

# Introduction to Inbound Travel Trade



*South Dakota*



International Inbound Travel Association



# OPENING REMARKS



Cole Irwin  
South Dakota  
Department of Tourism



A large field of sunflowers stretches towards the horizon under a grey, overcast sky. In the distance, rolling hills are visible, with a small, dark, rocky outcrop standing out on the left. The sunflowers in the foreground are in sharp focus, showing their bright yellow petals and dark brown centers.

# DEPARTMENT OF TOURISM

*South Dakota*



# GLOBAL TRAVEL AND TRADE TEAM

## SOUTH DAKOTA



Cole Irwin  
Director



Alexa Dorn  
International



Calley Geigle  
Motorcoach

*South Dakota*

# EXTENDED TEAM

## SOUTH DAKOTA



GERMANY



UK



BENELUX



AUSTRALIA/NZ



NORDIC



ITALY



FRANCE



JAPAN



RMI



BRAND USA





# PROMOTING SOUTH DAKOTA



TRADE SHOWS



MISSIONS



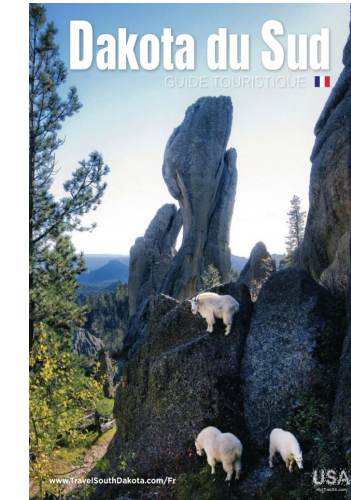
FAMILIARIZATION TOURS



MARKETING CO-OPS



INDUSTRY EDUCATION



PUBLICATIONS AND  
REPORTING





# TODAY'S PRESENTER



**Jennifer Ackerson**  
President, Alon Tourism Solutions



# THE TRAVEL TRADE ARE LOOKING FOR YOU!

Your place to meet the leading U.S. Inbound Operators!



Business Appointments  
Education and Industry Updates  
LOTS of Networking

Affordable \* Intimate \* Effective

February 12-15, 2023

[InboundTravel.org/Summit](https://InboundTravel.org/Summit)





# IITA STAMP OF APPROVAL



Attend Steps 1, 2, & 3  
and  
Submit One-Pager  
for Review

Put your knowledge to work  
with IITA Inbound Operators!



# TRAVEL TRADE

Travel Trade are companies that sell or package travel; 3<sup>rd</sup> party businesses (B2B)  
Interchangeable terms to refer to the travel trade.

- ✓ Reseller
- ✓ Buyer
- ✓ Tour operator
- ✓ Wholesaler
- ✓ Receptive operator
- ✓ Inbound operator
- ✓ DMC - Destination Management Company
- ✓ MICE - Meetings Incentive Congresses Exhibitions
- ✓ OTA Online Travel Agents

# AUDIENCE QUESTION



“What is your category or business?”

Tour  
Guides/  
Outfitters

Attraction  
/ Activities

Art/Cultural  
Museum

Accommodation

Dining

Retail/  
Service

Transport

Event/Festival/  
Sport

Park &  
Recreation

BID/  
DMO





# INTERNATIONAL TRAVELERS

OVERSEAS TRAVELER CHARACTERISTICS	2019	2020	2021
Total # of Travelers to the US	40,393,346	7,594,470	39,883,361
<i>Visitor activity by %</i>			
Shopping	83.9	82.4	84.4%
Sightseeing	77.9	73.8	78.4%
National Parks/Monuments	33.7	28.6	34.1%
Dining (Experience Fine)	25.9	25.3	27.1%
Amusement/Theme Parks	25.7	25.2	26.4%
Art Gallery/Museum	28.2	23.8	28.1%
Small Towns	26.1	23.5	26.0%
Historical Locations	25.1	21.2	25.6%
Guided Tours	19.9	15.8	20.8%
Cultural/Ethnic Heritage Sites	14.4	12.6	14.8%
Sporting Event	11.6	11.7	12.0%
Nightclub/Dance	11.1	10.7	11.0%
Concert/Play/Musical	13.7	10.0	14.4%
Water Sports	8.2	6.8	7.8%
Casinos/Gamble	6.9	5.8	7.1%
Camping/Hiking	4.8	3.9	4.2%
Environmental/Eco. Excursions	3.8	3.4	3.3%
American Indian Communities	4.4	3.3	4.8%
Golfing/Tennis	2.2	3.2	2.5%
Snow Sports	1.4	3.2	1.5%
Hunting/Fishing	1.1	1.6	1.5%

In 2024, international arrivals to the United States are forecasted to reach 76.5M, 96% comparative to arrival levels in 2019.

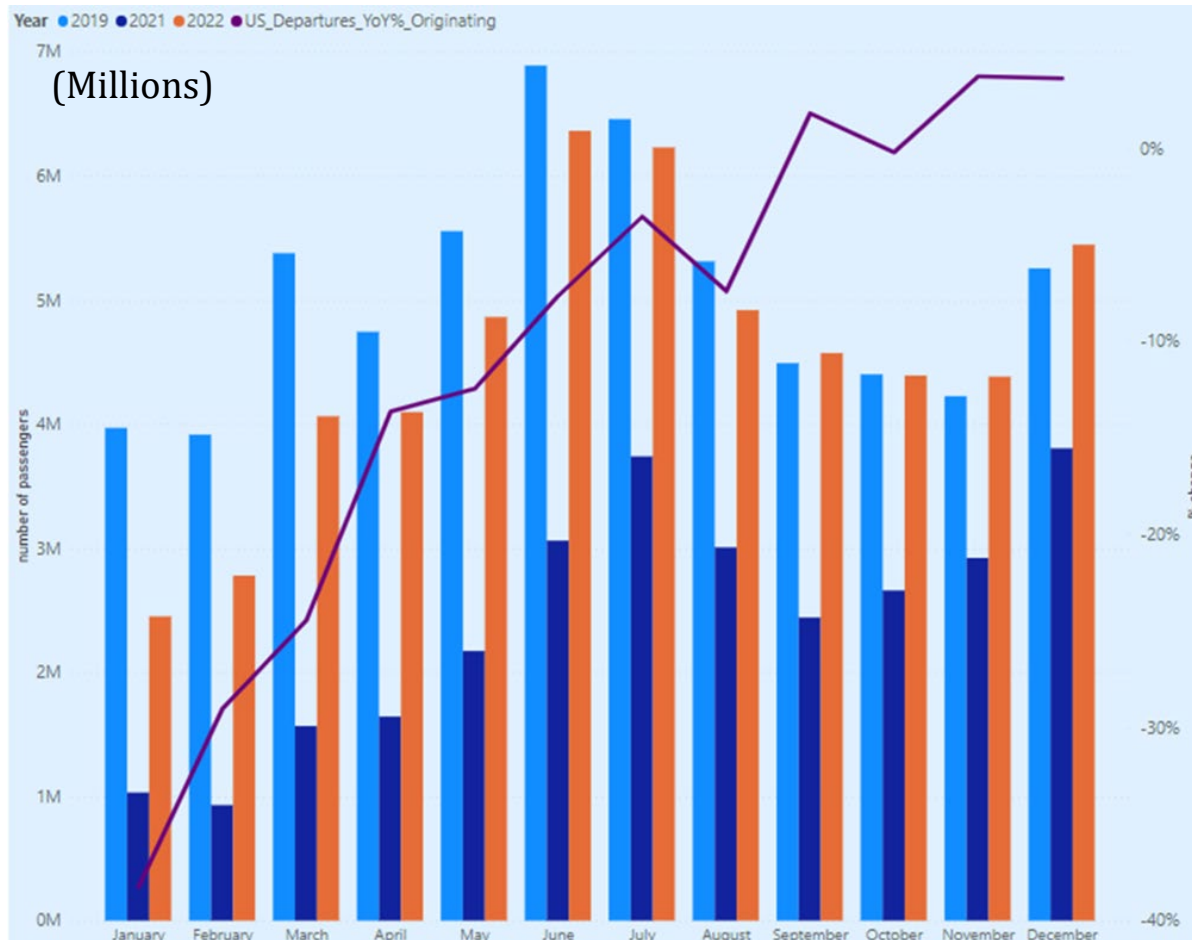
Source: NTTO 2021 Inbound Profile OVERSEAS

