

Tour Package

Package holidays, popularly known as a tour package or simply the word 'tour' in the travel and tourism industry refers either to a package tour escorted or not escorted by the tourist guide.

When we say tour package, it means a **pre-arrangement, prepaid trip that combines two or more travel components like airfare, airport transfer, accommodation, and other services.**

Practically, to define the tour package concept is complex one rather understand.

Holloway defines a tour package as "a total tourism product consisting of transportation from the market area to the destination, accommodation at the destination and recreational activities promoted by the tourists."

According to Gregorg "a tour package is advertised journey including specific features, arranged and promoted with tour literature by a tour operator and paid for in full by the tourists before starting the tour."

Technically, a package tour/tour package is a total tourism product as it generally includes transport from the origin place to the destination, accommodation at an en route place or at the destination and other recreational or travel services. These components are purchased by an individual, firm or company called the '**tour operator**'. He combines all the travel components in a package and sells them at all-inclusive prices to the clients.

History

The term 'tour' was in vogue as early as 1670. The Britishers traveled to widen their knowledge of the continent, especially to study the culture and social life. This practice was gradually adopted by other lovers of cultural centers.

The result of the process was that many European historic and cultural centers were opened to the British tourist. By the early 1730's the small fishing resorts around the British coast begin to attract tourists seeking to their diseases by drinking the sea-water or by immersing themselves in it.

The introduction of a rail link between the major centers in 1830, had a profound impact on the pleasure travelers for the first time. Many entrepreneurs began to inspire rail travel by organizing excursions for the public at discounted offers. However, to 'the origin of package tour' the credit goes to **Mr. Thomas Cook in 1855**, Cook, extended his business operation to different countries by introducing the first '**inclusive tour**' to the Paris. Mr. Cook put together all the components of tourism products and sold them as 'inclusive tour' to the tourists. His pre

packaged tour inspired other tour organizations in the travel industry to organize similar tours to all parts of the globe.

Most of the Cook's tours were a linear tour i.e., the person went from place to place on a single destination. Basically, Mr. Cook developed the concept of 'grand tour and escorted tour', the concept which is still used.

Incidentally, World War II has tremendously developed the package tour concept because of the following reasons:

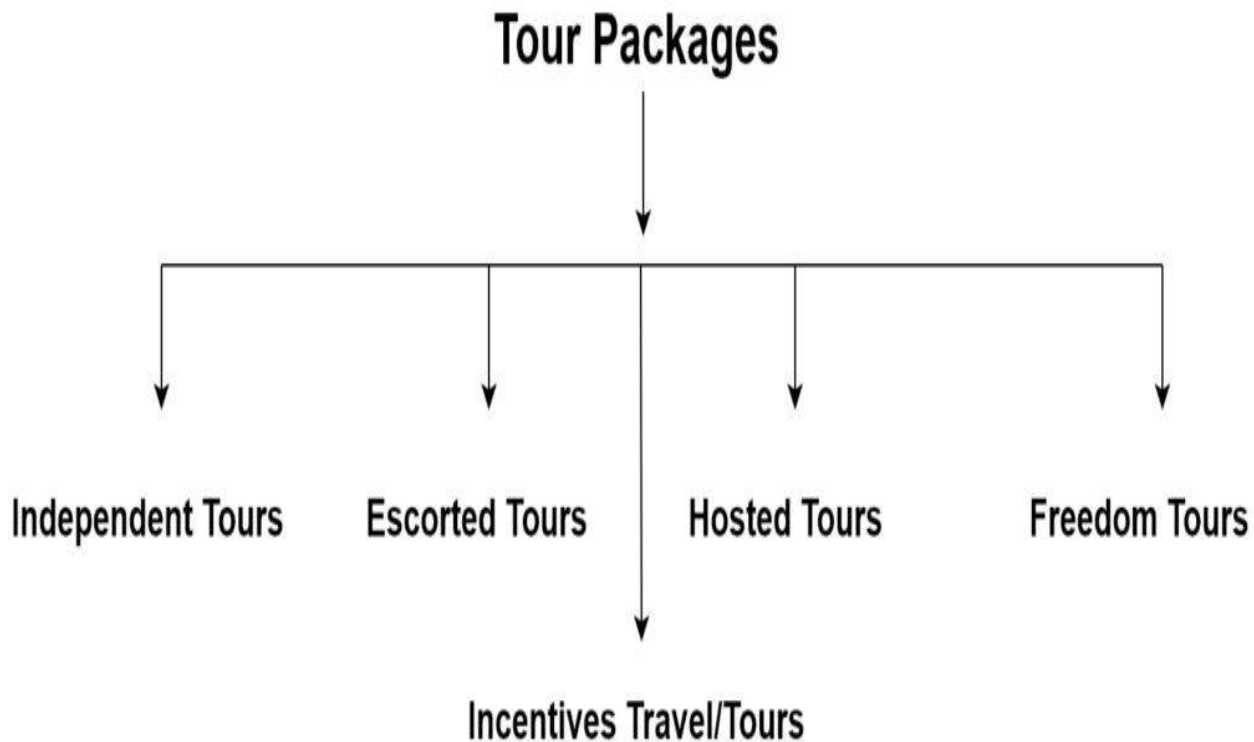
- Social and Economic Conditions
- Lower Cost
- Increase in Aircrafts
- Marketing Conditions
- Legal Requirements
- Integration took place.

