

Level 4

Operations Management in Tourism & Resort Operations

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Table of Contents

| | |
|---|----|
| <u>Using Your Study Guide</u> | 2 |
| <hr/> | |
| <u>Level 4 Units</u> | 2 |
| <hr/> | |
| <u>Chapter One - Demonstrate Knowledge on the Tour Operator Industry within the Travel and Tourism Sector</u> | 4 |
| • <u>Assessment Criteria</u> | 4 |
| • <u>Introduction</u> | 4 |
| • <u>Learning Outcomes</u> | 4 |
| <hr/> | |
| <u>1.1 Explain the Recent Trends in the Tour Operator Industry.</u> | 5 |
| • <u>Over to you</u> | 5 |
| • <u>Over to You</u> | 7 |
| • <u>Did You Know</u> | 8 |
| • <u>Did You Know</u> | 8 |
| • <u>Industry Insight – Adapting to New Trends in the Tour Operator Industry</u> | 9 |
| • <u>Did You Know</u> | 11 |
| • <u>Over to You</u> | 11 |
| • <u>Over to You</u> | 12 |
| • <u>Over to You</u> | 12 |
| • <u>Need to Know</u> | 12 |
| • <u>Case Study – Intrepid Travel: Adapting to New Trends in the Tour Operator Industry</u> | 15 |
| • <u>Reading List</u> | 16 |
| • <u>Summary</u> | 16 |
| <hr/> | |

Table of Contents

Chapter Two - Evaluate the Stages Involved in Constructing and Marketing Holidays

- | | |
|------------------------------|----|
| | 17 |
| | 17 |
| • <u>Assessment Criteria</u> | 17 |
| • <u>Introduction</u> | 17 |
| • <u>Learning Outcomes</u> | 17 |
-

2.1 Evaluate the Stages Involved in Constructing and Marketing Holidays

- | | |
|---|----|
| | 18 |
| | 19 |
| • <u>Did you Know</u> | 19 |
| • <u>Need to Know</u> | 21 |
| • <u>Over to You</u> | 22 |
| • <u>Over to You</u> | 23 |
| • <u>Over to You</u> | 23 |
| • <u>Over to You</u> | 23 |
| • <u>Over to You</u> | 23 |
| • <u>Over to You</u> | 25 |
| • <u>Case Study – SunRise Adventures, Tanzania – Building a New Eco-Holiday Package</u> | 25 |
| • <u>Did You Know</u> | 26 |
| • <u>Industry Insight</u> | 27 |
-

2.2 Evaluate the Factors to Consider in the Development and Implementation of a Successful

- | | |
|-----------------------|----|
| <u>Business Plan</u> | 29 |
| • <u>Need to Know</u> | 31 |
| • <u>Did You Know</u> | 32 |
| • <u>Did You Know</u> | 33 |
| • <u>Did You Know</u> | 33 |
| • <u>Over to You</u> | 33 |
| • <u>Need to Know</u> | 34 |
-

Table of Contents

| | |
|--|----|
| <u>2.3 Assess the Different Methods of Contracting and their Suitability in the Context of Different Types of Tour Operators</u> | 37 |
| • <u>Did You Know</u> | 40 |
| • <u>Did You Know</u> | 41 |
| • <u>Need to Know</u> | 41 |
| • <u>Over to You</u> | 41 |
| • <u>Over to You</u> | 42 |
| • <u>Case Study</u> | 43 |
| <hr/> | |
| <u>2.4 Develop a Plan to Design a Promotional Brochure</u> | 44 |
| • <u>Did you Know</u> | 46 |
| • <u>Over to You</u> | 47 |
| • <u>Industry Insight</u> | 48 |
| • <u>Did You Know</u> | 50 |
| • <u>Over to You</u> | 51 |
| • <u>Need to Know</u> | 52 |
| <hr/> | |
| <u>2.5 Assess the Suitability of Alternative Methods to a Traditional Tour Operator Brochure</u> | 54 |
| • <u>Did you Know</u> | 55 |
| • <u>Need to Know</u> | 56 |
| • <u>Over to You</u> | 56 |
| • <u>Did You Know</u> | 58 |
| • <u>Industry Insight</u> | 59 |
| • <u>Case Study</u> | 61 |
| • <u>Reading List</u> | 62 |
| • <u>Summary</u> | 62 |
| <hr/> | |

Table of Contents

| | |
|--|-----------|
| <u>Chapter Three - Understand the Functions and Structure of Resort Operations</u> | 64 |
| • <u>Assessment Criteria</u> | 64 |
| • <u>Introduction</u> | 64 |
| • <u>Learning Outcomes</u> | 64 |
| <hr/> | |
| <u>3.1 Examine the Function of the Resort Operations of Tour Operators</u> | 65 |
| • <u>Need to Know</u> | 68 |
| • <u>Over to You</u> | 68 |
| • <u>Case Study</u> | 69 |
| <hr/> | |
| <u>3.2 Describe the structure of the resort offices of different types of tour operator</u> | 70 |
| • <u>Did You Know</u> | 71 |
| • <u>Need to Know</u> | 73 |
| • <u>Did You Know</u> | 74 |
| • <u>Industry Insight</u> | 74 |
| • <u>Case Study</u> | 76 |
| <hr/> | |
| <u>3.3 Explain why different resort offices structures are adopted</u> | 78 |
| • <u>Did You Know</u> | 79 |
| • <u>Over to You</u> | 80 |
| • <u>Did You Know</u> | 81 |
| • <u>Over to You</u> | 82 |
| • <u>Case Study</u> | 83 |
| • <u>Reading List</u> | 84 |
| • <u>Summary</u> | 84 |
| <hr/> | |

Table of Contents

| | |
|---|-----|
| <u>Chapter Four – Understand how to develop a business strategy for a resort/tour operation</u> | 85 |
| • <u>Assessment Criteria</u> | 85 |
| • <u>Introduction</u> | 85 |
| • <u>Learning Outcomes</u> | 85 |
| <hr/> | |
| <u>4.1 Explain the key areas to include in a business strategy and their importance</u> | 86 |
| • <u>Need to Know</u> | 87 |
| • <u>Industry Insight</u> | 87 |
| • <u>Did You Know</u> | 88 |
| • <u>Over to You</u> | 92 |
| <hr/> | |
| <u>4.2 Analyse the factors to take into account in relation to a chosen resort/tour operation</u> | 94 |
| • <u>Did You Know</u> | 95 |
| • <u>Did You Know</u> | 96 |
| • <u>Need to Know</u> | 97 |
| • <u>Over to You</u> | 98 |
| • <u>Industry Insight</u> | 99 |
| • <u>Case Study</u> | 100 |
| • <u>Reading List</u> | 101 |
| • <u>Summary</u> | 101 |
| <hr/> | |
| <u>Glossary</u> | 102 |
| <hr/> | |
| <u>True or False and MCQs Questions (Self-Assessment)</u> | 106 |
| <hr/> | |

Using Your Study Guide



Welcome to the study guide designed to support those completing their **Level 4 Diploma in Tourism and Hospitality Management!**

This study guide follows the order of the syllabus, which is the **basis** for your studies. Each chapter starts by listing the syllabus learning outcomes covered and the assessment criteria.

Level 4 Units

| Unit Reference | Mandatory Units | Level | TQT | Credits |
|----------------|---|-------|-------------|------------|
| J/617/5587 | Sustainability in Tourism and Hospitality Management | 4 | 300 | 30 |
| L/617/5588 | Operations Management in Tourism and Resort Operations | 4 | 300 | 30 |
| R/617/5589 | Management of Visitor Attractions | 4 | 300 | 30 |
| J/617/5590 | Employability and Development in the Hospitality Industry | 4 | 300 | 30 |
| Totals | | | 1200 | 120 |

The study guide includes a number of features to enhance your studies:



'Over to you': activities for you to apply what you have learned (in the space provided).



Industry Insights: discover up-to-date trends, expert opinions, and examples from leading organisations in the travel and tourism industry to help you understand how theory applies in real-world practice.



Did you know? : highlights interesting facts or surprising information to help you deepen your understanding of travel and tourism topics.



Case studies: realistic business scenarios to reinforce and test your understanding of what you have read.



'Revision on the go': use your phone camera to capture these key pieces of learning, then save them on your phone to use as revision notes.



'Need to know': key pieces of information that are highlighted in the text.



Examples: illustrating points made in the text to show how it works in practice.



Tables, graphs and charts: to bring data to life.



Reading list: identifying resources for further study.



Source/quotation : information to cast further light on the subject from industry sources.



Highlighted Words : throughout denoting glossary terms located at the end of the study guide.

Note

Website addresses current as of November 2025.

CHAPTER ONE

Demonstrate knowledge on the tour operator industry within the travel and tourism sector

Introduction

Operations management plays a central role in how tourism organisations plan, deliver, and coordinate the services that make up the visitor experience. In the travel and tourism sector, tour operators are essential intermediaries, linking transport providers, accommodation, attractions, and activities to create packaged travel experiences. Understanding how tour operators work—and how their operations are changing—is crucial for analysing the wider tourism system.

This chapter explores the recent trends affecting the tour operator industry – including digital transformation, tailor-made experiences, dynamic packaging, sustainability, and increased demand for authentic travel experience – and explains how these trends impact operations within the tourism sector.

Learning Outcomes

On completing the chapter, you will be able to:

1. Demonstrate knowledge on the tour operator industry within the travel and tourism sector.

Assessment Criteria

1.1 Explain the recent trends in the tour operator industry.

1.1 Explain the recent trends in the tour operator industry



Tour operators design, negotiate, and manage holiday products by combining different services into a single package. They are responsible for planning itineraries, contracting suppliers, managing customer bookings, ensuring quality, coordinating logistics, and responding to customer needs throughout the travel process. Effective operations management helps tour operators maintain efficiency, reduce costs, and deliver value for customers in a highly competitive global market.

In recent years, the tour operator industry has experienced significant change, driven by new technologies, shifting traveller expectations, and global events. These trends **influence** how tour operators design their products, manage their supply chains, communicate with customers, and operate in international markets.

The tour operator industry has changed rapidly in recent years due to technological developments, shifting customer expectations, and global economic and environmental pressures. These trends influence how tour operators design packages, manage suppliers, and interact with customers.



Over to you

Watch this YouTube video:



Title: Operations Management in Hospitality and Tourism Industry.

Duration: 4.39 mins

Growth of Online Booking & Digital Transformation

- Most customers now search, compare, and book holidays online.
- Tour operators use digital platforms, apps, and automated systems to manage bookings and customer service.
- Virtual tours, live chats, and mobile travel updates enhance the buying experience.

Impact on operations:

Streamlined booking systems, reduced need for physical offices, and increased investment in technology.



Rise of Dynamic Packaging

- Customers want the flexibility to build personalised holidays rather than buying fixed packages.
- Dynamic packaging allows customers to choose flights, hotels, transfers, and activities in real time based on live availability and pricing.

Impact on operations:

Requires sophisticated reservation systems and strong relationships with multiple suppliers.

Demand for Tailor-Made & Experiential Travel

- Travellers increasingly seek unique, authentic, and immersive experiences (e.g., cooking classes, cultural workshops, adventure travel).
- Tour operators create niche packages for food tourism, eco-tours, wellness retreats, adventure experiences, and cultural immersion.

Impact on operations:

Operators must research local suppliers carefully and ensure quality and safety standards for small-scale experiences.

Sustainability and Responsible Tourism

- Tourists are more aware of environmental and social issues, including carbon emissions, waste, cultural impact, and unethical wildlife tourism.
- Many tour operators now promote responsible travel, eco-friendly accommodation, carbon offsetting, and community-based tourism.

Impact on operations:

Requires sustainability audits, ethical supplier selection, and transparent communication with customers.

Increased Use of Data & Personalisation

- Operators use customer data to personalise recommendations, itineraries, marketing, and customer service.
- AI and analytics help predict travel trends and tailor offers to specific segments.

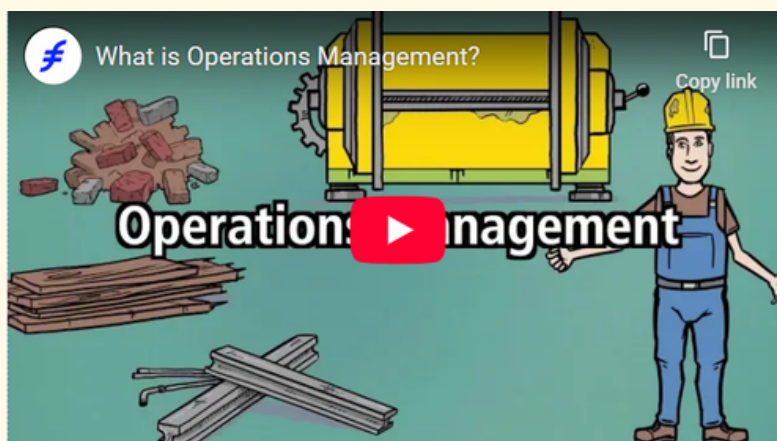
Impact on operations:

More targeted marketing, improved efficiency, and enhanced customer satisfaction.



Over to you

Watch this YouTube video:



Title: What is Operations Management?

Duration: 1.35 mins



Did you know

Did you know that many major tour operators now use AI and data analytics to tailor travel recommendations and predict traveller behaviour?

Growth of Small & Specialist/Niche Operators

- Specialist operators offer themed holidays such as wildlife tours, wellness retreats, accessible travel, LGBTQ+ travel, and heritage tours.
- These operators offer high expertise and personalised service.

Impact on operations:

Niche operators require deep local knowledge and strong partnerships with local suppliers.

Post-Pandemic Changes in Travel Behaviour

- Greater focus on safety, hygiene, flexible booking terms, and smaller tour groups.
- Increased demand for domestic travel, nature-based holidays, and open-air experiences.

Impact on operations:

Operators redesigned packages with safer transport options, flexible cancellation policies, and outdoor attractions.

Growth of Independent Travel but Continued Role for Tour Operators

- More travellers book elements independently, but operators remain essential for multi-destination trips, adventure travel, safety-critical tours, and travel to remote regions.
- Travel crises (e.g., flight cancellations, natural disasters) highlight the value of tour operator support.

Impact on operations:

Operators focus on customer service, 24/7 support, and crisis management systems.



Industry Insight – G Adventures (Peru) – Adapting to Modern Tour Operator



G Adventures

G Adventures, a well-known adventure tour operator with strong operations in Peru, offers an excellent example of how companies in developing countries are adapting to new trends in the global tour operator industry. Peru's popularity—especially for destinations such as Machu Picchu, the Sacred Valley, and the Amazon—has created new opportunities and challenges for local tour operators.

1. Responding to the Demand for Experiential Travel

Travellers increasingly want meaningful, culturally rich experiences. G Adventures has responded by offering homestays with Andean families, Quechua weaving workshops, community farming visits, and guided rainforest walks led by Indigenous experts. These experiences align with the growing trend of immersive and responsible travel.

2. Integrating Sustainability into Operations

Recognising the importance of sustainability, G Adventures created the G for **Good programme**, which supports local businesses and community projects in Peru. The company partners with women's cooperatives, eco-lodges, and conservation groups—reflecting the trend toward ethical and sustainable tourism.

3. Embracing Digital Tools

G Adventures uses online booking platforms, virtual tour briefings, and mobile travel updates to streamline communication with travellers. This digital shift reflects a key trend in the global industry—tour operators must modernise to stay competitive.

4. Offering Flexible, Small-Group Tours

Post-pandemic demand for small groups and flexible itineraries has shaped G Adventures' product design. Their Peru tours limit group sizes, prioritise open-air activities, and include flexible booking options to reassure travellers.

G Adventures' operations in Peru show how tour operators in developing countries are embracing digital transformation, experiential travel, sustainability, and flexibility to meet modern traveller expectations and remain competitive in a changing global market.



Industry Insight - Cox & Kings India - Adapting to Modern Tour Operator Trends

Cox & Kings, one of India's oldest and most recognised tour operators, has transformed its operations to stay competitive in a rapidly changing tourism industry. Known for its heritage and global reach, the company has modernised its business model to respond to new traveller expectations.



Shift Toward Personalised & Experiential Travel

Cox & Kings now offers tailor-made itineraries focusing on wildlife experiences, rural village stays, culinary tours, and cultural immersion. This reflects the industry trend toward meaningful, experience-driven travel rather than traditional sightseeing packages.

