# 10 tips for organising your tourism services export to Europe

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To successfully launch your travel services in Europe you need to know how to navigate the vast European market of tour operators and OTAs. Your buyers are professional, well-informed customers whose primary goal is to provide their clients with the trips they have booked and paid for. They will have a set of stringent conditions that they expect all their suppliers to comply with, often known as codes of conduct. Sustainability and responsibility are often at the core of travel experiences to developing countries.

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# 1. Negotiate contracts and payment terms

Your new business partner will expect you to sign a contract before doing business with you. The buyer will have made you aware of their terms and conditions during the negotiation process, which they expect you to comply with. These conditions are likely to include quality, health and safety requirements and sustainability standards, along with a full schedule of fees they will pay for the travel products you supply. The contract formalises all these details and offers both parties protection in the event that things go wrong.

When the buyer provides the contract, you should read it carefully and make sure you are clear about their expectations. If you have a legal department or a lawyer, ask them to review it.

Pay attention to the following:

- The contract with your buyer should list all the agreed fees and pricing. Look out for any additional fees that have been included and guery them if you are not sure what they are.
- Unless you have negotiated fixed fees for your products, you should ensure the contract allows for a price increase clause.
- The contract may also include clauses relating to the provision of excursions and tourist services supplied by

your local providers. You should ensure the contracts you agree with your local providers are in line with those of your buyers.

- Make sure the payment terms are as agreed. European businesses normally expect payment terms of 30 days. If this does not suit you, try to negotiate a different term.
- Make sure you are clear about which currency your fees will be paid in. If you are likely to be charged a currency conversion fee, consider including this within the fee you charge your buyer.
- Establish with your buyer how you would like to receive payment. Direct bank transfer is a common method of transferring fees abroad. Make sure your bank account can accept international currency transfers, if that is the case.
- You should provide your buyer with all the correct bank details needed for making an international payment to your bank account.
- Ensure the contract clearly states what your buyer expects from you, checking if it matches what you have agreed, as they will hold you accountable if the service levels are not met.

The contract should include a termination clause that suits both parties.

#### Tip:

Read the CBI's tips for doing business with European buyers.

## 2. How to drive bookings with OTAs

Online travel agents (OTAs) specialising in selling trips, guided tours and experiences have become the fastest growing sales channel for these travel products. OTAs manage all aspects of the listing online platform, marketing, booking and payment of trips, so they offer considerable opportunities to local operators in developing countries. The market is comprised of big names, such Viator and Airbnb Experiences, alongside newer OTAs that often start in one region and then look to expand, such as Civitatis, which originated in Spain, and Musement, which initially concentrated its business in Europe and has now expanded to other continents. Other OTAs specialise in sustainable, cultural experiences or focus on a niche activity, such as Lokal Travel, Visit.org, Traveling Spoon and Responsible Travel. A number of OTAs specialise in providing local guides, such as Like a Local, which also allows local tour companies to sign up, and With Locals and Tours by Locals, which provides almost 5,000 guides in 183 countries.

Listing a trip with an OTA offers many benefits to you as a local operator, because they can generate additional bookings from an international market that would otherwise be difficult or expensive for you to reach on your own. You pay only for bookings actually made and OTAs generally act as the merchant of record, which means their commission includes any payment processing fees, such as credit card and currency exchange fees.

Business listings remain your responsibility and OTAs expect their suppliers to adhere to quality standards. Typically, operators are charged a set commission for each trip, which is around 20% of the published price. Before preparing your product for listing on an OTA you should research which one is the most suitable for the trips or experiences you are selling.

## Establish a plan of action

- Read the OTA's terms and conditions for suppliers so you are clear about the standards they expect. Explore the Viator supplier page or Like a Local's Join as a Local to see how it works.
- Research commission fees as they differ for each OTA. Learn what your costs are so you can factor them into your price, which should include the OTA's commission.
- OTAs will expect your prices to be competitive. This means that if you sell the same trip through another channel, directly to the traveller for instance, the price must be the same. This may affect your profitability on that trip. However, it is important to remember that when you sell through an OTA, they are providing you

with a service that includes marketing and payment processing, and you may not have sold that trip otherwise.

- Read the OTA's cancellation and refund policies and negotiate if the term is too inflexible for the trip you are
  offering.
- Use a system for tracking payments and managing the bookings calendar.
- Start with one or two products and build from there. Study what else is available locally to ensure that your key selling points come across clearly and distinguish you from the competition.
- Your listings should include detailed information to entice the traveller and feature inspirational images. Make sure the description clearly states what is and what is not included in the trip. Other details, such as departure times, pick-up locations, maps and other logistics must also be included.
- Take advice from the OTA if they offer it. Sometimes they might want you to rewrite a description or make another suggestion that might help boost your bookings. Remember they are the experts in their field.

