

# NTA Member Needs Survey – December 2002

## Results

**Responses Received:** Tour Operators: 139 or 22%

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**Was the number of passengers your company served during the fourth quarter of 2002 (Oct., Nov., Dec.) greater than, less than or the same as the fourth quarter of 2001? Why?**

Response	Percent
Greater than	43%
Less than	32%
Same	25%

**"Comment" responses:**

- Customers made up their minds later and booked trips at the last minute.
- DC sniper.
- Decreased travel due to the economy and terrorism.
- Developing new accounts.
- Different variety of tours.
- Economy. (4 responses)
- Fewer people per group.
- Fewer sports events/teams.
- Greater distance from Sept. 11.
- Hard to approve U.S. tourist visa.
- Increased promotion of winter tours, Sept. 11.
- Last minute bookings.
- Late bookings, hesitation for overseas.
- Less fear.
- More domestic sales.
- More of shorter tours offered.
- Not by much!
- Number of departures was the same ... passenger count was down.
- October was slower. December was busier.
- Offered more tour choices.
- Offered more tours/ fear of flying lessened.
- Our leisure market (95% leisure vs. 5% business) doesn't need low-season overseas (terror risk) exposure, while White House hawks persist in war.
- Schools were traveling again.
- September 11. (11 responses)
- Slight improvement.
- Sniper and the economy had an impact.
- Terrific staff and good value offered.

Wasn't immediately following Sept. 11.

We have started a new department and offer public tours to supplement our pre-formed group business.

We only planned the same number of tours during this time because we felt people are not ready to travel more at this time.

We operated more tours.

We operated some tours prior to the sniper situation.

We refocused our market and expanded our variety of inclusions.

**Was the number of departures your company had during the fourth quarter of 2002 (Oct., Nov., Dec.) greater than, less than or the same as the fourth quarter of 2001? Why?**

Response	Percent
Greater than	40%
Less than	32%
Same	28%

**"Comment" responses:**

Better loads than 2001.

But we had a higher load factor (more passengers per bus).

Combined trips.

DC sniper.

Developing new accounts.

Different variety of tours.

Economy.

Extra bookings.

Fewer sports events/teams/corporate work.

Forced to cancel tours.

Increased demand for holiday-related departures.

Increased promotion of winter tours.

Less fear of travel.

Marketing errors on tours which had to be cancelled.

More domestic sales.

More tour choices.

Nebraska went to Rose Bowl in 2001, which had an impact in the number of departures.

Offered shorter trips; two to five days.

Passengers are ready to travel and decided to take the trip they planned last year.

People are tired of staying at home and are starting to get out.

September 11. (5 responses)

Slight improvement since last year was post-Sept. 11.

Some departures didn't sell (November).

Still lower than fourth quarter 2000. Fourth quarter 2001 really bad due to Sept. 11

Wasn't immediately following Sept. 11.

We closed in September versus December.

We don't know, those tours just did not sell as many as in the previous two years.

**Has your overall sales volume during the fourth quarter of 2002 (Oct., Nov., Dec.) been greater than, less than or the same as the fourth quarter of 2001? Why?**

<b>Response</b>	<b>Percent</b>
Greater than	45%
Less than	33%
Same	22%

**"Comment" responses:**

- Because of the load factor.
- D.C. sniper.
- Different destinations - different pricing.
- Due to the additional bookings.
- Economy is some to blame.
- Economy, state of the nation.
- Fewer tours, fewer passengers.
- Higher priced tours.
- Increased marketing.
- Increased promotion of winter tours.
- Less fear, reduction of local competition.
- Less groups.
- Lower prices to encourage business.
- Lowered rates for same tour.
- Meetings and conventions were up.
- More domestic sales.
- More late bookings and persistent marketing.
- New accounts.
- Offered more tours.
- Outbounding efforts/emphasis throughout 2002 have produced greater awareness of our products/services. Sales are reflective of these efforts.
- People not traveling.
- Same reason.
- September 11. (5 responses)
- Spring departures - very high end product.
- Still lower than fourth quarter 2000 - fourth quarter 2001 really bad due to Sept. 11.
- The economy and the pending war is having an affect on 2003 sales.
- The price of our trips planned at this time cost more than in other years.
- They are starting to travel again but have real concerns about spending money due to the economics of the United States.
- Wasn't immediately following Sept. 11.
- We closed in September versus December.
- We operated more tours/departures.
- We were more accurate on our miles driven and priced the trips correctly.