Digital Integration

The operator has developed online booking tools, mobile apps, and virtual consultations to assist customers with itinerary planning, visa services, and payments. Enhanced digital systems also support real-time flight and hotel availability, aligning with the shift toward dynamic packaging.



Did you know

That today's travellers expect personalised trips? Tour operators now use dynamic packaging systems that allow customers to build their own holidays in real time.

Did you know that...

- **Did you know** that over **70% of tour operator bookings** globally are now made online? Digital transformation has become a core part of modern tour operations.
- **Did you know** that experiential travel—such as cooking classes, wildlife tours, wellness retreats, and cultural workshops—is one of the **fastest-growing trends** in the tourism sector?
- **Did you know** that many tour operators now promote **ethical and sustainable tourism**, replacing activities like elephant rides with responsible wildlife encounters and eco-friendly excursions?
- **Did you know** that data and AI tools help tour operators predict traveller preferences, personalise recommendations, and improve customer service?
- **Did you know** that the post-pandemic era has increased demand for **flexible booking**, smaller group sizes, and domestic or nature-based travel, reshaping how operators design and deliver tours?



Over to you

Choose one tour operator (e.g., TUI, Jet2Holidays, G Adventures, Kuoni, Intrepid Travel, or a local operator you know).

Task 1: Identify Trends

List three recent trends affecting tour operators today.

For each trend, write one sentence describing why it is important

Task 2: Explain the Impact

Choose one of the trends you listed in Task 1.

In 3–4 sentences, explain how this trend has changed the way tour operators design and manage holiday packages.



Over to you

Provide one real-world example of how your chosen tour operator has responded to industry trends.

(**Examples:** sustainability policies, online booking tools, wellness packages, flexible booking terms.)



Over to you

Why is it important for tour operators to adapt to new trends?



Need to know

The tour operator industry is evolving with digital innovation, sustainability, personalisation, and specialist travel experiences shaping how tours are designed and delivered.



Industry Insight – How TUI Adapts to New Trends in the Tour Operator Industry

TUI Group, one of the world's largest tour operators, provides a useful example of how major companies are adapting to recent trends shaping the tourism industry. As customer expectations evolve and digital innovation accelerates, TUI has transformed the way it operates, manages suppliers, and delivers holiday experiences.



TUI has invested heavily in mobile apps, online booking systems, and AI-driven customer support. Travellers can now book holidays, check in, access itineraries, receive alerts, and communicate with staff through a **single digital platform**. This shift reduces operating costs and enhances efficiency in managing bookings, flights, and hotel partners.

Responding to the trend towards personalised travel, TUI offers “**TUI Collection Experiences**”—small-group cultural, adventure, and wellness activities that favour authentic local encounters over traditional sightseeing. These experiences are curated using customer data and delivered through partnerships with local guides, reflecting the shift toward immersive, personalised tourism.



With travellers increasingly aware of environmental and ethical issues, TUI has introduced several sustainability initiatives. These include reducing single-use plastics on flights and cruises, investing in fuel-efficient aircraft, supporting marine conservation projects, and offering eco-certified excursions. TUI’s “**Better Holidays, Better World**” strategy emphasises responsible tourism and ethical supply chains.

In response to demand for flexibility, TUI now provides free amendments, flexible cancellations, and insurance add-ons for unexpected disruptions. Smaller group sizes, enhanced hygiene procedures, and open-air activities reflect new traveller expectations following the pandemic.

TUI’s operations highlight key trends in today’s tour operator industry: digitalisation, customisation, sustainability, and resilience. These trends shape how tour operators design products, manage logistics, communicate with customers, and compete in a global tourism marketplace.



Revision on the Go - Recent Trends in the Tour Operator Industry

1. Digital Transformation

- Online booking dominates.
- Mobile apps, automated systems, and AI tools used for enquiries and customer service.

2. Dynamic Packaging

- Customers build flexible, tailor-made holidays.
- Requires real-time pricing and advanced reservation systems.

3. Experiential & Personalised Travel

- Growing demand for unique, authentic, and immersive experiences.
- Includes adventure tourism, wellness, food tourism, and cultural immersion.

4. Sustainability & Responsible Tourism

- Eco-friendly accommodation, carbon reduction, ethical wildlife tourism, and community-based tourism.
- Tour operators increasingly adopt sustainability policies.

5. Data-Driven Personalisation

- Operators use customer data to tailor itineraries and recommendations.
- Marketing becomes more targeted.

6. Growth of Niche and Specialist Operators

- Rise of themed operators (wildlife, adventure, luxury, LGBTQ+, wellness, accessible travel).
- Focus on expertise and personalised service.

7. Post-Pandemic Travel Trends

- More domestic tourism, small-group tours, and flexible booking conditions.
- Strong emphasis on safety, hygiene, and wellbeing.

8. Continued Role of Tour Operators

- Essential for complex itineraries, multi-country trips, and remote destinations.
- Provide crisis support during disruptions.



Case Study – Intrepid Travel: Adapting to New Trends in the Tour Operator Industry



Intrepid Travel is one of the world's leading small-group adventure tour operators, specialising in immersive, sustainable, and culturally rich travel experiences. Over the last decade, the company has transformed its operations to respond to significant industry trends, including digital innovation, sustainability, and the rise of experiential tourism.

As more travellers began seeking authentic and meaningful experiences rather than standard package holidays, Intrepid shifted its focus toward experiential travel. Their tours now emphasise local guides, community-based tourism, food experiences, traditional crafts, and homestays. This approach appeals especially to younger travellers and those looking for deeper cultural engagement.

Growing awareness of sustainability also influenced Intrepid's operational model. The company became the first global tour operator to achieve B Corp certification, demonstrating its commitment to ethical supply chains, fair labour, carbon reduction, and community partnerships. Intrepid eliminated elephant rides and other unethical wildlife activities from all itineraries and invested in carbon offsetting projects to reduce its environmental footprint.

The digital transformation trend led Intrepid to upgrade its online booking platform, introduce flexible cancellation policies, enhance live chat customer support, and offer virtual pre-tour briefings. This increased accessibility and confidence for travellers, especially following the COVID-19 pandemic.

These changes demonstrate how a major tour operator can successfully respond to market trends through innovation, sustainability leadership, and customer-centred operations.

Case study questions

1. **Identify** two trends described in the case study that have influenced Intrepid Travel's operations. **Explain** how each trend has shaped the company's products or services.
2. How has Intrepid Travel incorporated sustainability and ethical practices into its tour operations? **Provide** one example from the case study.
3. Why is digital transformation important for modern tour operators? **Use evidence** from the case study to support your answer.



Reading List

- Robinson, P., Fallon, P., Cameron, H., & Crotts, C. (Eds.). (2016). *Operations Management in the Travel Industry*. London: CABI.
- Schuckert, M., & Christie-Mill, R. (2026). *Resort: Management and Operation*, 4th edn. New York: Wiley.
- Szende, P., Dalton, A., & Yoo, M. (Eds.). (2021). *Operations Management in the Hospitality Industry*. London: Emerald Publishing Limited.
- Vaughan, Y. T. (2026). *Hotel Operations Management: Strategic and Resilient Practices* London: Kogan Page.

Summary

In this chapter you looked at the recent trends affecting the tour operator industry – including digital transformation, tailor-made experiences, dynamic packaging, sustainability, and increased demand for authentic travel experience – and explains how these trends impact operations within the tourism sector.

Evaluate the stages involved in constructing and marketing holidays

Introduction

In this chapter you will learn about the steps and stages involved in constructing and marketing holidays

You will learn about the factors to consider in the development and implementation of a successful business plan.

You will assess the different methods of contracting and their suitability in the context of different types of tour operators.

Next, you will learn how to design a promotional brochure.

On completion of this chapter, you will assess the suitability of alternative methods to a traditional tour operator brochure.

Learning Outcomes

On completing the chapter, you will be able to:

2. Evaluate the stages involved in constructing and marketing holidays

Assessment Criteria

2.1 Assess the steps and stages involved constructing holidays.

2.2 Evaluate the factors to consider in the development and implementation of a successful business plan.

2.3 Assess the different methods of contracting and their suitability in the context of different types of tour operators.

2.4 Develop a plan to design a promotional brochure.

2.5 Assess the suitability of alternative methods to a traditional tour operator brochure.

2.1 Evaluate the stages involved in constructing and marketing holidays



Constructing and Marketing Holidays

Holiday construction is a core function of tour operators and a key component of operations management in tourism. It involves designing, assembling, costing, and delivering a package of travel components – such as transport, accommodation, meals, activities, and excursions – to create a seamless holiday experience.

Constructing holidays requires careful planning, coordination with suppliers, market research, and strong customer-focused decision-making.

Evaluating the stages in this process helps tourism professionals understand how tour operators transform ideas into market-ready holiday products that meet customer expectations while remaining profitable and competitive.

Steps and Stages Involved in Constructing Holidays

Holiday construction typically follows a series of structured operational steps. Each stage is important in creating an attractive, well-priced, and high-quality product that can be successfully marketed to customers.

1. Market Research and Idea Generation

Tour operators begin by analysing trends, target markets, and customer preferences.

Key considerations:

- Who will the holiday appeal to? (e.g. families, seniors, adventure travellers, budget market)
- What destinations or experiences are in demand?
- Are there emerging trends (e.g. wellness retreats, sustainability, cultural experiences)?
- What are competitors offering?

Accurate market research ensures the holiday meets real customer needs and aligns with market trends.

2. Selecting the Destination and Itinerary Planning

Once a concept is chosen, operators identify suitable destinations and create a draft itinerary.

Tasks include:

- Choosing flight routes or transport options
- Identifying accommodation levels (budget, midrange, luxury)
- Mapping daily activities, excursions, and free time
- Ensuring realistic travel times and smooth logistics

A well-designed itinerary enhances customer satisfaction and operational efficiency.



Did you know

That itinerary testing—where local guides assess timings, safety, and logistics—is a crucial but often hidden stage in constructing a holiday?

3. Contracting with Suppliers

Tour operators negotiate with key suppliers to secure services at competitive prices.

Suppliers include:

- Airlines and transport providers
- Hotels and resorts
- Local guides and ground handlers
- Attraction operators and activity providers
- Restaurants or catering companies

What is negotiated:

- Rates and commissions
- Allotments (pre-booked rooms or seats)
- Service standards and terms
- Cancellation policies



Effective contracting reduces costs, ensures availability, and maintains service quality.

4. Costing and Pricing the Holiday

This stage involves calculating the total cost of the holiday and setting a competitive selling price.

Components include:

- Transport costs (flights, coach hire, transfers)
- Accommodation rates
- Meals and excursions
- Tour guide fees
- Insurance and taxes
- Mark-up for profit (gross margin)

Accurate pricing ensures profitability while offering value for money to customers.

5. Risk Assessment and Quality Assurance

Before finalising the holiday, tour operators assess potential risks and confirm service standards.

Examples:

- Safety risks (transport, adventure activities)
- Environmental risks (weather, terrain, natural disasters)
- Supplier performance and reliability
- Local regulations and entry requirements

Why it matters:

Ensures customer safety, reduces liability, and maintains the operator's reputation.

6. Legal and Regulatory Compliance

Tour operators must comply with national and international regulations.

Examples:

- Package Travel Regulations
- Licensing and bonding (e.g. Air Travel Organisers' Licensing - ATOL, Association of British Travel Agents - ABTA)
- Insurance requirements
- Health and safety standards
- Consumer protection laws

Legal compliance protects both the operator and the customer.

7. Packaging the Holiday

Once all components are finalised, the tour operator assembles them into a single holiday product.

This includes:

- Creating a clear product description
- Finalising itinerary details
- Bundling included services (meals, tours, transfers)
- Highlighting unique selling points (USPs)

A well-packaged holiday is easier to market and sell.

8. Developing Marketing Materials

Marketing is essential for attracting customers and communicating the value of the holiday.

Marketing tools include:

- Website listings and online booking pages
- Brochures and digital catalogues
- Social media campaigns
- Video content and virtual previews
- Email newsletters and travel blogs
- Travel agent training and sales kits

Marketing drives sales, brand recognition, and customer engagement.



Need to know

Digital marketing tools such as short destination videos, social/travel influencers and social media ads now drive a large portion of eco-tour bookings worldwide

9. Sales, Distribution, and Customer Support

Operators use multiple channels to sell their holidays.

Channels include:

- Direct online bookings
- Travel agencies
- Call centres
- Tour operator retail shops

- Third-party platforms

Customer support:

Pre-departure information, visa guidance, health and safety updates, and 24/7 support during travel.

Effective distribution and support create trust and help resolve issues quickly.

10. Monitoring, Evaluation, and Feedback

After the holiday, operators review performance and collect customer feedback.

Used to assess:

- Customer satisfaction
- Supplier performance
- Operational issues
- Opportunities for improvement
- Product viability for future seasons

Continuous improvement ensures long-term competitiveness and customer loyalty.

Constructing holidays involves a **detailed operational process**—from researching customer needs and contracting suppliers to pricing, packaging, and marketing the final product. Each step supports the creation of a high-quality, profitable holiday experience and ensures that the tour operator remains competitive in a dynamic tourism industry.



Over to you

Read the short description below and identify **which stage of holiday construction it belongs to**:

A tour operator reviews customer surveys and social media trends and discovers that travellers want more nature-based and community-focused experiences.

Task:

Write the name of the construction stage this describes (e.g. “market research”, “itinerary planning”, “costing”).

Then, explain your choice in one or two sentences.



Over to you

A tour operator is planning a 4-day eco-holiday in Kenya, but the itinerary lacks cultural experiences.

Suggest one cultural activity that could be added (e.g. community visit, craft workshop, cultural performance).

Explain in one sentence how this activity strengthens the holiday's appeal and aligns with current travel trends.



Over to you

A tour operator selects a destination, negotiates rates with an eco-lodge, sets a selling price, and launches the holiday online.

Identify one important step in the holiday construction process that has been missed (e.g. risk assessment, itinerary planning, legal compliance).

Explain in one sentence why this step is necessary.



Over to you

A new eco-tour package includes game drives, a nature walk, and a stay at an eco-lodge.

List two suppliers the operator must work with to deliver this holiday.

For **each supplier**, write one sentence describing their role in ensuring a high-quality customer experience.



Revision on the Go - Stages of Constructing Holidays

1. Market Research & Idea Generation

Identify customer needs, target markets, and trends to select a viable holiday concept.

2. Destination & Itinerary Planning

Choose destinations, map routes, plan activities, and ensure realistic travel times.

3. Contracting with Suppliers

Negotiate rates and service standards with airlines, hotels, guides, transport, and activity providers.

4. Costing & Pricing

Calculate total costs, add mark-up, ensure profit while delivering value for money.

5. Risk Assessment & Quality Control

Assess safety, reliability, environmental factors, and service quality before selling.

6. Legal & Regulatory Compliance

Meet package travel laws, insurance requirements, and licensing obligations (e.g., ATOL).

7. Packaging the Holiday

Combine components into a clear, attractive holiday product with unique selling points.

8. Marketing the Package

Use brochures, websites, digital ads, and social media to promote the holiday.

9. Sales & Customer Support

Sell through travel agents, online platforms, or directly. Provide pre-departure information and assistance.

10. Monitoring & Review

Collect customer feedback, assess supplier performance, and improve future packages.



Over to you -Constructing a Holiday Package

Task: Design a 3-Day or 5-Day Holiday Package

Choose a destination of your choice (domestic or international). Your task is to outline the stages involved in constructing this holiday, showing your understanding of AC 2.1.

Activity Steps

1. Market Research (5–6 sentences)

Describe the target market (e.g., families, couples, adventure travellers) and explain why this destination appeals to them.

2. Itinerary Planning

Create a simple 3-day or 5-day itinerary, including transport, accommodation, meals, and activities.

3. Supplier Choices

List at least three suppliers you would need (e.g., hotel, transport provider, local attraction). Explain why you selected each.

4. Costing (short summary)

Estimate the main cost components (flights/transport, accommodation, activities) and suggest a selling price.

5. Marketing Message

Write a short promotional description (40–60 words) that could appear on a website or brochure.



