STRUCTURE OF TOURISM MARKETS

ASSIGNMENT 6

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ANSWER THESE 2 QUESTIONS WITHIN 500 WORDS:

a. Select a tour package and explain the tour packaging process from the initial planning stage to the final sale to the customer. Identify the main components included in the package.

Answer: Tour Package: Intrepid Travel's Cycle Japan: Kyoto to Tokyo – 11 Days, a small-group guided cycling tour which includes the hiring of bicycles, the use of a support vehicle, train travel, accommodation, some meals and cultural experiences.

The process starts off with some market research. Intrepid finds out about the demand from travelling customers and investigates destinations, seasonality, competitors, pricing and safety requirements.

The operator then draws up the itinerary by choosing destinations between Kyoto and Tokyo and by planning the route, the daily cycling distances, the rest periods and the cultural highlights.

Intrepid then enters into agreements with hotels, ryokans, rail operators, companies that hire bicycles, local guides, providers of meals and organisations that offer activities. These contracts include provisions relating to prices, availability, quality standards, cancellation policies and the respective responsibilities.

Once the suppliers have been confirmed, Intrepid works out the price. This price includes all services and tax.

The package is marketed and sold via Intrepid website, travel agents and their partner platforms, and before paying customers look over the itinerary, the inclusions, their fitness level and the booking conditions.

In the end, Intrepid carries out the tour.

Main package components:

1. Accommodation: 6 hotel nights, two ryokan nights and 2 Japanese inn nights
2. For transport you can use bicycles, a support vehicle and train travel.
3. Services involving a local leader and cycling tours.
4. Activities: 11 included cultural experiences.
5. The meals offered include a welcome dinner.
6. Support services: itinerary planning, making reservations, providing safety information

b. Choose a tour operator and analyse how it uses distribution channels, tourism intermediaries, and tour packaging to develop and sell its tour packages. Provide a practical example of one tour package.

Answer: Intrepid Travel is efficient for tour operators to because it builds small group adventure packages and sell through different mediums such as its own website, travel agents or other advertising and tourism websites. It offers all the details of the package including hotel stays, meals and tours in one prepaid itinerary.

It also makes use of indirect distribution via travel agents and tourism intermediaries. Since Intrepid itineraries are available on travel agents' websites through Passport Online, the agents can sell the tours. Furthermore, Intrepid has a partnership with REI, whereby curated Intrepid trips are promoted to outdoor travellers. These intermediaries therefore increase Intrepid reach.

Intrepid offers tour packages which combine the various services that customers would usually book on their own. The Cycle Japan package comprises 10 nights' accommodation, bicycle hire, a support vehicle, train transport, a local leader, guided cycling and cultural visits. Rather than arranging each of the services individually, customers purchase a single organised product.

The packaging is suitable for different market segments; in the case of basic trips only simple accommodation and local transport is provided, whereas the Comfort and Premium trips include better quality hotels and more private transport. The Flight + Tour option available from Intrepid combines return flights with selected tours on eligible bookings.

In summary, Intrepid brings its basic travel services together in a structured itinerary and then sells this itinerary through its own online channels as well as through travel agents and retail partners to reach a larger number of customers.