**During the first quarter of 2003 (Jan., Feb., March) do you expect your company's sales volume to be greater than, less than or the same as the first quarter of 2002?**

Response	Percent
Greater than	48%
Less than	18%
Same	34%

**Does your company book cruises?**

Response	Percent
Yes	51%
No	49%

**With which of the following cruise lines does your company do business?**

Response	Percent
Holland America	69%
Princess	65%
Carnival	62%
Disney	44%
Royal Caribbean	30%
Norwegian	21%
Celebrity	15%
Delta Queen	6%
Other	21%

**"Other" responses:**

American Canadian Caribbean Line.

America West Steamboat, Riverbarge, Seabourne, Silver Seas, Radisson.

America West.

Barge cruises and American Queen.

Bergen Line.

Radisson, Windstar.

Glacier Bay Cruise Line.

Cruise West. (2 responses)

Crystal. (4 responses)

FIT business is with a wide variety of cruise lines.

I do not book directly but use a cruise agency to do my bookings.

Most CLIA affiliated.

MSC, Zeus, and other Mediterranean Lines.

Orient.

Radisson 7 Seas.

River cruises.

Silver sea, Cunard.

Steamboats and the River Barge.

Uniworld.

Uniworld, Royal Olympic.

Viking, Silja, Kristina, DFDS, Bergen, Coastal, ColorLine, various European river cruise lines.

We are a full service travel agency.

We book student cruises through Four Seasons & Performing Arts Consultants.

**During 2002 what percentage of your company's total sales volume can be attributed to cruises?**

	Average
Percentage of Sales Volume	13%

**During 2002, has the percentage of your company's sales volume attributed to cruises increased, decreased or stayed the same?**

Response	Percent
Increased	31%
Decreased	34%
Stayed the same	35%

**During 2002, how much did your company spend with cruise lines?**

	Average
Money Spent	\$140,574

**During 2002, how many clients (passengers) did your company book on cruises?**

	Average
Passengers	177

**Do you package other elements with your cruise packages?**

Response	Percent
Yes	86%
No	14%

### **What other elements do you package with your cruises?**

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Airline tickets. (11 responses)  
Before or after.  
Car rental. ( 2 responses)  
City tours. (2 responses)  
Everything car rentals, day tours, etc. for both groups and individuals.  
Hotels. (20 responses)  
Insurance, port fees.  
Land tours. (22 responses)  
Local transportation, travel insurance, etc.  
Meals. (5 responses)  
Member benefits, variety of amenities for booking with AAA.  
Motorcoach sightseeing tours from one to seven days. Day cruise.  
Motorcoach transportation to/from ship.  
Motorcoach.  
On shore adventures. (3 responses)  
Optional tours.  
Orlando things such as Disney & Universal Studios tickets.  
Insurance, home pickup, motorcoach transportation to the river barge and steamboats.  
Pre and post sightseeing transportation to departure points. (2 responses)  
Pre and post cruise stays. (3 responses)  
Pre and post tours. (2 responses)  
Rail. (4 responses)  
Sightseeing. (5 responses)  
Some pre/post ground programs and sightseeing at ports.  
Theme parks.  
Touring.  
Tours, motorcoach attractions, etc.  
Transfers. (9 responses)  
Transportation.  
We do custom cruise tours and customized shore excursions for groups.