Case Study – SunRise Adventures, Tanzania – Building a New Eco-Holiday Package

SunRise Adventures is a medium-sized tour operator based in northern Tanzania in East Africa that focuses on adventure and nature-based tours. Following an increase in demand for sustainable and experiential travel experiences, the company decided to launch a new 5-day eco-holiday package in Amboseli National Park.



The operations team began by **researching customer preferences** and found strong interest from young professionals seeking wildlife, culture, and outdoor activities. Based on this insight, they designed a tentative itinerary including guided game drives, a visit to a Maasai community, nature photography workshops, and a conservation activity with park rangers.

Next, SunRise Adventures **negotiated contracts** with eco-lodges, local guides, and a community-based cultural centre. They agreed on discounted room allotments during off-peak months and secured ethical wildlife viewing permits. After costing flights, accommodation, park fees, meals, excursions, and guide services, they set a competitive price that included a small donation to a conservation fund.

The final steps involved **packaging the holiday for marketing**. The operator created digital brochures, short videos, social media content, and an email campaign targeting eco-conscious travellers. After the first season, customer feedback highlighted excellent guide knowledge and authentic community interactions, but suggested improvements to meal options and transfer times. This feedback informed updates for the next year's package.

Case study questions

1. Which stages in the holiday construction process were clearly demonstrated by SunRise Adventures? **Provide** at least three examples from the case study.
2. Why was market research important for the success of the new eco-holiday package? **Explain** using evidence from the case.
3. How did contracting with suppliers contribute to the sustainability and quality of the holiday package?



Did you know

That many tour operators in developing countries now include conservation fees in holiday prices? These fees help fund wildlife protection, reforestation, and community projects.



Need to know - Sustainable tourism

Sustainable tourism is defined as tourism activities and development that do not endanger the economic, social, cultural, or environmental assets of a destination.



Industry Insight - How a Kenyan Tour Operator Builds Eco-Holiday Packages

EcoWild Safaris, a growing tour operator based in Kenya, provides a strong example of how holiday packages are constructed step-by-step in response to changing traveller preferences. With increasing demand for sustainable and nature-based experiences, the operator has developed a series of eco-holiday packages in Amboseli, Tsavo, and the Masai Mara.



EcoWild Safaris identified a surge in interest from young professionals and international travellers seeking authentic, environmentally responsible holidays. Using **customer surveys and trend analysis**, the operator discovered high demand for small-group tours, ethical wildlife experiences, and cultural interactions.

Based on this research, the operations team designed 4–7-day itineraries combining game drives, nature walks, cultural visits, conservation workshops, and eco-lodge stays. Each itinerary was tested with local guides to ensure realistic timings and high-quality guest experiences.

The operator partnered with eco-certified lodges, community-run cultural centres, and trained wildlife guides. Negotiating competitive rates and securing room allotments ensured both affordability and reliability. Working with local communities **strengthened** the cultural authenticity of the packages.

EcoWild Safaris **calculated** costs for transport, accommodation, park fees, meals, and activities, then added a modest profit margin. The holiday price also includes a small conservation fee, contributing to wildlife protection programmes in Kenya.

The finished packages are **promoted** through social media campaigns, website listings, and partnerships with online travel agencies. Short videos featuring local guides and wildlife encounters have become effective marketing tools for appealing to eco-conscious travellers.

EcoWild Safaris demonstrates how tour operators in developing countries use a structured, **step-by-step approach**—research, planning, contracting, costing, and marketing—to build competitive and sustainable holiday products that reflect modern traveller expectations.

2.2 Evaluate the factors to consider in the development and implementation of a successful business plan



A business plan is a critical tool for tour operators and tourism organisations. It outlines the company's goals, resources, strategies, and operational processes, and guides decision-making across the business. In the context of constructing and marketing holidays, a well-designed business plan ensures that products are financially viable, aligned with market trends, operationally realistic, and supported by effective marketing strategies.

Evaluating the factors involved in creating and implementing a business plan helps learners understand how tourism organisations structure their operations, manage risk, and compete in a rapidly changing industry.

Key Factors in Developing and Implementing a Successful Business Plan

Developing a business plan requires careful analysis and strategic thinking. Below are the most important factors that influence the success of a tourism business.

1. Market Research and Demand Analysis

Understanding the market is the foundation of a strong business plan.

Key considerations:

- Who is the target market? (e.g., families, adventure travellers, budget market)
- What tourism products are currently in demand?
- What destinations, experiences, or emerging trends can be leveraged?
- How do competitors' price and position their products?

Thorough research prevents poor investment choices and ensures the business plan responds to real customer needs.

2. Competitive Analysis

Tourism markets are highly competitive and seasonal, so operators must understand their competitive environment.

Factors to evaluate:

- Strengths and weaknesses of competitors
- Market positioning (luxury, budget, niche, adventure, eco-tourism)
- Levels of product differentiation
- Pricing strategies and customer value

Impact:

Provides strategic direction and helps the business remain competitive.

3. Clear Vision, Mission, and Objectives

A successful business plan must define the organisation's purpose and measurable goals.

This includes:

- A mission statement
- Long-term goals (e.g., expand to new destinations)
- Short-term objectives (e.g., launch a new tour product)
- Key performance indicators (KPIs)

Clarifies priorities and supports strategic decision-making.

4. Financial Planning and Budgeting

Financial viability is essential for any tourism business.

Key financial factors:

- Start-up costs (licensing, insurance, technology, staffing)
- Operational costs (transport, accommodation contracts, marketing)
- Cash-flow forecasts
- Profit margins and pricing
- Break-even analysis

Outcome:

Ensures the business can operate sustainably and absorb risks such as seasonality or cancellations.

5. Product Development Strategy

This factor determines how the business will create and deliver holiday products.

Considerations:

- Choice of destinations
- Types of packages (all-inclusive, adventure, eco-tours, luxury)
- Supplier partnerships
- Risk management
- Quality assurance processes

Strong product design ensures customer satisfaction and operational efficiency.

6. Marketing and Promotion Strategy

Marketing determines how the business reaches and inspires customers.

Components:

- Brand identity and unique selling points (USPs)
- Digital marketing (website, SEO, social media)
- Traditional marketing (brochures, travel agents)
- Pricing and promotional campaigns
- Targeted advertising

A well-planned marketing **strategy** increases bookings and brand visibility.

7. Legal and Regulatory Compliance

Tour operators must comply with laws and standards to operate safely and ethically.

Includes:

- Package Travel Regulations
- ATOL/ABTA bonding (for UK operators)
- Insurance and liability cover
- Health and safety standards
- Ethical and environmental guidelines

Protects the business, staff, and customers, and reduces operational risk.



Need to know - A strong business plan

Tourism businesses must comply with strict legal requirements, including consumer protection laws, health and safety regulations, and liability insurance, before they can operate

8. Human Resources and Staffing

People are central to the delivery of tourism experiences.

Key HR considerations:

- Hiring skilled staff
- Training in customer service and safety
- Cultural awareness
- Staff retention policies
- Seasonal workforce planning

Well-trained staff improve service quality and operational performance.

9. Technology and Digital Systems

Technology supports efficient operations and enhances the customer experience.

Key systems:

- Booking and reservation systems
- Customer Relationship Management (CRM) systems
- Online payment gateways
- Chatbots and automated support
- Mobile apps

Improves accuracy, speed, and customer satisfaction.



Did you know

Many tour operators now include digital transformation strategies in their business plans, such as AI-based customer service, online booking systems, and targeted social media advertising.

10. Risk Management and Contingency Planning

Tourism is vulnerable to external risks such as weather events, political instability, health crises, or airline disruptions.

A strong business plan includes:

- Risk assessment
- Crisis response plans
- Insurance coverage
- Alternative suppliers or routes
- Flexible booking policies

Ensures business continuity and customer safety.



Need to know - A strong business plan

Effective **risk management**—including contingency planning for weather disruption, health issues, or political instability—is now considered a mandatory part of any successful tourism business plan?

A successful tourism business plan must be market-driven, financially viable, operationally achievable, legally compliant, and responsive to risks. By evaluating these factors, tour operators can create effective strategies for developing, launching, and delivering holiday products that meet customer needs and ensure long-term business success.



Did you know

More than 60% of new tourism businesses fail within the first three years due to weak financial planning and unclear market positioning



Did you know

That strong market research can reduce business risk by identifying customer trends, competitor weaknesses, and new product opportunities?



Over to you

Choose an existing tourism business (e.g., a tour operator, travel agency, eco-lodge, adventure company, cruise operator).

Task: Evaluate the business plan by answering the following questions:

1. **Market Research:** What target market does the business focus on? Why is this appropriate?
2. **Product Strategy:** What holiday products or services does the business offer? How do they meet customer needs?
3. **Marketing:** Identify two marketing tools the business uses.

4. Risk Management: Describe one potential risk and explain how the business could manage it.

Write your answers in short paragraphs (1–2 sentences per point).

A wide range of economic, social, environmental, and political factors can **prevent** the development of sustainable tourism and hospitality. However, these challenges can be managed through strong planning, stakeholder collaboration, education, investment in green infrastructure, and effective governance. **Overcoming these barriers is essential** to ensure that tourism remains economically viable, environmentally responsible, and socially beneficial for current and future generations.



Need to know - A strong business plan

A strong business plan in tourism is built on research, financial realism, strategic marketing, skilled staff, legal compliance, and effective risk management.



Revision on the Go - Factors in a Successful Tourism Business Plan

✓ 1. Market Research & Demand Analysis

Identify customer needs, market trends, destination appeal, and competition.

✓ 2. Clear Objectives & Business Vision

Mission statements and measurable goals guide strategic decision-making.

✓ 3. Financial Planning

Budgeting, cash-flow forecasting, costing, and profitability assessments ensure viability.

✓ 4. Product Development Strategy

Design holiday packages tailored to customer expectations, trends, and operational feasibility.

✓ 5. Marketing & Promotion

Use branding, digital channels, social media, and targeted campaigns to reach customers.

✓ 6. Legal & Regulatory Compliance

Meet licensing, insurance, health and safety, and consumer protection requirements.

✓ **7. Human Resources (HR)**

Recruit and train skilled staff to ensure quality service delivery.

✓ **8. Technology & Systems**

Implement digital booking platforms, CRM systems, and mobile tools to improve efficiency.

✓ **9. Risk Management & Contingency Planning**

Prepare for disruptions such as cancellations, natural disasters, or supplier failure.



Case Study – Building a Business Plan: Island Explorer Tours, Sri Lanka

Island Explorer Tours is a small, family-run tour operator in Sri Lanka offering cultural and nature-based holidays. When tourism began recovering after the pandemic, the business decided to redesign its operations and create a new business plan to attract a wider international market.



The company began by conducting **market research**, identifying high growth in demand for wellness travel, eco-friendly retreats, and adventure experiences. Competitor analysis showed that many local operators offered generic sightseeing tours, giving Island Explorer Tours an opportunity to differentiate itself through niche, experience-rich packages.

The business plan included a clear **mission statement**: “To provide sustainable, authentic, community-based travel experiences in Sri Lanka.” To deliver this, the owners developed new itineraries combining yoga retreats, tea plantation stays, wildlife safaris, and village homestays. They secured partnerships with eco-lodges and local guides, ensuring high-quality service and sustainable operations.

Financial planning played a crucial role. The operators forecasted costs, negotiated supplier contracts, and developed tiered pricing strategies to appeal to mid-range and premium travellers. They invested in a new website with online booking capabilities and used social media marketing to reach international audiences.

Risk management was addressed through flexible booking policies, insurance partnerships, and contingency plans for weather-related disruptions. By implementing these strategies, Island Explorer Tours strengthened its brand identity and achieved consistent growth over the next two years.

Case study questions

1. Which key factors from a business plan (e.g. market research, financial planning, marketing) were used by Island Explorer Tours? Provide at least two examples.
2. How did the company differentiate its product from competitors in Sri Lanka?
3. Why was risk management important for the success of Island Explorer Tours' business plan? Provide one reason from the case study.

2.3 Assess the different methods of contracting and their suitability in the context of different types of tour operators



Contracting Methods in Tour Operations

Contracting is a **core function** in tour operations and an essential stage in constructing holidays. Tour operators **negotiate** and **secure** services such as accommodation, transport, excursions, and destination management services. These contracts determine pricing, availability, quality, and the overall profitability of holiday packages.

Different tour operators—mass-market, specialist, luxury, adventure, inbound, or outbound—use different contracting methods based on their scale, customer segments, business model, and risk appetite.

Evaluating contracting methods helps you understand how tour operators choose the most suitable approach for delivering holiday products efficiently and competitively.

Types of Contracting Methods

There are **four main contracting approaches** used in the travel and tourism industry:

1. Fixed Contracts (Fixed-Allotment Contract)

The tour operator agrees to purchase a fixed number of rooms, seats, or services from suppliers for a specific period—usually a full season.

Features:

- The operator must pay for the contracted amount, whether or not they fill all places.
- Prices are negotiated in advance and remain stable throughout the season.
- Common in large-scale mass tourism.

Suitable for:

- Mass-market tour operators (e.g., TUI, Jet2Holidays)
- High-volume destinations (Spain, Turkey, Greece)
- Tour operators confident in demand

Advantages:

- Guaranteed availability
- Lower negotiated prices due to bulk purchasing
- Easier to plan marketing and sales

Disadvantages:

- High financial risk if holidays do not sell
- Limited flexibility

2. Free-Sale Contracts

Suppliers allow the tour operator to sell as many rooms or seats as they want until the supplier withdraws availability. No fixed allotment is pre-purchased.

Suitable for:

- Smaller or specialist tour operators with lower customer volumes
- Boutique or seasonal operators
- Adventure, eco-tourism, and niche operators

Advantages:

- Low risk—operators only pay for bookings they sell
- Greater flexibility
- Suitable for unpredictable demand

Disadvantages:

- No guaranteed availability in peak periods
- Harder to plan marketing if supply may run out
- Prices may fluctuate

3. Allocation-on-Request (AOR)

What it is:

The tour operator requests availability from the supplier each time a customer books. The supplier confirms or denies the request.

Suitable for:

- Specialist/niche tour operators
- Operators using smaller lodges, eco-hotels, or community-owned accommodation
- Lower-volume destinations

Advantages:

- Very low financial risk
- Suitable for complex or tailor-made bookings
- Useful in remote destinations with limited capacity

Disadvantages:

- Slower booking process
- No guaranteed availability
- Risk of losing customers if requests are declined

4. Ad Hoc Contracts

What it is:

Services (e.g., hotel rooms, transfers, excursions) are purchased on a one-off basis when needed.

Suitable for:

- Tailor-made operators
- Luxury operators
- Small adventure or specialist companies
- Last-minute arrangements

Advantages:

- High flexibility
- Perfect for personalised itineraries
- No commitment or financial risk

Disadvantages:

- Often more expensive
- Availability not guaranteed
- Requires excellent supplier relationships

Assessing Suitability for Different Types of Tour Operators

Different contracting methods match different business models. The choice depends on:

| | |
|--|---|
| <p>1. Business Scale & Volume</p> | <ul style="list-style-type: none"> • Large operators → fixed contracts for economies of scale • Small operators → free-sale or AOR for flexibility |
| <p>2. Market Type</p> | <ul style="list-style-type: none"> • Mass-market operators → predictable demand → fixed allotments • Niche/adventure operators → specialised products → AOR or ad hoc |
| <p>3. Destination Characteristics</p> | <ul style="list-style-type: none"> • High-volume beach resorts → fixed contracts • Remote or seasonal destinations → AOR/free-sale |
| <p>4. Risk Appetite</p> | <ul style="list-style-type: none"> • High risk tolerance → fixed allotments • Risk-averse operators → free-sale, ad hoc |
| <p>5. Product Type</p> | <ul style="list-style-type: none"> • Tailor-made holidays → ad hoc • Family beach packages → fixed allotments • Cultural/special interest → AOR/free-sale |

Tour operators choose contracting methods based on their target market, business scale, demand patterns, and risk tolerance.

- Fixed contracts suit large, high-volume operators seeking secure availability.
- Free-sale and AOR suit smaller or specialist operators needing flexibility.
- Ad hoc contracting supports personalised, high-end, or bespoke itineraries.

Understanding contracting methods is essential for evaluating how holidays are constructed and priced, and how operators manage availability and supplier relationships.



Did you know

That large mass-market tour operators often contract **hundreds of hotel rooms a year in advance** through fixed allotments to secure lower prices.