Source: [https://www.ustravel.org/sites/default/files/2023-06/us\\_travel-forecast\\_summer2023.pdf](https://www.ustravel.org/sites/default/files/2023-06/us_travel-forecast_summer2023.pdf)

© 2023 Alon Tourism Solutions. All Rights Reserved.

# DOMESTIC TRENDING OVERSEAS

## 2023 U.S. Citizen Departures to International Regions



In December 2022, U.S. Citizen Air Passenger Departures from the United States to foreign countries totaled **5.446 million** +**24%** compared to December 2021 Up **3.6%** compared to December 2019

# TODAY'S SESSION

## Key Positioning:

1. B2B vs. B2C
2. Think in terms of how visitors arrive
3. International vs. domestic
4. Value of 3<sup>rd</sup> party resellers of travel
5. Levels of travel trade



## Implementation:

1. Your communication resource and tool (Pitch perfection)
2. Tiered NET rates
3. Bookable product (In advance)
4. Smooth Operation
5. Sales and Marketing





# Key Positioning



# B2 B VS B2 C



# HOW VISITORS ARRIVE

## FIT, Group, DMC & MICE

### FIT (Foreign Independent Travelers)

- ✓ Individuals, families, couples, less than 10 pax
- ✓ Arrive on their own or public transportation
- ✓ (Fly & Self-drives)
- ✓ Arrive pre-paid to the trade for their travel expenditures

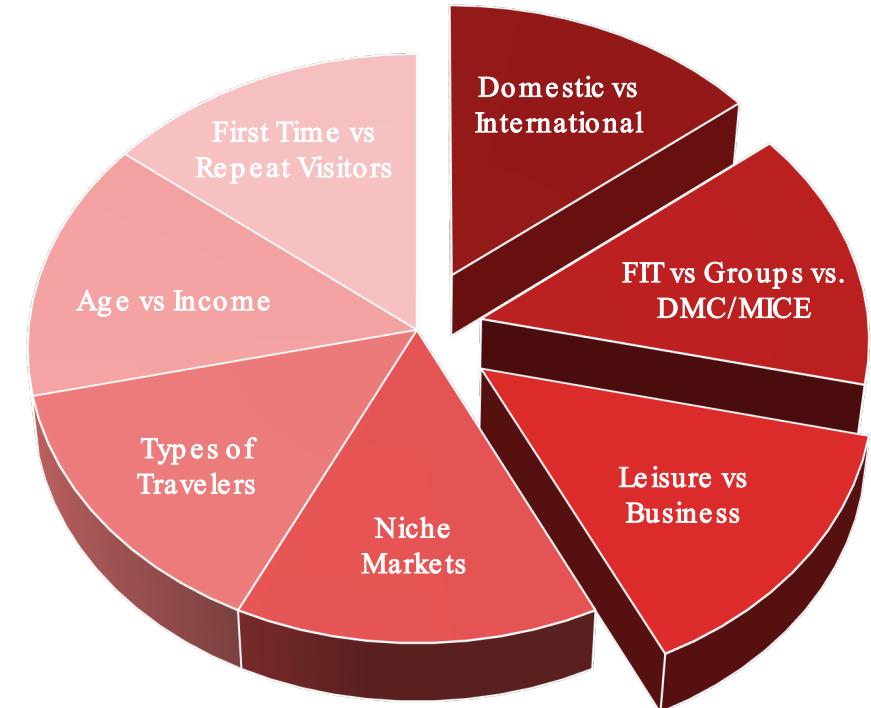
### Group Visitors (Typically 10 or more)

- ✓ Purpose or theme
- ✓ Arrive on a chartered vehicle
- ✓ On a timed itinerary

### DMC (Destination Management Company)

### & MICE (Meeting, Incentive, Conference/Congress, Exhibition)

- ✓ Custom, events, VIP, unique, one-of-a-kind experiences





# HOW VISITORS ARRIVE AFFECTS EVERYTHING ABOUT YOUR SUCCESS

- ✓ The products and services you create
  - ✓ Who you work together with as partners and resources
- ✓ How you track your business and when to expect results
- ✓ How you operate
- ✓ How and where you sell
  - ✓ The associations you belong to
- ✓ The technology and connectivity you use

# INTERNATIONAL VS DOMESTIC



umapped

DISCOVA

independent  
by LIBERTY TRAVEL

travel  
managers

travelsmart  
dream • plan • enjoy  
Topdeck

Round the  
World Experts

Aunt Betty

TRAVEL  
ASSOCIATES

LIBERTY TRAVEL

TRAVEL  
PARTNERS

journeys are made  
at gmapshow.com

StudentUniverse

INBOUND INSIDER  
**STEPS TO  
SUCCESS™**  
International Inbound Travel Association  
Powered by **ALON**  
TOURISM SOLUTIONS

