

Unit 9: Retail Travel Operations

Unit code:	D/600/9494
QCF Level 3:	BTEC National
Credit value:	10
Guided learning hours:	60

● Aim and purpose

The retail travel industry is constantly evolving and this unit will develop knowledge and understanding of the retail environment and the operational requirements necessary to meet the needs of customers and maintain effectiveness in this highly competitive sector. There are opportunities for learners to gain skills in selecting and costing holidays to meet customer requirements.

● Unit introduction

The retail travel industry has a key part to play within the travel and tourism sector. As a component industry within the sector, retail travel has faced many operational changes over recent years and needs to constantly evolve in order to continue to meet the needs of consumers.

Understanding how a retail travel organisation operates, remains competitive and meets the needs of customers is essential for any employee of a retail travel organisation. It is important that learners appreciate the complexity of working within a retail travel organisation and the wealth of skills and knowledge needed to be successful. This unit aims to develop knowledge and understanding in these key areas and, as such, it underpins other units in the qualification.

The unit explores the environment that retail travel organisations operate within, the other organisations that they work with and the products and services they provide. The operational practices and considerations faced by a retail travel organisation are examined, together with legislation, licensing requirements, daily tasks and competitive advantage techniques, all essential in the success of a retail travel organisation. The unit also gives learners the skills to select and cost appropriate leisure packages and tailor-made travel requirements to meet the needs of customers.

● Learning outcomes

On completion of this unit a learner should:

- 1 Know the retail travel environment
- 2 Know retail travel operational practices
- 3 Understand how retail travel organisations seek to gain competitive advantage
- 4 Be able to select, cost and provide information for leisure holidays to meet the needs of customers.

Unit content

1 Know the retail travel environment

Retail agencies: role; independents; multiples; e-agents; homeworkers; call centres; holiday hypermarkets; miniples; consortia eg Advantage Travel Centres, Worldchoice

Products and services: traditional package holidays; tailor-made and dynamic holidays; ancillary sales; scheduled flights; charter flights; accommodation

Links with: accommodation providers; tour operators; transport providers; ancillary providers, eg insurance, car hire

Relationships: integrated (vertical and horizontal); others eg agency agreements, preferred agents, commission levels

2 Know retail travel operational practices

Working practices: front and back office systems eg CRS, viewdata; procedures and documentation for selling travel services; merchandising and displays; racking policies and preferred operators; commission levels; sales targets; switch selling

Technology: using technology eg training staff, up to date hardware and software, current applications; impacts of technology eg on traditional operational practices for selling travel services, issuing e-tickets, offering dynamic packaging, booking non-commissionable products

Legislation: EU Package Travel Regulations; Data Protection; Consumer protection; Contract law

Trade associations and Licensing: The Travel Association (ABTA); Civil Aviation Authority – Air Travel Organiser’s Licence (ATOL); others eg Association of Train Operating Companies (ATOC), International Air Transport Association (IATA)

3 Understand how retail travel organisations seek to gain competitive advantage

Travel organisations: type of agents, eg multiple, independent

Techniques to gain competitive advantage: level of service; staff training, eg selling skills; promotional activities, eg discounting, low deposits, advertising; range of products and services; add-on sales; ancillary products and services; dynamic packaging; integrated organisations

4 Be able to select, cost and provide information for leisure holidays to meet the needs of customers

Resources: brochures; internet eg CRS, GDS

Customer needs: type of customer eg families, couples, groups, singles; customer brief (party size, dates, departure point, board basis, destination, type of accommodation)

Packaged holidays: short-haul; long-haul; different types eg air, coach, self-drive, cruise; room supplement eg single, under occupancy; flight supplement; child discount

Tailor-made holidays: short-haul; long-haul; components from a number of organisations eg flights, accommodation, surface transportation

Information: passport requirements; visa requirements; vaccination requirements; check-in details; flight numbers and timings; accommodation details; baggage allowance