Today, package tours are a vital segment of the world's travel and tourism industry. According to WTTC, the package tour sales generates \$25 billion annually in the United States, \$18 billion in Europe, \$19 billion in Britain and \$21 billion in Asia. Today tour sales represented 50 percent of all leisure travel sales and 35 percent of all travel agency revenues.

Types of Tour Packages

A travel agency/tour operator deals with variety of 'tour packages,' catering to the diverse needs of tourists such as adventure, beach, architecture, cultural, business, conference, incentive tours, ayurvedic packages, Buddhist, religious, incentive tour, special interest tours, cruise tour group tour, educational tour, heritage, monuments, wildlife lovers, etc. These are broadly classified into **five categories**:

1. Independent Tours
2. Escorted Tours
3. Hosted Tours
4. Incentives Travel/Tours
5. Freedom Tours



TourismNotes.com

Independent Tour

Independent tours are prepared/formulated for those tourists who want to travel independently. The components of such tours are air travel, air transfer, accommodation, travel documents, sightseeing, boat riding, entertainment, and other travel services.

However, in some cases, the tourists are free to purchase every single component separately. Thus, this type of tour provides the tourists considerable freedom to plan the activities according to their own choice.

An independent tour may or may not be an all-inclusive tour. Therefore, tour price varies depending on the type of air travel, air transfer, accommodation and is inclusive of other tour components. The foreign independent travel (FITs) and domestic independent travel (DITs) are examples of an independent tour.

Escorted Tour

When a travel agency includes the services of a well educated and trained tour manager in its package, the tour is called an escorted tour. Basically, escorted tours are meant for those travelers who are planning to visit a foreign country first time.

The escort's responsibilities and duties are to provide comprehensive information and assistance to the group or individual traveler, at the origin, en route and the destination place. The excursion tours are the example of escorted tours.

Hosted Tours

A hosted tour means when an agency utilizes the services of another agency at a particular destination. Suppose a group of French tourists is coming to India. When the group arrives in India, they are greeted at the airports by TCI, which assists them in clearing their baggage and transfer them to the hotel.

Their tour-host (TCI) is available to offer device and information about the local attractions and entertainment. Further, when the group arrives at another designation in India, a different travel agency greets them at each tourist spot. Thus, a hosted tour provides the tourists maximum level of pre-arranged and personalized services.