# VALUE OF INBOUND OPERATORS

## Predictability & Control



## Existing Worldwide Network



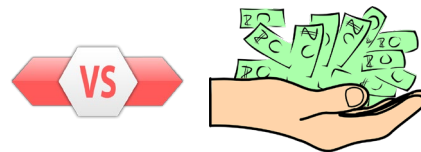
## Visibility & Reach



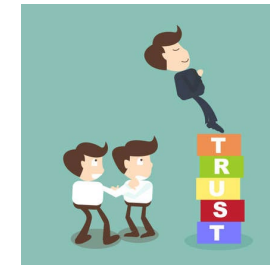
## Cost for Promotion & Advertising



## Relational vs. Transactional



## Confidence & Reliability



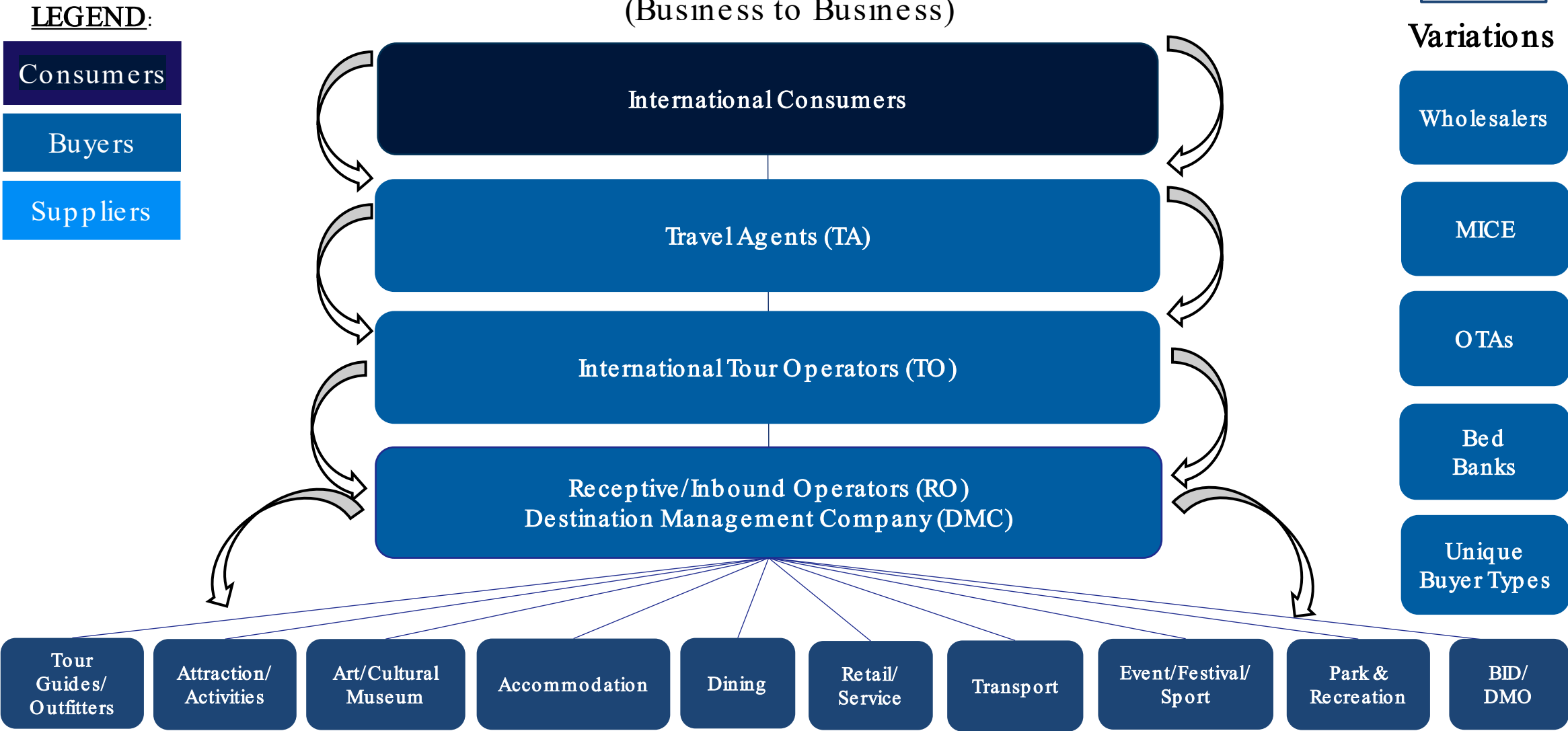


# HOW BUSINESS FLOWS THROUGH TRAVEL TRADE



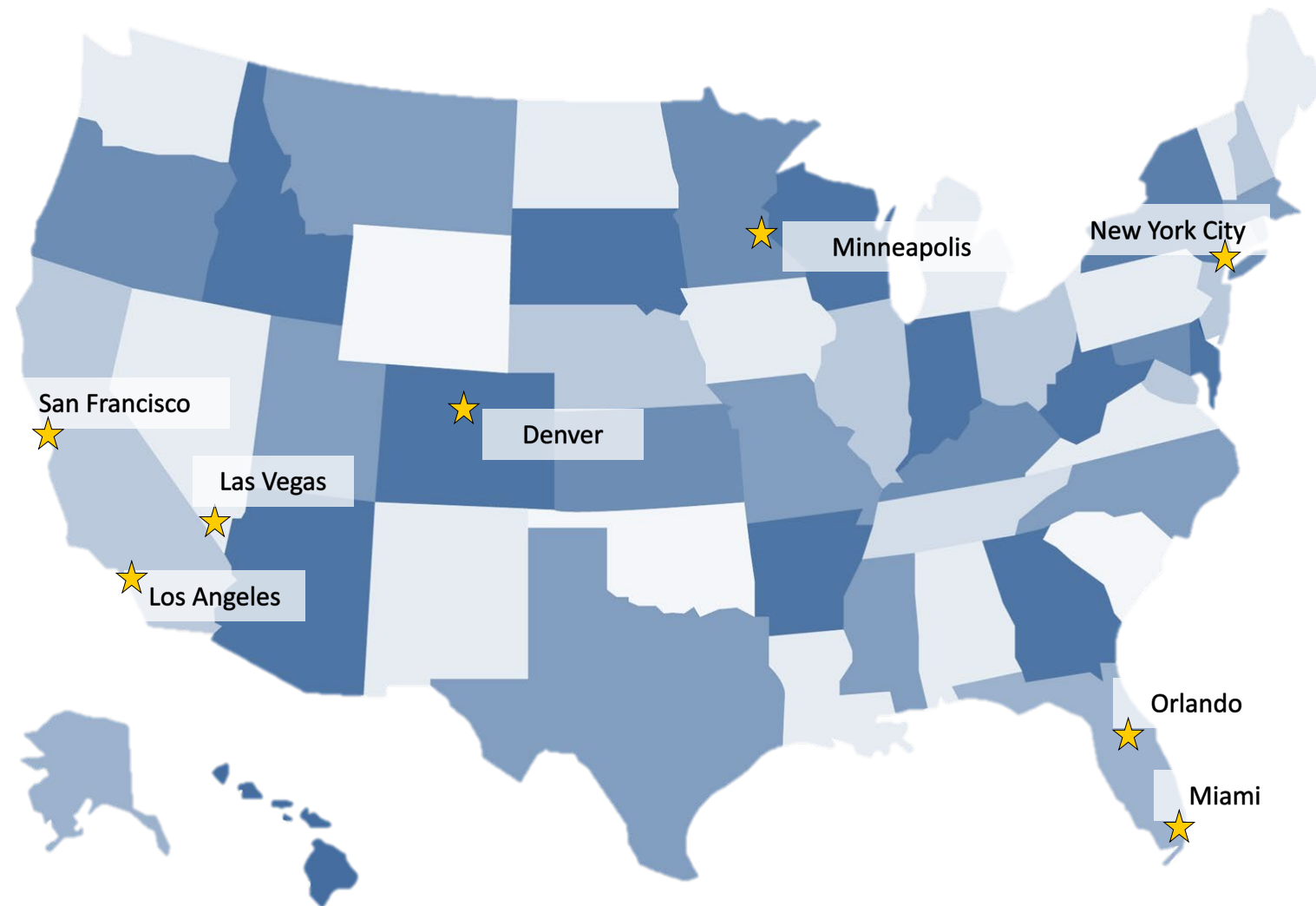
## Travel Trade (B2B) Distribution Channel (Business to Business)