### **What are some of the challenges you face when booking groups on cruises?**

Different stories from cruise agents compared to contract. Seems to be training. Sometimes I am told to do something and then told by another agent that was wrong. Difficulty speaking with a supervisor and or being connected with a person who can solve the problem. Early cancellation of contracted space, at times six months out, before we start booking. Six months is before the first review by their sales department. Long waits on the phone for an agent to answer.  
Advertising.  
Air.  
Changes made by the cruise lines for group travel  
Collecting final payments on-hold w/cruise lines (long holds).  
Competition on price, negative press.  
Competitive prices for groups booking a year or more in advance.

Concern about air travel, terrorism & diseases aboard ship.

Coordinating air reservations. Getting information to my passengers while on the cruise.

Cruise line generated "sale fares" which undercut the contracted group rate.

Cruise line sales (price reductions) made after group contract and advertising confuse the customer which results in groups chasing prices rather than value.

Cruise line staff difficult to contact. Documents are not sent on time. Remark made to me at one time was....

Sales/office staff isn't the best, but once your people are on board the ship, they will forget all of the problems they experienced prior to their cruise. This is not true. It reflects badly on us and it seems no one really cares.

Customers becoming sick (at present) and cruise lines going bankrupt as the Commodore - which cost us a lot.

Deposit deadline. (2 responses)

Space, payment deadlines.

Deposits upfront.

Deposits, not being able to hold the space long enough to get it sold without actually placing names on the record - especially Princess.

Do not want young people groups, kosher groups limited with food.

Early deposits - early space cutoffs.

Economy, bad press for cruise industry i.e. food poisoning.

Fear of terrorist attacks.

Final payment deadlines to far out, changes in promotional fares affecting our costing.

Flight arrangements and advertised pricing that does not apply to groups.

General: misconceptions about cruising ("confined", sea sick, even a couple of "food poisoning") thus we introduce shorter -mini-cruises - to our clients two, maximum four nights cruising the first time. Works well with our clients. However, today it is very difficult to convince our travelers to try a couple of nights "mini-cruising", sorry to say

Getting a large group on the same flights; cruise lines changing schedules; up front deposits put a drain on cash flow.

Getting all on the same air lines.

Getting block space. Having a clear contact for any questions. General support Rates - internet specials, etc.

Getting cruise lines to honor their quoted pricing and option dates.

Getting good numbers.

Getting Holland America to answer our phone calls with questions.

Group cancellations due to payment deadlines.

Having to put up large deposits before having ample time for advertising the cruise.

I am horrified by the thought that if my escort becomes ill just before the cruise and I have to substitute escorts, the cruise line will not allow me to do so if the cruise is booked. I know this happened to a NTA member on a Holland America cruise.

Internet pricing, slow economy, depleted stock market.

Keeping group together.

Lower prices once group contract is offered.

Maintaining present commission levels. Walk-in clients verses Internet bookings.

Paper work; deposits.

Price.

Price competition with larger agencies, lack of DSM support.

Pricing changes.

Pricing in the cost of a tour director because we only get one bed as a comp if we meet the minimums. The other challenge is only sending someone who is willing to purchase a package for a spouse or a friend because the single cost is so high!

Receiving payments in on time.

Reconciling the balance due and collecting what is owed to us.

Rooms together, quality of food. Hidden charges

School boards approving the cruises as being educational.

Short notice special pricing.

Space.

Space available on southbound Alaska.

The cruise lines, specifically Holland America will not give group rates as low as available through regular reservations. Holland America will also not give inside cabin rates on inside passage Alaska cruises to groups. The early booking discounts, then the late discounting of cabins hurts sales of group space on Holland America.

We don't book groups on cruises - just FITs.

We haven't had problems. We partner with a local travel agency that's a preferred agency with our cruise line.

We need to pack a competitive and valuable package.

We only book individuals.

Working with group departments of cruise lines. You never get the same answer twice, and every time you call you get someone different.