Incentives Travel/Tour

It is a motivational programme or a fully paid holiday which is given to the employees by the enterprises as a reward. Mostly in medium and large-scale companies and usually too distant destinations to spur them in maintaining their track record, to increase output, improve the image and moreover to earn the long period loyalty of the employees.

There are a number of the other packages offered by a tour company such as a custom tour an excursion tour, an adventure, and special interest package tours.

Freedom Tours

Freedom tours are becoming very popular these days among the working class. These tours are designed as per the choice of tourists. The tourist is free to choose and plan how they want to travel and enjoy their holidays. These types of tours are meant for that kind of people who like to decide how, when, and where to travel.

This tourist may be an individual, family, group holidays for families and group travel for business. These tours are promoted and developed by the ORBIT.

Vouchers

A **voucher** is a bond of the redeemable transaction type which is worth a certain monetary value and which may be spent only for specific reasons or on specific goods. Examples include housing, travel, and food vouchers. The term voucher is also a synonym for receipt and is often used to refer to receipts used as evidence of, for example, the declaration that a service has been performed or that an expenditure has been made. Voucher is a tourist guide for using services with a guarantee of payment by the agency.

The term is also commonly used for school vouchers, which are somewhat different.

In tourism

Vouchers are used in the tourism sector primarily as proof of a named customer's right to take a service at a specific time and place. Service providers collect them to return to the tour operator or travel agent that has sent that customer, to prove they have given the service. So, the life of a voucher is as below:

1. Customer receives vouchers from tour operator or travel agent for the services purchased
2. Customer goes to vacation site and forwards the voucher to related provider and asks for the service to be provided
3. Provider sends collected vouchers to the agent or operator that sends customers from time to time, and asks for payment for those services
4. Uncollected vouchers do not deserve payment

This approach is most suitable for free individual tourist activities where pre-allocation for services are not necessary, feasible or applicable. It was customary before the information era when communication was limited and expensive, but now has been given quite a different role by B2C applications. When a reservation is made through the internet, customers are often provided a voucher through email or a web site that can be printed. Providers customarily require this voucher be presented prior to providing the service.

Voucher is a 'coupon' given to a guest for a specific prepaid service (accommodation in a hotel) handed out by a travel agency. As a form of a 'receipt' the traveler can then claim the service he paid for.

Hotel Vouchers

Hotel Vouchers are commonly used when a hotel booking has been made through a 3rd party (not directly at the hotel), as evidence that the traveler is listed as a guest at the hotel and that his reservation has been paid for. After finalizing a booking the travel agent (or OTA) gives /

sends the client a Voucher (nowadays usually per mail). This voucher is then to be presented to the hotel at the time of check in.

Vouchers are very common in the travel industry, often they are used when a traveler purchases a tour (the voucher indicates that certain tour components have been prepaid). Vouchers are then exchanged for tour components like accommodations, meals, sightseeing, tickets, etc. during the actual trip. The voucher allows hotels to collect payments from the travel agent beforehand without charging it to the customer.

A voucher may only cover a certain amount of a service or rate or the total amount of the guest's stay depending on the type of voucher.

There are various types of vouchers. Promotion- or gift vouchers are among them, as vouchers may also be part of competitions, contests and other marketing promotions done by a hotel in order to gain additional revenue or promotion. Besides a discounted room rate voucher, hotels can offer vouchers for extra services like: upgrades, restaurants, spa, parking, paid facilities located at the hotel and tours organized by the hotel.

Hotel may give vouchers for these services as a form of a marketing campaign, in line with a loyalty program or as a response to a client complaint. A traveler can also win an entire stay at a hotel in a competition or be gifted with a hotel voucher from a relative/ partner/ company he works for (as an incentive), etc.

Exchange Order

A voucher issued by a carrier or travel agent requesting that a ticket be issued. The ARC document which entitles a travel agent to receive a commission.

When you arrange to purchase your pass from Japan Rail Pass Now, you'll receive an exchange order voucher in the mail. When you arrive in Japan you simply take your voucher and your passport to a JR exchange office to redeem your JR pass.