



ICM

MARCH 2016

RETAIL TRAVEL 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) Market research is an important stage in the planning of an overseas group tour. Explain in depth the nature of market research conducted by a tour operator as part of such planning. [12]
b) Identify and describe the SIX main components of a package tour. [8]
2. a) Explain TWELVE key services an incoming tour operator has to provide when organising an incoming group tour. [12]
b) Identify the demographic markets for which coach tours have become popular and examine the reasons for this popularity. [8]
3. a) Explain in detail EACH of the following car rental insurance abbreviations:
i TP
ii CDW
iii PAI [6]
b) Examine the key areas of additional information required from the client when making a car hire reservation as an add-on to a previously booked holiday. [14]
4. a) Explain in detail EACH of the following insurance terms:
i Principals
ii Exclusion
iii Excess
iv Premium [12]
b) Identify and detail at least EIGHT common risks which are covered within a standard travel insurance policy. [8]
5. Develop basic training guidance notes for EACH of the following selling skills required by newly recruited travel consultants:
a) Identifying clients' needs
b) Product benefits for the client
c) Closing the sale
d) After-sales service [20]
6. a) Clearly explain the difference between the fixed costs and variable costs involved in operating a travel agency and identify TEN examples of EACH. [10]
b) Explain in detail the main advantages for the client when paying a travel agent using a credit card for the payment of goods or services. Why might the travel agent prefer cash? [10]
7. a) Explain the travel agent's position within the Chain of Distribution model and illustrate your explanation with a chart. [6 + 4 for chart]
b) The construction of a new tour programme can take a tour operator up to two years. List and describe the SEVEN steps involved in this process. [7 + 3 for description]

continued overleaf

8. a) Identify and explain SIX ways in which IATA has been influential in facilitating airline co-operation. [12]
- b) Give a brief explanation of EACH of the following airline terms:
- i IATA conference areas
 - ii Stopover
 - iii International Date Line
 - iv Logical routing [8]