

HANDY HINT
NETWORK AND ATTEND
MEETINGS TO HELP YOU
KEEP UP TO DATE,
UNDERSTAND AND
SPEAK THE LANGUAGE.

GLOSSARY

Below is a glossary of general industry terms and tourism abbreviations.

ABS Australian Bureau of Statistics.

Advertorial A paid advertisement in the print media that resembles a story or editorial comment.

AFTA Australian Federation of Travel Agents.

AITT Australian Institute of Travel and Tourism.

Allotment A limited number of rooms or seats available to wholesalers to free sell.

ANR Arrival notification report used by wholesale agents.

APEX Airlines advanced purchase fare.

ATE Australian Tourism Exchange. ATE is Australia's largest international tourism trade show for inbound operators and overseas wholesalers; coordinated by Tourism Australia.

ATEC Australian Tourism Export Council, formerly known as ITOA.

ATLAS Computer/reservation system used by some travel agents.

ATO Australian Tax Office

Attendance building Marketing and promotional programs designed to increase attendance at conventions, trade shows, meetings, and events.

Attraction A man-made or natural facility, location or activity that offers an item or items of specific interest.

Availability Dates available for booking a tourism product.

Average rate per room occupied A very useful statistic that is calculated by dividing total sales of rooms during a set period by the total number of rooms occupied during that period.

AVIC Accredited visitor information centre. Travel information centres located at a destination to assist visitors to the area. AVIC's provide information about accommodation, tours, activities, events, etc. Some AVIC's also make bookings. AVIC's are "accredited" centres, identified by an italic "i".

B&B Bed and breakfast facility; usually not more than six rooms.

Benchmarking Comparing results with similar tourism businesses or assessing the business against an industry average.

BEC Business Enterprise Centre.

BLIS Business Licence Information Service.

Block booking Hotel rooms held without deposit for regular group travel.

Booked Hotel rooms, airline tickets or other travel services held for a specific client.

Booking Term used to refer to a completed sale by a destination, convention centre, facility, hotel or supplier (that is, convention, meeting, trade show or group business booking).

Business travel Travel for commercial, governmental or educational purposes. Leisure is a secondary motivation.

Buyer A member of the travel trade who reserves room blocks from accommodation or coordinates the development of a travel product.

Carriers Recognised transport operators, for example, bus, ship or air.

CBO Central Booking Office.

Charter group Group travel, in which a previously organised group travels together usually on a customised itinerary.

C of C Chamber of commerce. Serves as an advocate for the community and business, as well as a resource for consumers and businesses. Chambers of commerce comprise local business people, council representatives, etc. They aim to improve local economic development through a variety of means, for example, professional development of members and promotion of the town as a business centre or tourism centre.

Commissions A percentage of the total product cost paid to travel agents and other travel product distributors for selling the product to the consumer. Travel agents usually receive an amount averaging no less than 10% of the retail price. Wholesalers or inbound tour operators usually receive 20–30% of the advertised price.

Complimentary No charge is made for the item or service offered.

Convention and visitors bureau These organisations are local tourism marketing organisations specialising in developing conventions, meetings, conferences and visitation to a city or region.

Conventions and conferences These are opportunities for the tourism industry to gain up to date industry knowledge and build relationships.

Conversion study Research study to analyse whether advertising respondents actually were converted to travellers as a result of advertising and follow-up material.

Co-op advertising Advertising funded by two or more destinations and/or suppliers.

Co-operative marketing Marketing programs involving two or more participating companies, institutions or organisations.

Co-operative partner An independent firm or organisation that works with a tourism office by providing cash or "in kind" contributions to expand the marketing impact of the tourism office's program.

Cost benefit analysis A comparison between costs and benefits.

Cover Each diner at a restaurant.

CRS Central reservations system.

DECCW Department of Environment Climate Change & Water NSW

Demographic profile Personal information about customers used to understand their buying or selling preferences, for example, age, income and gender.

Deposit Money paid to secure a reservation.

Destination A hotel, resort, attraction, city, region or state.