### Variations

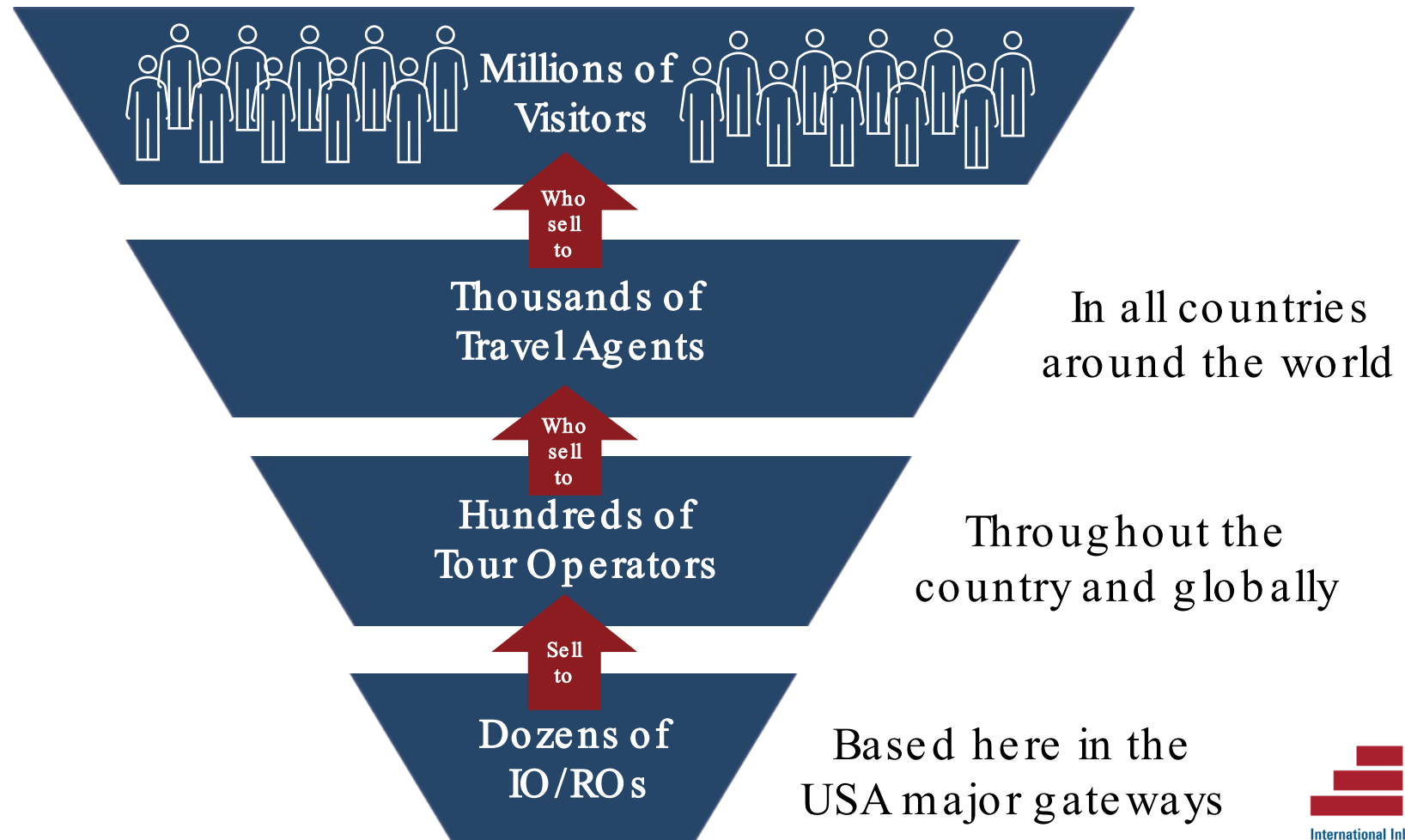


# THE TRAVEL TRADE ARE LOOKING FOR YOU!

USA/Beyond the Gateways/Unique Local Experiences



# YOUR REACH & VISIBILITY WHEN WORKING WITH INBOUND OPERATORS AND THE TRAVEL TRADE



# Implementation





# WORKING SMART & PREPARATION



STEP 2:  
Resource Development

**Who?** Who you are as a business and what makes you unique; your story

**What?** Describe and give details about the products and services you offer.

**Where?** Your business location(s), accessibility, proximity to landmarks, public transportation, other towns, cities, regions, etc.

