

# WORKING WITH THE TRAVEL TRADE



DESTINATION  
BRITISH COLUMBIA

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# 1 INTRODUCTION

There are solid reasons why you should consider attracting international travellers, even if your primary business currently comes from regional visitors. Marketing through various channels allows you to balance your business and revenues. And, diversifying your customer base means your business can continue to thrive despite potential adverse conditions. When economic or political downfalls are experienced in one country or region, it's rare that all markets are affected.

But how do you reach the international traveller? Consider working with the travel trade. These are the organizations that operate as intermediaries in the tourism industry — including tour operators, receptive tour operators, wholesalers and travel agents — who promote and sell to overseas markets and create an essential link between you and potential international business. It's about relationships, and tourism is a relationship-driven business.

The travel trade is complex. This guide will help you to determine if marketing through the travel trade is right for your business, and just as importantly, if it is not right for you.

It is broken down into three easy-to-read sections: Who are the Travel Trade?, Why work with Travel Trade?, and How to work with Travel Trade. Be sure to check out the [Glossary](#) where related Travel Trade terms can be found.



## 2 WHO ARE THE TRAVEL TRADE?

CEDARCREEK ESTATE WINERY  
Photo: Andrew Strain

Let's start by understanding the who's who of travel trade. There are five types of organizations you need to be aware of: receptive tour operators (RTOs), tour operators, wholesalers, travel agents, and online travel agents (OTAs). These organizations operate as an intermediary between travellers in international markets and your business. Examples of international markets include Germany, Japan, China, Australia, North America, Mexico, or the UK.

### RECEPTIVE TOUR OPERATORS (RTOs)

RTOs specialize in packaging and/or handling ground arrangements for incoming visitors to a destination by developing programs and itineraries for tour operators and travel agents. These include tours, sightseeing, airport transfers, restaurants, accommodations, and other components for groups, fully independent travellers (FIT), or both.

Based in Canada or the US with a focus on inbound travel to Canada, RTOs create a selection of group and/or independent travel packages by contracting various components and reselling these Canadian packages internationally, to tour

operators or wholesalers located around the world in Asia, Europe, Mexico, China, Australia or North America. This reduces the complexity for international tour operators in the contracting process.

RTOs provide benefit to local tourism suppliers by collaborating on their behalf directly with overseas operators on logistics, including contracting with international markets, invoicing and collecting payments from foreign countries. RTOs are accessible to the BC tourism industry since they are based in North America, and many are located in Metro Vancouver.





## TOUR OPERATORS

Tour operators are travel promoters located around the world, selling outbound tourism experiences (to Canada, the US and other destinations). Because tour operators are located in the country they are selling to, they have knowledge of travellers' values and motivations, and promote vacation products accordingly. This can include all or some components of a trip (flights, accommodation, activities, meals, vehicle rentals, rail, cruise, etc.).

Tour operators work with net rates from RTOs or from tourism suppliers, and put travel components together to create itineraries and packages they can promote. They may purchase these components directly from the supplier, RTO, or both. For example, on behalf of the client, the tour operator will book the flight with an airline or online travel agent, the car directly with the supplier and then book accommodation or a local tour through the RTO.

Tour operators sell their packages through channels like travel agents and direct to consumers. They also have digital capabilities, including websites, dynamic pricing, and online booking and payment systems. As such, tour operators use a variety of marketing tactics, including online channels (web, social media, e-newsletters), print (ads, direct mail pieces), as well as consumer and trade shows. Many also work with non-traditional partners (also known as affinity partnerships), such as clothing companies that have a similar audience.

Tour operators also have consumer databases in their countries. Some have their own in-house reservations team working with customers directly on the phone or online.



## WHOLESALE

Wholesalers operate as intermediaries between the travel product supplier (e.g. an airline or hotel) and the retail travel agent in the marketplace. They provide services such as information and reservations to travel agents. They also develop and market inclusive tours and individual travel programs to the consumer through travel agents. In addition, they may sell directly to the public.

## TRAVEL AGENTS

Travel agents have a direct link to consumers (store fronts or home-based) and are relationship-driven with their clients. They may work independently or as part of a chain or consortia (e.g. Virtuoso, Signature, etc.). Large tour operators such as Globus in North America, or DERTOUR in Germany, sell most of their product through travel agents. In fact, Globus sells 85% of their business through travel agents and DERTOUR owns 2,000 travel agencies in German-speaking Europe. Expedia, an online travel agent, also includes 220 retail travel franchises and over 4,000 vacation consultants within their network across North America.

Travel agents are an important part of the distribution channel in long-haul markets where the consumer has less familiarity with a destination, the trip is complex, and language may be a challenge. Travel agents can access package rates from various tour operators so are able to offer better pricing than a consumer booking several elements or components separately online.

## ONLINE TRAVEL AGENCIES (OTAs)

Online Travel Agencies, such as Expedia, sell product almost exclusively via the web and have a vast reach. The two main OTAs in North America and Europe are Expedia and Priceline (Booking.com). Expedia has a number of brands within their family, as well as 220 retail travel franchises. Companies like Flight Centre are also an OTA selling in North America and Australia. In China, Ctrip currently dominates the market, while in Mexico, Best Day and Expedia are strong.