Destination marketing Advertising and promotions, aimed at consumer and trade, designed to build awareness and desire to travel to a particular location.

Discounted fare Negotiated air fare for convention, trade show, meeting, group or corporate travel.

Discretionary costs Costs over which an operator has control, for example, salaries, marketing and training.

Distribution A marketing term used to describe the physical means by which a product or service is made known to customers.

Direct bookings Reservations made directly with the tourism operator.

Documentation All the tickets and vouchers that are sent to agents for a customer's travel arrangements.

Domestic market Australians travelling within their own country

ETA Estimated time of arrival.

ETD Estimated time of departure.

Famils Familiarisation tours. Organised free trips for travel agents, tour wholesalers, inbound tour operators, journalists or other members of the travel trade for educating and "familiarising" them with tourism destinations and products. By seeing the destinations to which they are sending travellers, the travel trade is better prepared to answer customer questions and promote travel to the location. In the case of journalists, the famil should result in free publicity coverage.

Feasibility study A technique used to assess the financial potential of a proposed development. All aspects of the project are examined – financial, human resources, marketing, etc.

Feature An article in a travel publication or a characteristic of a service or product, for example, price, convenience, safety or quality.

FIT Free independent traveller. These travellers travel independently, not in a group, usually by rental car or public transport.

Fixed costs Costs that do not vary, and including costs that the operator has no control over, for example, rates, licences, etc.

Fly/drive A package tour concept that includes a minimum of round-trip or one-way air travel and rental car to the destination.

FOC Free of charge.

FORTO Forum of regional tourism organisations

Frequency The number of times an advertisement appears during a given campaign.

Free sale A travel component (room or seat) allotted to a wholesaler, which they can sell and confirm directly with the client without checking availability.

Fulfilment Service to consumers and trade who request information as a result of advertising or promotional programs, for example, brochure or website. Service often includes a 1800 number, sales staff and distribution of materials.

Galileo Airline reservation system.

Gateway/gateway city A major airport, rail or bus centre through which tourists and travellers enter from outside the region.

GIT Group independent travel. Group travel, where individuals purchase a group package and travel with others according to a pre-set itinerary.

Gross rate Same as rack or retail rate. The rate quoted to the general public/customer on your webpage and on any promotional material that is targeting the customer directly. The retail rate is the amount the customer pays and should be consistent across the entire distribution network.

Group rate Negotiated rate for convention, trade show, meeting, tour or incentive group.

Group travel A prepaid tour usually with a set itinerary and number of travellers.

GSA General sales agent. A person who represents a product or service for promotion and sales purposes.

GST Goods and Services Tax.

High season The time of year when tourist activity and rates charged are generally at their highest.

Hospitality industry Another term for the tourism industry, usually associated with hotel and restaurant operators.

IATA International Air Transport Association.

ITO Inbound tour operator. ITOs, also known as ground operators, are Australian-based businesses that specialise in developing programs and itineraries for distribution through overseas travel distributors, in liaison with Australian tourism suppliers.

Inbound traveller Overseas traveller coming to Australia.

ITB Internationale Tourismus Borse is the international tourism exchange held in Berlin.

Icon A facility or landmark which is visually synonymous with a destination.

Incentive house A package tour operator, wholesaler or travel agency that primarily organises, packages and sells incentive travel.

Incentive travel The term used for travel offered as a reward for top performance. Also the term used for the business that develops, markets and operates these programs.

Inclusive tour A tour program that includes a variety of features for a single rate (air fare, accommodation, sightseeing, performances, etc.).

International marketing Marketing a destination, product or service to consumers and the trade outside of Australia.

Itinerary Detailed description of a traveller's journey as shown on their tickets; can also include accommodation and other pre-arranged activities.

Inventory The process of keeping track of available tourism product.

Leisure travel Travel for recreational, sightseeing, relaxation and other purposes. Leisure is the primary motivation.

Leverage Using assets or events to strategic advantage.

LGA Local government authority.

LTA Local tourist association.