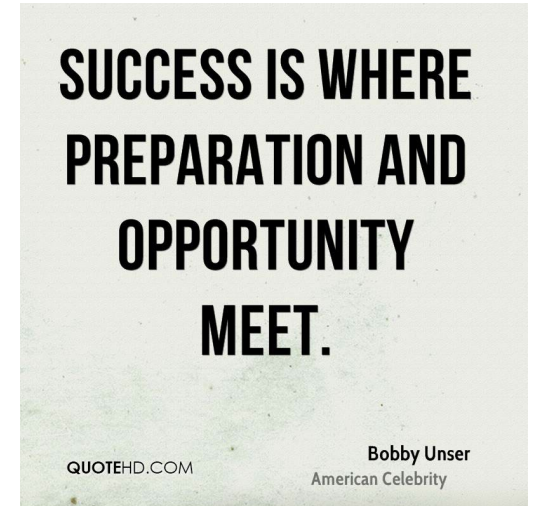
**When?** Your product or service availability

**Why?** The reasons why travel trade buyers should want to work with you; your competitive advantage

**How?** How the travel trade works with you as a 3rd party seller for FIT, group and custom experiences

## Tips:

- ✓ Be concise
- ✓ Meaningful
- ✓ Inclusive of pertinent information to sell your business and product
- ✓ Don't advertise; give practical information; answer all potential travel trade questions



## Don't Forget:

- ✓ FIT
- ✓ Group
- ✓ DMC



1. Something tangible the 3rd party buyer can sell
  - ✓ Bookable products and services
1. Operationally matched to sell
  - ✓ How its purchased and work together
2. Fall into the sales cycle
3. Think FIT, GROUP, DMC
4. Existing and/or new



# PRODUCT INCLUSION

Tour  
Guides/  
Outfitters

Attraction/  
Activities

Art/Cultural  
Museum

Accommodation

Dining

Retail/  
Service

Transport

Event/Festival  
/Sport

Park &  
Recreation

BID/  
DMO

Heads in  
beds

Shopping is the #1  
activity of visitors.  
Make sure they  
know to come to you  
before they arrive

New visitors who now  
come back because they  
learned about the  
destination for the first time

Reap the rewards  
of ROI on your  
tourism  
marketing  
expenditures to  
travel shows and  
travel trade sales

**FIT:** Systems to receive  
individual visitors in advance  
**GROUP:** Bottom line addition  
to revenue and profit  
**DMC:** Special/private events  
with top dollar revenue

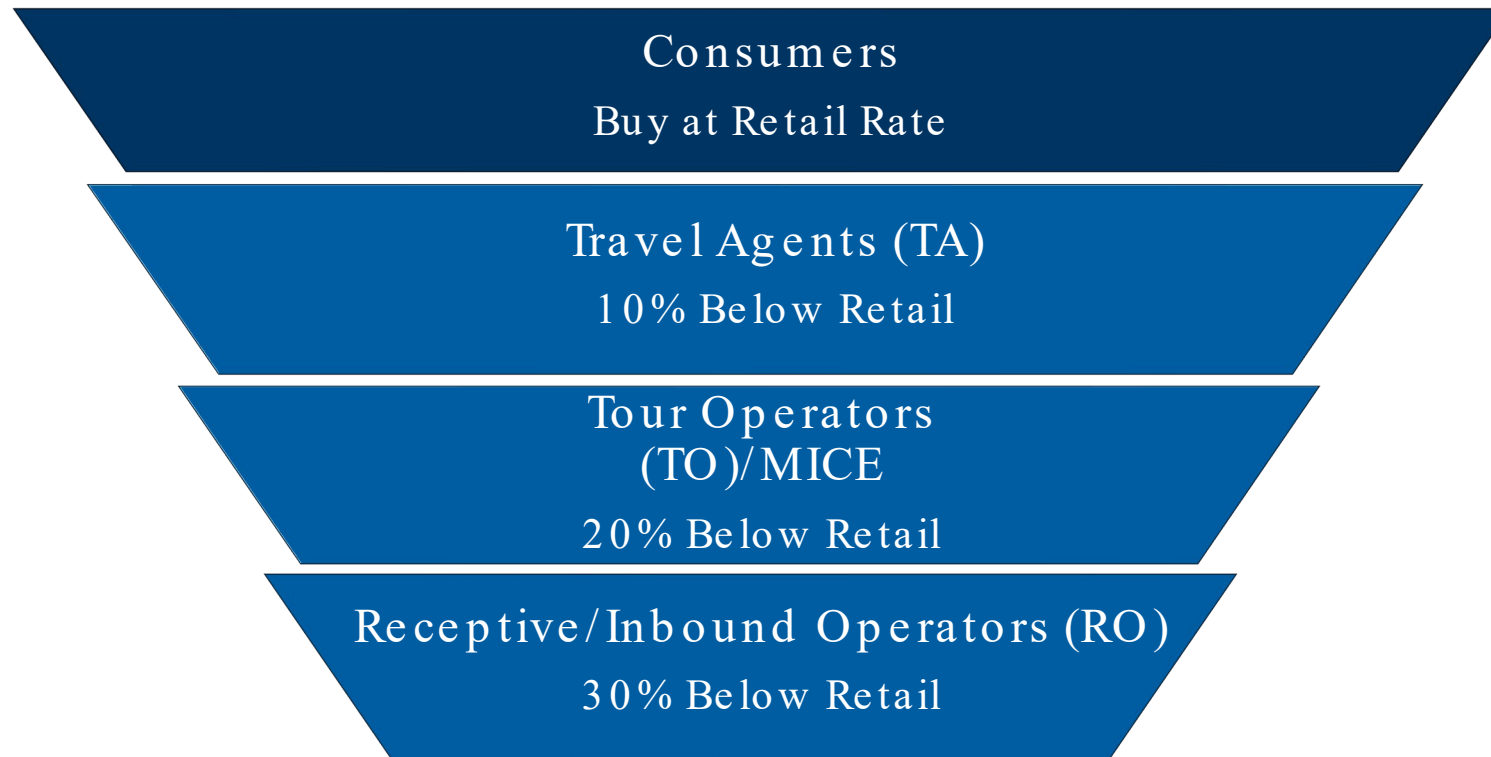
3 meals a day?  
3 level meal plans  
All inclusive meal plans

How do visitors access a  
destination, travel once  
arrived and onto the next  
place? Where do they park  
that motorcoach?