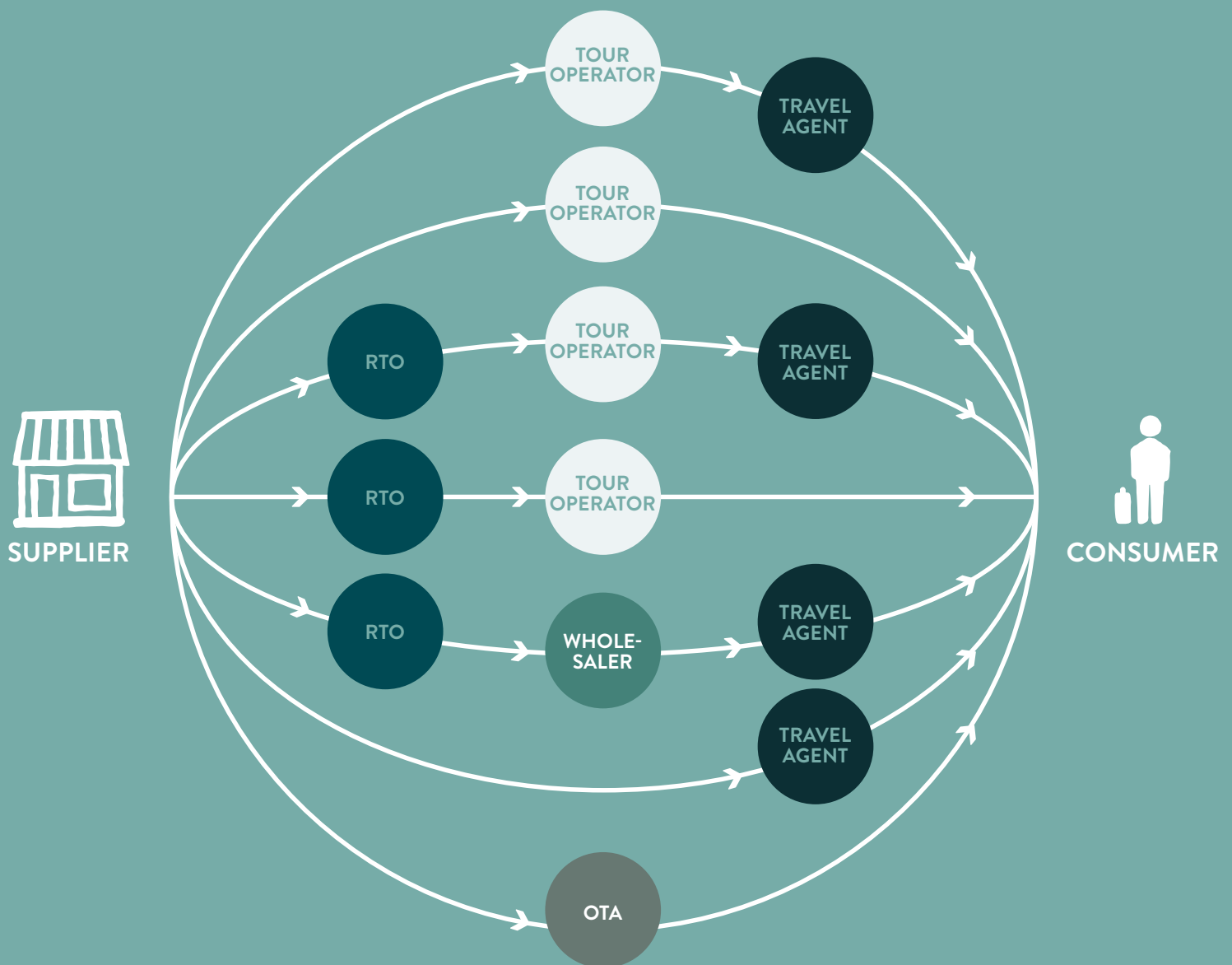
OTAs offer product for many different destinations, but focus mainly on hotels, flights, activities in larger centres and some package options, including car rental and cruise departures. In North America, a high percentage of fully independent travel (FIT) is booked through OTAs. OTAs, however, also offer group bookings.

OTAs rely on technology and product innovation, combined with innovative marketing and deep marketing analytics, to help effectively target, attract and retain customers.

While OTA commissions can be high, the awareness and marketing reach of these organizations is huge. Suppliers do not pay until the booking is made.

## HOW TRAVEL TRADE FITS IN THE TOURISM SUPPLY CHAIN

A tourism supply chain is a network of tourism organizations engaged in different activities ranging from the supply of different components of tourism products/services (i.e., transportation, accommodation, activities, etc.) to the distribution and marketing of that tourism product.







# 3 WHY WORK WITH TRAVEL TRADE?

GOLDEN  
Photo: Ryan Creary

## Greater Reach

Working with the travel trade provides you with more options to reach international travellers through multiple distribution channels. You now have a network of representatives, including receptive tour operators (RTOs) who contract your product and put it into their tariffs (list of prices), tour operators who create packages, brochures and promotions, and travel agents who hand deliver your brochure or web address to their clients with their personal recommendations.

## Diversification of Markets

In today's competitive marketplace, operating a profitable tourism business is harder than ever. Investing all of your efforts and resources in just one market or channel can initially be lucrative, but may leave your business vulnerable to changing global trends. Working with the travel trade in a variety of overseas markets eases the ebb and flow of various markets (e.g. changing demographics, economies, politics, etc.) and may help you to achieve a "varied portfolio".