Assessment and grading criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:	To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:
P1 describe the retail travel environment	M1 explain the importance of links and relationships within the retail travel environment	D1 analyse how the use of technology has impacted on the retail travel environment and retail operational practices
P2 describe retail travel operational practices	M2 compare the effectiveness of the operational practices of two retail agents	
P3 explain how different retail travel organisations use techniques to seek to gain competitive advantage	M3 compare the effectiveness of the techniques used by two retail agents to gain a competitive advantage.	D2 recommend the use of alternative techniques to gain further competitive advantage for two retail travel agents.
P4 use appropriate resources to select, cost and provide information on package holidays that meet specific customer needs [CT 1, CT 2, CT 3, CT 4, CT 5, CT 6]		
P5 use appropriate resources to select, cost and provide information on tailor-made holidays that meet specific customer needs [CT 1, CT 2, CT 3, CT 4, CT 5, CT 6].		

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

Key	IE – independent enquirers CT – creative thinkers	RL – reflective learners TW – team workers	SM – self-managers EP – effective participators
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Essential guidance for tutors

Delivery

This unit provides learners with both the knowledge and understanding of the retail travel environment and operational practices along with the skills needed to undertake the practical tasks required of a retail agency employee.

Tutors could introduce the unit by discussing the different types of retail agent and provide the learners with named examples. The discussion could lead on to look at the role of retail agents and consortia. Learners should be encouraged to investigate the different consortia available and the benefits that joining a consortium can provide, particularly for independent agents. Tutors should discuss with learners the range of products and services retail agencies provide, ensuring that learners understand the differences between these products and services and the importance of offering a wide range for customers. Tutors need to ensure that learners understand that retail agents offer many products and services on behalf of other companies and therefore act as agents for these companies. This will enable the tutor to lead discussions into the links travel agents have with other component industries, eg car hire and travel insurance, and also explain the different types of relationships that retail agents have with other organisations, eg agency agreements, being integrated within larger companies. Tutors should provide learners with basic industry examples of vertical and horizontal integration to aid learner understanding and learners should be encouraged to investigate these examples further to witness the level of integration that takes place within the industry. An investigation into the local area and visits to different types of retail agents or a presentation by a guest speaker will progress the learners' understanding of the links and relationships retail agents enter to enable them to offer a wide range of products and services.

Learners are required to develop a knowledge of the working practices of retail agencies. Tutors should describe and illustrate, preferably by visits, the range of systems in operation and the procedures and documentation for selling travel services. Learners should investigate commission levels and sales targets as these often impact on the racking policies, and on use of preferred operators and displays within the agencies. Learners need to be aware of the influence these working practices have on the success of the agency and visits to a range of local agencies would assist the learners' understanding. Practical activities, such as creating a brochure rack based on preferred operators or role plays to complete booking documentation, will support learners' understanding. Tutors should identify and explain the legislation that retail agencies must comply with (see content). Learners need to gain an understanding of how this legislation applies and how retail agencies ensure this is followed by their employees. Examples could be linked into working practices, for example data protection requirements must be followed when using computer systems and completing booking documentation. Trade associations and licences are vital for a retail agency to operate and be successful; tutors should discuss with learners the range available to retail agencies, what they permit the agency to do and their importance. Learners must understand that not all licences are essential and that different types of retail agency will often have different licences and may be part of different trade associations. Learners should be encouraged to investigate the different trade associations and licences available in order to understand the benefits they can bring to a retail agent.

As technology has played a major role in shaping retail travel, tutors should facilitate discussions about the history of operational practices within a retail agency, highlighting technological changes over the last 30 years. For example, the implementation of viewdata in the 1980s, the development of in-house or bought-in systems such as Tarsc and the growth of the internet. Tutors should facilitate discussions about the impact these changes have had on retail agency operational practices. Learners should be encouraged to discuss and share their views on the positive and negative impacts these technological developments have had on present-day retail travel operations.