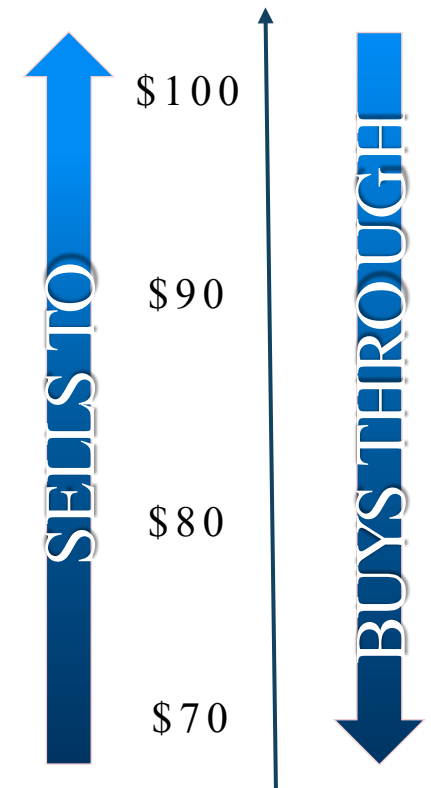
The trend is outdoors,  
experiences, wellness  
and sustainable travel



Not discounts, but marketing dollars



Example:



(\$100 Retail)

Pricing your products for reselling through the distribution network  
Each level of the travel trade sells to the level above with the end consumer buying products and services at retail rates





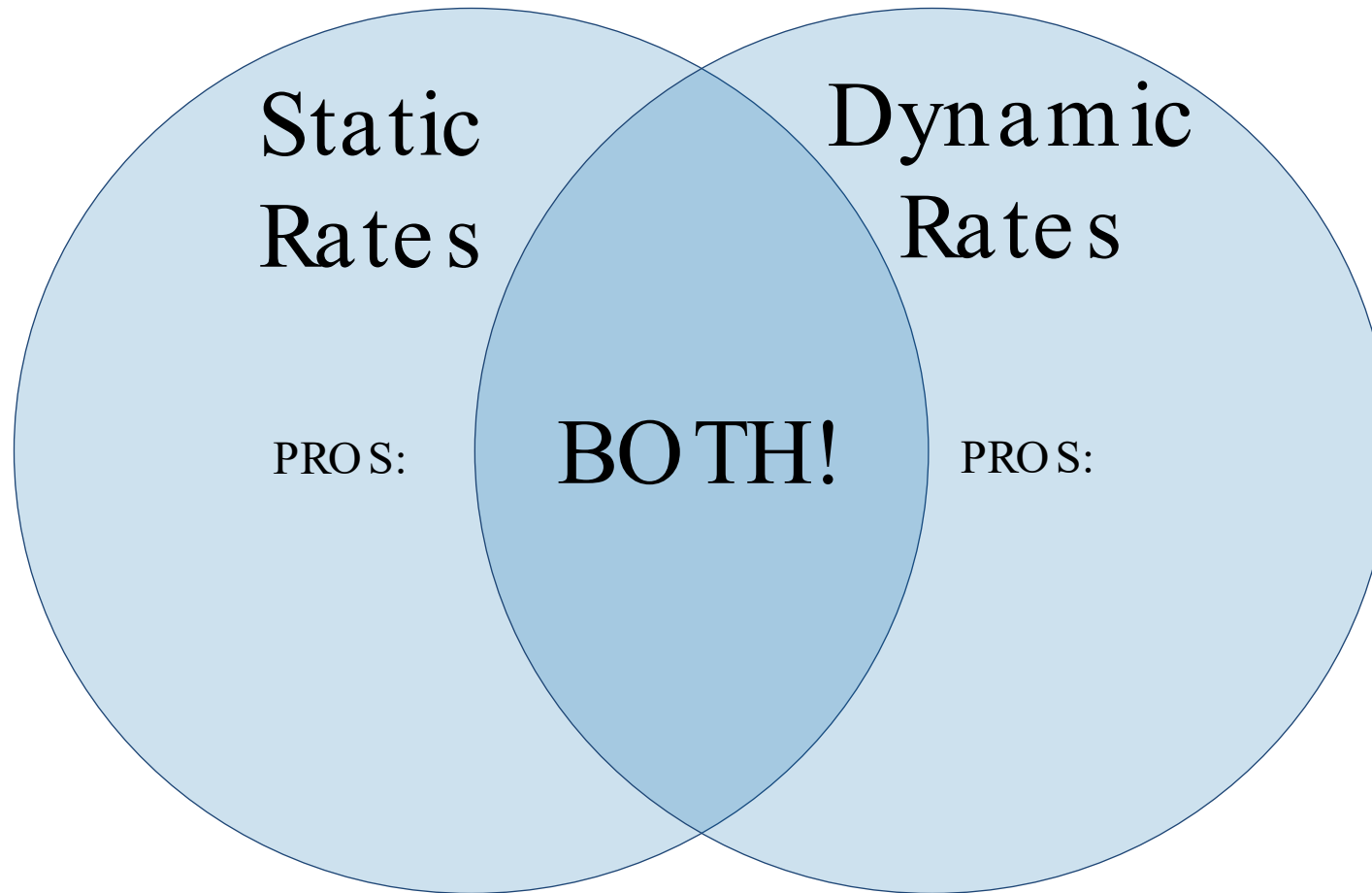
# ACCOMMODATION PRODUCT SELLING

Days of Week	
Sun-Th	
2023 September -	
Deluxe	
Deluxe	
9/1/2023	Executive Suite
9/1/2023	Executive Suite
9/1/2023	11/15/2023
9/1/2023	11/15/2023

Season Start	Season End	Days of Week	Type	RETAIL	TO Rate
2023 April					
4/1/2023	4/30/2023	Sun-Thurs	Deluxe	\$xxx	\$xxx
4/1/2023	4/30/2023	Fri-Sat	Deluxe	\$xxx	\$xxx
4/1/2023	4/30/2023	Sun-Thurs	Executive Suite	\$xxx	\$xxx
4/1/2023	4/30/2023	Fri-Sat	Executive Suite	\$xxx	\$xxx
2023 May					
5/1/2023	5/31/2023	Sun-Thurs	Deluxe	\$xxx	\$xxx
5/1/2023	5/31/2023	Fri-Sat	Deluxe	\$xxx	\$xxx
5/1/2023	5/31/2023	Sun-Thurs	Executive Suite	\$xxx	\$xxx
5/1/2023	5/31/2023	Fri-Sat	Executive Suite	\$xxx	\$xxx
2023 June - August					
6/1/2023	8/31/2023	Sun-Thurs	Deluxe	\$xxx	\$xxx
6/1/2023	8/31/2023	Fri-Sat	Deluxe	\$xxx	\$xxx
6/1/2023	8/31/2023	Sun-Thurs	Executive Suite	\$xxx	\$xxx
6/1/2023	8/31/2023	Fri-Sat	Executive Suite	\$xxx	\$xxx
2023 September - November 15					
9/1/2023	11/15/2023	Sun-Thurs	Deluxe	\$xxx	\$xxx
9/1/2023	11/15/2023	Fri-Sat	Deluxe	\$xxx	\$xxx
9/1/2023	11/15/2023	Sun-Thurs	Executive Suite	\$xxx	\$xxx
9/1/2023	11/15/2023	Fri-Sat	Executive Suite	\$xxx	\$xxx
2023 November 16 - December					
11/16/2023	12/31/2023	Sun-Thurs	Deluxe	\$xxx	\$xxx
11/16/2023	12/31/2023	Fri-Sat	Deluxe	\$xxx	\$xxx
11/16/2023	12/31/2023	Sun-Thurs	Executive Suite	\$xxx	\$xxx
11/16/2023	12/31/2023	Fri-Sat	Executive Suite	\$xxx	\$xxx
2024 January - March					
1/1/2024	3/31/2024	Sun-Thurs	Deluxe	\$xxx	\$xxx
1/1/2024	3/31/2024	Fri-Sat	Deluxe	\$xxx	\$xxx
1/1/2024	3/31/2024	Sun-Thurs	Executive Suite	\$xxx	\$xxx
1/1/2024	3/31/2024	Fri-Sat	Executive Suite	\$xxx	\$xxx