Did you know

That small specialist operators rarely use fixed contracts because they cannot guarantee high volumes—so they prefer **free-sale** or **allocation-on-request** agreements?



Did you know

That the choice of contract type can make the difference between a profitable season and a financial loss for a tour operator?



Need to know

Ad hoc contracting (booking as needed) is the most flexible method and is commonly used for luxury, tailor-made, or bespoke travel experiences.



Over to you

Match each tour operator type with the most suitable contracting method. Write **one sentence** to justify each choice.

Tour Operator Types:

1. A high-volume beach holiday operator
2. A wildlife/adventure specialist
3. A luxury tailor-made safari company
4. A budget youth backpacker operator

Contract Types:

- A. Ad hoc
- B. Free-sale
- C. Fixed contracts
- D. Allocation-on-request

Task:

Match 1–4 with A–D and justify in 1–2 sentences why this method is the best choice.



Revision on the Go - Contracting Methods in Tour Operations

1. Fixed Contracts (Allotments)

Tour operator prepays for blocks of rooms/seats for a whole season.

- ✓ Suitable for large mass-market operators (e.g., TUI).
- ✓ Lower prices and guaranteed availability.
- ✗ Higher financial risk if seats/rooms are unsold.



2. Free-Sale Contracts

Supplier allows sales until capacity is reached.

- ✓ Suitable for small or specialist operators.
- ✓ Low risk and flexible.
- ✗ No guaranteed availability in peak seasons.

3. Allocation-on-Request (AOR)

Supplier confirms availability each time a booking is made.

- ✓ Ideal for niche, adventure, or tailor-made operators.
- ✓ Very low risk.
- ✗ Slower booking process; availability cannot be guaranteed.

4. Ad Hoc Contracting

Services are booked individually when needed.

- ✓ Best for luxury, tailor-made, and specialist travel companies.
- ✓ Maximum flexibility.
- ✗ More expensive and dependent on strong supplier relationships.



Need to know

Different contracting methods suit different kinds of tour operators depending on volume, target market, risk tolerance, and destination characteristics.



Case Study – EcoTrek Nepal – Choosing the Right Contracting Method



EcoTrek Nepal is a small specialist tour operator offering trekking, cultural tours, and homestay experiences in Nepal. Because the company caters to small groups and tailor-made itineraries, demand varies significantly by season. Rather than purchasing fixed allotments of accommodation or transport, EcoTrek mostly uses a combination of **allocation-on-request** and **ad hoc** contracting. Lodges, family-run guesthouses, and local trekking guides confirm availability only when needed.

This approach **reduces financial risk** for EcoTrek, because they do not prepay for rooms that may remain unused during quieter seasons. It also allows them to customise itineraries for clients who want unique experiences, such as remote village stays or private guiding. However, during peak trekking periods—such as October and April—availability can become limited. To manage this, EcoTrek occasionally **negotiates a small free-sale agreement** with two popular trekking lodges along the Everest Base Camp route, giving them flexibility without the commitment of a fixed allotment.

EcoTrek Nepal's contracting strategy shows how operator size, product style, and destination characteristics influence contract choices. Their mixed-model approach allows them to balance flexibility, risk, and customer needs.

Case Study Questions:

1. Why does EcoTrek Nepal prefer allocation-on-request or ad hoc contracting? Provide two reasons from the case.
2. What challenge does EcoTrek face during peak trekking seasons? How do they manage this?
3. How does EcoTrek's contracting approach support the development of tailor-made trekking holidays?

2.4 Develop a plan to design a promotional brochure



Designing a Promotional Brochure: Key Steps and Planning Process

A **promotional brochure** is an essential marketing tool used by tour operators to present holiday packages in an attractive, persuasive, and informative way. A well-designed brochure helps customers understand the features, benefits, and unique selling points (USPs) of a holiday and supports the overall marketing strategy. Developing a plan for brochure design ensures that the final product is visually appealing, accurate, and aligned with the operator's brand and target market.



Did you know

That brochures remain one of the most trusted promotional tools in tourism, especially for package holidays and escorted tours.

Below are the key elements to consider when planning the design of a promotional brochure.

1. Identify the Target Market

Before designing the brochure, the tour operator must understand who the brochure is for.

- Families, couples, solo travellers, adventure tourists, luxury clients?
- What information, imagery, or tone would appeal to them?

A brochure must reflect the needs and motivations of its intended audience.

2. Define the Brochure Objectives

Determine the purpose of the brochure:

- Promote a specific holiday package
- Introduce a new destination
- Advertise seasonal sales or special offers
- Build brand awareness

Clear **objectives** guide the design and content choices.



3. Select Content and Key Messages

A good brochure includes essential information about the holiday package:

- Destination and itinerary highlights
- Accommodation details
- Travel dates and pricing
- Inclusions (meals, tours, transfers)
- Unique selling points
- Safety or sustainability information

Information must be clear, concise, accurate, and persuasive.

4. Choose Visual Elements

Strong visuals make brochures engaging and memorable.

- High-quality destination photos
- Icons, maps, diagrams, colour themes
- Brand logo and consistent fonts

Visual design supports the emotional appeal of the holiday.

5. Layout and Structure

Plan how the brochure will be organised:

- Front cover (image + headline)
- Inside pages (itinerary, features, benefits)
- Back page (contact details, booking instructions, website and social links)

A clear layout helps customers navigate the information easily.



Did you know

That inconsistent branding (wrong colours, mismatched fonts, outdated logos) is one of the top reasons marketing materials fail to convert customers?

6. Ensure Brand Consistency

The brochure should reflect the tour operator's brand identity:

- Colour scheme
- Tone of voice
- Logo placement
- Typography

Brand consistency builds trust and recognition.

7. Accuracy and Legal Compliance

All information must be accurate and compliant with industry regulations.

- Prices, dates, terms and conditions
- ATOL/ABTA protection details (if relevant)
- Health, safety, or visa requirements

Incorrect information can result in legal problems or customer complaints.

8. Production and Distribution Plan

Decide how the brochure will be distributed:

- Printed copies (travel agents, trade shows, reception areas)
- Digital versions (website PDFs, email newsletters, social media posts)

A good plan maximises reach and marketing impact.

Developing a successful promotional brochure

Developing a promotional brochure requires careful planning, from understanding the target market and selecting content to designing visuals and ensuring legal accuracy. A clear brochure plan helps tour operators present their holiday products effectively and supports successful marketing and sales.

In order to produce an informative and persuasive brochure, marketers should apply the AIDA principle in their design (see Table 1).

Table 1. The AIDA principle applied to a tourism brochure

| AIDA | The brochure should...: |
|------------------|---|
| Awareness | <ul style="list-style-type: none"> • Grab the reader's attention – with use of colour, imagery, and position in the brochure rack – and get him or her to pick up the brochure. • Make the reader keep reading the brochure until all of the information has been absorbed. |
| Interest | <ul style="list-style-type: none"> • Look interesting to the reader. • Be interesting to the reader (maintain his or her interest). • Be easy to read and understand. |
| Desire | <ul style="list-style-type: none"> • Distinguish the offering from other product-offerings. • Demonstrate why the offering is good. • Persuade the reader to agree that it is the only offering for him or her. |
| Action | <ul style="list-style-type: none"> • Make it easy for the reader to take action and make a booking or purchase (include a telephone number, e-mail address, website). |



Over to you

Collect several brochures from tourism businesses. Analyse the brochures in terms of their strengths and weaknesses. Make suggestions as to how they could be improved to ensure that they meet the needs of customers better.



Industry Insight – The Four Seasons Magazine

The Four Seasons, the luxury hotel group, has its own printed magazine title. **The Four Seasons Magazine** (published by Pace Communications) is very important to the hotel group brand name.



According to Jason Friedman, general manager of The Four Seasons Siam, a luxury resort in Bangkok “the glossy printed magazine helps keep guests connected to the luxury experience even when they are not there”. That said, a printed magazine or brochure cannot provide the kind of immediacy that many tourists demand.

“The glossy printed magazine helps keep guests connected to the luxury experience even when they are not there.”



E-brochures and other forms of technology

Advances in technology are challenging the role of print materials. **Digitalisation** has offered alternatives that can replace printed maps, guidebooks, and brochures. Tourists can download travel guides apps (such as LonelyPlanet.com), and electronic (digital) maps on their mobile phones rather than using travel guidebooks and audio guides or printed maps respectively. Social networking sites such as Instagram, Snapchat, and Facebook are **replacing** the traditional holiday postcard as a way of letting peers know that they are travelling.

Prospective consumers can visit websites on the internet and view information about the offerings of various tourism businesses (usually accompanied by photographs, maps, and the company logo). If they wish, they can even print the pages.

The information found in brochures can be made available to prospective consumers via downloadable and printable e-brochures from internet sites, on social media apps, and portable navigation devices (PNDs). The advantages of digital brochures over printed brochure are summarised in **Table 2**.

Table 2. Digital brochures vs printed brochures

| Feature | Digital Brochure | Printed Brochure |
|----------------------------|--------------------------------|----------------------------------|
| Cost | Low (no printing) | High (printing & distribution) |
| Reach | Global & instant | Limited to physical distribution |
| Interactivity | High (videos, links, QR codes) | Low (static images & text) |
| Ease of Updates | Very easy | Difficult/expensive |
| Customer Preference | Younger & tech-savvy audiences | Traditional travellers |
| Sustainability | High (paper-free) | Lower (paper & ink usage) |
| Sales Environment | Best online | Best face-to-face |

E-brochures (digital brochures)

An e-brochure is a brochure in electronic format. An e-brochure (also called a “digital brochure” or “electronic brochure”) can be downloaded and then printed out in colour. It is easy to distribute (can be e-mailed to customers) and can deliver rich multimedia content blending text, images, sound, and video. It can be accessed when needed and is easy to translate. It is also measurable. (A company can measure how many people have seen it.) Special offers can also be loaded easily in an e-brochure.



Photos, videos, virtual tours, photo galleries, information, 360-degree images, interactive maps, and electronic travel itineraries are all features that can easily be added to e-brochures. They are in **direct** contrast to traditional paper brochures, which are expensive to print and distribute, date quickly and are expensive to translate into different languages. It is important that brochures be printable (e.g. in PDF format).



Did you know

That digital brochures now reach wider audiences through PDFs, QR codes, websites, and social media posts

QR-codes

A **quick response (QR) code** is a machine-readable code, similar to a bar code, which stores URLs or other information for reading by the camera on a smartphone (see Figure 1). QR-codes are generally used for mobile payments, digital coupons, or links to websites or social media sites. Travellers who have a mobile tag reader application can, for instance, scan a QR-code appearing in a print (such as brochures, leaflets, posters, billboards, newspaper ads or OHM) by taking a picture of it or scanning it with their smartphones.



QR-codes incorporated on brochures enable consumers to access a **company's digital content** (e.g. website, e-brochure, e-newsletter, social media platforms).



Over to you - Create a Mini Brochure Plan

Choose a holiday destination and design a one-page brochure plan.

Include the following sections:

1. **Target Market:** Who is the brochure aimed at and why?
2. **Key Messages:** List 3–5 selling points of the holiday.
3. **Images:** Describe two photos or visuals you would include.
4. **Layout:** Outline how you would structure the pages (e.g., cover image, itinerary section, price box).
5. **Distribution:** Explain where and how you would share the brochure (e.g., travel agents, website).



Write short, clear notes (bullet points acceptable).



Revision on the Go - Planning a Promotional Brochure

- **Know Your Target Market** – Identify who the brochure is for (families, adventure travellers, luxury tourists).
- **Set Clear Objectives** – Decide whether the brochure promotes a specific holiday, a new destination, or a seasonal offer.
- **Choose Key Messages** – Highlight benefits, itinerary details, USPs, pricing, and inclusions.
- **Use Strong Visuals** – Include high-quality photos, icons, maps, and consistent branding.
- **Plan the Layout** – Clear sections: front cover, main content, itinerary, price details, contact information.
- **Ensure Branding** – Use correct colours, fonts, tone of voice, and logo placement.
- **Check Accuracy & Legal Details** – Include correct pricing, terms, ATOL/ABTA protection, and essential travel information.
- **Plan Distribution** – Print (agents, exhibitions) + digital (website, email, social media).



Need to know

A well-planned brochure communicates value, inspires customer interest, and supports successful holiday sales.



Case Study – Designing a Brochure at IslandEscape Holidays



IslandEscape Holidays is a medium-sized tour operator specialising in Indian Ocean beach packages. The company plans to launch a new 7-night "Mauritius Discovery" holiday, targeting couples seeking relaxation and cultural experiences. To support the launch, the marketing team must design a promotional brochure that will be distributed both in print and online.

The team begins by **identifying the target market**: couples aged 25–45, interested in luxury, beaches, and cultural excursions. They set clear **objectives for the brochure**: highlight value, showcase resort quality, and promote early booking discounts. The team selects **key messages** such as "luxury beachfront stay," "all-inclusive dining," and "catamaran cruise included."

High-quality visuals are central to the brochure. The marketing team uses professional photographs of white-sand beaches, infinity pools, and local markets to create emotional appeal. They design the layout with a bold cover image, an inside itinerary page, a section on inclusions, and a pricing panel. Branding guidelines are followed strictly, using consistent colours, fonts, and the company logo.

Before printing, the team **reviews the content for accuracy**—checking dates, prices, flight details, and ATOL protection statements. Finally, they implement a distribution strategy, sending printed brochures to travel agents, uploading a digital version to the website, and sharing a short video teaser on social media to drive traffic to the brochure.

Case Study Questions

1. What were the main objectives of IslandEscape Holidays when developing their Mauritius brochure?
2. How did visuals and branding contribute to the effectiveness of the brochure?
3. Why is checking legal and accuracy details important before finalising a brochure?

2.5 Assess the suitability of alternative methods to a traditional tour operator brochure



Alternative Methods to a Traditional Tour Operator Brochure

Traditional printed brochures have long been used by tour operators to promote holiday packages. However, changes in consumer behaviour, digital technology, and sustainability pressures have led to the widespread use of alternative promotional methods. Tour operators now rely on a range of modern tools to reach customers, reduce costs, and improve flexibility. This section evaluates the suitability of these alternatives and how they support the construction and marketing of holidays.

1. Digital Brochures (PDF / Online Flipbooks)

Description:

Digital brochures replace printed versions with downloadable PDFs, online flipbooks, or mobile-friendly publications.

Advantages

- Easy and inexpensive to update
- Environmentally friendly
- Can include interactive elements (videos, links, maps)
- Easily shared via email, websites, and social media

Limitations

- Requires internet access
- Less appealing for customers who prefer physical materials

Suitable for:

Most modern tour operators, especially those targeting younger or international audiences.

2. Travel Websites and Online Portals

Description:

Websites allow tour operators to present holidays with detailed information, galleries, reviews, and real-time pricing.

Advantages

- Unlimited space for content and images
- Instant booking functionality
- SEO improves visibility
- Can be updated immediately

Limitations

- Requires investment in design and maintenance
- Information overload may confuse some consumers

Suitable for:

Mass-market, specialist, and tailor-made operators—especially those selling directly to consumers.

3. Social Media Marketing

Description:

Platforms such as Instagram, TikTok, Facebook, and YouTube are used to share photos, videos, reels, and customer reviews.

Advantages

- Reaches large, global audiences
- Highly visual and engaging
- Ideal for storytelling and destination inspiration
- Enables two-way communication with potential customers

Limitations

- Content must be updated frequently
- Harder to provide detailed information

Suitable for:

Youth markets, adventure operators, lifestyle brands, and companies promoting experience-driven holidays.



Did you know

That more than **80% of travellers** research holidays online before speaking to a travel agent

4. Email Marketing & E-Newsletters

Description:

Email newsletters highlight offers, new tours, and destination inspiration sent directly to subscribers.

Advantages

- Cost-effective and targeted
- Personalised content based on customer data
- Allows immediate response (“Book Now” links)

Limitations

- Emails may be ignored or filtered into spam
- Requires a managed mailing list

Suitable for:

Operators with established customer databases or loyalty programmes.



Need to know - Tourism Newsletters

A tourism newsletter doesn't have to be complicated or long-winded. It's really a roundup of any fun or insightful travel content you think your guests might be interested in.

