The traveller who books through a tour company remains that tour company's client throughout his travels. He becomes "your" client when he arrives to participate in your product; however he always remains a client of the tour company who sold him the package. Your service is should reflect positively for you and the tour company. They are entrusting you to provide a standard that their clientele is accustomed to.

See below- Working with the Travel Trade checklist

More detailed information on working with the travel trade and pricing for the distribution channels can be found in the Tourism in Yukon Business Fact Sheets <http://www.tc.gov.yk.ca/816.html>

- *3.11 Developing your Product*
- *3.12 Channelling your Business*

Working with the Travel Trade – Checklist

Component	Checklist considerations
<p>Product and Accessibility</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Will the tour operator be interested in my product for their market? <input type="checkbox"/> Is there a market demand for my product? <input type="checkbox"/> What quality am I providing (comparatively) <input type="checkbox"/> Who is it appropriate for? (singles, Japanese, families, Americans, etc) <input type="checkbox"/> Is my product easy to book? <input type="checkbox"/> Have I made it easy for the tour operator to understand the product? <input type="checkbox"/> Is my website user-friendly, up to date and displays retail (rack) rates only? <input type="checkbox"/> Will I take responsibility for all components of the product that I have packaged, including those that I do not own or operate, should the clients encounter problems when travelling?
<p>Rates</p> <p>Pricing</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Have I offered a confidential net or commissionable rate to the tour operator? <input type="checkbox"/> Have I offered a different net or commissionable rate for group bookings vs. FIT bookings? <input type="checkbox"/> Have I clearly explained what is included in the rate? (tax, breakfast, room only, use of canoes, etc) <input type="checkbox"/> What forms of payment am I able to accept? <input type="checkbox"/> Am I offering all tour operators the same net rate or am I able to offer some a better rate? <input type="checkbox"/> Have I factored in the GST correctly for sales taking place outside of Canada? <input type="checkbox"/> Can I guarantee my prices one year in advance of the travel season? <input type="checkbox"/> Have I offered pricing that is reflective of the seasons and demand – high season vs. shoulder season

<p>Booking and Cancellations</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Do I have a set policy or can I be flexible to accommodate whatever the tour operator needs? <input type="checkbox"/> If the tour operator cancels, how will I refund them? <input type="checkbox"/> Do I provide a refund or can I provide a credit to the tour company on a future booking? <input type="checkbox"/> Is my policy considered industry standard? <input type="checkbox"/> Am I able to confirm everything and respond back to the tour operator within 24 – 48 hours or less? <input type="checkbox"/> Have I provided documentation and detailed information with my confirmation? <input type="checkbox"/> Have I advised of all details in a timely manner so the tour operator can put this reservation away until it's time for the client to travel?
<p>Allotments (FIT and Groups)</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Can I provide guaranteed space (allotments) to allow tour operators to book without having to contact me? <input type="checkbox"/> What release date is acceptable for the tour operator that will still allow me to fill the space if possible? <input type="checkbox"/> Should a booking request come in that requires space from the allotment – how will I deal with this I can't just take it back and give it to someone else. <input type="checkbox"/> What is my release date on allotments for group bookings?
<p>Photography</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Do I have images reflective of the experience and product being offered? <input type="checkbox"/> Do I own the rights to the images I provide? (copy right, model release, etc) <input type="checkbox"/> Have I added tag lines and photo credits to the images? <input type="checkbox"/> Am I able to provide high quality digital images when asked? <input type="checkbox"/> How will I send images? Can my pc handle large image files?
<p>Flexibility and Commitment</p>	<ul style="list-style-type: none"> <input type="checkbox"/> If the tour operator wants something different can I provide it? <input type="checkbox"/> Can I guarantee the tour even when minimum numbers have not been met in order to try and build up the relationship and bookings from that tour operator? <input type="checkbox"/> Do I have a “yes” attitude or is it more important that the relationship works in my best interest? <input type="checkbox"/> Am I able to build and nurture the relationship by showing my commitment to the partnership year after year? <input type="checkbox"/> Is my product adaptable to various markets and traveller demands – can I customize it if asked?

<p>Seasonality</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Do I offer a competitive seasonal price to attract customers in the shoulder season who don't want to travel with high season tourists or can't afford to travel in high season? <input type="checkbox"/> What other programs or experiences could be packaged to create an attractive shoulder season product? <input type="checkbox"/> If I am closed for holidays or at certain times of the year, have I advised the tour company well in advance? <input type="checkbox"/> Have I clearly indicated on my website or marketing materials when I am open and when I close (hours, days of week, seasons, etc) <input type="checkbox"/> If flight schedules change, does my product change at all? Is this reflected in the price and duration?
<p>Speed and Response</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Both are tied to the commitment and relationship with the tour company – am I committed to providing excellent customer service to the tour operator? <input type="checkbox"/> Can I provide responses in a speedy and professional manner- 24 hours or less <input type="checkbox"/> Do I check and respond to my e-mails everyday – at least once in the morning and then later in the day or early evening? <input type="checkbox"/> Have I provided options on ways to reach my business?