Local market The market for a product, generally in the local area, or region, but in some instances, the intrastate market.

Low season The time of year when tourist activity and rates are at their lowest.

Market segmentation The division of the total market into groups of customers with common characteristics.

Market share The percentage of business within a market category.

Market volume The total number of travellers within a market category.

Marketing environment Outside factors that affect a business and which an operator has no control over, such as government policy, technological changes, societal changes, competition and industry trends.

Marketing mix The mix of media (radio, print, television, online, direct marketing, etc.) used to bring your product to the attention of consumers.

Marketing plan Contains a mission statement, situation analysis, marketing objectives, strategies, tactics and programs for monitoring and control.

Media release See press release.

Media visit Organised trip for travel writers for the purpose of assisting them to develop stories about tourist destinations. A media visit might also be just one journalist going to a destination with the assistance of a state tourism office.

Mission Sales missions are promotional and sales trip coordinated by a state tourism office, convention and visitors bureau or key industry member to increase product awareness and sales, and to enhance image. Target audiences include wholesalers, incentive travel planners, travel agents, meeting planners, convention and trade show managers and media. Missions often cover several international or domestic destinations and include private and public sector participants. Missions are often attended by representatives of the destination and mission components often include receptions, entertainment, presentations and pre-scheduled sales and media calls.

Nett rate The rate provided to wholesalers and inbound tour operators that is the absolute minimum an operator could sell their product for and still make a profit. It includes all operator costs plus a profit margin. The nett rate is then marked up by the travel trade to sell to the customer.

No show A customer with a reservation at a restaurant, hotel etc., who fails to show up and does not cancel.

NPWS NSW National Parks and Wildlife Service

NTO National Tourism Organisation. The government body responsible for marketing the whole country.

Occupancy rate A percentage that indicates the number of nights sold (compared with the number available) in a hotel, resort, motel or destination.

Operator The owner and/or manager of the product.

Override commission Special bonus commission for reaching pre-determined levels of sales over and above the normal commissions paid.

Package A fixed price saleable travel product that offers a mix of elements such as transportation, accommodation, restaurants, entertainment, cultural activities, sightseeing and car rental. Packages makes it easy for a traveller to buy and enjoy a destination or several destinations.

PATA Pacific Asia Travel Association.

PAX Passengers.

PCO Professional conference organiser.

Preferred agent Agent who has a formal arrangement with a wholesaler and who prefers to use that wholesaler's product.

Press/media release A news article or feature story created by an operator for potential placement in the media.

Pre- and Post-convention tours Packages that are specifically designed for attendees of a particular convention or meeting.

Pre-registration Relating to accommodation, occurs when a guest is pre-assigned a room, which is available to them on arrival.

Product Term used to describe any place or service used by tourists, including hotel, motel, inn, lodge or other accommodation facility, as well as tour, attraction or activity.

Providers Suppliers of tourist services and products.

Qualitative research Research comprised of in-depth, open-ended responses, which allows respondents to put answers in their own words. This type of research can provide detailed insights, however, results cannot be presented numerically.

Quantitative research Research comprised of structured questions, which provides uniform results that are representative of the desired population. This type of research allows for a large number of people to be surveyed cost effectively and is valuable for the production of general information, such as market profiling; considered more robust than qualitative research for business planning and financial feasibility assessments.

Rack rate See gross rate.

Reach The percentage of people within a specific target audience reached by an advertising campaign.

Repeat business Business that returns, thereby generating increased profits.

Reservation The advance booking of a travel product or component.

Reservation systems Computerised systems used by travel agencies to determine availability and arrange bookings of services, such as airline, hotel, car rental and tours.

RET Department of Resources, Energy and Tourism

Retail agent A travel agent.

Retail rate See gross rate.

Retailer Another term for travel agents who sell travel products directly to consumers.

Room allocation A limited number of rooms or seats available to wholesalers to free sell.

RTA Roads and Traffic Authority.

RTO Regional tourism organisation.

Sales mission Suppliers from one tourism area travel together to another state or country for the purpose of collectively promoting travel to their home area. Sales missions may include educational seminars for travel agents and wholesalers.