The best part of these tourism newsletters? Giving past, present and future guests a sense that you have a wealth of knowledge worth sharing.

Wondering where to begin? Start by evaluating the type of marketing emails you like and what stands out in them.

A tourism newsletter paves the way for you to establish a personal level of communication with your audience. And it's pretty easy to get started, especially if you're passionate about what you do.



Over to you

Browse this website: <https://www.checkfront.com/blog/how-to-write-a-captivating-tourism-newsletter-with-examples/>

5. Mobile Apps

Description:

Some tour operators use mobile apps to present holiday products, itineraries, countdowns, documents, and notifications.

Advantages

- High customer engagement
- Real-time updates and alerts
- Integrates booking, itinerary management, and customer support

Limitations

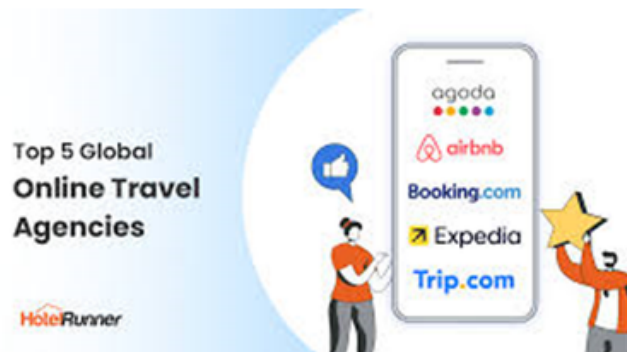
- Expensive to develop and maintain
- Suitable only for operators with large repeat-customer bases

Suitable for:

Large operators or brands offering multiple holiday products.



6. Online Travel Agents (OTAs) & Booking Platforms



Description:

Operators list holidays on platforms like Expedia, Booking.com, or TripAdvisor Experiences.

Advantages

- High visibility and credibility
- Access to millions of users
- Customer reviews build trust

Limitations

- Commissions reduce profit margins
- Less control over brand presentation

Suitable for:

Small and medium operators seeking wider reach.

7. Virtual Tours & Interactive Content



360° videos, VR experiences, and immersive previews showcase destinations before booking.

Advantages

- Highly engaging and modern
- Supports decision-making for unfamiliar destinations

Limitations

- Requires tech investment
- Not essential for all types of holidays

Suitable for:

Adventure, long-haul, luxury, and bespoke tour operators.



Did you know

That virtual tours and 360° videos significantly increase bookings for long-haul destinations by boosting customer confidence?

Summary: Assessing Suitability

The suitability of alternative methods depends on:

- **Target market** (e.g., younger audiences prefer digital and social media)
- **Budget** (digital tools often cheaper than print)
- **Product type** (luxury or complex itineraries benefit from rich media and detailed web content)
- **Customer preferences** (older customers may still prefer printed materials)
- **Sustainability goals** (digital materials reduce environmental impact)

While traditional brochures still play a role—especially in retail travel agencies—modern alternatives offer flexibility, global reach, lower cost, and greater engagement. Many successful operators now use a blended approach, combining digital tools with selective printed materials.



Did you know

That Morocco is one of the most photographed destinations in North Africa on Instagram, with millions of posts tagged in Marrakech and the Sahara Desert every year?



Industry Insight – Authentic Morocco Tours – Moving Beyond Printed Brochures

Authentic Morocco Tours (AMT) is a mid-sized tour operator based in Marrakech, offering desert adventures, cultural tours, and city breaks across Morocco. For more than a decade, the company relied heavily on printed brochures distributed in European markets, partner travel agencies, and tourism fairs in France, Spain, and the UK.



However, after noticing a steady decline in brochure requests—and rising printing costs—AMT decided to **modernise its marketing strategy**. Customer feedback showed that most travellers were researching Morocco online, watching videos on Instagram or TikTok, and browsing digital travel guides before contacting a tour operator. Printed brochures no longer reflected how customers discovered travel products.

AMT developed a **digital brochure** with embedded videos of Sahara sunsets, 360° views of riads in Marrakech, and interactive maps of the Atlas Mountains. The brochure was **accessible** via QR codes, email, and the company's website. This allowed AMT to update prices instantly and adjust itineraries during peak season without reprinting.

The company also invested in a **redesigned website** with real-time availability for desert camps, riads, and excursions. **Search engine optimisation (SEO)** helped AMT appear more frequently in searches for terms like “Morocco desert tours” and “Marrakech cultural experiences.”

AMT launched a **successful social media campaign**, sharing short videos of camel treks, traditional Berber music, and cooking classes. These posts were widely shared, especially by younger travellers seeking authentic cultural experiences. **Instagram “stories”** and **TikTok reels** generated high engagement and drove traffic to the digital brochure.

Despite the shift to digital, AMT retained a **small print run** of brochures for elderly travellers and European travel agencies who still valued high-quality printed material. The brochures were shorter and more visual but directed readers to the digital brochure for up-to-date prices.

Within one year, AMT saw a 55% increase in enquiries through digital channels. Marketing costs fell significantly, and the company reached new customers in North America and Asia—markets it had previously struggled to access with printed materials.

AMT's approach demonstrates how blending digital marketing tools with limited printed materials can create a flexible and cost-effective promotional strategy suited to modern traveller behaviour.



Revision on the Go - Alternatives to Traditional Brochures

- **Digital Brochures** – Cheap, easy to update, can include videos and links, ideal for global audiences.
- **Travel Websites** – Provide detailed info, galleries, real-time pricing, and instant booking.
- **Social Media Platforms** – Highly visual and interactive; effective for inspiring customers and targeting younger markets.
- **Email Marketing** – Cost-effective and personalised; good for promoting offers and repeat business.
- **Mobile Apps** – Provide itineraries, notifications, and integrated booking, best for large operators.
- **Online Travel Agents (OTAs)** – Expand reach and build trust but reduce profit margins.
- **Virtual Tours / Interactive Content** – Helps customers visualise destinations, ideal for luxury or long-haul holidays.



Need to know

Digital tools offer wider reach, flexibility, and lower costs than traditional brochures—but the best choice depends on the target market, budget, and product type.



Did you know

That social media videos are now the **most influential format** for inspiring holiday bookings among travellers aged 18–35?



Did you know

That digital brochures reduce marketing costs by up to **60%**, because they remove printing and distribution expenses?



Over to you - Choosing the Best Promotional Method

Choose a holiday package (real or imaginary), e.g., “7-day Bali Adventure,” “City Break in Paris,” or “Kenya Safari Escape.”

Assess the most suitable promotional method for this holiday by answering:

1. Which method would you choose (digital brochure, social media campaign, printed brochure, email newsletter, OTA listing)?
2. Why is this method appropriate for the target market?
3. What type of content (photos, videos, maps, price boxes, itinerary highlights) would you include?
4. Would you use a blended approach? If yes, explain briefly.

Write short notes (bullet points are acceptable).



Case Study – GoWild Adventures – Choosing Modern Marketing

GoWild Adventures is a specialist tour operator offering small-group wildlife and trekking tours in Tanzania, Nepal, and Peru. Historically, the company relied on a printed brochure to promote its annual tour range. However, rising printing costs and increasing demand from global customers encouraged GoWild to adopt new digital marketing methods.

The business developed a digital brochure with interactive maps, short wildlife clips, and “click to enquire” buttons. They also upgraded their website, adding real-time availability, customer reviews, and a blog featuring travel tips. The marketing team launched a social media campaign using Instagram reels and YouTube shorts showing safaris and mountain treks.

These new methods improved global reach, reduced brochure production costs, and allowed GoWild to update prices instantly—something impossible with printed brochures. However, they kept a small, printed brochure for trade fairs and older customers who preferred physical materials.

This blended approach helped GoWild increase enquiries by 40% in one year.

Case Study Questions

1. Why did GoWild Adventures decide to move away from using only a traditional printed brochure?
2. How did digital tools (website, digital brochure, social media) help improve their marketing effectiveness?
3. Why might GoWild still keep some printed brochures for certain customer groups?



Reading List

- Robinson, P., Fallon, P., Cameron, H., & Crotts, C. (Eds.). (2016). *Operations Management in the Travel Industry*. London: CABI.
- Szende, P., Dalton, A., & Yoo, M. (Eds.). (2021). *Operations Management in the Hospitality Industry*. London: Emerald Publishing Limited.
- Vaughan, Y. T. (2026). *Hotel Operations Management: Strategic and Resilient Practices* London: Kogan Page.

Summary

In this chapter you learnt about the steps and stages involved in constructing and marketing holidays

You learnt about the factors to consider in the development and implementation of a successful business plan.

In addition, you assessed the different methods of contracting and their suitability in the context of different types of tour operators.

You also learnt how to design a promotional brochure.

Finally, you assessed the suitability of alternative methods to a traditional tour operator brochure

CHAPTER THREE

Understand the functions and structure of resort operations

Introduction

In this chapter you will analyse the functions and structure of resort operations.

On completion of this chapter, you will learn about the structure of the resort offices of different types of tour operator

Learning Outcomes

On completing the chapter, you will be able to:

3. Understand the functions and structure of resort operations

Assessment Criteria

3.1 Examine the function of the resort operations of tour operator

3.2 Describe the structure of the resort offices of different types of tour operator

3.1 Examine the function of the resort operations of tour operators



Understanding Resort Operations in Tourism

Resort operations are a vital component of tour operator services, particularly for package holidays, beach destinations, all-inclusive resorts, and organised group tours. Once customers arrive at their holiday destination, the responsibility for delivering a smooth, enjoyable, and safe experience transfers to the resort operations team. This team coordinates all destination-based services, acts as the local representative of the tour operator, and ensures that the promises made during the holiday sale are fulfilled on-site.

Examining the function of resort operations helps you understand how tour operators manage the service delivery side of the holiday experience and the operational activities that take place at the destination.

Functions of Resort Operations in Tour Operations

Resort operations include a wide range of destination-based activities designed to support customers, maintain service quality, and handle day-to-day logistics. These functions are essential for ensuring that the holiday is delivered as planned and that customer expectations are met or exceeded.

1. Greeting and Airport Transfers

One of the first functions of resort operations is welcoming guests on arrival.

Key tasks include:

- Meeting guests at the airport
- Managing transfers to the resort or hotel
- Assisting with baggage and check-in
- Providing first-contact information and support

A smooth arrival process shapes the guest's first impression and sets the tone for the entire holiday.

2. Guest Welcome Meetings and Information Services

Reps or destination staff conduct welcome meetings to introduce the destination and available services.

Functions:

- Sharing essential safety and local information
- Explaining excursion options
- Providing emergency contact details
- Responding to customer questions

Helps customers feel informed, supported, and confident in an unfamiliar environment.

3. Customer Service and Problem Resolution

Resort teams are responsible for on-the-ground customer support.

Examples:

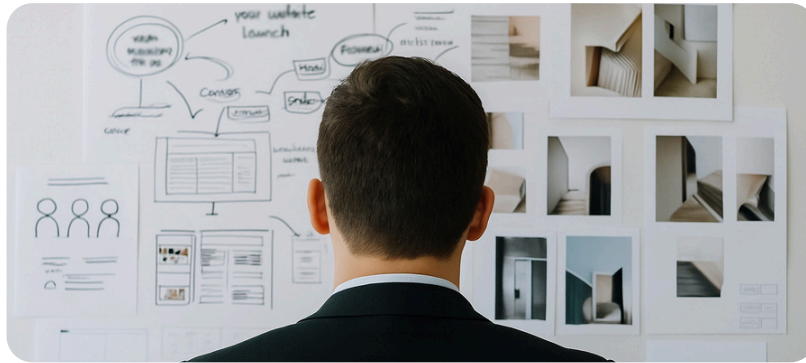
- Handling complaints (accommodation issues, flight delays, lost luggage)
- Ensuring service recovery when things go wrong
- Liaising with hotels, transport providers, and activity suppliers



Importance:

Effective customer service prevents dissatisfaction and protects the tour operator's reputation.

4. Health, Safety, and Risk Management



Tour operators must ensure that all suppliers and services meet safety standards.

Functions:

- Conducting hotel and excursion safety checks
- Monitoring swimming pools, fire exits, hygiene standards
- Managing incidents or emergencies
- Coordinating with local authorities when needed

This supports legal compliance, especially under Package Travel Regulations.

5. Resort Excursions and Sales

Excursions are an important revenue stream.

Resort operations manage:

- Organising guided tours, activities, and cultural experiences
- Selling excursions and optional extras
- Ensuring that local suppliers meet quality and safety standards

Excursions enhance the holiday experience and contribute to profitability.

6. Coordination With Local Suppliers

Resort teams work closely with accommodation providers, transport companies, restaurants, and excursion operators.

Functions:

- Monitoring service quality
- Ensuring contract terms are met
- Managing changes (e.g., overbookings, cancellations)
- Building strong local partnerships

Improved reliability and consistency of the holiday product.

7. Crisis and Emergency Management

Resort operations must respond quickly to unexpected events such as:

- Flight disruptions
- Illness or injury
- Natural disasters
- Political unrest
- Lost passports or documentation

Ensuring guest safety, relocating customers if necessary, and maintaining communication with headquarters.

8. Providing Feedback to the Head Office

After each season, resort staff submit reports on:

- Supplier performance
- Customer feedback trends
- Issues that affected service delivery
- Improvements needed for future operations

Feedback loops are essential for continuous improvement and better product design.



The **resort operations function** plays a central role in delivering the holiday experience once travellers reach their destination. It involves customer service, safety oversight, supplier coordination, excursion management, and crisis handling. Understanding these responsibilities helps you appreciate the **operational complexity** behind tour operator services and the importance of well-coordinated destination management.



Revision on the Go - Alternatives to Traditional Brochures

- **Meet & Greet Services** – Airport pickups, luggage assistance, and smooth transfers shape the guest's first impression.
- **Welcome Meetings** – Provide safety information, local insights, excursion options, and reassurance.
- **Customer Service & Problem-Solving** – Handling complaints, overbookings, delays, and service recovery.
- **Health & Safety Oversight** – Hotel checks, excursion safety audits, incident management, and compliance with regulations.
- **Excursion Management** – Organising, selling, and coordinating tours and activities at the destination.

- **Supplier Coordination** – Working with hotels, transport providers, restaurants, and attractions to maintain quality.
- **Crisis & Emergency Support** – Assisting during illness, flight disruptions, natural disasters, or lost documents.
- **Feedback to Head Office** – Reporting customer satisfaction, supplier performance, and operational issues.



Need to know- Sustainable tourism barriers

Resort operations ensure that the holiday experience is delivered safely, smoothly, and to the standard promised by the tour operator.



Over to you

Choose a holiday destination (e.g., Spain, Turkey, Thailand, Egypt, Jamaica). Imagine you are the resort operations manager for a tour operator in that location.

Task: List the actions your team would take at each stage of the customer journey:

1. Arrival at the airport
2. First 24 hours
3. During the holiday
4. In an emergency situation
5. At the end of the holiday

Write **1-2 sentences for each stage** explaining why each action is important for customer satisfaction and safety.



Case Study – SunCoast Holidays: Managing Resort Operations in Tenerife



is a UK-based tour operator specialising in beach and family holidays. One of its busiest destinations is **Tenerife**, where the company employs a team of five resort representatives (reps) to manage daily on-site operations.

Upon arrival, customers are **greeted at the airport** by a SunCoast rep who coordinates transfers to various hotels across the island. The resort team then hosts short welcome meetings where guests receive safety information, local tips, and a list of excursions—including whale-watching tours, volcano walks, and cultural trips to Santa Cruz.

Throughout the week, the resort reps work closely with hotel managers to resolve issues such as room allocation errors, air-conditioning faults, and meal-plan misunderstandings. They also conduct regular health and safety checks on pools, playgrounds, and excursion providers to ensure compliance with SunCoast's standards.

When a tropical storm caused flight cancellations and power outages, the resort operations team quickly organised temporary accommodation, provided food vouchers, and maintained communication between guests, the airline, and the UK head office. After the crisis, SunCoast's management praised the Tenerife team for their professionalism and used the feedback to improve future contingency plans.

Case Study Questions:

1. Which three key functions of resort operations are demonstrated by SunCoast Holidays in the case study? Provide brief examples.
2. Why are health and safety monitoring an essential part of resort operations? Use evidence from the scenario.
3. How did the resort operations team demonstrate effective crisis management during the tropical storm?