Retail travel is very competitive and agents have had to become dynamic and creative to gain the edge over the competition. Tutors could introduce this outcome by discussing the highly competitive nature of retail travel, raising learners' awareness of the importance of gaining competitive advantage. Learners should identify different techniques that are used by different types of retail agents and tutors should discuss with learners the benefits and implications of the different techniques available. Practical activities, such as designing a window display or newspaper advertisement, will develop further understanding. Visits to observe agency window displays, looking through advertisements and making enquiries within retail travel agencies will enable learners to witness real examples of what is being undertaken by agents to gain competitive advantage. Competitive advantage also includes level of service and staff training; tutors could introduce industry standards of service recommended by ABTA and discuss the range of training travel agents would need in order to undertake their role effectively.

The final learning outcome requires learners to use brochures and the internet to select and cost leisure travel requirements to meet specific customer needs. Tutors should aim to provide learners with a range of customer briefs that will state the type of customer, the party size, dates, departure points, board basis, destination and type of accommodation for both practice and assessment purposes. As a starting point, tutors should ensure learners understand the difference between short- and long-haul travel and package and tailor-made holidays. Tutors should work through the contents of brochures with learners to raise their awareness of the information included and how this can be used to meet the needs of the customer. This should be followed by a clear explanation of the costing process, providing a number of different examples to allow learners to develop the skills needed. Examples should be varied, enabling learners to use holiday brochures to become familiar with pricing and product considerations for different types of holidays, including applying supplements and discounts. Some brochures are difficult to use and short tests based on specific brochures could be devised to help learners become familiar with the ways brochures work, and how to calculate holiday costs. Learners should also be provided with customer briefs and opportunities for role play to develop the ability to research, recommend and cost holidays to meet specific customer needs.

The internet is a popular source for retail travel agents to select holidays to meet the needs of customers. Tutors should discuss with learners the range of internet options available to travel agents to meet the needs of customers. Tutors should also explain to learners that tailor-made holidays can be constructed using both the internet and brochures in order to obtain flexibility, cost-effectiveness and variety. Tutors should provide learners with a number of examples of different ways tailor-made holidays can be constructed and costed to allow learners to develop the skills needed. Learners should be provided with customer briefs and opportunities for role play to develop the ability to research, recommend and cost holidays to meet specific customer needs.

Learners are also required to provide their customers with the essential holiday information they require when travelling to their selected destinations. Tutors should explain the importance of providing this information to customers and demonstrate the range of sources that can be used to locate the information that must be provided. Role play opportunities to provide customers with this information will further develop knowledge and skills.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way of planning the delivery and assessment of this unit.

Topic and suggested assignments/activities and/assessment

Introduction to the unit and the assessment plan

Classroom investigation into the different types of retail agent, their role and the part consortia play using textbooks, websites and learners' current awareness

Learners to have a named example of each type of agent and to have identified the benefits to independent agents of joining consortia

Classroom investigation into the different products and services offered by different types of agent, using websites and visits to various travel agents if possible

Input on the different links and relationships within the industry. Learners to identify links and relationships using websites and complete a vertical and horizontal integration diagram

Input on the range of working practices that take place within a retail agency followed by a visit or presentation from a guest speaker

Small-group activity to design a brochure rack using given brochures and commission levels

Learners to be able to justify why they have designed the brochure rack in the chosen way

Learners to complete booking documentation

Input and class discussion on the impacts of technological changes to operational practices over the last 30 years

Small-group work to investigate technological changes

Learners to create a timeline

Input on the different legislation that retail agents must adhere to

Classroom investigation on the different legislation, using websites and textbooks

Learners to complete given case studies using developed knowledge of legislation

Classroom investigation into the different trade associations and licensing options available to retail agents using websites

Learners to consider which trade associations/licences they would obtain if they were running an agency

Preparation for assessment

Assignment 1: Retail Travel Environment and Operational Practices Report (P1, P2, M1, M2, D1)

Feedback on assessment

Classroom identification of the different competitive advantage techniques

Classroom discussion on the importance of competitive advantage and the benefits and implications of the various techniques

Learners to investigate the different techniques used by agents using websites and, where possible, visits to retail agencies

