How to work with the distribution system's main players

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"Travel distributors allow you to reach a customer base beyond your marketing budget. The most important thing is to have price uniformity with all your distribution partners. The tourism industry is very transparent. Once you have established distribution channels and pricing levels, track your bookings and monitor how each of your distribution partners are performing. Your distributors will reward you with revenue generation and strong business relationships."

Mark Stredwick, Owner, Brewtown Tours

What are travel distributors looking for in products?

In *Section 8 - The travel distribution system* we identified who the key distributors are and how the overall system works. If you have decided to work with these distribution partners, you need to ensure that your product offers the following minimum requirements, commonly termed as being 'export ready':



- Quality products and experiences that are delivered consistently
- Reliability and efficiency (consistent operating hours and regular schedules)
- High levels of customer service and helpful reservations staff
- Clear and easy to understand collateral, both online and offline
- Understanding of the cultural needs of different markets
- Consistent pricing policies that consider all levels of distribution* and offer commissionable rates

- Easy communication via phone numbers, email and other online messaging tools
- Fast and efficient turnaround and response times for bookings and enquiries (within 24 hours)

*For further information on pricing, refer to section 10 - Pricing: it's all about baland



How do I distribute my product with wholesalers?

Building a relationship with a wholesaler is critical. To engage successfully, you need to work with all the distribution partners along the chain and ensure there is awareness and interest in your product regardless of where the actual purchase transaction takes place.

This can be achieved by conducting in-market sales calls or joining in-market roadshows to meet with the Product Manager, or by participating in trade events such as ExploreGB to meet with key travel decision makers. ExploreGB is VisitBritain's flagship event providing British tourism suppliers and destinations with an invaluable opportunity to meet and do business with up to 300 hosted international travel buyers from 35+ countries.

Don't be surprised if it takes several years of contact before a wholesaler begins to use your new product. This is partially due to their loyalty to existing product suppliers and stringent consumer protection laws in some major markets, and also their own product cycle planning process.

Wholesalers also need assurance that you are an established operator that will remain in business for many years.

Once you have secured a product distribution deal with a wholesaler, you will need to provide the wholesaler and key frontline sales staff with ongoing education and product updates to keep your product front of mind via newsletters, sales calls, trade shows and educationals. Educationals are visits that allow sellers to experience your product first hand and to improve their product knowledge.

Top tips for working with wholesalers include:

- Research find out which markets and market segments the wholesaler targets, the type of experience they sell and who their distribution partners are (e.g. tour operators)
- Keep wholesalers updated on any new developments or changes to your product
- Suggest ideas for packaging your product with complementary products in your region to make it easier to sell
- Be open to ideas from wholesalers that can help to improve sales of existing products. Feedback is important to developing and improving products

- Highlight your unique selling point (USP), the benefits of your product and the factors that set you apart from the competition
- Ensure you allow for wholesaler commissions in your rates and include concise terms and conditions. Be prepared to provide rates up to 18 months in advance
- Keep in mind consumer protection laws that the wholesaler must adhere to. There are strict consumer laws that require companies to deliver the promised standard of holiday experience.

How do I distribute my product with DMCs (destination management companies)? The information for distribution via wholesalers also applies to working with DMCs.

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- Offer a variety of itineraries that include unique and diverse experiences
- Suggest interesting ways to package your product together with other experiences
- In the case of Business and MICE travel, participate in cooperative marketing activities organised by VisitBritain/ VisitEngland and your local Convention and Visitors Bureau
- Find out what their specialisms are (if any) and make sure your product fits with their requirements and customer's needs
- Build a good /long term relationship with your DMC partners. Take time to visit them and invite them on educationals. Use their feedback on helping develop further product that fits their needs
- Consider offering a DMC a package that is unique solely for them, like a behind the scenes tour...something that is only available to them.

How do I distribute my product with online travel agents and online ticketing agents? As online travel agents and online ticketing agents deal directly with the consumers, you can

research their website as if you were a consumer. See how it operates and how it will promote your product. Contact them to see how information is loaded and updated. An excellent tool to determine the most visited consumer travel websites is Experian Hitwise. This company provides insights and reviews into the performance of travel websites.

Many sites provide you with access to maintain and update your details. While this does provide you with control over the information on your product it can also be very time consuming, especially if you are featured on a number of sites. Online distributors may also run a number of affiliate sites on-selling packages. It is important that you are aware of any affiliate sites and where rates may appear.