3.2 Describe the structure of the resort offices of different types of tour operator



Understanding Resort Operations in Tour Operations

Resort operations form a crucial part of the service delivery of tour operators. While holiday planning and marketing take place before departure, it is the resort operations team that ensures the customer's holiday experience is delivered successfully at the destination. Resort operations involve all on-the-ground activities that support guests from the moment they arrive until they return home, including customer service, safety management, supplier coordination, and problem resolution.

Examining the functions of resort operations helps you understand how tour operators maintain service quality, protect their brand reputation, and create positive guest experiences.

1. Airport Welcome and Transfers

The first point of contact between the customer and the tour operator at the destination is often the **airport representative**.

Key functions include:

- Greeting guests and confirming their arrival
- Managing luggage support
- Coordinating transfers to hotels or resorts
- Providing initial information and reassurance

A smooth, friendly arrival process sets the tone for the holiday and reduces customer anxiety in a new environment.

2. Welcome Meetings and Destination Briefings



Short welcome meetings are typically held at hotels or resorts within the first 24 hours.

Functions:

- Providing essential safety and local information
- Explaining excursion options and activities
- Clarifying hotel facilities, meal plans, and local transport
- Giving emergency contact details

To inform, reassure, and help guests make the most of their stay.

3. Customer Service and Problem Resolution

Resort staff act as the frontline customer service team.

Typical responsibilities:

- Handling complaints (e.g., room quality, noise issues, food concerns)
- Liaising with hotels and suppliers to fix problems
- Providing support in cases of delays or misplaced luggage
- Offering information and personalised assistance

Effective customer service protects the operator's reputation and increases satisfaction.



Did you know

That many operators now use real-time reporting apps for resort reps to log incidents, customer feedback, and supplier issues instantly back to head office?

4. Health, Safety, and Risk Management

Tour operators must comply with health and safety regulations across the entire customer journey.

Functions include:

- Conducting safety audits of hotels, pools, playgrounds, and excursion providers
- Checking hygiene, fire safety, and first-aid standards
- Managing accidents or incidents
- Reporting risks to the head office

It ensures customer safety, reduces legal risk, and complies with Package Travel Regulations.

5. Excursion Sales and Activity Management

Many tour operators offer optional excursions, creating additional revenue and enhancing the holiday experience.

Roles:

- Presenting and selling excursions
- Coordinating local guides and transport
- Ensuring excursions meet quality and safety standards
- Gathering customer feedback after activities



Excursions create memorable experiences and strengthen customer loyalty.

6. Supplier Coordination

Resort operations teams work closely with multiple suppliers to deliver the holiday.

Common suppliers include:

- Hotels and resorts
- Transport companies (coaches, taxis, boats)
- Restaurants
- Local attractions and activity providers

Function:

Ensure all contracted services are delivered to a consistent standard.

7. Crisis and Emergency Management

Unexpected issues can occur at any destination.

Resort staff must:

- Assist in medical emergencies
- Support guests during flight cancellations, extreme weather, or political unrest
- Arrange alternative accommodation or transport
- Communicate with the head office and authorities

Outcome:

Maintaining guest safety and minimising disruption.



8. End-of-Stay Services and Feedback Collection

Before departure, the resort team assists with:

- Confirming transfer times
- Providing check-out information
- Handling last-minute enquiries
- Collecting customer satisfaction feedback

Feedback helps improve future operations and supports quality assurance.

The function of resort operations is to deliver a seamless, safe, and enjoyable holiday experience once customers arrive at their destination. Their responsibilities range from airport welcomes and customer service to safety monitoring, supplier coordination, and crisis management. **Effective resort operations** are essential for achieving high service standards and maintaining customer satisfaction, making them a central component of tour operator success.



Need to know- Sustainable tourism barriers

Resort operations ensure that holiday expectations are met by providing on-site support, safety, and consistent service delivery from arrival to departure.



Did you know

That resort representatives are often the most influential factor in customer satisfaction for package holidays. Many tour operators report that positive rep interactions can significantly increase repeat bookings.



Over to you

Create a **short outline** describing how a tour operator's resort operations team would support customers at each stage:

1. Arrival at the airport
2. Check-in and welcome meetings
3. During the holiday (mid-stay support)
4. Excursion management
5. Emergency or crisis response
6. Departure and feedback collection

Write **1-2 sentences** for each stage explaining why this function is important.



Did you know

That resort operations teams often work **6-7 days a week** during peak season, as they must cover arrivals, departures, emergencies, and daily hotel visits



Industry Insight - Resort Operations in the Caribbean

The Caribbean is one of the world's leading destinations for all-inclusive and package holidays, attracting visitors from Europe, North America, and Latin America. Tour operators such as **Sandals/Beaches Resorts, TUI, Virgin Holidays, and Sunwing Vacations** operate highly structured resort operations teams across islands like Jamaica, Barbados, St. Lucia, and the Dominican Republic.



In Jamaica, for example, Virgin Holidays operates a dedicated airport lounge at Montego Bay where guests are greeted by resort representatives, offered refreshments, and assisted with immigration forms. Resort reps then coordinate transfers with local transport partners, ensuring guests reach their hotels smoothly despite busy airport conditions.

Once guests arrive at the resort, operations teams continue to provide support through daily hotel visits, WhatsApp-based communication, and scheduled welcome briefings. These meetings introduce guests to local customs, excursion options such as Dunn's River Falls tours or catamaran cruises, and essential safety information—such as swimming conditions and weather updates.

Given the popularity of outdoor excursions, Caribbean resort operations teams must conduct strict safety checks on boat operators, snorkelling providers, and transport companies. Tour operators often partner with certified suppliers to ensure international safety standards are met—a major requirement for both UK and North American customers.

The Caribbean is vulnerable to hurricanes, tropical storms, and sudden weather changes. Resort operations teams play a crucial role in monitoring forecasts, updating guests, coordinating hotel evacuations when necessary, and liaising with airlines to rearrange flights. During Hurricane Maria and Hurricane Dorian, many resort reps worked around the clock to relocate guests, manage shelters, and support local emergency services.

Caribbean operators also focus on cultural experiences—such as rum distillery tours, reggae history tours, chocolate-making workshops, and island food tastings. Resort reps vet these suppliers for safety, quality, and authenticity, ensuring guests enjoy both leisure and cultural elements responsibly.

Many Caribbean resorts now offer hybrid support:

- Mobile apps with digital welcome packs
- Real-time transfer updates
- Instant messaging with reps
- “Book now” excursion platforms

Despite these advances, human interaction remains vital—especially for personalised service, problem-solving, and emergency support.

This Caribbean example shows how resort operations combine **customer care, safety management, supplier coordination, and crisis response** in destinations where weather, transport challenges, and high visitor volumes require strong operational structures.



Revision on the Go -Resort Operations Airport Welcome & Transfers

– First point of contact; creates a positive first impression.

- **Welcome Meetings** – Provide essential information, safety advice, excursion options, and local tips.
- **Customer Service Support** – Handles complaints, service failures, and guest enquiries.
- **Health & Safety Monitoring** – Conducts hotel checks, excursion assessments, and manages incidents.
- **Excursion Management** – Organises, sells, and coordinates local tours and activities.
- **Supplier Coordination** – Works with hotels, transport providers, guides, and attractions to maintain quality.
- **Crisis & Emergency Response** – Assists guests during illness, weather disruptions, lost documents, or flight issues.
- **Feedback & Reporting** – Collects customer feedback and informs head office of operational issues.



Case Study – Olta Travel – Resort Operations in Cyprus

Olta Travel is a UK-based tour operator specialising in Mediterranean package holidays. One of their busiest destinations is Cyprus, where a team of six resort representatives manages on-the-ground operations during the peak summer season.



Upon arrival, guests are greeted by a Olta Travel rep at Larnaca Airport. The reps coordinate airport transfers to multiple hotels, ensuring families, solo travellers, and groups reach the correct accommodation. Within the first day, welcome meetings are held at each property, offering safety information, local insights, and an overview of optional excursions such as boat trips, vineyard tours, and historical city walks.

Throughout the holiday, resort reps visit hotels daily to handle customer enquiries and resolve issues such as room changes, lost baggage, or misunderstandings about meal plans. They also conduct regular **health and safety checks** of pools, play areas, and excursion providers to ensure compliance with Olta Travel's standards.

When unexpected wildfires occurred in a nearby area, the resort operations team worked with hotels, local authorities, and the Olta Travel head office to monitor conditions, reassure guests, and adjust excursions. At the end of guests' stay, reps confirmed transfer times, provided departure information, and collected customer feedback forms to support future improvements.

Olta Travel's resort operations demonstrate how essential local teams are to maintaining service quality and ensuring safe, smooth holiday delivery.

Case Study Questions

1. Which key resort operations are demonstrated in Olta Travel's customer arrival and first-day procedures?
2. How did the resort operations team contribute to guest safety and risk management during the wildfire incident?
3. Why are health and safety monitoring an essential part of resort operations? Use evidence from the scenario.

3.3 Explain why different resort offices structures are adopted



Why Different Resort Office Structures are Adopted

Resort offices form the operational “base” for tour operators in destination areas. Their structure can vary widely depending on the type of holiday, destination characteristics, customer volume, and the tour operator’s business model. Choosing the most suitable resort office structure helps ensure effective service delivery, efficient communication, and smooth operations throughout the holiday experience.

Different structures also allow tour operators to respond to local challenges such as geography, staff availability, transport connections, and safety considerations. This section explains the main types of resort office structures and why tour operators adopt different approaches.

1. Centralised Resort Office Structure

A single main office manages operations for multiple hotels or resorts within a region. Staff travel to properties for daily visits, welcome meetings, and issue resolution.

Why Adopt This Structure?

- **Cost-efficient:** Reduces the need for multiple offices in the same destination.
- **Ideal for compact destinations:** Such as city centres or small islands where resorts are close together.
- **Improves communication:** A central point makes it easier to coordinate suppliers, staff schedules, and reporting.
- Suitable for mid-sized operators with moderate customer volumes.

Example Destinations:

Malta, Madeira, Tenerife (southern region).

2. Decentralised / Multi-Office Structure

Multiple smaller offices are located across different resort areas or large regions, each managed by regional reps or supervisors.

Why Adopt This Structure?

- **Large Geographical Areas:** In destinations like Turkey, Spain, or Thailand, hotels are spread across large distances.
- **High Customer Volume:** Large tour operators need multiple offices to manage thousands of customers efficiently.
- **Faster Response Times:** Staff can reach guests quickly in the event of complaints, emergencies, or changes.
- **Stronger Supplier Relationships:** Local offices handle hotels, restaurants, and excursion providers in their area.

Example Destinations:

Turkey's Mediterranean coast, Mainland Spain, South Africa, Thailand.



Did you know

That some tour operators in Greece run three different office models at the same time—central offices for administration, hotel-based desks for customer service, and mobile reps for remote areas.

3. Hotel-Based Representative Structure

Reps are based directly inside the hotel or resort, often with a dedicated desk in the lobby.

Why Adopt This Structure?

- **High customer concentration:** Large properties hosting many guests from one tour operator.
- **Premium service level:** Provides immediate on-site support and personal contact.
- **Excursion sales opportunity:** On-site reps can promote and sell activities directly.
- Suitable for all-inclusive or resort-style holidays where most activities occur within the hotel.

Example Destinations:

Dominican Republic, Mexico, Egypt, Canary Islands (large hotels).



Over to you

A tour operator is planning to open operations in Kenya, where customers stay in multiple safari lodges spread far apart.

In **2–3 sentences**, state which resort office structure is most suitable (centralised, decentralised, hotel-based, mobile, or virtual) and briefly explain why.

4. Mobile or “Rep-on-the-Road” Structure

Reps do not operate from a physical office but visit multiple hotels following a scheduled route.

Why Adopt This Structure?

- Cost-effective for small tour operators with lower customer numbers.
- Ideal for dispersed hotels where a permanent office is unnecessary.
- **Flexible:** Reps can adjust routes based on arrival times and customer needs.
- Efficient for niche or adventure operators (e.g. trekking, eco-tours).

Example Destinations:

Kenya safari circuits, Sri Lanka tours, rural Bali, island-hopping destinations.

5. Virtual or Digital Resort Office Structure



Reps do not operate from a physical office but visit multiple hotels following a scheduled route.

Why Adopt This Structure?

- Popular after COVID-19 as guests prefer online communication options.
- Cost-saving for operators with global, distributed markets.
- Allows 24/7 support through automated or remote systems.
- Reduces the need for multiple physical offices, especially in urban destinations.

Example Destinations:

City breaks (Paris, Dubai, New York), multi-country tours, digital nomad markets.

Why Tour Operators Choose Different Structures

1. Centralised Resort Office Structure

High-volume destinations need several offices; low-volume destinations do not.

2. Geography & Distance

Large or spread-out regions require decentralised or mobile structures.

3. Type of Product Offered

- All-inclusive → hotel-based reps
- Backpacker or adventure → mobile rep model
- City breaks → digital/centralised structure



Did you know

That that tour operators choose office structures based on **customer distribution patterns**—meaning a single destination can have multiple models depending on how guests are spread out.

4. Cost Considerations

Centralised or virtual offices reduce operational costs.

5. Supplier Requirements

Strong supplier relationships may require regional offices for better coordination.

6. Safety and Risk Needs

High-risk areas may require more robust, physical on-the-ground structures.

Different resort office structures allow tour operators to deliver efficient, customer-focused services tailored to the destination and business model. Whether centralised, decentralised, hotel-based, mobile, or virtual, each structure supports the tour operator's aim of delivering a safe, enjoyable, and well-managed holiday experience.



Need to know

Tour operators adopt different structures to match destination geography, customer numbers, product type, cost levels, and safety needs.



Over to you

Create a short plan outlining the most appropriate resort office structure for a tour operator working in that destination.

Your plan must include:

1. Which structure you would choose – Centralised, decentralised, hotel-based, mobile, virtual, or a combination.
2. Why this structure is suitable – Consider geography, customer numbers, hotel distribution, cost, safety, and type of holiday product.
3. How this structure improves customer experience – e.g., faster response, personalised service, improved safety, easier coordination with suppliers.

Write your answer in **6–8 bullet points**.



Revision on the Go - Resort Office Structures

Centralised Office – One main office manages all operations in the destination.

- ✓ Best for small islands or compact destinations
- ✓ Low cost, easy communication
- ✗ Less flexible in large geographic areas

Decentralised / Multi-Office – Several offices across major resort zones.

- ✓ Best for large destinations with many customers
- ✓ Faster response times
- ✗ Higher operating costs

Hotel-Based Reps – Staff based directly in large hotels.

- ✓ Immediate guest support
- ✓ Ideal for all-inclusive or high-volume resorts
- ✗ Only suitable where a tour operator has many guests in one property

Mobile / “Rep-on-the-Road” – Reps travel between hotels with no fixed office.

- ✓ Cost-effective for small or niche operators
- ✓ Flexible for scattered hotels
- ✗ Limited availability for urgent issues

Virtual / Digital Lounge – Support provided through apps, messaging, or video.

- ✓ Reduces costs, allows 24/7 support
- ✓ Popular for city breaks and multi-country tours
- ✗ Less personal, not ideal for emergencies



Did you know

That large operators such as TUI and Jet2Holidays often have over 100 resort-based staff in one destination during peak seasons?



Case Study – SunWay Holidays – Caribbean Sun Holidays

Caribbean Sun Holidays is a UK-based tour operator specialising in all-inclusive family holidays in Barbados. The company hosts more than 1,500 guests per week during the winter season.



Historically, they operated from a single central resort office near St. Lawrence Gap, but increasing guest numbers and long travel distances between hotels began to affect response times.

To improve customer service, Caribbean Sun Holidays adopted a **mixed resort office structure**:

- **Hotel-based desks** were opened in the two largest partner resorts, where most guests stayed.
- A **centralised office** continued to handle administration, supplier contracts, and logistics.
- A **mobile team** visited smaller boutique hotels and villas scattered across the island.

During the peak season, this structure proved highly effective. Guests in large hotels enjoyed immediate assistance with excursions and issues, while customers in smaller properties still received personalised visits. The mobile team used tablets to log issues directly into the central office system, improving communication across the destination.