Learners to create a window display or newspaper advertisement

Topic and suggested assignments/activities and/assessment

Preparation for assessment

Assignment 2: Competitive Advantage Presentation (P3, M3, D2)

Feedback on assessment

Input on the differences between short- and long-haul-holidays and packages and tailor-made holidays

Classroom activity working through the contents of brochures discussing the range of information throughout the brochures

Input on the costing process, providing a range of different examples for learners to complete

Learners to complete activities using holiday brochures and completing costings

Classroom discussion on the range of internet options available to book holidays

Learners to investigate using websites; the range of different options and the products they provide

Input on the costing process, providing a range of different examples for learners to complete

Learners to complete activities to put together and cost tailor-made holidays using individual components

Input on the different information needed by holidaymakers

Classroom discussion on where this information can be located

Learners to complete activities to locate and interpret holiday information required by customers

Preparation for assessment

Assignment 3: Holiday Recommendations and Costings (P4, P5)

Feedback on assessment and unit review

Assessment

The criteria can be grouped together to enable learners to expand on one criterion in order to gain higher grades. The links are as follows: P1, P2, M1, M2 and D1; P3, M3 and D2; P4, P5. Where possible, learners should be encouraged and given opportunities to meet the relevant higher grades at the same time as they attempt the appropriate pass criteria.

Centres should design their assessment strategies to meet a range of individual needs and the local work environment. Assessment should encourage learners to apply knowledge gained from this unit and reflect on understanding gained from other units.

P1 – P2 – M1 – M2 – D1

For P1, learners are required to describe the retail travel environment. Evidence must include a description of the role of the different types of retail agents as listed in the content. It is expected that learners should provide named examples of each type of agent to support their descriptions.

Retail agents offer a wide range of products and services, and learners should provide a description of the types listed in the content. It is sufficient for learners to describe the term, eg traditional package holiday, and provide an example. These products and services are made available to retail agents through the links with other component industries. Learners should identify and describe the links that exist within the retail travel environment and provide a named example, ensuring coverage of the full range. Learners must also describe the different types of relationships that exist with retail agents, including integration and other types, such as agency agreements and different commission levels. Learners should provide real examples to support their descriptions. One of the examples could be: Althams Travel agent, a regional independent agent has agency agreements in place with a number of tour operators and has negotiated higher commission levels with some of them. The agency agreement states the conditions of the agreement, the process to be used for bookings and for payments and the commission levels.

To achieve M1, learners are required to explain the importance of links and relationships within the retail travel environment. For this criterion, learners should develop the information provided for P1. Learners should consider why these links exist and why relationships are formed, explaining how they affect the organisations concerned. Real examples would support learners' evidence and illustrate their explanations. For example, using the example provided above for P1, learners would progress the description to an explanation of why the organisations have the agency agreement in place and how this benefits both organisations and the customer.

For P2, learners are required to describe retail travel operational practices and must ensure that their evidence covers the full list of prescribed content within the four topic areas: working practices; technology; legislation; trade associations and licensing. Learners can provide examples to support their descriptions and these can be provided from one type of retail agency or from different agents.

For M2, learners are required to compare the effectiveness of the operational practices of two different types of retail agent. Learners should draw on the content covered in P2 to guide them in the comparison. Learners should look at the similarities and differences between the practices of the two agents and explain how effective they are. Evidence must be current and include specific examples.

To achieve D1, learners need to demonstrate a clear understanding of the retail travel environment and retail operational practices. This can be achieved by focusing on the impact that technology has had on the present-day retail travel environment and how it has changed the way in which retail travel agents operate. Learners should progress their understanding from P1, P2 and M1 and provide real examples to illustrate their analysis, covering the main aspects of the content for both learning outcomes 1 and 2.

P3 – M3 – D2

For P3, learners should explain how different types of retail travel agents seek to gain competitive advantage. For the purposes of assessment, learners should provide examples from a minimum of three different types of retail travel agent. The explanation must cover all the techniques listed in the content and how these are used to gain competitive advantage. For example, a promotional technique could be providing low deposits to encourage customers to book with the agent who only asks for £10 per person rather than £150. Learners should explain how this promotional technique would give a retail agent the advantage over other retail agents or direct sell. Another technique is to provide dynamic packaging and this has been the way forward for a number of retail travel agents, especially with the increase in direct-sell low-cost flights. Learners should explain how these types of product innovations can give a retail travel agent the competitive edge.