## Itinerary Development

The role of RTOs and tour operators is to create itineraries and packages that link various products and experiences in a destination — whether that's a city, region or province — and promote them to international travel trade. Packaging creates more efficient, attractive and saleable product for tour operators and travel agents to sell to their clients. It is also more effective for you, as an individual tourism supplier, to be included in an itinerary being marketed overseas by travel trade, than trying to promote your business on its own.





## Predictability of Bookings

Advance bookings can allow your business to forecast whether you will have a solid season months beforehand. Depending on the geographical markets, the booking windows vary from a few months in advance to 18 months. The number of advance bookings through travel trade channels will assist you in planning how to stimulate business through other channels.

## Ease of Payment

Working with a receptive tour operator allows tourism suppliers to collect payment from international markets. Instead of securing payment from a tour operator or travel agent located in a foreign country who may speak another language, the RTO acts as the banker on your behalf. They will collect the payment from the overseas customer, and pay for your services based on the contracted payment policy you have set up with them. This gives you the benefit of welcoming international visitors while minimizing your financial risk in the long run.

## Net Rates and Commission

Giving a discounted rate or commission to travel trade creates an incredible opportunity to extend the reach of your business. A net, or discounted, rate is provided to an RTO, who then marks it up to sell to a tour operator or wholesaler.

If you are selling directly to a travel agent, you will pay them an agreed-upon commission for the sale of your product. From the RTO to the tour operator to the travel agent, your net rate or commission pays for activities such as marketing initiatives, brochure development, multiple websites and

booking engines, training, sales calls, and consumer and trade shows. Imagine the costs of doing all these things on your own.

## Support

Having access to the travel trade network provides tremendous support for tourism suppliers, particularly when relationships are built over time. The travel trade become an extension of your sales and marketing team, and an advocate for your product while they conduct business around the world. Building strong relationships also makes it easier for you to introduce new product to the travel trade as your business evolves. In addition, RTOs, tour operators and travel agents provide support to their clients during their travels, giving you an extra level of assurance. As the ground contractors and support for operators or airlines around the world, RTOs comply with foreign laws and consumer protection requirements, and create 24/7 support for customers while they are visiting British Columbia.

## Benefits to Consumers

Booking through the travel trade offers consumer protection for the traveller. Consumer protection differs in each country, but in Europe, consumer protection laws provide the traveller with a big safety net.

When things go wrong (e.g. a natural disaster), the travel trade is responsible for rebooking all travel at no cost to the consumer. In addition, if pricing is published and exchange rate impacts the operator's revenue, agents cannot change the price or elements of the tour without having to provide compensation to the customer.

# 4 HOW TO WORK WITH TRAVEL TRADE

## STEP 1: SELECT YOUR TARGET MARKETS

This begins with research. To determine what type of international travellers you want to pursue, you will need to choose geographic markets as well as market segments that are a fit for your business. Consider selecting two or three markets to focus on. Use all channels to reach them, but don't try to be all things to all markets. If you begin working with an RTO active in several markets, you are best to funnel your efforts into a few markets which can generate the largest return.

### GEOGRAPHIC MARKETS

Destination BC compiles and publishes data for each of British Columbia's key markets to assist you in determining which countries are a fit for your business. Each report includes: volume of outbound travel, size of market, traveller characteristics, competition, economic profile and emerging

trends. Destination BC has identified and actively focuses on these key markets, and encourages BC tourism businesses to leverage our investment and align your efforts. Learn more and access profiles for each of [Destination BC's key markets](#).





## MARKET SEGMENTS

Parallel to determining which geographic markets to target, you will need to identify which market segments are a fit for your business. Each country is unique, and the business within each geographic market is segmented and requires different services and experiences. Market segments to consider include, for example: group, fully independent travellers (FIT), luxury and ski travellers — to name just a few.

Here are some of the unique requirements for each of these segments:

### Group

- Hotels that can extend net rates and accommodate approximately 20–50 (or more) travellers at one time, traditionally with two double or two queen bed room configurations
- Restaurants, attractions and activities that can accommodate and quickly serve 20–50 (or more) travellers at a time
- Charter or large block transportation (e.g. rail or motor coach)
- Confirmation of availability, dates and rates 12–18 months prior to arrival
- Requirement for billing after consumption of the service/product

### FIT

- Hotels, restaurants, attractions, activities and transportation that extend net rates and can commit to confirming availability, daily departures and bookings for individual reservations (within 24 hours minimum)
- 2-star to 5-star accommodation and experiences; FIT travellers utilize a variety of hotel or resort types

- Requirements for billing or voucher acceptance (sometimes issued by tour operators to be redeemed for onsite services at the hotel, attraction, etc.)

### Luxury

- 5-star or luxury boutique hotels, traditionally for FIT travellers
- Concierge or additional services for guests while in BC
- Exclusive, uniquely Canadian or fine dining restaurants
- Hotels, attractions, activities and transportation that extend net rates and can commit to confirming individual bookings within 24 hours minimum
- Possible requirements for billing or voucher acceptance

### Ski

- Ski lift net rates for group and FIT
- Charter or individual transportation from airport to ski area, and from hotel to ski lift, or individual transportation to the activity/lodge for non-ski
- Possible restaurant and activity options (e.g. spa, dog sledding)
- Non-ski activity net rates
- Hotels, attractions, activities and transportation that extend net rates and can commit to confirming individual bookings within 24 hours minimum
- Possible requirements for billing or voucher acceptance
- Additional non-commissionable services, such as equipment or clothing rental

## TRAVEL SEASONS

All geographic markets have different traveller types and they also have different peak periods for travel. Considering these aspects when creating your operational and marketing plans can assist in balancing your business with more year-round visitors.