# PRICING YOUR ACCOMMODATIONS



“Dynamic rates respond to demand, but static rates create demand.”

- Peter van Berkel, Travalco



# AUDIENCE QUESTION



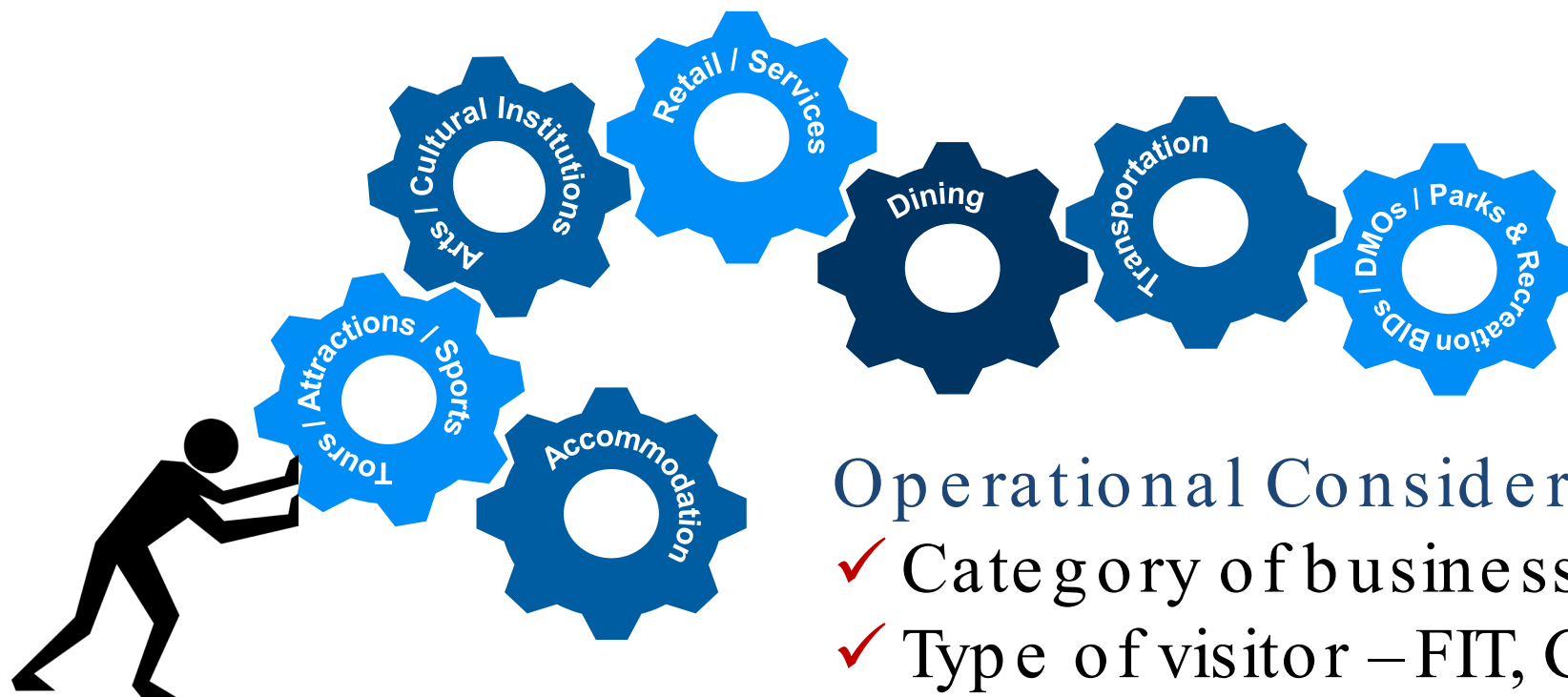
“If you know your need periods, does working with inbound operators sound like a solution to fill those periods with business?”





STEP 3:  
Product & Operational Strategy

# FULFILLMENT



Operational Considerations Vary By:

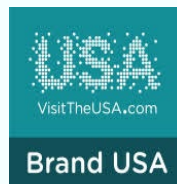
- ✓ Category of business
- ✓ Type of visitor – FIT, Group DMC
- ✓ Operational support resources
- ✓ Connectivity and technology



# MARKETING, SALES, CRM, PR, FAMS

*Resources galore*

Local, State, Regional,  
National



FAMs & Site Inspections



*Your product, service, or destination*

Build Your  
Relationships



U.S. TRAVEL  
ASSOCIATION



Travel Media Resources



*Build relationships*

*It's the easy part!*

*Keep it simple*

Build your relationships and have a consistent communication plan.



# QR CODE



Scan this QR code to  
access **IITA & Alon's**  
**Travel Trade Glossary!**



# SAVE THE DATE

**Steps 2 & 3 on February 21<sup>st</sup>, 2023, in Sioux Falls**

**Steps 2 & 3 on February 22<sup>nd</sup>, 2023, in Rapid City**



## **STEP 2:** Resource Development

### **What you learn:**

Preparation with how to sell to the trade and price your products for an equitable and profitable relationship

### **Why is this important:**

Fast tracking to quickly build trade partnerships leading to long term repeat business!



## **STEP 3:** Product & Operational Strategy

### **What you learn:**

Product development and operational strategies to efficiently work with the trade

### **Why is this important:**

Put strategic planning and systems in place to save time!  
Let the trade sell while you run your business!