For M3, learners are to study two specific retail travel agents. Learners are required to consider both the similarities and the differences of the techniques being used and compare the effectiveness of these techniques in gaining competitive advantage. Learners should draw on the content covered in P3 to guide them in the comparison. Evidence must be current and include specific examples.

To achieve D2, learners are to recommend how retail travel agents can use alternative techniques to gain further competitive advantage. Learners must justify their recommendations and therefore use reasoning and evidence to support suggestions. Learners are recommended to use the organisations used for M3, otherwise they will be required to carry out further investigations and research. For example, they may recommend that one of the agents extends their opening times to enable customers to call at the agency after normal working hours. The use of computerised booking systems, email, web-based payment systems and extended opening hours of call centres enables agents to enquire about products and book travel arrangements outside of normal business hours.

P4

To achieve P4, learners should be presented with a minimum of two different customer briefs for selecting and costing package holidays using brochures. There must be one customer brief for a short-haul destination not travelling by air, giving learners the opportunity to select appropriate accommodation and transport and apply one type of room supplement. The second customer brief must be for a long-haul destination, giving learners the opportunity to select appropriate accommodation and transport, apply a flight supplement and a child discount. Other supplements may be applicable within the holidays selected by the learner and these should be calculated within the costing. Learners should use suitable brochures to find holidays to meet customer requirements, locating all costs in the brochures, adding supplements etc and calculate the selling price. Learners must submit a full written breakdown of the selected package-holidays, showing their calculations and supporting these with relevant brochure pages marked up to show supplements etc. Learners must also identify passport, visa and vaccination requirements applicable to the holiday destination chosen. Learners are also required to provide other information that the customers will need, including check in details, flight numbers and timings, accommodation details and baggage allowances. This information should be submitted with the holiday costing, along with evidence of where the information was obtained. Learners can also explain verbally or in writing why they selected the particular holidays for the customers and how they meets all aspects of the customer briefs.

P5

To achieve P5, learners should be presented with two different customer briefs for selecting and costing tailor-made holidays, using both brochures and the internet. The first customer brief must be for a short-haul destination and, to ensure coverage of the content, must include a minimum of three different components from three different organisations, eg transport, accommodation and an excursion. At least one component must come from a brochure and one from the internet. The second customer brief must be for a long-haul trip, including two destinations, and must include a minimum of four different components. At least one component must come from a brochure and one from the internet. Learners must submit a full written day-by-day breakdown of the selected holiday, which includes all the information the customers would need and the calculated total price. This must be supported by evidence in the form of brochure pages, screen shots or printouts to confirm costs of the individual components and all the arrangements. Learners can also explain verbally or in writing why they selected that particular holiday for the customer and how it meets all aspects of the customer brief.

A typical brief for P5 could be: a young couple wanting to book a three week trip to Sydney with a four night stopover in Hong Kong, departing in June from Manchester. They require good quality accommodation with good views, transfers throughout, and whilst in Sydney would like to book an adventurous excursion.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any Edexcel assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, M1, M2, D1	Assignment 1: Retail Environment and Operational Practices Report	You are opening up your own retail agency and need to demonstrate to the bank manager your knowledge of the retail environment and operational practices to secure the loan	Written report
P3, M3, D2	Assignment 2: Competitive Advantage Presentation	Following your report the bank manager requires you to make a formal presentation on competitive advantage	Presentation
P4, P5	Assignment 3: Holiday Recommendations and Costings	A day in a travel agency – simulated role play	Role plays + Written information

Links to National Occupational Standards, other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit forms part of the BTEC travel and tourism sector suite. This unit has particular links with:

Level 2	Level 3
Holiday Planning	Investigating the Travel and Tourism Sector
Exploring Marketing in Travel and Tourism	The Business of Travel and Tourism
	The UK as a Destination
	European Destinations
	Long-haul Travel Destinations
	Marketing Travel and Tourism Products and Services
	Business Travel Operations

Essential resources

For this unit learners need access to the internet and access to published material including the travel trade press, national newspapers, travel and tourism textbooks and a wide range of holiday brochures.

