

Introduction to Tour and Travel Operations

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Key concepts, main functions, and essential processes for anyone starting in the travel industry sector.

1. Overview of the Tour & Travel Industry

Aspect	Description
Scope	Planning, booking, and managing travel experiences for leisure, business, and special interest travelers.
Primary Players	Tour operators, travel agencies, destination management companies (DMCs), airlines, hotels, car rental firms, cruise lines, attractions, and technology providers.
Market Segments	• Leisure tourism – vacations, cruises, adventure trips. • Business travel – MICE (Meetings, Incentives, Conferences, Exhibitions). • Special interest – eco-tourism, cultural tours, medical tourism, pilgrimage. • Sustainable/eco-friendly travel.
Trends (2023-2026)	• Personalised itineraries powered by AI. • Mobile-first booking & contactless services. • Hybrid events (physical + virtual).

2. Core Functions of Tour & Travel Operations

Function	Main Tasks	Typical Tools
Product Development	• Design tour packages (theme, duration, price). • Negotiate contracts with suppliers (hotels, transport, guides). • Create product sheets & marketing collateral.	Product Management Systems (PMS), Excel/Google Sheets, GDS, CRM

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Function	Main Tasks	Typical Tools
Reservation & Booking	• Receive enquiries (phone, email, website, OTA). • Issue tickets, vouchers, e? tickets. • Manage inventory (seat blocks, room allotments). • Pre?travel assistance (visa, travel insurance, documentation).	Global Distribution System (Sabre, Amadeus, Travelport), Booking Engine, Channel Manager
Customer Service & Support	• In?trip support (24?h hotline, on?ground assistance). • Post?travel follow?up (feedback, complaints). • Pricing & cost control.	CRM, Help?Desk software, WhatsApp/Live?Chat
Financial Management	• Invoicing, payments, refunds. • Commission tracking & settlement. • Digital marketing (SEO, SEM, social media).	Accounting software (Xero, QuickBooks), ERP, Payment gateway
Marketing & Sales	• OTA & affiliate management. • Loyalty programmes & promotions. • Visa, health & safety regulations.	CMS, Email?marketing platforms, Google Analytics, CRM
Compliance & Risk Management	• Data protection (GDPR, CCPA). • Insurance & liability coverage.	Compliance checklists, Legal counsel, Insurance brokers
Operations & Logistics	• Ground transport coordination. • Tour guide scheduling. • On?site contingency planning.	Dispatch software, GPS tracking, SOP manuals

3. Typical Workflow of a Tour Package

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1. Market Research

- Identify target segment, demand trends, competitor offers.

2. Concept Design

- Define itinerary, theme, duration, price tier.

3. Supplier Sourcing & Negotiation

- Secure hotel blocks, flight allocations, local guides, activity providers.

4. Costing & Pricing

- Calculate total cost (supplier rates+margin+taxes+fees).

5. Product Documentation

- Create detailed itinerary, terms & conditions, promotional material.

6.