



REACHING THE INTERNATIONAL MARKET

HOW CAN INTERNATIONAL TRAVELLERS FIND AND BOOK MY PRODUCT?

There are many ways that international visitors can find out about tourism products in NSW. These represent opportunities for tourism operators to use different marketing and sales distribution channels to make these visitors aware of their products and encourage bookings. You need to evaluate these channels to identify those that you wish to work with.

International travellers can learn about your product through activities you use to attract domestic travellers such as:

- Picking up your brochure at a hotel travel desk or visitor information centre
- Researching and booking direct through your website
- Searching online for tourism product information on destination websites such as Destination NSW's consumer websites, visitnsw.com and sydney.com

Register for a free tourism product listing on visitnsw.com and sydney.com:

- Get Connected getconnected.dnsw.com.au

Using Other Distribution Channels

They may also find your product through a range of distribution channels by:

- Booking through a hotel travel desk or visitor information centre booking service
- Booking through a retail travel agent in Australia e.g. Qantas Holidays, Flight Centre
- Researching and booking through online travel agents (OTAs) such as wotif.com or expedia.com
- Booking online through visitnsw.com and sydney.com

Most distribution channels will charge a success fee, or commission for any sales made. Some may charge to list your product. Find out more about selling your products online:

- Tourism online marketing e-kit www.atdw.com.au/tourismokit
- NSW Connect www.destinationnsw.com.au/nswconnect

International travellers may also find and book tourism products before departure by:

- Booking through a retail travel agent based based in their home country
- Booking through an OTA actively marketing to their region of origin



above: Aboriginal Heritage Tour at the Royal Botanic Gardens, Sydney (James Pipino); Man receiving information from ranger at Bald Rock National Park, New England (Paul Foley).

HOW DO I SELL MY PRODUCT THROUGH OVERSEAS TRAVEL AGENTS?

Overseas retail travel agents are one element in the chain of the international distribution system. They generally access Australian tourism products via online and traditional travel wholesalers, which are based overseas. These wholesalers rely on Australian-based inbound tour operators (ITOs) to contract export ready products for them to sell via their retail networks. This process is referred to as the international distribution system.

In order for a customer to buy your product through an overseas retail travel agent before they come to Australia, you need to understand and work with the international distribution system. This means your business needs to be export ready and offering commissionable rates to travel trade.

SALES METHOD	COMMISSION LEVEL	EXPLANATION
Inbound tour operator (ITO)	30%	A nett rate providing a 30% margin is agreed with the ITO and paid to you once a sale is made.
Online travel agent (OTA)	20-30%	A nett rate providing a 20-30% margin is agreed with the OTA and paid to you once a sale is made.
Wholesaler	20%	A nett rate providing a 20% margin is agreed with the wholesaler and paid to you once a sale is made.
Retail travel agent	10%	A travel agent retains 10% commission once the booking is confirmed and pay you the balance.
Direct to consumer	Nil	The consumer pays your retail rate – however the retail or gross rate should be the same as that provided to your distribution partners.

Please note: Information on commission levels is intended as a guide only.

Source: Tourism Australia, *Planning for Inbound Success*

Find out more about becoming export ready, tourism pricing, commissions and distribution.

BOOKING CHANNEL	COMMISSION	PERCENTAGE OF BUSINESS	GROSS OR RETAIL RATE	NETT RATE	NETT REVENUE	COMMISSION PAID
Direct	Nil	50	\$100	NA	\$5000	Nil
Retail	10%	10	\$100	\$90	\$900	\$100
Wholesale	20%	20	\$100	\$80	\$1600	\$400
Online	30%	10	\$100	\$70	\$700	\$300
Inbound	30%	10	\$100	\$70	\$700	\$300
TOTAL					\$8900	\$1100

Please note: Information on commission levels is intended as a guide only.

Source: Tourism Australia, *Planning for Inbound Success*

Further reading

- Read *Pricing your tourism product* and *Distributing your tourism product* in the Tourism Business Toolkit www.destinationnsw.com.au/tourismtoolkit
- Read *Planning for Inbound Success* in the Industry Resources section of the Tourism Australia website www.tourism.australia.com

