



Working with International Tour Operators

Have you thought about attracting more international visitors to your region or business? Have you wondered how to go about working with tour operators and receptive operators? Here are some easy-to-follow definitions and guidelines that can get you started.

What is a “supplier”?

- Destination marketing organizations (DMO)
- State tourism offices
- Hotels, inns, bed & breakfasts
- Museums/attractions, activities, events

What is a “buyer”?

- Receptive operators based in the U.S. and Canada
- International tour operators
- Online booking agencies

Who “sells to consumers”?

- International tour operators
- Travel agents
- Online booking agencies

US Receptive Operators (“Buyers”)

- U.S.-based companies that contract with hotels/inns, attractions, activities and amenities to create saleable “packages”
- Sell packages to international tour operators
- Provide consolidated invoicing and contracting – a “one-stop shop”
- Do not market to the consumer

International Tour Operators (“Buyers”)

- Package all elements of tour and travel products together
- Contract directly with hotels and attractions and/or purchase packages from receptive operators
- Market their products to consumers through printed brochures and websites
- Sell directly to the consumer and also via travel agents

Travel Agents

- Retail travel agents are the “front people” for the consumer
- Book packaged holidays arranged by a tour operator
- Work one-on-one with the consumer

International Tourism “Food Chain”

Tour Operators create packages — Travel Agents sell packages

A package can mean any or a combination of the following:

- City stay
- Pre-planned fly-drive holiday/vacation
- Custom fly-drive holiday/vacation
- Motor coach/group tours
- Activity holiday (i.e.: ski, golf, biking)
- Cruise
- Destination/resort stay
- Airline ticket and rental car only

Remember...

- Tour Operators, and even some Receptive Operators, are selling the world - not just the United States
- The New England region competes against the rest of the United States
- You need to make sure the product you are offering is valid and competitive

Travel Industry Talk

- FAM: Familiarization tour – media or trade
- Net rates: Agreed upon reduced rates offered by a supplier to a wholesaler
- Rack rates: Full price, published rates
- FIT: Foreign Independent Traveler
- Fly-Drive: Individual travel
- Tailor Made: Custom made programs for clients
- Long Haul: Any vacation outside of Europe

Working with Buyers: Rates / Profits

- Receptive Operators: 30% off rack rates
- Tour Operators: 20% off rack rates