Employer engagement and vocational contexts

It is highly recommended that learners investigate and, where possible, visit a number of different types of retail travel organisations in order to understand the range of products and services they offer, their working practices, the technology used and how they operate. For the purposes of assessment it would be very beneficial for learners to form links with at least two retail travel agents so that they can investigate fully operational practices and the methods used to gain competitive advantage and explore the range of products and services they provide.

This unit links to the following NOS in Travel and Tourism:

- TT39 Research and develop tour itineraries.

Indicative reading for learners

Textbooks

Buhalis D – *eTourism: Information Technology in Tourism* (Longman, 2002) ISBN 0582357403

Dale G – *BTEC Level 3 National Travel and Tourism Student Book 1* (Pearson 2010) ISBN 9781846907272

Dale G – *BTEC Level 3 National Travel and Tourism Student Book 2* (Pearson 2010) ISBN 9781846907289

Dale G, Kelly M, King C and Jefferies M – *BTEC Level 3 National Travel and Tourism Teaching Resource Pack* (Pearson 2010) ISBN 9781846907296

Holloway C – *The Business of Tourism* (FT Prentice Hall, 2006) ISBN 0273701614

James E, Thirlaway J and Woodhouse U – *BTEC National in Travel and Tourism* (Hodder Education, 2007) ISBN 9780340945735

Maurer G – *Internet for the Retail Travel Industry* (Delmar Learning, 2002) ISBN 0766840719

Sharpley R – *The Tourism Business: an Introduction* (Business Education Publishers, 2002) ISBN 1901888231

Trade Publications

Travel Trade Gazette

Travel Weekly

Websites

Advantage Travel Consortia www.advantage4travel.com

British Foreign and Commonwealth Office Travel Information www.fco.gov.uk

Civil Aviation Authority www.caa.co.uk

Columbus World Travel Guide www.worldtravelguide.net

Expedia www.expedia.co.uk

Gazetteers, Travel Information (please note this website requires a licence) www.gazetteers.com

The Travel Association www.abta.com

Thomas Cook Tour Operator www.thomascook.com

Travel 2 www.travel2.com

TUI Travel Tour Operator www.tuitravelplc.com

Worldchoice Consortia www.worldchoice.co.uk/agents.php

Delivery of personal, learning and thinking skills (PLTS)

The table below identifies the personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are ...
Creative thinkers	using appropriate resources to select, cost and provide information on holidays that meet specific customer needs [CT 1, CT 2, CT 3, CT 4, CT 5, CT 6]

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are ...
Team workers	working in a team to select, cost and provide information on holidays that meet different customer needs
Self-managers	managing the assessment of the unit – working to deadlines and organising the use of resources

● Functional Skills – Level 2

Skill	When learners are ...
ICT – Develop, present and communicate information	
Bring together information to suit content and purpose	producing holiday breakdowns and costs
Present information in ways that are fit for purpose and audience	presenting journey information, holiday breakdowns and costs
Evaluate the selection and use of ICT tools and facilities used to present information	
Mathematics	
Use appropriate checking procedures and evaluate their effectiveness at each stage	checking costings
Interpret and communicate solutions to practical problems in familiar and unfamiliar routine contexts and situations	costing package holidays costing individual components of holidays
Draw conclusions and provide mathematical justifications	summarising costing of package holiday summarising costing of components of holidays
English	
Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts	discussing holiday choices
Reading – compare, select, read and understand texts and use them to gather information, ideas, arguments and opinions	finding information using brochures finding information using the internet
Writing – write documents, including extended writing pieces, communicating information, ideas and opinions effectively and persuasively	explaining holiday choices