



# ICM

DECEMBER 2016

TOUR OPERATIONS

**Instructions to candidates:**

- a) Time allowed: Three hours (plus an extra ten minutes' reading time at the start – do not write anything during this time)
- b) Answer any FIVE questions
- c) All questions carry equal marks. Marks for each question are shown in [ ]
1. a) Define the **ROLE** of the tour operator. Explain your definition with a model or diagram illustrating the chain of distribution of the traditional package holiday with an explanation of **EACH** stage in this process. [10]
- b) List the **NINE** segments of the traditional package holiday and describe the features of **EACH** segment. [10]
2. a) The tour operator's product differs from that sold by most wholesalers in **FIVE** crucial ways. Define and explain **EACH** of these five ways. [15]
- b) Describe **horizontal** and **vertical integration** and explain the importance of **EACH** within the tour operator's business. [5]
3. a) Identify and describe the **SEVEN** outline stages involved in the planning of a tour programme. [12]
- b) Discuss and compare the following **THREE** terms which affect the pricing of a package holiday:
- i Time-series charters
  - ii Part charter
  - iii Ad hoc chartering
- [8]
4. Explain and analyse the importance of the traditional brochure within the tour operator's business since the 1970s. Compare this to the modern online version and explain the contents included in the brochure. Include the following topics:
- Legal requirements
  - ABTA's Code of Conduct requirements
  - Booking conditions
  - Information in the opening pages
- [20]
5. a) Describe and explain the work of the main administrative department of a medium-sized UK tour operator. [10]
- b) Explain how seasonality of demand affects the wholesale and retail elements of the travel industry for **EACH** of the following:
- i Brochure publication
  - ii Late bookings
  - iii Internet bookings
  - iv Purchasing trends
- [10]
6. a) Discuss the positive and negative effects on a destination of all-inclusive holidays as compared to the traditional package holiday. [10]
- b) Identify **FIVE** special interest holidays and create a chart giving the following information for **EACH** holiday:
- Age-group of potential visitor
  - Description of activity/ies involved
  - Possible destinations
  - Duration of holiday
- [10]

*continued overleaf*

7. Analyse and discuss the industry bodies which have developed to represent the industry and to protect customers. Mention should be made of The Package Travel, Package Holidays and Package Tours Regulations 1992, the role of ABTA and its code of conduct, Bonding of holidays, CAA and ATOL. [20]
8. a) Using your own country as a case-study, comment on the way changing patterns have affected tourism over the last few years. Provide examples under EACH of the following headings:
- i Socio-demographic markets
  - ii Resort development
  - iii Tourism expenditure
  - iv Environment and conservation
  - v Seasonality
- b) Identify the common reasons for tour operators to change their portfolio of destinations. [15]  
[5]