

ETC Travel Planner Forum February 2017

Working with Foreign In-Country Operators: Greater risk and greater return?

Definition/Examples of different models for planning trips:

Working with a U.S. tour operator who does the same tour multiple times for several organizations

Working with a U.S. tour operator on a customized tour

Working with an in-country foreign operator

This could be:

- Tour Operator who does package group tours
- DMC
- Working with hotels directly

In this roundtable discussion we are focusing on foreign operators.

Choosing an operator – a couple of possibilities – use the ETC community and your colleague network for referrals

Creating the partnership – make specific and explicit agreements spelling out who does what and when. Think about cultural differences between you and the operator as well as the needs of your travelers for planning (see section on customer service below.) Specify inclusions and exclusions of the trip. Anticipate potential problems and agree on a plan to solve things that come up.

Resources needed to support this programming model

- Marketing resources for brochure production and mailing
- Reservation and payment processing including accepting credit cards
- Valid seller of travel license for your state (if applicable)
- Ability to pay vendors via wire transfer or purchase other currencies
- Additional staff time needed

Benefits – better pricing (no US tour operator middle man) and opportunity for greater net income; more control over entire program to provide an offering that is different from anything else; branding to your institution's program only; unique marketing pieces

Risks – potential financial if you have to pay for marketing and then don't have enough interest in the trip; foreign operators do not typically have insurance policies to add institution as additional insured; foreign operators are not subject to US legal remedies; foreign currency fluctuations; potential contracting issues due to different deadlines and terms – it is a good idea to set payment and cancellation deadlines further out than required by operator, so your administrative costs are covered as well as the operator's.

Customer service – you know your travelers best and how to set and meet their expectations which can be very different with a foreign operator. It may take longer to get answers to questions than with US operators. You will need to alter documents from foreign operator to present them to your travelers so they are consistent with other documents. You may need to research and verify certain aspects of a destination to better communicate to your travelers. You might need to compensate for weaknesses in the foreign operator's customer service. Set a go/no go date and advise travelers not to purchase air until the trip is confirmed. Repeating trips in subsequent years makes it easier.