#### Tip:

• Research any suitable OTAs that exist on the market today. Use the Internet to help you find them. This guide, 95 Places To List Your Tours, is a good place to start.

## 3. Take out relevant insurance

#### **Trade credit insurance**

Trade credit insurance is a B2B type of insurance for the risk of not being paid for goods or services that businesses sell. What this means is that if a buyer that you are working with fails to pay what they owe you for a trip that you have already supplied, or pays later than the payment terms state, you are covered to recoup the money.

Having trade credit insurance helps businesses continue to make sales to existing or new buyers while waiting for or trying to recoup payment, which would otherwise be too risky. Banks are known to lend more capital to businesses that have credit insurance, and insurers often have extensive knowledge of business sectors and economic trends that could be helpful to growing your business.

## Tip:

Research what type of trade credit insurance might be available in your home country. If there is
none, see if there are any other countries that will offer credit insurance to international clients. There
are insurance companies in the UK that will provide trade credit insurance to international
organisations. Read this ABI primer on trade credit insurance to find out more.

# **Liability insurance**

It is important for you to have liability insurance in place for your business. Liability insurance must protect you against claims in respect of your legal liability for personal injury or property damage sustained by third parties while a travelling customer is in your care. European tour operators need have liability insurance in place before they do business with you.

- It is unlikely that an international insurance company will be able to provide you with liability insurance. You must fully research what liability insurance policies for tour operators are available in your country and make sure that all aspects of the services you provide are covered by the policy.
- Make sure your policy meets the minimum requirements European tour operators will require from you.
- Read this article on small business insurance for some broad advice on common insurance policies.

• See what is available in other developing countries, such as Alpha Direct Insurance Co in Botswana or TATA AIG Insurance in India.

#### **Traveller insurance**

It is worth checking with your European tour operator buyers whether they encourage their customers to take out their own personal travel insurance. Although this will not absolve you of your legal responsibility if there is a problem, travellers are likely to make a claim through their insurance company first.

# 4. Support tourist visa application processes

You should be aware whether travellers from Europe need to have a tourist visa before they can visit your country. Remember that visa rules do not always apply to all European countries. A tour operator is likely to know if their customer needs a visa but you should stay informed about any changes in the visa process that they should know too. Many countries are working towards an e-visa system which helps to speed things up. If your country is not one of these yet, use your influence as a tourism professional to press for changes.

For many destinations, it can be difficult and time consuming for foreign parties to secure tourist visas. For other destinations, multi-destination visas have been introduced, which is both cost effective for tourists and also speeds up the time spent at international borders. One such example is the East Africa tourist visa, which allows visits to Kenya, Rwanda and Uganda with one electronic visa.

#### Tips:

- Establish a good relationship with your national tourist board or the department that handles visa processing so that you can offer to help your buyer.
- You can also open a dialogue with them to push for changes to the system, if needed.
- Include information about visa regulations on your website to help inform FITs. Include all the relevant details address, telephone number, web address and email address, along with the price to secure a visa. Check regularly on visa fees and information and keep your website up to date.

# 5. Work effectively with local providers

Your buyers will expect you to comply with all applicable local laws and regulations. This means that any local providers that you work with must comply with them too.

- Transportation: any means of transportation included in your trips must exceed the minimum quality and safety requirements. You may be required to show that transportation is provided to environmentally friendly standards wherever possible.
- Accommodation: check that your accommodation providers comply with local employment regulations and
  provide the level of quality agreed with the buyer, including cleanliness, service provision, etc. Ensuring your
  suppliers are working sustainably is a key factor for your buyers. You should be able to show they use water
  saving programmes, implement waste reduction, promote energy conservation and have a measurable
  benefit of economic empowerment for local communities. Suppliers may prefer their accommodations to
  have a sustainability accreditation from GSTC or Travelife. It is likely that your buyer will want to make visits
  to see the accommodation at some point.
- Excursions, trips, tours: any supplier that you use to provide trips, excursions and tours should operate ethically and responsibly. European tour operators and their travelling customers are increasingly demanding trips and experiences that are ethical and responsible. They will want evidence that the trip provided in their name will not harm or exploit children, wildlife or the environment. Some tour operators will have stricter regulations than others, so make sure you know what they are.
- Local communities: sourcing and buying locally from communities and businesses are key attributes of

responsible tourism and should be adopted in preference to other sources wherever possible.