Sales seminar An educational session in which travel agents, ITOs, wholesalers and other members of the travel trade congregate to receive briefings about tourism destinations.

Seasonality Business fluctuations across the seasons.

Seasonal travel Travel industry business cycles, such as high or peak, low or off peak, and shoulder season.

Peak Primary travel season.

Off peak Period when business is slowest.

SHFA Sydney Harbour Foreshore Authority

Shoulder Period between peak and off peak periods when business is stronger than off peak, but has room for growth.

Share Share room in a hotel, motel, B&B or other accommodation.

Shell A marketing and sales promotional item that depicts a destination, accommodation or attraction on the cover and provides space for copy to be added at a later date. Sometimes referred to as a template.

Site inspection An assessment tour of a destination or facility to determine if a specific site is suitable for an event. Conducted by a meeting planner, convention or trade show manager, site selection committee, ITO, wholesaler or incentive travel manager.

SRD&T Department of State and Regional Development and Tourism

Standby rate Lower than the rack rate. Reservations are generally not held or guaranteed.

Stakeholders The individuals and organisations that are considered, consulted and potentially involved in developing policy, strategy, initiatives and decision-making.

STO State tourism organisation. State government body responsible for marketing and developing tourism in a state.

Suppliers Those businesses that provide industry products, such as accommodation, transportation, touring, restaurants and attractions.

Target market A specific group to whom marketing activities are directed.

Tariff Rates quoted and published by a travel industry supplier, for example, hotels, touring companies and attractions. An annual tariff is produced April to March each year for use in sales calls and at trade shows.

TASAC Tourist Attraction Signposting Assessment Committee

TIC Tourism Industry Council. Representative body for the tourism industry.

Tourism accreditation A scheme designed to ensure continuous provision of quality service and product by tourism operators.

Tourism Australia Commonwealth Government Statutory Authority responsible for both international and domestic tourism marketing of Australia, and the delivery of research and forecasts for the tourism sector.

Tourism component A single travel component. Grouped together tour components form a package.

TRA Tourism Research Australia.

Tourist Definitions vary but, in general, a tourist is someone who leaves their own economic trade area and stays overnight (usually travelling a minimum of 50 to 100 kilometres).

Trade show Exhibition of tourism goods and services to the industry.

Travel Leisure and other types of travel, including business, medical care and educational travel. All tourism is travel, but not all travel is tourism.

Travel agent An individual who arranges travel for individuals or groups. Travel agents may be generalists or specialists, who service a particular area, for example, cruises, adventure travel, conventions and meetings. Travel agents receive about 10% commission from accommodation, transportation companies and attractions, for coordinating a travel booking. They typically coordinate travel for their customers at the same or lower cost than if the customer booked the travel on their own.

Travel product Refers to any product or service that is bought or sold to consumers or trade, including accommodation, attractions, events, tours, restaurants and transportation.

Travel industry The collective term for ITOs, wholesalers and travel agents, also known as "travel trade".

USP Unique selling proposition. The sustainable, competitive edge a product has over other products.

Variable costs Costs that vary depending on when an item is purchased. This applies to items such as fuel or food.

VFR Visiting friends and relatives. The same as tourists, however, they are usually staying in private homes and their principal reason for travel is to visit friends or relatives.

VIC Visitor information centre. Travel information centre located at a destination to assist visitors to the area. VIC's provide information about accommodation, tours, activities and events, and sometimes make bookings. VIC's are "non-accredited" centres, identified by a white roman "i".

Voucher Confirmation slip, advice notice or pre-payment instrument that is exchanged for the travel service.

Wholesaler An individual or company that develops its own packages and itineraries to make travel planning and advice easier for travel agents and consumers. Often they are located in an overseas market, purchasing programs developed by Australian-based ITOs. Packages usually offer transport, accommodation, tours and attractions.

YHA Youth Hostel Association.

Yield The dollar amount generated from a customer transaction after deducting all the fixed, variable and discretionary costs.

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