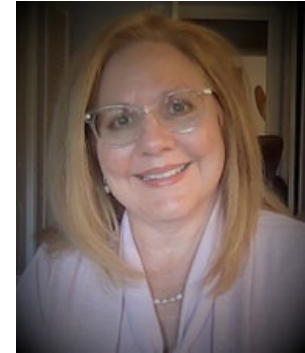
# KEY CONTACTS



Jennifer Ackerson,  
Alon Tourism Solutions  
[jackerson@alontourism.com](mailto:jackerson@alontourism.com)



Cole Irwin,  
Travel South Dakota  
[cole.irwin@travelsouthdakota.com](mailto:cole.irwin@travelsouthdakota.com)



Lisa Simon,  
IITA  
[lisa.simon@inboundtravel.org](mailto:lisa.simon@inboundtravel.org)





# Q & A



*Thank you!*

[www.inboundtravel.org](http://www.inboundtravel.org)

859.955.9098



**This presentation may only be shared with those that register and attend this training.**

This program and all its contents is a copyright of Alon Tourism Solutions - Copyright © 2023 Alon

Tourism Solutions for International Inbound Travel Association (IITA). All Rights Reserved.

All materials were prepared for the promotion of the Inbound Insider Steps to Success program.

Reproduction in whole or part without written permission by Alon Tourism Solutions is strictly prohibited. Unauthorized copying will lead to legal action including but not restricted to injunctive relief and punitive damages.

# BONUS SLIDE FOR LATER

Let's consider what the actual cost is to you!

## Workshop Exercise:

1. When do you most want and need business?
2. What kind of business?
  - ✓ FIT, Group, DMC
  - ✓ Something new or existing
  - ✓ Custom products –high price point –travel trade mark it up vs. net rate
3. How much business do you want compared to what you have, had in the past, or need to forecast for?
4. Where do you make the best profit to fill the need periods?
  - ✓ Are there other revenue centers to consider adding?

Do you see value in each other as partners?

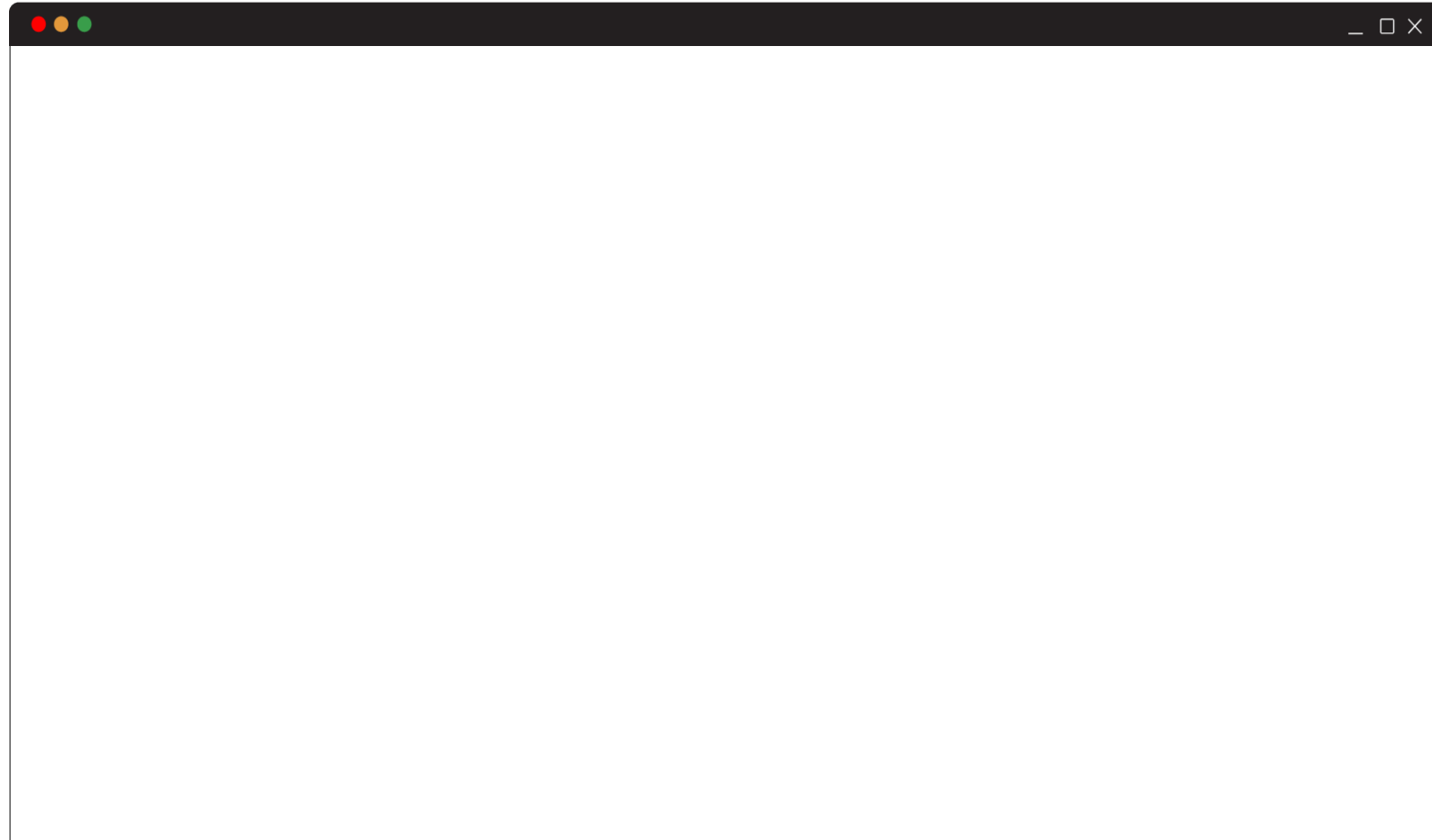
# WHAT'S YOUR NEXT STEP?

If you want ROI from a very lucrative international tourism market:

- ✓ Continue to learn about inbound operators by visiting their websites and engaging with IITA
- ✓ Create 'sellable' products, services and itineraries (FIT/Group/DMC/MICE)
- ✓ Implement the preparation to receive international business
  - ✓ A concise and meaningful business profile
  - ✓ Tiered net rates
- ✓ Partner and promote within your destination
- ✓ Operational considerations for working with travel trade
- ✓ Learn more about FAM tour opportunities



# PRODUCT EXAMPLES



# PRODUCT EXAMPLES



# PRODUCT EXAMPLES



# SLIDE TITLE

Body Text

# SLIDE TITLE

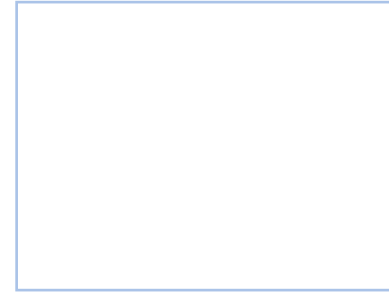
## Column 1

- Bullets

## Column 2

- Bullets





Insert Body Text

Insert Body Text

Insert Body Text