This blended approach allowed Caribbean Sun Holidays to offer fast, flexible, and cost-efficient service while maintaining high guest satisfaction scores.

Case Study Questions

1. Why was the previous centralised-only structure no longer effective for Caribbean Sun Holidays?
2. How did combining hotel-based desks and mobile reps benefit customers?
3. Why is a blended resort office model suitable for destinations like Barbados?



Reading List

- Robinson, P., Fallon, P., Cameron, H., & Crotts, C. (Eds.). (2016). *Operations Management in the Travel Industry*. London: CABI.
- Schuckert, M., & Christie-Mill, R. (2026). *Resort: Management and Operation*, 4th edn. New York: Wiley.
- Szende, P., Dalton, A., & Yoo, M. (Eds.). (2021). *Operations Management in the Hospitality Industry*. London: Emerald Publishing Limited.
- Vaughan, Y. T. (2026). *Hotel Operations Management: Strategic and Resilient Practices* London: Kogan Page.

Summary

In this chapter you analysed the functions and structure of resort operations.

In addition, you learnt about the structure of the resort offices of different types of tour operator

Understand how to develop a business strategy for a resort/tour operation

Introduction

In this chapter you will understand the key areas to include in a business strategy.

You will analyse the factors to consider in relation to the chosen resort/tour operation.

Learning Outcomes

On completing the chapter, you will be able to:

4. Understand how to develop a business strategy for a resort/tour operation

Assessment Criteria

4.1 Explain the key areas to include in a business strategy and their importance

4.2 Analyse the factors to take into account in relation to a chosen resort/tour operation

4.1 Explain the key areas to include in a business strategy and their importance



Developing a Business Strategy for a Resort or Tour Operation

A **business strategy** provides a clear direction for how a resort or tour operator will compete, grow, attract customers, and deliver high-quality services. It helps organisations make informed decisions about products, markets, finances, staffing, and long-term goals. A strong business strategy ensures that the company remains competitive, sustainable, and capable of meeting customer expectations in a rapidly changing tourism environment.

Below are the **key areas that should be included** in a business strategy, along with an explanation of their importance.

1. Vision and Mission Statements

What to Include:

- A clear long-term vision for the organisation
- A mission that defines the company purpose and customer promise

Importance:

- Provides direction and a shared purpose for employees and stakeholders
- Helps guide decision-making and strategic priorities
- Builds brand identity and communicates values to customers



Need to know - A mission statement

The mission statement is a **guide (an 'invisible hand')** that helps employees know the purpose of the organisation. A company's mission statement is usually found on its official website (often in the "About us" link), in its promotional literature, company report, and on the wall of premises.



Need to know - A strong business plan

Find **three examples** of mission statements, or visions, for tourism and hospitality organisations (use the internet as a research tool). For each example, try to find at least three facts about the company from the statement. Critically evaluate each statement in terms of its clarity. Does it sound motivational to you? Does it express the benefits it offers consumers?



Industry Insight - Skyline India Travel's mission statement

Skyline India Travel is a travel agency located in Varanasi, north-east India. The company started in 1994 offering a range of travel management services. The agency is approved by IATA as well as the Ministry of Tourism, India.



Skyline India Travel's vision and mission are as follows.

Vision

"Our vision is to become the leading travel operator in Varanasi, by relying on a well-motivated workforce, applying appropriate technology, and providing maximum satisfaction to the customer."

Mission

"Our mission is to provide high quality services in the tourism and hospitality industry, timely and efficiently; through:

- Prompt service delivery
- Regular training of staff
- Competitive pricing of services
- Progressive programs & strategies aimed at motivating our employees to produce their best."

2. Market Analysis

What to Include:

- Target market segments (e.g., families, adventure travellers, luxury customers)
- Competitor analysis
- Trends in demand, technology, and customer behaviour
- SWOT analysis (strengths, weaknesses, opportunities, threats)

Importance:

- Ensures the strategy is based on real customer needs and industry trends
- Helps identify opportunities for competitive advantage
- Supports accurate product development and pricing decisions



Need to know

Objectives – clearly state what needs to happen in order to achieve a desired outcome and should be indicated in a strategic plan.

Strategy – a plan or an approach, a way of achieving a goal.

3. Product and Service Strategy

What to Include:

- Description of holiday packages, excursions, resort services, and experiences
- Unique selling points (USPs)
- Quality standards and service delivery processes

Importance:

- Ensures offerings match customer expectations
- Differentiates the operator from competitors
- Helps maintain service consistency across destinations



Did you know

That more than **60% of business failures in tourism** are linked to a lack of clear strategy or poor planning?

4. Operational Strategy

What to Include:

- Structure of resort operations (staffing, office model, rep roles)
- Supplier management strategies (hotels, transport, excursion providers)
- Health and safety procedures
- Technology and communication systems

Importance:

- Ensures smooth, efficient holiday delivery
- Helps manage risks and ensure customer safety
- Supports reliable coordination between offices, suppliers, and destinations



Did you know

That global operators like TUI and Expedia update their business strategies **every 12 months** due to rapidly changing consumer behaviour and technology?

5. Marketing and Promotion Strategy

What to Include:

- Branding approach
- Promotional tools (digital brochures, website, social media, email marketing, OTAs)
- Pricing strategies and special offers
- Customer communication channels

Importance:

- Attracts new customers and strengthens brand recognition
- Ensures the right message reaches the right audience
- Drives sales and supports year-round demand



Did you know

That customer feedback from resort reps is often used to directly shape future business strategies and new holiday products?

6. Financial Strategy

What to Include:

- Budgeting and cost control
- Revenue projections and pricing models
- Investment planning
- Profitability targets

Importance:

- Ensures the business remains financially stable
- Helps operators avoid losses during low seasons
- Guides decisions on expansion, staffing, and product development

7. Human Resource Strategy

What to Include:

- Recruitment and training of resort reps, guides, and operational staff
- Staff performance management
- Professional development and customer service training

Importance:

- Staff skills directly affect customer satisfaction and brand reputation
- Well-trained employees handle crises and complaints effectively
- Supports safe and high-quality service delivery



Need to know

Human resource management (HRM) is the function within an organisation that focuses on recruitment of, management of, and providing direction for the people who work in the organisation.

8. Risk Management and Sustainability Strategy

What to Include:

- Health, safety, and emergency policies
- Environmental sustainability measures (waste reduction, energy use, ethical suppliers)
- Crisis management plans (weather, political instability, illness outbreaks)

Importance:

- Protects customers, staff, and business assets
- Supports long-term sustainability goals
- Enhances responsible tourism practices and regulatory compliance

9. Monitoring, Evaluation, and KPIs

What to Include:

- Key performance indicators for sales, operations, customer satisfaction, and safety
- Processes for reviewing performance and making adjustments
- Customer feedback systems

Importance:

- Ensures the strategy remains relevant and effective
- Helps managers identify problems early
- Supports continuous improvement and competitive advantage



Need to know

Key Performance Indicators (KPIs) are values used to assess how well an organisation is achieving its goals and performance targets.



A well-developed business strategy integrates all aspects of a resort or tour operation –from marketing and product development to finance, staffing, and risk management. Each area plays a vital role in ensuring the organisation can deliver safe, sustainable, and high-quality holiday experiences. For tour operators and resort providers, a strong business strategy is essential for long-term success in a dynamic global tourism industry.



Need to know

A strong **business strategy** aligns vision, operations, finances, marketing, and risk management to ensure successful, sustainable tourism services.



Over to you - Building Your Own Business Strategy Outline

Choose a tour operator or resort (real or fictional).

Task:

Create a **simple business strategy outline** that includes:

1. A short vision or mission statement
2. Target markets and key trends
3. A list of products/services and their USPs
4. Key operational needs (staff, suppliers, safety)
5. Marketing and promotional approaches
6. One sustainability action
7. One financial priority (e.g., controlling costs, increasing revenue)

Write **8–10 bullet points**.



Over to you - Identify the Strategy Gap

Choose any well-known tour operator (e.g., TUI, Kuoni, Intrepid Travel, Jet2Holidays).

Task (2–3 sentences):

Identify one area of business strategy (e.g., marketing, finance, operations, HR, sustainability) where the operator is strong, and one area that could be improved.

Explain briefly why.



Revision on the Go - Key Areas of a Business Strategy

- **Vision & Mission** – Defines purpose, long-term direction, and customer promise.
- **Market Analysis** – Identifies target markets, competitors, trends, and SWOT insights.
- **Product & Service Strategy** – Establishes holiday types, experiences, and unique selling points (USPs).
- **Operational Strategy** – Outlines resort operations, staffing, supplier management, and safety procedures.
- **Marketing & Promotion** – Details branding, communication channels, pricing, and promotional tools.

- **Financial Strategy** – Covers budgeting, revenue forecasts, and cost control.
- **Human Resources Strategy** – Ensures skilled staff, training programmes, and performance management.
- **Risk & Sustainability Strategy** – Includes safety protocols, crisis planning, and ethical/environmental practices.
- **Monitoring & Evaluation** – Sets KPIs, feedback systems, and review processes



Over to you - Strategy snapshot

Write **4 bullet points**, one for each of these strategic areas:

1. **Target market** (e.g., families, adventure travellers)
2. **Key USP** (what makes the operator special)
3. **Operational need** (e.g., trained reps, reliable suppliers)
4. **One sustainability goal** (e.g., reduce plastic use, support local communities).

4.2 Analyse the factors to take into account in relation to a chosen resort/tour operation



Analysing Key Factors for Developing a Business Strategy: Case of Oasis Sahara Tours, Tunisia

Developing a business strategy for a resort or tour operation requires a clear understanding of the internal and external factors that affect the organisation. These factors influence decision-making, product development, marketing approaches, staffing, finances, and long-term sustainability. Below is an analysis using **Oasis Sahara Tours**, a mid-sized tour operator based in southern Tunisia, specialising in desert safaris, cultural tours, and coastal resort packages.

1. Market Demand and Customer Segmentation

Understanding demand patterns is crucial.

Oasis Sahara Tours attracts three main segments:

- European beach holiday travellers (France, Italy, Germany)
- Adventure tourists interested in Sahara Desert experiences
- Domestic travellers seeking cultural and family packages

Market segments influence product design, pricing, seasonality, and marketing channels. For example, European visitors peak in summer, while adventure tourists prefer cooler months.

2. Destination Characteristics

Tunisia's tourism landscape is diverse, with coastal resorts, desert regions, and UNESCO sites.

Strategic planning must consider:

- Hot climate, affecting when and how desert tours operate
- Regional infrastructure differences (roads, airports, local transport)
- Political stability and international travel advisories

Destination conditions directly affect safety, logistics, and product feasibility.

3. Competitor Analysis

The Tunisian market includes both domestic operators and international brands.

Key competitors offer:

- Affordable beach packages
- Luxury Sahara camps
- Cultural and historical tours

Understanding competitor strengths helps Oasis Sahara Tours identify unique selling points (USPs), such as authentic Bedouin cultural experiences or small-group expeditions.



Did you know

That Tunisia receives over 9 million visitors per year, making strategic planning essential for handling high visitor flows?

4. Supplier Relationships

Reliable suppliers are essential, including:

- Local desert guides
- Resort hotels
- Transport companies (4x4 vehicles, minibuses)
- Restaurants, camel handlers, and craft cooperatives

Supplier quality affects customer experience, safety, and the company's brand reputation. Tunisia's desert regions require dependable local partners for survival, safety, and cultural integrity.

5. Operational Capabilities

Oasis Sahara Tours must assess internal operations such as:

- Staff expertise in desert guiding
- Availability of trained multilingual reps
- Technology systems for booking and communication
- Health and safety protocols

Strong operations support service quality and risk management, especially in remote areas where emergency response can be challenging.



Did you know

That desert tour operators in North Africa often rely on **local tribes and communities** for guiding, accommodation, and cultural experiences?

6. Financial Considerations

Key financial factors include:

- Seasonal revenue fluctuations
- Vehicle maintenance and fuel costs
- Pricing competitiveness
- Investment in digital marketing
- Cash flow for high season staffing



A sustainable financial strategy ensures stability throughout the year, especially in off-peak seasons.

7. Sustainability and Ethical Factors

Tunisia's fragile desert environments and cultural heritage require responsible tourism planning.

- Minimising environmental damage (waste, off-road driving)
- Supporting local communities through fair wages and partnerships
- Ensuring cultural authenticity in Sahara tours
- Reducing single-use plastics during expeditions

Sustainable practices appeal to modern travellers and help protect the Sahara ecosystem.

8. Risk Management

Key risks include:

- Extreme weather (sandstorms, heatwaves)
- Political or economic instability
- Transport breakdowns in remote areas
- Health and safety issues on camel treks and dunes

Why it matters:

A business strategy must include emergency procedures, communication systems, and contingency plans to protect guests and staff.

9. Marketing and Branding Requirements

To attract international visitors, Oasis Sahara Tours must invest in:

- Strong digital presence (website, social media, video content)
- Partnerships with European travel agents
- Clear branding highlighting authenticity and safety

Marketing drives awareness and differentiates the operator in a crowded market.



Developing a business strategy for Oasis Sahara Tours requires analysing customer needs, destination conditions, competition, suppliers, operational capacity, finances, sustainability, risks, and marketing opportunities. By understanding these factors, the company can design a competitive and responsible strategy that supports growth and enhances the visitor experience in Tunisia's tourism sector.



Need to know

Effective business strategies depend on understanding both the internal strengths and external conditions of the resort or tour operation.



Over to you

Using the Oasis Sahara Tours example:

Write **3–4 bullet points** explaining which factors you think are most important for their long-term success.

(Examples: sustainability, safety, digital marketing, staff training.)



Revision on the Go - Key Areas of a Strategy

- **Market Demand** – Identify who the customers are and what experiences they want.
- **Destination Characteristics** – Climate, safety, infrastructure, and cultural features.
- **Competition** – Understand rival products and identify your Unique Selling Points (USPs).
- **Supplier Networks** – Reliable hotels, guides, and transport providers are essential.
- **Operational Capacity** – Staff skills, technology, communication systems, and safety processes.
- **Financial Strength** – Cash flow, pricing, seasonality, and investment needs.
- **Sustainability** – Protect the environment and support local communities.
- **Risk Management** – Prepare for weather, safety, political changes, and emergencies.
- **Marketing Strategy** – Branding, digital presence, and partnerships.



Over to you – Strategy snapshot

Choose a tour operator or resort in South Asia or North Africa (e.g., Morocco, Egypt, India, Sri Lanka).

List five factors that operator must consider when developing its business strategy.

Write **one sentence** explaining why each factor matters.



Over to you – Strategy snapshot

Choose any resort or tour operator (real or fictional).

List **four key factors** that the organisation must consider when developing its business strategy—for example: customer demand, competition, destination constraints, sustainability, finances, or safety.

Then write **one sentence** explaining why each factor is important.



Industry Insight – Strategic Factors in Spain's Tourism Operations

Spain is one of the world's leading tourism destinations, welcoming more than 94 million visitors in 2024. Tour operators and resort operators working in Spain must consider **several strategic factors** when developing their business strategy.



The Spanish tourism market is highly competitive, with major international operators must carefully analyse market demand, which varies by region. For example, the **Balearic Islands** attract younger travellers seeking nightlife and beach holidays, while the Canary Islands draw winter-sun tourists.

Another factor is **seasonality**, which significantly shapes strategic planning. Summer visitor peaks require increased staffing, accommodation contracts, and transport logistics, whereas winter sees reduced demand in mainland resorts. Spanish regulations relating to health and safety, environmental protection, and employment also influence strategy. **Tourism operators must comply** with strict coastal development rules, swimming pool safety standards, and food hygiene regulations.

Sustainability factors have become increasingly important. Overcrowding, environmental pressures, and local community concerns—particularly in Barcelona, Mallorca, and Tenerife—mean tour operators must consider responsible tourism practices, waste reduction, and visitor spread. Digitalisation is another key factor: Spanish resorts widely use online check-in, mobile concierge services, and **dynamic pricing** models, which influence operational planning and customer service strategies.

This combination of competition, regulation, seasonality, digital innovation, and sustainability pressures shapes how tour operators build effective strategies in Spain's fast-evolving tourism landscape.



Did you know

That destination characteristics (climate, culture, regulations, and infrastructure) often have a **bigger impact** on a tour operator's strategy than the company's internal resources?