**Please list any policies or procedures that cruise lines could implement that would be mutually beneficial to both your company and the cruise line.**

Training their personnel. Dealing with an agent assigned to my company or a group like the NTA. This should stop some of the confusion during the booking process. Listening to their sales agents. Some have expressed "I hear that complaint all the time". Review booking status no earlier than four months out. Do not pull space if space is being booked and a promotion is in place to sell the cruise. I have never had this problem until 2002. An honest attempt to understand the group tour business from the beginning promotion to the actual cruise, i.e., seeing the tour director as a benefit to cruise staff instead of bypassing them and going straight to the guest. Accepting the NTA member as a professional tour organization and a way to track sales from professional tour operators. Understanding the difference between a travel agent and a tour operator.

Allow substitutions rather than reclaim space when the cruise is booked.

Always assign one person to our group and make sure we get to talk to that person when we call. Maybe also assign a "second" person who is "in the know" that can fill in when the other one is gone.

Apply advertised specials to group bookings eliminate the air deviation rates for groups.

Be nice if they could give us a final payment due date of 30 days.

Book young people and come up with some kosher cruises.

Cruise lines lower their individual prices to make them less than the group rate! They limit the approval of charges, which include our value added features. Pulling space before second deposit is due which limits the time group needs for promotion. Not allowing us to collect administrative charge when passengers cancel. Limit number of air seats out of gateway and don't increase number needed even when they receive deposits.

Deposits upon booking a passenger

Extend the deposit time before you need actual names associated with a cabin.

Find a way to give us a single cabin for our tour director on every group departure.

For groups, perhaps one representative that could oversee all of the arrangements - instead of being transferred to 15 different departments.

Give us 10 days to get the deposit to them as our bookings are made over the phone.

Group fares as best fare upfront.

Group rates that are less than FIT rates.

I book most of our group cruises with Carnival. I have had no problems with any of our bookings.

If you sell a cruise at a price and it gets discounted later the price should always be adjusted to the clients. Not all cruise lines honor this.

Leniency in space blocks.

Less hassle with group bookings.

Longer booking periods.

Make sure all of the group gets on same flight since I am busing clients 150 miles to the airport and back.

Making internet access less expensive for travel coordinator since we need to be in contact with our office - especially owners and/or managers.

More favorable terms for tour operators when booking groups as well as individuals - it would allow us to bring them more business!

More flexible deposit requirements.

More roommate information for single travelers.

No deposit.

Offer more time to sell before pulling blocked space.

Payment by electronic funds transfer.

Presently, the cut off date is too early. Customers always look for last minutes booking since they want to see if the cruise company will offer any special last minutes rates.

Price protection from falling rates! Cancellation insurance or re-booking protection should an event (terrorist, weather, etc.) for a group to cancel.

Rectify the above situations would be a great start.

Reduce the amount of the deposit and the second deposit.

Refundable deposits - table assignments in advance; more advance on air schedule.

Smaller deposits needed to hold space; lower rates for bookings more than eight months in advance; protect commissions of deposited passengers when dates are cancelled or changed.

The cruise industry is a very professional segment - not much we can propose, which hasn't already been discussed. I am sure. The airlines and our politicians could probably learn one or two things from that industry

Waive deposit.

We have a separate agreement with the cruise company.

When groups request a contract give them the lowest price up front. Eliminate group deposit to hold blocked space. Travelers are now waiting to the last minute to commit - not like old days when commitments were made months prior to travel.

When they plan to drop the price, pass it to the customers that have already booked and they have held the money for six months! Sell the "leftovers" to those that step up to the plate last.

