



ICM

JUNE 2017

RETAIL TRAVEL OPERATIONS

Instructions to candidates:

- a) Time allowed: Three hours (plus an extra ten minutes' reading time at the start – do not write anything during this time)
 - b) Answer any FIVE questions
 - c) All questions carry equal marks. Marks for each question are shown in []
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1. Describe the impacts of incoming tourism, positive and negative, relating to the following headings:
 - a) Environment
 - b) Economy
 - c) Culture
 - d) Infrastructure[20]
 2.
 - a) Explain the influence foreign currency exchange rates have on clients' choice of travel destinations. [10]
 - b) What advice would you give a client travelling abroad for the first time with regard to personal financial security and payment choices? [10]
 3.
 - a) List and describe the SEVEN steps in a tour operator's development programme of a new tour product. [10]
 - b) Explain EACH of the following tour operating terms:
 - i Upgrade
 - ii Supplement
 - iii Pre-bookable
 - iv No surcharge guarantee[10]
 4. Explain what is included in a travel insurance policy for EACH of the following headings:
 - a) Medical expenses
 - b) Cancellation charges
 - c) Curtailment
 - d) Personal baggage and personal money
 - e) Personal liability[20]
 5.
 - a) Outline the operational costs of an independent travel agency. [10]
 - b) Explain how travel agencies earn their income. [10]
 6. Explain your understanding of EACH of the following travel terms:
 - a) Incentive tour
 - b) Inclusive tour
 - c) Validity
 - d) Wait-listed
 - e) Producer[20]
 7. One reason for prices of exactly the same holiday varying so much is the negotiation of competitive rates and volume of business. Another is vertical integration in the chain of distribution. Discuss. [20]
 8.
 - a) List and describe EIGHT special interest holidays by matching EACH holiday type with destination and tourist demographics. Illustrate your answer within a chart. [10]
 - b) List and describe SIX reasons for the increase in short break holidays. [10]