Like Canada, most northern hemisphere, western nations — such as the US, UK and Germany — have their peak season during our summer months. Southern hemisphere nations — such as Australia, New Zealand and Brazil — have opposite seasons to Canada, so their summer holidays are during our winter: December to February.

Even though most nations follow our summer holidays as a peak travel period, a number of countries, such as Germany, travel in May, adding onto the May Day holiday (also a holiday in

the UK) and taking advantage of lower air and ground prices available in Canada during that shoulder period. The focus is to promote travel not only in the peak periods, but in shoulder seasons as well.

Other markets have a different primary travel season. For instance, China has key holidays in early May (May Day), early October (National Holiday), and at Chinese New Year (January–February). Korea also has a Lunar New Year holiday, which is the same dates as Chinese New Year, as well as a Korean New Year, called Chusok, which falls in September/October. Japan has Golden Week, which is traditionally in late April/early May, and an extended New Year holiday. Mexicans celebrate Semana Santa or Holy Week (Easter) for an entire week.

## STEP 2: HAVE YOUR HOUSE IN ORDER

### LICENSES & HEALTH AND SAFETY

Your business must be in good standing with all required licenses and insurance. To welcome the international visitor, you may also need to ensure that your business meets the country's standards for health and safety. You may be asked to supply information and sign-off on documents confirming, as an example, that exits are identified. Many markets dictate the need for this information for their clients and receptive tour operators are often asked to provide it. Like RTOs, when you work with an international operator and welcome their clients to your business, you're responsible for their customers while they are visiting British Columbia. You will find more information on workplace safety [here](#).

Additionally, you may need to be licensed with Consumer Protection BC. Click [here](#) for more information

### PRICING POLICIES

It is important to have your pricing policy in place **before** you approach the travel trade. You want to ensure that you have enough profit built into your price to offer a commission to the travel trade for their sales. Traditionally RTOs and tour operators will require a 20%+ commission for attractions and transportation, and 30%+ commission for accommodation.



### Here is an example of how pricing may work:

- Identify your Costs (expenses, services) \$ 61
- Add in your Profit (e.g. 15%) \$ 9.15
- Net Rate \$70.15
- To make your net rate commissionable,  
@ 30%, divide by .70 ÷ .70
- This now gives you a price that is commissionable @ 30% \$100.21

This does not mean that each room or entry admission is now going to yield 20%–30% less than you anticipated. This isn't the case, unless you expect to get 100% of your sales through RTOs or tour operators. In reality, your sales through these channels will represent a percentage of your business volume.

Let's assume you run a 100 room hotel and your total (rack) rate is \$100 per room. The maximum total revenue you could achieve is \$10,000 per night if you sold all of your rooms direct to the consumer. However, if you used travel trade as a sales channel for your hotel, your revenue might look like this:

SALES CHANNEL	AMOUNT	REVENUE	COMMISSION PAID
Direct to Consumer	60 rooms at \$100	\$6,000	N/A
Receptive Tour Operator	20 rooms @ \$70	\$1,400	\$600 (30%)
Travel Agent	10 rooms @ \$90	\$900	\$100 (10%)
Online Travel Agent	10 rooms @ \$70	\$700	\$300 (30%)
<b>TOTAL</b>		<b>\$9,000</b>	<b>\$1000</b>

With 100 rooms sold through various sales channels, total revenue is \$9,000 and total commissions paid are \$1,000. While you may be paying up to 30% commission on some bookings, the average commission for all bookings is just 10%. You will need to determine what level of profit you need to achieve and what sales channel distribution mix can help you achieve that. Once you have gone through that exercise, you will need to hold to that maximum number identified per sales channel.

### As a further example:

- Let's say you've identified through this exercise that 20% of your entire bookings are made through RTOs
- Suddenly, an RTO is booking heavily for a date or a series of dates, and wants to sell even more of your inventory
- That's great, but if you extend at this lower RTO net rate, you have to then secure sales from a higher profit level for the rest of your inventory for you to still achieve your average blended net rate
- Given this, you might want to work to attract more of your direct arrivals, where you will receive 100% of the price, but have marketing costs
- With the two combined (your highest and lowest net) you'll achieve your targeted blended rate

## TIMING

RTOs and tour operators begin planning their programs approximately 12-18 months in advance. This means that tourism suppliers wishing to work with international markets must be able to provide rates, blocked inventory and other information 12-18 months in advance. Tour operators begin their marketing sometimes a year out and overseas travel agents often secure their flights well in advance.

Consider the process. The product buyer from the RTO or tour operator negotiates product across Canada, including every export-ready experience and option they will offer to their clients. They must then confirm all legalities with each supplier, obtain images, put together their tariff (price), upload content online and in print, and then travel around the world to sell their packages and components to tour operators.

The tour operator, upon choosing products for their target clients, will create a brochure, print and online, identifying which product would be most sellable for each page, and determining layout, images, and adding in crucial legal pages of “fine print,” which detail items in your contracts that need to be accounted for. The operator prints and distributes the brochure to travel agents, while simultaneously arranging industry training dates and customer awareness events — all to ensure they are able to generate sales.