## Tips:

- Familiarise yourself with the applicable national local laws and regulations. Your national tourism board might be able to give you some advice on it.
- Set up your own code of conduct for your providers also to comply with. You could use your buyers' codes of conduct to help shape yours.
- Make sure you visit all your suppliers in person regularly so you feel confident about what you are selling on to your buyers.
- Introduce sustainable and responsible practices to make your own business more sustainable. Using energy efficient lightbulbs, implementing waste separation facilities, adopting water and other energy saving features and using paper sourced from managed forests are some examples of possible initiatives. See if there is a local business that helps companies to improve their sustainability practices. Another example is Green Tourism.

## 6. Manage your office efficiently

European tour operators are generally professional and well organised. They will appreciate working with business-like suppliers as well. You should be able to access the information they require from you quickly and easily. You can do this if you are organised with the way you operate your office systems. As a supplier, they may want to visit your offices once in a while to see your books and strengthen business relationships.

## Formalise your office systems

- Keep a diary that records bookings, meetings, important events, marketing campaigns and deadlines.
- Keep records for each buyer and local provider separately. File all your correspondence either online or in separate folders in filing cabinets so you can easily access relevant information quickly.
- Keep track of invoices and payments, making sure you issue invoices timely. You may want to find a local bookkeeper to help you keep track of invoices and payments.
- Establish a system to chase your buyers for unpaid invoices.
- Make sure you pay any local providers on time, as per your contract with them. Ensure you're ready and able to pay any local taxes or fees at the right time.

### Tip:

• For more ideas on office management, you can read this helpful online guide on applying seven principles of good office management.

# 7. Promote your business online

Industries selling service-based products such as in tourism generally use their website to demonstrate the services they are offering. Without a tangible product that can be packaged, your website must do the job of conveying exactly what you are selling. All types of European buyers will look at your website and use that information to decide whether they are interested in what you are selling. Remember that potential buyers may find you before you find them, so it is crucial that your website is up to the job.

## Plan your website

Before you start, you must write a clear website brief that includes specifics such as what is your target audience, what you want your site to do, how you want it to feel. Include some examples of competitive

websites that impress you. This helpful guide provides tips on writing a website brief. Once your brief is ready, you can create your own website using an online package such as WordPress, which will have plenty of online support to help you. Or you could employ a professional web company, such as Tourism Tiger, to design your website.

The content you include on your website is very important. It is what drives buyers to your site and is vital for search engine optimisation (SEO). The copy you write must be descriptive, well-written and state clearly what the products include and don't include.

Use of images and videos is also very important to create visual inspiration for potential buyers, and contributes to SEO. Make sure there is a range of different types of images that clearly show what you offer and use a range of shots to complement each product you are selling. For example, a bird watching trip could include shots of the landscape or the forest, the kinds of birds to watch out for, images of the guides or birders, shots of a group taking a break, taking photographs or having a picnic.

You should take time to browse the internet for tour operators and tourism board websites you feel look and work well. Toucan Café & Tours (Colombia) uses a simple, easily accessible format to convey the wide range of tours and experiences it offers. The Mount Kilimanjaro Guide takes an information-based approach to its homepage that emphasises the quality of the guide and features one large, compelling image.

If you don't have enough images, commission someone to take some photographs. They do not need to be a professional photographer but be clear about which images or videos you need.

#### **SEO**

Your website must be optimised to generate traffic, so it features high up in online search results. There's a method to writing for the web to achieve this and it is known as search engine optimisation (SEO). If the web designer you chose doesn't have specific SEO skills, find someone else that has. The more relevant and detailed the copy, the more successful SEO will be.

## Tips:

- Include customer reviews or testimonials on your site. Regularly analyse any reviews. Add your responses to very positive reviews and also to any negative ones, being sure to address their comments directly.
- Link your social media accounts to your website. Instagram is one of the top sources of inspiration for young travellers today.
- Plan your social media campaigns and blog posts in advance and make diary entries to ensure you stick to the schedule.
- Publish details of how you operate your trips in a code of conduct or terms and conditions document. Be sure to include sustainability and responsibility statements that cover the main issues.

For more information about creating a new website or improving an existing one, download the CBI study How to be a successful tourism company online.

# 8. Learn more about legal and non-legal requirements

It is important that you comply with all applicable laws and legal standards in your own country. European tour operators are legally bound by a number of directives and regulations that relate to providing services to the travelling customer. It is important that you familiarise yourself with the European Package Travel Directive and General Data Protection Regulation (GDPR), which are the key pieces of legislation for the travel industry in Europe.

