



# ICM

MARCH 2017

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. Explain in detail the key differences between procedures for business travel bookings and standard all-inclusive package holiday bookings. [20]
2. a) List and describe the **fixed** and **variable** costs of a travel agency. [12]  
b) Explain the main advantages for the holiday client paying by credit card. [8]
3. a) List and describe the SIX key factors which affect the fare structure of a cruise. [10]  
b) Describe EACH of the following nautical terms:  
i Drill  
ii Manifest  
iii Starboard  
iv Free port  
v Course [10]
4. a) Describe EACH of the following airline terms:  
i Time difference and elapsed flying time  
ii The international date line  
iii Hub airports  
iv Logical routings  
v GMT [10]  
b) Organising an itinerary for a stopover holiday requires careful stage planning. List and describe the key steps involved in this planning process. [10]
5. Explain EACH of the following holiday insurance terms:  
a) Principals  
b) Excess  
c) Force majeure  
d) Exclusion  
e) Intermediary [20]
6. a) Handling problems or complaints within a travel agency requires skill and diplomacy. Identify and explain EIGHT positive guidelines when dealing with a dissatisfied client. [8]  
b) Describe the role of ABTA in relation to arbitration procedure. [12]
7. a) Explain how EACH of the following terms influence the final price of a package holiday, illustrating with a model for EACH example:  
i Back to back  
ii Empty leg [6 + 4 for models]  
b) List and briefly describe TEN elements generally included within the cost of a standard package holiday. [10]

*continued overleaf*

8. a) Identify and detail the SIX components of a package tour. [12]
- b) Explain the difference between EACH of the following terms when related to package and group tour planning and development:
- i Marketing mix
  - ii Communication mix [8]