## SOME MARKETS DO HAVE SHORTER PLANNING CYCLES — AS A RESULT, MANY TOUR OPERATORS NO LONGER PRINT BROCHURES.

Due to price sensitivities and other issues in their markets, they wait until the last moment to finalize their tour programs.

They then promote these on their websites, and may advertise attractive prices in their local newspapers.

Many BC tourism suppliers that have seasonal products (e.g. whitewater rafting or skiing) close down during their off-season. Additionally, small business owners are often out of the office during the day working directly with visitors (e.g. leading a trail ride or hike). However, international markets expect a 24-hour turnaround on a booking request, so if you are interested in working with international tour operators, have a plan in place to respond during your off-season.

Once a tour operator decides to feature a product or destination, it will often take several years before the product begins to sell. Or, the product may never sell. A tour operator will usually keep new product in their brochure for one to three years to evaluate its potential, but they make no guarantees. Therefore, you must be patient when working with the travel trade. It is a long term investment.

## BLOCK INVENTORY

To offer immediate confirmation to their customers, RTOs and tour operators often require an inventory of some sort, referred to as a “block” or “room block.” If your business is big enough, you can extend a block of rooms or seat allocation for operators to confirm the reservation with their client prior to confirming the booking with you. Block inventory is traditionally released 30 days prior to arrival. This means that any of the unsold rooms or seats in the block are released back to you, ideally giving you time to sell the inventory through other channels.

This block does not have to be constant. For instance, if you have a hotel, you might agree to have ten rooms blocked for the RTO for May to September, and five rooms blocked for October to December. The size of the block needs to be reasonable for your operation, and should support RTOs and tour operators in effectively selling your product.

In recent years, travel patterns have shifted more toward last-minute bookings, and an operator may request a tiered or gradual release of their block. For instance, if the operator has a 10-room block, they may retain three rooms until 14 days prior to arrival. This allows them to accommodate last-minute requests for your product.



It is very important for you to regard a block as sold until it is released back to you. If you sell rooms out of this inventory and the operator finds there is no space as previously agreed, they can take legal action. Many countries have consumer protection laws which dictate that the purchaser must receive exactly what they bought. You may have options, however, such as “walking the client,” — a term which refers to sending the customers to an equal or superior provider.

Blocked inventory and “sell and report” are the easiest ways of getting your product into an RTO’s distribution channels.

## CONTRACTS

A signed contract will be required between the RTO or tour operator and your business. This protects all parties, and clearly details what each partner must deliver. These contracts tend to be Letters of Agreement, as opposed to lengthy legal contracts.

Your contract will specify the details of your product (e.g. room, meal, etc.), and must be specific; confusion may lead to operators and clients expecting a full spa when you only offer a hot tub,

or a full water view when you are offering a partial view. The more detail you provide, the more you are protected.

**A contract will also reflect any or all of your business agreements, including:**

- Block request
- Blackout dates
- Direct billing or other financial requirements
- Any mandatory charges
- Cancellation terms and penalties
- Release dates
- Image requests
- FIT versus group rates
- Taxes and fees
- Check-in/check-out or arrival details
- Voucher acceptance
- Product update requirements
- Clarity regarding fulfillment of bookings (e.g. if you are sold out the day their customer arrives)
- For group arrivals: complimentary accommodation/meals/services for driver and guide, or one free room if a minimum amount of rooms are sold, referred to as FOC “Free of Charge”.

## BILLING

An essential aspect of your partnership with an RTO or tour operator is direct billing. You must be able to extend credit to the operator, allowing them to pay you after the client has utilized your services.

It is important to note that generally tour operators will not provide you with a deposit. Given that RTOs and tour operators work with thousands of suppliers worldwide, they are unable to issue a payment to each partner in the supplier's currency every time a reservation is taken. Most RTOs and tour operators look to pay net 30 days.

Billing is always a sensitive subject, and one you must consider relative to your individual business. There are operators who will not contract with you without this option, but it brings both increased opportunity and vulnerability.

The opportunity comes in allowing a trusted relationship to grow between you and the operator, and will encourage more sales of your product. The risk comes with the knowledge that sometimes businesses fail, and you are essentially relying on the operator to survive and flourish.

It's always a good idea to check with your Regional Destination Marketing Organization or Destination BC representative if you are approached by a tour operator that you are not familiar with.

## VOUCHERS

Vouchers are documents which tour operators provide to their FIT clients, which they in turn exchange with tourism suppliers for services that have been pre-booked by the tour operator. The client has generally pre-paid for these services with the tour operator; and in most cases, the tour operator has a billing account with the supplier, which means that payment will be made to you after the client has utilized the services. Ideally, your business is able to accept vouchers. Your accounting department bills the tour operator for the service and attaches the voucher as back-up to the invoice.

## CANCELLATION POLICIES

As noted above, your contract should address cancellation timelines and charges. These often vary between group requests and FIT arrivals. Most tourism suppliers can accommodate FIT cancellations up to 24 hours prior to arrival, and do not extend cancellation penalties provided there is sufficient notice. However, with group travel, such as a block of hotel rooms, it is typical to charge a cancellation fee, depending on the date of cancellation. For example, if a group cancels 30 days prior to arrival, they might lose their deposit. If they cancel 15 days prior, they might have a 50% non-refundable charge. Within five days of arrival, full cancellation penalties may apply.