**Please rank in order "1" through "10" the following governmental issues in order of their importance to your business with "1" being the most important issue and "10" being the least important issue.**

Rank Item	2002	2001	2000
Travel Industry Taxes and User Fees	1	4	8

Traveler Safety and Security	2	3	3
State/Provincial Travel Laws and Regulations	3	5	4
Unfair Competition From the Public Sector	4	2	1
Americans with Disabilities Act	5	6	2
Local/Municipal Tourism Regulations	6	10	6
Federal Land Issues	7	9	7
North American Border Crossing Issues	8	8	5
International Tourism Laws and Regulations	9	n/a	n/a
Environmental Impact/Protection	10	7	9
Post Sept. 11 Industry Economic Relief	n/a	1	n/a

**Which of the following sub-topics do you feel are especially important to tour operators regarding the American with Disabilities Act?**

Response	Percent
Employment Issues	14%
Accommodation of ADA Travelers	84%
Other	8%

**Which of the following sub-topics do you feel are especially important to tour operators regarding Environmental Impact/Protection?**

Response	Percent
National Parks Preservation	48%
National Parks Transportation Issues	72%
Other	4%

**Which of the following sub-topics do you feel are especially important to tour operators regarding Federal Land Issues?**

Response	Percent
Tour Operator Access Issues	69%
Entrance Fees	70%
National Parks Preservation/Protection	37%
Sustainable Tourism	37%
National Parks Transportation Issue	45%
Other	1%

**Which of the following sub-topics do you feel are especially important to tour operators regarding International Tourism Laws and Regulations?**

Response	Percent
Sellers of Travel Laws Outside North America	47%

Visa/Entry/Exit Requirements	66%
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**Which of the following sub-topics do you feel are especially important to tour operators regarding Local/Municipal Tourism Regulations?**

Response	Percent
Taxation	59%
Motorcoach Restrictions	78%
Other	5%

**Which of the following sub-topics do you feel are especially important to tour operators regarding North American Border Crossing?**

Response	Percent
U.S. - Canadian Border	77%
U.S. - Mexican Border	31%
NAFTA "Continuous Journey" Regulations/Tax Issues	29%
Other	0%

**Which of the following sub-topics do you feel are especially important to tour operators regarding State/Provincial Travel Laws and Regulations?**

Response	Percent
State Sellers of Travel Laws	63%
Tax Issues	62%
Provincial Travel Taxes	37%
Other	1%

**Which of the following sub-topics do you feel are especially important to tour operators regarding Traveler Safety and Security?**

Response	Percent
DOT Regulations	58%
Terrorism	71%
Airline Safety	63%
Natural Disasters, Disaster Preparedness	39%
Other	1%

**Which of the following sub-topics do you feel are especially important to tour operators regarding Travel Industry Taxes and User Fees?**

Response	Percent
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NPS Fees	48%
Local Taxes	53%
Fuel Taxes	53%
Accommodation Taxes	76%
Other	2%

**Which of the following sub-topics do you feel are especially important to tour operators regarding Unfair Competition From the Public Sector?**

Response	Percent
Local Governments	60%
State/Provincial Governments	49%
Federal Governments	37%
Other	12%

**During 2002, did you contact elected government officials on policy issues?**

Response	2002	2001	2000
Yes, at the local level	25%	28%	22%
Yes, at the state/provincial level	31%	26%	27%
Yes, at the federal level	26%	28%	26%
No, I did not contact government officials	48%	54%	59%

**How did you contact these officials?**

Response	2002	2001	2000
In person	16%	36%	38%
In writing	26%	74%	73%
By telephone	20%	48%	47%
By e-mail	21%	41%	28%

**What specific government relations topics or speakers would you suggest to benefit and educate NTA members?**

ADA.

ADA training for customer service staff in the workplace.

ADA: who is responsible for what as a tour operator and supplier.

Airfare monopoly potential.

All levels of government need to really see the value of tourism. However, public lands, monuments & remote areas must be protected. Public access without destructions & pollution MUST BE a priority. This legacy and the wildlife that live there must be preserved.

Charter bus driver regulations for state.

Cross border issues and escort issues.

High-ranking official from the Office of Homeland Security. Guidelines for states and locales regarding domestic travel during various threat alerts.