GDPR relates to the collection, storage and use of personal data, affecting any company worldwide that processes the personal data of people who reside within the European Union. If you sell directly to European consumers, it will apply to you too.

For adventure tour operators, the International Organisation for Standardisation (ISO) developed its standard for adventure management in 2014. Standard ISO 21101:2014 provides a basis for adventure tourism activity providers to plan, communicate and deliver adventure tourism activities as safely as possible. ISO 21103:2014 specifies the minimum requirements for information to be provided to participants before, during and after adventure tourism activities.

If you are selling to UK operators, the British Standard for Adventure Tourism (BS8848:2014) aims to minimise the risks of adventure travel. The standard outlines good practices for adventure providers to ensure the safety and well-being of travellers and operators. Although voluntary, most British tour operators that specialise in adventure travel are highly likely to ensure that their trips and holidays comply with BS8848.

## Tip:

• You can read more about the legal and non-legal requirements that apply to the European market in the CBI report on the requirements for tourism services offered in the European market.

# 9. Risk management

Unfortunately, the travel industry is not without risk and there are times when things do go wrong. Risk comes in many forms, including factors outside your control, such as extreme weather, political unrest, terrorist attacks and health-related incidents. The current COVID-19 pandemic is an example of a health-related crisis that continues to have a significant impact on the tourism industry worldwide. The CBI's study, How to respond to COVID-19 in the tourism sector provides you with detailed information to help you take the necessary actions to deal with the crisis and prepare for recovery of the industry as travel resumes.

Other common issues include cancellations, accidents and complaints. You should take steps to plan what you will do when a problem arises and what controls you can put in place so you can show your buyer that you are prepared for most eventualities.

It is important for your reputation as a reliable and professional local operator that you can show how you can manage the impact of such problems efficiently and effectively. It is important for you to prepare for any crisis before it actually happens.

## Create a risk management strategy

A risk management strategy that determines how you will deal with risk could include avoiding risk by not carrying out the activity or reducing risk by improving safety measures. Make sure your strategy includes an emergency plan that can be implemented as necessary. See this tourism risk management guide by the Asia-Pacific Economic Cooperation (APEC) for more information on identifying risks.

Make sure you know which national bodies you should be in contact with in the event of a crisis, particularly those beyond your control. These should include your national tourist board, the police, the ministry of tourism and health professionals.

Assumption of risk statement: if you offer activities or excursions that are deemed high risk directly to fully independent travellers (FITs), ensure they sign a form in which they acknowledge the risks involved in the activity. If the activity is especially high risk, such as bungee jumping, you should insist participants have their

own personal travel insurance. If the participant is part of a trip managed by your buyer, make sure the tour operator has confirmed with you that relevant participant insurances are in place.

#### Tips:

You should identify the potential hazards and risks and have an understanding of what damage the risk would have on your business.

Ensure your staff have been trained and are ready to respond to a crisis.

Be honest with your buyers when a problem arises and communicate with them quickly. Avoiding them or the problem can seriously harm your business in the long term.

Be sure to address any complaints directly and quickly. Complaints often reach more people than a positive review and you should take steps to protect your reputation. Acknowledge the complaint and take steps to compensate the complainant in some way. Sometimes a complaint may give you an insight into improving your service in the future.

Read more about it in this CBI report on how to manage risks in tourism.

# 10. Organisations that can help

There may be a number of relevant government departments and import and export trade organisations in your target countries and in Europe that may be able to offer you support.

- National tourism bodies in your country, such as a tourist board, tourism associations, a ministry or department of tourism, should be consulted extensively for any advice they might have for exporting through European tour operators.
- Government trade departments in your target countries may offer advice to importers of services. The German Federal Ministry for Economic Affairs and Energy, for example, promotes foreign trade and investment. In the UK, the British government provides advice for importers of services from non-EU countries.
- Trade institutes also offer advice to international businesses, such as The Institute of Export and International Trade (UK) and the International Trade Centre (UN and WTO).
- You can consult the European Union's import and export page for advice as well. See the tourism sector page for details on the EU's tourism policy and how it supports tourism businesses and promotes international cooperation.
- The European Tourism Association (ETOA) provides a number of useful features on its website, which include trends, insights, regulations and changes.

The CBI has also produced the following publications that might be of your interest:

- For detailed information about exporting services to Europe, consult the CBI's Exporting to Europe Guide.
- Understanding the buyer market in Europe is a key challenge for tourism providers. You can find some helpful advice in the CBI's tips for finding buyers in the European tourism sector.

This study was carried out on behalf of CBI by Acorn Tourism Consulting Limited.

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