## STEP 3: CONTACT YOUR DESTINATION MARKETING ORGANIZATIONS

Your community, city or regional destination marketing organizations (DMO) are your essential first link in connecting with the travel trade. The travel trade representatives at these organizations can help you determine the options that are best suited to your business.

To identify your tourism region and regional travel trade representative, please consult the map and list of contacts [here](#). Additionally, you may also contact Destination BC's travel trade team [here](#).

Before you approach your DMO, be prepared to describe your business and target markets. Not only can your DMO help you by acting as an intermediary, but they can direct you to key industry contacts and serve as an extension to your sales and marketing efforts. Because they already have relationships with the travel trade, tour operators see a DMO as an unbiased, reliable source for new product ideas and information.

Your DMO can help to extend the promotion of your offering through their own channels (e.g. newsletters, sales calls, trade shows), as well as potentially include your business in itineraries and familiarization tours. It is industry standard in British Columbia that your DMO,

RDMO and Destination BC see or experience your product first hand before, in turn, promoting to the travel trade.

In addition to DMOs, there are many other associations that can help you learn more about a market or about the travel trade, and that can help connect you with industry contacts and collaborators. These include the Canadian Inbound Tourism Association — Asia Pacific (CITAP) [www.citap.ca](http://www.citap.ca), which has a strong BC chapter; the Tourism Association of British Columbia (TIABC) [www.tiabc.ca](http://www.tiabc.ca); and the Tourism Industry Association of Canada (TIAC) [www.tiac.travel](http://www.tiac.travel).

*SuperHost*® is a British Columbia-based program that has gained world acclaim by training tourism suppliers to deliver outstanding customer service to international visitors. This is an essential consideration for your business if you are going to begin welcoming foreign guests via the travel trade.

## STEP 4: CONTACTING THE TRAVEL TRADE

### DO YOUR RESEARCH

Take the time to research and understand a tour operator's business. This will allow you to promote your specific product, including your unique selling points (USPs), and demonstrate why your product would be a beneficial fit to their business. It's important to remember that your regional representative can provide you with suggested tour operators that sell your type of product. In turn, you need to understand their business so you can promote your specific product to them.

From a sales perspective, you should be able to answer the question "what's in it for them?" Some things to keep in mind:

- What is the company's focus? What kind of product do they carry? What are their markets?
- Does this operator book directly with suppliers or through RTOs, or both?
- Does this operator book FIT or group product?
- Who are their clients/customers and are they interested in your type of product?

### START WITH RTOs

Before travelling overseas to meet with international tour operators, it's always wise to meet with receptive tour operators first, since they have the widest distribution network. These businesses are located in Canada, and many are based in BC. In addition, because they work in English with Canadian business standards, they represent your best business opportunity.

It's most effective to have in-person meetings with companies you're targeting. With the help of your RDMO, contact the RTO to set up an appointment. This provides an opportunity to have a dialogue about your potential partnership and show them specifics about your product. To initiate the meeting, start by sending the contact an information letter or email with a very brief overview of your product, outlining the reasons why you believe your product is a positive addition to their existing or future product mix.

### CUSTOMIZED EMAILS

As with any business relationship, never blanket email potential clients. This constitutes spam or junk email and will be deleted. Don't start a message or letter with a generic salutation, such as "Dear Partner." Ensure you have the correct name and double-check the spelling before sending. Even if the bulk of the message is something that you'll repeat to other operators, ensure at least one paragraph of information speaks specifically to the operator you're sending to. That paragraph should also detail how your product purposely fits in with the operator's offerings.

### PICK UP THE PHONE

RTOs and tour operators, like all of us, are extremely busy and occasionally miss emails. For better results, after sending your pitch email, pick up the phone and call them to discuss.

### TRADE SHOWS

Trade shows are one of the most effective ways to meet with a number of RTOs and tour operators in one-to-one meetings. The primary tourism industry trade show in Canada is Rendez-vous Canada (RVC). It targets the international travel trade, including North America. As your business grows, you may want to consider attending other international trade shows, organized by Destination Canada. Events organized by Destination Canada are listed [here](#).





## Rendez-vous Canada

Rendez-vous Canada (RVC) is Canada's premier international tourism marketplace, organized by Destination Canada. RVC enables operators to meet with selected suppliers for private 12-minute meetings. This is rarely enough time to conclude business dealings, but certainly enough time to make an impact on an operator and garner interest in your product and develop a relationship. Timely follow-up, both during and after the show, is crucial. It also includes informational sessions presented by Destination Canada primarily focused on overseas markets.

## How to Apply

Be aware that there are often waitlists to attend RVC. This popular and advantageous event attracts many BC tourism suppliers, resulting in a waitlist and potentially a two-year wait for attendance.

Don't expect to get the full value of the show in your first attendance. Tourism is a relationship-driven business, and relationships take time to develop. Within two to three years, you will become a more familiar and valuable partner for operators.

If you are not successful in registering RVC, make sure your DMO/RDMO has information and images on your product, so they are able to represent your business on your behalf. Even if you have attended trade shows for many years, continue to ensure your DMO/RDMO is aware of all updates for your business, because they are often the first contact an RTO or tour operator will make for your area, and are highly influential in continuing to connect your business with new opportunities.