When distributing online, rate competitiveness is critical. Rate competitiveness exists when the same rate structure for a product exists across all its distribution channels. When a product effectively controls rate competitiveness, rate integrity is assured and the consumer becomes confident in booking the product. Rate competitiveness ensures an even playing field and protects a product's relationship with all its distribution partners. This will ensure that consumers receive the best pricing and value no matter which of these channels they use to make their reservations.

When considering online distribution, it is important to think about the possible impacts on your traditional distribution partners. You need to manage and preserve the relationship you have with these partners. It should be your goal to mirror the same retail rates at all points of reservation for your travel distribution partners. It is important to:

- Clarify commission and inventory levels required and the level of promotion for your product
- Find out how much new business the site may generate
- Check if there are any affiliate sites that may operate in addition to the main site
- Check how your information on the site is maintained - by you or the site host?
- Check how the site is promoted. Is it targeted at the trade or consumers? Are there any distribution agreements in place?

How do I distribute my products with a tour operator?

Larger tour operators, online travel agents and ticketing agents have product and contracting departments that identify and select the products and suppliers they want to sell. These departments can offer advice on suitable markets for your product and suggestions about product development and packaging.

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- Research who the tour operator works with in the distribution system and which markets they target to ensure your product is the correct fit
- Compile a sales kit with product fact sheets (in PDF format), brochures and images
- Ensure information on your website is up to date
- Provide reviews of products where possible. At the same time as finding reputable operators, reviews help to back up a product offering.
- Provide a visual presentation, including video footage
- Provide rates that allow for commissions and include concise terms and conditions. Be prepared to provide rates up to 18 months in advance

- Provide information in other languages (online fact sheets, brochures) if targeting markets where English is not commonly spoken
- Participate in networking events, workshops or educationals organised by your local DMO or VisitBritain/ VisitEngland
- Provide prompt (same day) turnarounds on enquiries, quotations and bookings
- Don't expect prepayments or deposits
- Accept vouchers and trading terms
- Action complaints promptly
- Provide updated product information, training and educationals for key tour operator staff
- Check that the tour operator is licensed. Don't be afraid to speak to other businesses that work with the tour operator to confirm that it is a reputable company

How do I distribute my product with overseas retail travel agents?

One of the best ways of distributing your product at the retail level is to identify established wholesalers/ DMCs/tour operators with a wide distribution via retail agents.

Training the wholesalers/DMCs/tour operators about your product and providing them with the tools to train their retail partners is the most effective way to target these retail agents.



Top tips for working with retail travel agents include:

- Meet retail agents and wholesale reservation agents by attending trade shows that target these staff
- Establish and maintain good relationships with your retail travel agent's preferred wholesalers/DMCs/tour operators
- Provide key agents with regular but relevant product updates
- Get involved in VisitBritain/VisitEngland's BritAgent programme



Boost your sales with TXGB

Tourism Exchange Great Britain was launched in partnership with VisitBritain / VisitEngland to provide the UK tourism industry with a central marketplace, enabling tourism businesses to trade, collaborate and innovate.

 Free to sign up - no setup or additional	 Optimise commission costs with unique,
monthly fees, just 2.5% booking fee +	low commission channels alongside
chosen distributor commission Real time two way sharing of data - send	established distributors and well known
live availability and prices, and receive	global brands Access direct payment channels - get
bookings directly into your booking	paid directly, at point of sale, protecting
system or free TXLoad inventory loading	cash flow and sharing customer data
 Extend your reach to distribution channels all completely optional and in your control via the TXGB dashboard 	 Support your destinations - opt into smarter regional and national marketing campaigns that offer direct bookings and where any commissions paid stays in your destination

Tourism Supplier

The TXGB team can assist you to opt into the sales channels that will help you drive bookings and reach new customers.

You can contact the team for more information by using any of the details below.

Visit the website at <u>txgb.co.uk</u> Email <u>hello@txgb.co.uk</u> Call 0330 223 5050



Find out more information about other distribution opportunities

VisitBritain/VisitEngland offers a range of activities to assist you to target key travel trade distribution contacts including trade shows, sales missions and familiarisation trips.

Be mindful that building relationships and establishing your product with travel distribution partners can take time, usually a minimum of 12 to 18 months to see results.

Once you have established distribution channels and pricing levels, it is important to set up a system to track your bookings, recording where they come from. It is essential to monitor how each of your distribution partners are performing, as knowing where your bookings are coming from and which partners are generating business for you, will help to maximise your marketing expenditure. It will also allow you to strengthen your relationships with agents and partners who are performing well.

For further information on distribution strategies refer to Section 20 - Building an export plan

Booking System





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