How to open doors for public and private cooperative programs for developing and/or selling tour destinations.

How to work with various states on seller of travel laws.

How to write effective letters. How to make useful contact with legislators.

INS.

International outbound from the United States. United States government assistance.

It's very good to experience NTA/ASTA/ASTA TOP/CLIA/ more and more, working together. But I feel its time to - as ONE INDUSTRY - join forces in remind -not us -but the politicians what money is brought in to THEIR pocket books.

Local and state governmental exemptions to the ADA and how do tour operators report violations.

Local laws regarding tour operators.

North American border issues.

Passport.

Protecting your bed tax dollars. Make sure the state/city are spending them appropriately.

Sales skills - traveling tips.

Seller of travel laws- give a complete listing what states have them and instructions how to register and crisis management.

Someone to speak to membership regarding National Parks admission and laws governing tour operators.

State seller of travel laws pass-through nature of sales receipts.

Taxes.

The art of lobbying. Any government official connected to tourism, up for reelection.

The licensing of tour operators provincially or federally to eliminate unfair competition operating from their kitchen table.

We should keep up a dialogue with the NPS.

**Please describe other governmental issues of concern that were not mentioned in this survey, or that you believe the Government Relations Committee should address.**

Airport taxes/fees are completely out of control; they are killing international charter flights.

Big job, but cities & counties that run travel programs from parks and recreation departments.

Convention and visitors bureaus selling package vacations in competition with tour operators. We help generate the occupancy tax that funds their budgets and then they use those same funds to compete with us.

Don't bail out the airlines.

I would have them try to see the wonders of our country through the eyes of someone who is seeing an ocean or an eagle in flight for the first time. If they don't realize how important the environment is after that, they don't belong in government.

Impact of world politics by the Bush administration.

Insurance.

Interruption of travel in the event of war or acts of terrorism.  
 IRS taxing deposits.  
 Lack of profiling in airports.  
 More flexible sellers of travel laws.  
 Non-profit organizations getting tax relief in different states or operating through a tour operator.  
 Provinces and states getting into the travel business.  
 De-regulation of airlines.  
 Tax increases are getting out of hand- public is being punished for poor government spending.  
 Taxation of services (tour operators) at the state and federal level.  
 The requirement of a license to sell travel for all including churches and senior centers.  
 Tour director employment and wages  
 WAR!  
 We desperately need national standards and interstate recognition for "Sellers of Travel" regulations.  
 Operators cannot possibly comply with 50 unique/different laws.

**What percentage of your customers fall into the following categories?**

<b>Student</b>	<b>December 2002</b>	<b>March 2002</b>
Student	15%	16%
Young Adult (21- 34)	5%	3%
Baby Boomer (35 – 53)	14%	9%
Future Senior (54 – 64)	22%	22%
Senior (65 and older)	44%	50%

**Please indicate the size of your company.**

<b>Response</b>	<b>December 2002</b>	<b>October 2002</b>	<b>March 2002</b>
Annual sales less than \$1 million	26%	31%	25%
Annual sales \$1 million to \$3 million	39%	37%	43%
Annual sales \$3 million to \$5 million	16 %	14%	13%
Annual sales \$5 million to \$7 million	6%	6%	7%
Annual sales more than \$7 million	13%	11%	12%

**How many years have you worked in the travel industry?**

	<b>Average</b>
Years	20

**Is your company a:**

Response	Percent
U.S. member	93%
Canadian member	7%

Please indicate your gender.

Response	December 2002	October 2002	March 2002
Female	46%	45%	55%
Male	54%	55%	45%

What is your age?

Response	December 2002	October 2002	March 2002
18-24	0%	0%	1%
25-29	1%	3%	1%
30-34	6%	3%	6%
35-39	6%	5%	7%
40-44	15%	14%	11%
45-49	18%	14%	15%
50-54	12%	15%	16%
55-59	16%	23%	19%
60-64	17%	15%	17%
65 or older	9%	9%	7%