## Post Trade Shows

The most important thing to remember after you have attended a trade show is to FOLLOW-UP, FOLLOW-UP, FOLLOW-UP with the RTO or Tour Operator. If you promised to send them something, make sure you do.

## FAMILIARIZATION TOURS (FAMs)

Destination BC, in partnership with Regional and City DMOs, invite key travel trade (tour operators, receptive tour operators and travel agents) to experience British Columbia tourism product on familiarization tours (FAMs). In consultation with DMO partners, FAM itineraries are coordinated to meet the needs of the travel trade clients and the consumer audience being targeted. Please contact your Regional or City DMO to find out more.

## SALES TOOLS

### Sales Sheet

To get the most out of a trade show appointment or sales call, present your product thorough a sales sheet or even a presentation. Have a simple, one-page sales sheet to provide to the travel trade that outlines the unique selling points of your tourism offering, images of the product and the net rate pricing and/or commission. This sales sheet should exist as a pdf which can easily be sent electronically. Depending on the geographic markets you plan to do business with, you may also consider having your sales information translated to the appropriate languages. For example, if targeting China, having a sales sheet or presentation in simplified Chinese can go a long way, even with the receptive tour operators (RTOs) based in Canada. Having a double-sided business card displaying your name and contact information in both English and Chinese is also something to consider.

### Images/Videos

RTOs and tour operators require high-quality visuals for their websites and promotional pieces. Photos must be in high-resolution, 300 dpi format — the industry standard for websites and brochures. Create a flash drive or USB of various images and videos of your business, or have them online and available for download. When shooting photography or video, be sure to keep your brand and target markets in mind, and learn how to align with the *Super, Natural BC®* brand. If you have an experiential product, it helps customers to envision the experience if you include visuals of people taking part in or interacting with your product. Use imagery to reflect and connect with your target market.

Most importantly, using an image without having the necessary rights can lead to an expensive lawsuit, so ensure you retain the rights to use the images for the purposes you intend. Let your photographer or videographer know what you will be using the images for, and ensure you have written permission. Any person appearing in a photo or video must also sign a model release form. Proper permission must also be attained before repurposing user-generated images from social media.

REMEMBER TO  
SHARE YOUR IMAGES  
AND VIDEO WITH  
YOUR DMO. THE  
TRAVEL TRADE  
WILL APPROACH  
THEM DIRECTLY  
FOR PRODUCT  
RECOMMENDATIONS,  
COLLATERAL  
SUPPORT, ITINERARY  
DEVELOPMENT,  
IMAGES, AND VIDEO.



# GLOSSARY

<b>AGENT</b>	A person or company that sells your product on your behalf, including receptive tour operators, tour operators and travel agents
<b>ATTRACTIONS</b>	General term that travel industry marketers use to refer to products that have visitor appeal, like museums, historic sites, performing arts institutions, preservation districts, theme parks, entertainment, etc.
<b>BILLING</b>	A credit privilege extended to a receptive tour operator or tour operator; allowing the operator to pay the tourism supplier after the client has utilized the services
<b>BLACKOUT PERIOD</b>	A period of time during the operating season when the tourism supplier's normal commission and discount structure is not available to the travel trade; typically occurs in particularly high demand periods when the supplier closes its availabilities to the travel trade in order to sell all the available product directly to consumers. Could also occur as a result of limited availability due to an event.
<b>BLOCK OR BLOCKED SPACE</b>	A number of rooms, seats or space reserved in advance, usually by wholesalers, escorted tour operations or travel agents, to ensure inventory for packages marketed; often require advance deposits and cancellation charges; generally established as part of the negotiations between the tourism supplier and the buyer
<b>BOOKING</b>	A completed sale by a hotel, attraction or other tourism supplier
<b>BRAND</b>	An identifiable trademark, characteristic or association that becomes the primary recognition of a product or service
<b>BUYER</b>	A tour operator seeking to potentially add a tourism supplier's product or service to a tour or package
<b>CLIENT</b>	A tourism operator's customer; may be a consumer, tour operator, wholesaler or travel agent

<b>COMMISSION</b>	The compensation that travel agents or other intermediaries receive from tourism suppliers in return for selling their products or services; usually based on a percentage of the retail value of the transaction
<b>COMPONENT</b>	A single travel or tour service; forming a package when grouped together
<b>TARIFF</b>	A schedule of wholesale rates distributed in confidence to travel wholesalers and travel agents by a receptive tour operator or tourism supplier
<b>CONFIRMATION</b>	A written document confirming travel arrangements sent by phone or email , often with an authorizing number
<b>DMO (DESTINATION MARKETING ORGANIZATION)</b>	Typically a non-profit organization dedicated to the promotion of a single destination, be it a country, province or state, region, city or community; most have some type of government support and many in BC are funded by MRDT revenue; many are also membership-supported and some are supported by chambers of commerce or similar organizations
<b>EXPORT READY</b>	A business that markets to and through travel trade distribution sales channels, understands commission or net rate pricing, agrees to trade bookings and a cancellation policy
<b>FAMILIARIZATION TOUR (FAM)</b>	A complimentary or reduced-rate travel program for travel influencers (like tour operators, travel agents, etc.) designed to improve knowledge about a particular destination, site or experience in order to encourage active sales and marketing support
<b>FIT</b>	Fully independent travel
<b>FIT TRAVELLER</b>	A person who is travelling independently and is not part of an organized group tour whose travel services are commonly pre-booked with a travel agent or tour operator or directly with a business
<b>GROSS RATE</b>	The price consumers pay for a tourism product; also retail rate, rack rate or door rate
<b>INBOUND TOUR OPERATOR</b>	See Receptive Tour Operator
<b>MARK-UP</b>	The amount added by a tour wholesaler to the net price of a package components; percentage varies; retailers' commissions are paid out of mark-up revenues
<b>MARKETING PLAN</b>	A written document that details marketing objectives for a product or service and recommends strategies for achieving those objectives
<b>NET RATE</b>	The gross rate less the commission amount; the amount received from the agent; “net net” and “triple net” are terms used by the retail travel trade to indicate the inclusion of two or three commission/mark-up levels (supplier, tour operator, retailer)
<b>ONLINE TRAVEL AGENCY (OTA)</b>	An organization who sells travel completely online through a website fully dedicated to offering consumers comprehensive travel shopping and reservations for hotel rooms, flights, vacation packages, etc. (i.e. Expedia)
<b>PACKAGE</b>	Pre-arranged combination of elements or components such as air, hotel and sightseeing packaged together and sold at an all-inclusive package price