Case Study – Paradise Trails Adventures – Building a Strong Business Strategy

Paradise Trails Adventures is a mid-sized tour operator offering eco-friendly trekking and cultural tours in Nepal, Vietnam, and Sri Lanka. The company experienced steady growth for several years but began facing challenges from new competitors and shifting customer expectations. To remain competitive, the management team decided to develop a new business strategy.



They began by refining their **vision and mission**, focusing on sustainable adventure travel and meaningful community engagement. A **market analysis** identified key growth areas such as Gen Z travellers seeking ethical tourism, and older adults looking for soft-adventure options. A **product strategy** was developed to introduce new “slow travel” itineraries and carbon-neutral trekking routes.

Operationally, the company invested in better **guide training**, improved safety equipment, and digital tools for communication between head office and local teams. A **strengthened marketing strategy** focused on Instagram storytelling, YouTube mini-documentaries, and partnerships with sustainable travel influencers.

Financial planning introduced stricter budgeting and seasonal pricing models. A sustainability strategy included commitments to zero single-use plastics, hiring local guides, and reinvesting 5% of profits into community projects. Finally, clear KPIs were established to measure customer satisfaction, safety performance, and revenue targets.

Within two years, customer numbers increased by 40%, and the operator became recognised as a leader in sustainable adventure tourism in Asia.

Case Study Questions

1. Which key strategic areas were essential in helping Paradise Trails Adventures reposition itself in the market?
2. How did operational and human resource strategies improve customer experiences?
3. Why was sustainability included as a central part of the business strategy? sector.



Reading List

- Robinson, P., Fallon, P., Cameron, H., & Crotts, C. (Eds.). (2016). *Operations Management in the Travel Industry*. London: CABI.
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- Vaughan, Y. T. (2026). *Hotel Operations Management: Strategic and Resilient Practices* London: Kogan Page.

Summary

In this chapter you explored the key areas to include in a business strategy.

You analysed the factors to take into account in relation to the chosen resort/tour operation.

Glossary

| Word/Term | Explanation |
|---|---|
| ABTA | A trade association for tour operators and travel agents in the United Kingdom. |
| Air Travel Organisers' Licensing (ATOL) | A scheme that protects travellers and their money if the travel operator they booked with ceases trading. |
| Budget | An organisation's operation plan for a specific period |
| Business Strategy | A business strategy is a long-term plan that guides how an organisation achieves its goals and competes effectively in the market. |
| Carrying capacity | The maximum number of people who can use a site without an unacceptable alteration in the physical environment and an unacceptable decline in the quality of the experience gained by visitors. |
| Community Development | The process of economic and social progress involving local community members. |
| Cultural Heritage | Refers to past customs and traditions. |
| Cultural Tourism | Tourism that involves interacting with local host communities and their culture, for example, visiting cultural villages and observing the manufacture of arts and crafts. |
| Culture | People's customs, clothing, food, houses, language, dancing, music, drama, literature and religion. |
| Destination | A place, including a physical or perceived location, consisting of primary and secondary attractions and supporting amenities that entice people to visit it. |
| Destination Marketing Organisation | A government organisation responsible for marketing a destination area. |

| Word/Term | Explanation |
|---------------------------------------|---|
| Digital Technology | Electronic tools, systems, and devices that generate, store, or process data, such as computers, smartphones, websites, and apps. |
| Domestic Tourism | A type of tourism that involves people taking holidays, short breaks, and business trips in their own country. |
| Dynamic Packaging | A system that allows customers or tour operators to create customised travel packages by combining flights, accommodation, and other services in real time, often at flexible and competitive prices. |
| Dynamic Pricing | A pricing strategy where the cost of a product or service changes in real time based on demand, availability, season, or market conditions. |
| Environmental Impact Assessment (EIA) | A process used to identify, predict, and evaluate the potential environmental effects of a proposed development or project before it begins. |
| Eco-Tourism | A form of tourism that focuses on environmental and cultural preservation. |
| Economic Impact | The effect that tourism has on a destination's economy, including the income generated, jobs created, and overall contribution to local and national growth. |
| Economy | The wealth of resources of a community. The economy is the wealth of resources of a community. |
| Entrepreneur | An individual with talent for creative business activity. Entrepreneurs often take financial risks when they embark on business challenges. |
| Ethical Tourism | Tourism development that adheres to acceptable moral practices and behaviour. |
| Heritage | Anything that has a link with some past event or person. |
| Hospitality | Those commercial activities that offer consumers accommodation, meals, and drink while they are away from home. |
| Human Resource Management (HRM) | The function within an organisation that focuses on recruitment of, management of, and providing direction for the people who work in the organisation. |
| Key Performance Indicators (KPIs) | Are values used to assess how well an organisation is achieving its goals and performance targets. |

| Word/Term | Explanation |
|--|---|
| Objectives | clearly state what needs to happen to achieve a desired outcome and should be indicated in a strategic plan. |
| Pro-poor Tourism | Tourism strategies designed to alleviate poverty. |
| Responsible Tourism | Any form of tourism that operates in such a way that it minimises any negative impacts that it has and maximises potential positive impacts. |
| Responsible Tourism Management (RTM) | Aims to incorporate social, environmental and economic |
| Small Medium Tourism Enterprises (SMTEs) | Companies that usually have fewer than 250 employees. |
| Strategy | A plan or an approach, a way of achieving a goal. |
| Sustainable Development | In principle, development that meets the needs of present generations, while ensuring that future generations are able to meet their own needs. |
| Sustainable tourism | Tourism activities and development that do not endanger the economic, social, cultural, or environmental assets of a destination. |
| Tour operator | An organisation or individual that organises and provides a range of domestic, inbound and outbound packages (or 'inclusive tours'). |
| Tourism | The activities of persons travelling to, and staying in, places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited. |
| Tourism Industry | Made up of various businesses and organisations that provide facilities and services that tourists can use. The industry also develops tourism products such as tour packages. |
| Tourist | A visitor whose visit is for at least one night and whose visit may be for leisure, business or other purposes. |

| Word/Term | Explanation |
|--------------------------|--|
| Travel | The movement of people from one place to another by some means of transport, typically across geographic or political boundaries. |
| Triple Bottom-line (TBL) | A term that captures sustainability's three central pillars: environmental protection, social justice, and economic development. |
| United Nations Tourism | An agency for tourism policies worldwide, representing public sector tourism organisations from the majority of countries worldwide. |

Self-Assessment Tests

True/False Questions

Answer True or False to the following statements. Justify your answers.

1. Tour operators increasingly use customer data and digital tools to personalise travel packages and improve customer experience.
2. Experiential and immersive travel is becoming less popular, with most tourists preferring standardised, pre-set package holidays.
3. Sustainability practices—such as ethical wildlife tourism, carbon reduction, and community involvement—are now considered essential in modern tour operations.
4. Market research is an essential first step in constructing holidays because it helps operators understand customer needs and current travel trends.
5. Contracting with suppliers is not necessary if a tour operator already knows the destination well.
6. Costing and pricing a holiday must include all components—such as accommodation, transport, meals, and activities—before a selling price can be set.
7. Marketing the holiday package should only begin after customer feedback is collected from travellers.
8. A tourism business plan should include risk management strategies to prepare for unexpected disruptions such as weather events or supplier failures.
9. Marketing and promotion are optional elements in a tourism business plan because customers will find holiday products on their own.
10. Ad hoc contracting allows tour operators to purchase accommodation or activities only when needed, giving them maximum flexibility.

Self-Assessment Tests

Multiple Choice Questions

1. Which of the following best describes dynamic packaging?
 - A. A fixed holiday package with no flexibility
 - B. A holiday package created in real time based on customer choices
 - C. A traditional brochure-style group tour
 - D. A last-minute discounted holiday
2. Which trend has led tour operators to develop more local, immersive, and authentic experiences?
 - A. Mass tourism
 - B. Technology decline
 - C. Experiential and personalised travel
 - D. Reduced interest in culture
3. Why are sustainability practices increasingly important for tour operators?
 - A. Destinations require operators to minimise negative impacts
 - B. Travellers no longer care about environmental issues
 - C. Holidays are becoming cheaper to operate
 - D. It reduces the need for customer service
4. Which of the following is an example of digital transformation in the tour operator industry?
 - A. Hiring more tour guides
 - B. Offering paper brochures only
 - C. Using AI chat systems and online booking platforms
 - D. Removing all technology from customer services
5. Small specialist or niche tour operators are becoming more popular because:
 - A. They offer standardised, generic holiday packages
 - B. They focus on very large group tours
 - C. They provide themed or highly personalised experiences
 - D. They avoid using local suppliers
6. Why is financial planning crucial in developing a tourism business plan?
 - A. It determines the country the business operates in
 - B. It forecasts costs and helps ensure long-term viability
 - C. It replaces the need for market research
 - D. It is only useful after the business opens

Self-Assessment Tests

Multiple Choice Questions

7. Human resources planning in tourism focuses on:
- A. Designing brochures
 - B. Recruiting and training the right staff
 - C. Buying new vehicles
 - D. Setting flight schedules
8. What is the purpose of risk management in a tourism business plan?
- A. To eliminate all financial risks
 - B. To prepare for disruptions and protect customer safety
 - C. To create viral marketing campaigns
 - D. To reduce the need for supplier contracts
9. Why is planning important in the tourism and hospitality industry?
- A. To encourage spontaneous business decisions
 - B. To ensure development is sustainable and benefits all stakeholders
 - C. To promote mass tourism without limits
 - D. To increase competition between local businesses
10. Which of the following is a key benefit of tourism planning for local communities?
- A. Increased pollution
 - B. Higher property prices
 - C. Job creation and community involvement
 - D. Tourist overcrowding
11. What is one environmental benefit of effective tourism planning?
- A. More natural resource exploitation
 - B. Preservation of ecosystems and biodiversity
 - C. Uncontrolled infrastructure growth
 - D. Increased use of non-renewable resources
12. Which stakeholder benefits from having clear tourism policies and infrastructure plans?
- A. Tourists only
 - B. Governments and planners
 - C. International media
 - D. Airlines only

Self-Assessment Tests

Multiple Choice Questions

13. What is one example of sustainable planning in tourism?
- A. Expanding resorts into protected wildlife areas
 - B. Limiting visitor numbers to protect fragile ecosystems
 - C. Ignoring local community needs
 - D. Building without environmental assessments
14. Which of the following best describes sustainable tourism?
- A. Tourism that focuses only on economic growth
 - B. Tourism that balances environmental, social, and economic needs
 - C. Tourism designed only for high-spending visitors
 - D. Tourism that reduces costs for businesses
15. What is the main purpose of carrying capacity in tourism management?
- A. To increase visitor numbers as much as possible
 - B. To reduce ticket prices during high season
 - C. To limit visitor numbers to protect attractions and resources
 - D. To promote luxury tourism
16. Which of the following is an example of community-based tourism (CBT)?
- A. A village running homestays and cultural tours for visitors
 - B. A resort importing all its food and staff from outside the region
 - C. An international hotel chain controlling all local tourism services
 - D. A large theme park owned by a multinational company
17. Which of these is an environmental impact of unsustainable tourism?
- A. Improved cultural exchange
 - B. Increased biodiversity
 - C. Greater use of renewable energy
 - D. Pollution, habitat loss, and resource depletion
18. Ethical tourism includes which of the following?
- A. Misleading advertising to attract more visitors
 - B. Offering fair wages and safe working conditions for staff
 - C. Allowing uncontrolled access to fragile natural sites
 - D. Encouraging tourists to ignore local customs

Self-Assessment Tests

Multiple Choice Questions

19. Which contracting method carries the highest financial risk?
- A. Ad hoc
 - B. Free-sale
 - C. Fixed contracts
 - D. Allocation-on-request
20. Which method is most suitable for tailor-made luxury holidays?
- A. Fixed contracts
 - B. Free-sale
 - C. Ad hoc
 - D. Guaranteed allotments
21. A small eco-tour operator with irregular demand would most likely use:
- A. Fixed allotments
 - B. Allocation-on-request
 - C. Full prepayment
 - D. Multi-year binding contracts
22. What is the first step when planning a promotional brochure?
- A. Choose printing companies
 - B. Select hotel suppliers
 - C. Identify the target market
 - D. Organise the final layout
23. Which element helps create emotional appeal in a tourism brochure?
- A. High-quality imagery
 - B. Long paragraphs of text
 - C. Technical legal content
 - D. Supplier contracts
24. Why must the brochure include accurate pricing and ATOL/ABTA details?
- A. To satisfy hotel suppliers
 - B. To meet legal and consumer protection requirements
 - C. To make the brochure shorter
 - D. To reduce printing costs

Self-Assessment Tests

Multiple Choice Questions

25. Which alternative method provides real-time pricing and booking?
- A. Printed brochures
 - B. Website
 - C. Poster displays
 - D. Radio adverts
26. Which area of a business strategy focuses on recruitment and training?
- A. Operational strategy
 - B. Human resources strategy
 - C. Product strategy
 - D. Market analysis
27. What does a financial strategy help a tour operator achieve?
- A. Faster check-in times
 - B. Better landscape photography
 - C. Budget control and profitability
 - D. More colourful brochures
28. Which factor directly affects product design for a desert tour operator?
- A. Office colour scheme
 - B. Climate and weather patterns
 - C. Hotel star ratings only
 - D. Currency exchange rates
29. Why is analysing competition important for a tour operator?
- A. It determines staff uniforms
 - B. It helps identify unique selling points
 - C. It replaces the need for marketing
 - D. It prevents seasonality
30. Supplier relationships are especially important in Tunisia because:
- A. Tours take place in remote areas requiring specialised support
 - B. Hotels never provide transport
 - C. Tunisia has no local guides
 - D. Suppliers rarely influence customer experience

Answers

Answers to True/False Questions

1. **True.** Tour operators increasingly use customer data and digital tools to personalise travel packages and improve customer experience.
2. **False.** Experiential travel is growing rapidly as a key trend.
3. **True.** Sustainability practices—such as ethical wildlife tourism, carbon reduction, and community involvement—are now considered essential in modern tour operations.
4. **True.** Market research is an essential first step in constructing holidays because it helps operators understand customer needs and current travel trends.
5. **False.** Supplier contracts are essential for securing prices, availability, and service standards.
6. **True.** Costing and pricing a holiday must include all components – such as accommodation, transport, meals, and activities – before a selling price can be set.
7. **False.** Marketing happens before and after a holiday is sold.
8. **True.** A tourism business plan should include risk management strategies to prepare for unexpected disruptions such as weather events or supplier failures.
9. **False.** Marketing and promotion are optional elements in a tourism business plan because customers will find holiday products on their own.
10. **True.** Ad hoc contracting allows tour operators to purchase accommodation or activities only when needed, giving them maximum flexibility.

Answers

Answers to Multiple-Choice Questions

1. **(b)** A holiday package created in real time based on customer choices
2. **(c)** Experiential and personalised travel
3. **(a)** Destinations require operators to minimise negative impacts
4. **(c)** Using AI chat systems and online booking platforms
5. **(c)** They provide themed or highly personalised experiences
6. **(b)** It forecasts costs and helps ensure long-term viability
7. **(b)** Recruiting and training the right staff
8. **(b)** To prepare for disruptions and protect customer safety
9. **(b)** To ensure development is sustainable and benefits all stakeholders
10. **(c)** Job creation and community involvement
11. **(b)** Preservation of ecosystems and biodiversity
12. **(b)** Governments and planners
13. **(b)** Limiting visitor numbers to protect fragile ecosystems
14. **(b)** Tourism that balances environmental, social, and economic needs
15. **(c)** To limit visitor numbers to protect attractions and resources
16. **(a)** A village running homestays and cultural tours for visitors
17. **(d)** Pollution, habitat loss, and resource depletion
18. **(b)** Offering fair wages and safe working conditions for staff
19. **(c)** Fixed contracts
20. **(c)** Ad hoc

Answers

21. **(b)** Allocation-on-request
22. **(c)** Identify the target market
23. **(a)** High-quality imagery
24. **(b)** To meet legal and consumer protection requirements
25. **(b)** Website
26. **(b)** Human resources strategy
27. **(c)** Budget control and profitability
28. **(b)** Climate and weather patterns
29. **(b)** It helps identify unique selling points
30. **(a)** Tours take place in remote areas requiring specialised support