<b>RECEPTIVE TOUR OPERATOR (RTO)</b>	Specialists in packaging and/or handling ground arrangements for incoming visitors to a destination, including airport transfers, sightseeing, restaurants, accommodations, etc.; develop programs and itineraries for tour operators or travel agents
<b>REGIONAL DESTINATION MARKETING ORGANIZATIONS (RDMO)</b>	Tourism associations representing the tourism regions in British Columbia; working in tandem with Destination BC to create and deliver marketing programs
<b>RENDEZ-VOUS CANADA (RVC)</b>	A tourism trade show managed by Destination Canada and the Tourism Association of Canada (TIAC); it is an international trade show in a pre-scheduled appointment format providing international buyers and Canadian tourism suppliers the opportunity to meet and conduct business
<b>RTO</b>	See Receptive Tour Operator
<b>SELL AND REPORT</b>	Offer to an RTO or tour operator that allows them to sell a product and report the sale on the same day, rather than contacting the supplier for confirmation of product prior to selling it
<b>SUPPLIER</b>	See Tourism Supplier
<b>TOURISM SUPPLY CHAIN</b>	A network of tourism organizations engaged in different activities ranging from the supply of different components of tourism products/services (i.e., transportation, accommodation, activities, etc.) to the distribution and marketing of that tourism product
<b>TARGET AUDIENCE/ MARKET</b>	A specific demographic and sociographic target to which marketing communications are directed
<b>TARIFF</b>	A list of prices; often “Confidential Tariff” or wholesale catalogue used by RTOs to sell their products to tour operators or travel agencies and travel consortia; not available to consumers
<b>TIABC</b>	Tourism Industry Association of British Columbia
<b>TIAC</b>	Travel Industry Association of Canada
<b>TOUR ITINERARY</b>	The day-by-day, event-by-event agenda for a tour
<b>TOUR OPERATOR</b>	Develops, markets and operates group travel programs that provide a complete travel experience for one price and include transportation (airline, rail, motor coach, cruise, etc.), accommodations, sightseeing, selected meals and an escort; markets directly to the consumer or through travel agents. Can also be known as a tour wholesaler
<b>TOURISM SUPPLIER (SELLER)</b>	A business or operator providing a tourism product or experience, such as an accommodation property, attraction, etc.
<b>TRADE SHOW</b>	An exhibition of travel and tourism products designed to solicit business from travel trade buyers; attendance is restricted to industry and is generally by invitation to those having potential interest in what is being displayed or discussed

<b>TRANSFERS</b>	Local transportation arrangements from arrival carrier terminal to another, e.g. from airport to hotel, hotel to attraction, etc.; the conditions of a tour contract should specify whether transfers are by private car or motor coach and whether escort service is provided
<b>TRAVEL AGENT</b>	A person who arranges travel for individuals or groups; may be a generalist or a specialist (cruises, luxury travel, etc.); typically receives a 10 to 15% commission from accommodation, transportation and attraction bookings they make; can be home-based or part of a chain or consortia
<b>TRAVEL PRODUCT</b>	Any service or experience that is sold to or bought by consumers, including accommodations, attractions, events, restaurants, transportation, etc.
<b>TRAVEL TRADE</b>	A term describing the full range of organizations that operate as intermediaries in the travel and tourism industry; typically includes receptive tour operators, tour operators, wholesalers and travel agents
<b>TRAVELLER</b>	In general, someone who leaves his own economic trade area (usually going a distance of a minimum of fifty to one hundred kilometres) and stays overnight; also called a visitor
<b>VISITOR READY</b>	A business which has all of their licenses, permits and insurance in place in order to operate legally
<b>VOUCHER</b>	Coupon or form with a monetary value that is issued to a client by a tour operator or travel agent to be exchanged at face value for specified products or services; issued following a pre-payment by the customer to the travel trade company; commonly used with independent packages and tours
<b>WHOLESALE</b>	A company operating as an intermediary between the travel product supplier and travel agent in the marketplace, generally providing services such as information and reservations; develops and markets inclusive tours and individual travel programs to the consumer through travel agents; may also sell directly to the public