

# TRAVEL TRADE 101

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DQ Trade Introduction



# ABOUT DQ TRAVEL TRADE

Destination Queenstown (DQ) is the Regional Tourism Organisation responsible for both destination marketing and destination management in Queenstown.

Our role is to market Queenstown in both international and domestic markets and to work collaboratively with partners to deliver the region's destination management plan, focusing on regenerative tourism by 2030 and attracting 'high contributing' visitors.

The DQ trade team work with Inbound Operators (IBO), wholesalers, retail agencies and networks, airlines, online travel agents (OTAs) and Tourism New Zealand (TNZ) to provide updates on Queenstown businesses, products and all that our wider local tourism community offer.

The types of events that enables us to connect with these partners include a range of off-shore events with TNZ, sales calls, DQ led market activity and domestic industry events such as TRENZ (Tourism Rendezvous New Zealand) and TECNZ (Tourism Export Council) gatherings. The trade team also deliver a full schedule of industry communications.



**Queenstown**  
NEW ZEALAND



# DQ TRADE OBJECTIVES

1. Enhance the profile of Queenstown as a visitor destination in alignment with our destination management plan.
2. Share our broad product range and tourism portfolio within the Travel Trade distribution channels globally.
3. Influence and improve the presentation of Queenstown's core proposition through our communications and trade channels to our key partners with the aim of targeting high contributing visitors.
4. Improve value and spend in Queenstown and leverage destination marketing opportunities with key partners in the distribution channel targeting longer length stay and inclusions that connect the visitor with our community.
5. Educate our trade channel partners to share our story and high value proposition with their clients, supporting longer length of stay, slower tourism, and high-contribution to our community.

# THE 101 ON TRAVEL TRADE

## WHAT IS 'TRAVEL TRADE'?

The term 'Travel Trade' refers to a collective group of intermediaries, including inbound tour operators, wholesalers, travel agents, consortia networks, OTA's and airlines who sell New Zealand and Queenstown to their clients.

Destination Queenstown's trade marketing team engages with these entities to facilitate business between the local tourism industry (accommodation providers, activity operators, and transport services etc) and the travel trade distribution partners, who then coordinate bookings with their clients who visit Queenstown.

Essentially, the Travel Trade acts as both the buyer (contracting Queenstown tourism products) and the seller of the destination's products, selling packages/tours, holidays and experiences directly to their clients or other buyers (i.e. wholesale selling to retail).

For international holidaymakers, the Travel Trade plays a pivotal role in providing essential information for trip planning and can significantly influence the choice of a holiday destination.





# DISTRIBUTION CHANNELS

*Distribution* is how you reach your customers or how they can find you. Travel Trade marketing operates in the *indirect* channels.

## **DIRECT**

Targeting customers directly (without any intermediaries), through advertising, your businesses website, social media, customer referrals and word of mouth.

## **INDIRECT**

Targeting your customers through third parties by using tourism distribution channels such as Inbound Operators (IBO), wholesalers, online travel agents (OTAs), retail travel agents/ networks and visitor information centers.

# TRADE DISTRIBUTION PARTNERS



## Retail Travel Agents

Agents deal directly with customers based in the customer's country of origin. Travel agents are generally located in a shop front to allow reputable face to face bookings.



## Wholesalers

Provide a link between retail agents and ITOs or tourism products. Wholesalers purchase programs developed by NZ based ITOs or develop their own packages and itineraries for travel agents and customers. These packages will usually offer transport, accommodation, tours and attractions.



## Inbound Operators

Also known as ITOs, a ground operator or destination management company (DMC), they are typically businesses based in New Zealand, that create itineraries and coordinate the reservation, confirmation and payment of travel arrangements on behalf of their overseas wholesale clients.



## Online Travel Agents

Similar to a retail travel agent, however operating only online. A web-based marketplace that allows its customers to research and book travel product and services (flights, hotels, tours) themselves e.g., Expedia, Booking.com, Get Your Guide, Webjet etc.

# PREPARE YOUR BUSINESS

## BEFORE WORKING WITH TRAVEL TRADE, THOROUGH RESEARCH AND PLANNING ARE ESSENTIAL

- **Pricing** – you set your pricing levels to suit your business, however most businesses pay between 10-30% commission. Commission is only paid once a sale has been made. You will need to understand gross and net rates and ensure you are providing the correct rates to each part of the distribution system. For more information on pricing visit [TECNZ](#).
- **Become a member of key tourism organisations** such as Tourism Export Council (TECNZ), Tourism Industry Association (TIANZ), NZ Maori Tourism, Tourism New Zealand and Qualmark.
- **Subscribe to industry intelligence** media or reports, such as Inside Tourism, Tourism Business magazine, and annual sector reports.
- **Explore Visitor Research and Reports** – examine current research and reports available for both international and domestic visitors. The above-mentioned organisations share great insight reports and visitor research.
- Look at international markets and **identify potential markets** that best align to your product.
- Understand and recognise the diverse **travel styles** of different inbound travellers.
- Gain an understanding of the **travel distribution system** and its rate structure.
- Create a trade marketing plan and budget to target international visitors through various mediums and distribution channels.
- Research opportunities to **package your product** with other complementary offerings in Queenstown.
- **Develop promotional materials** in English and other language for both consumers and the travel trade (where relevant to your business plan and target markets).
- Make refinements or enhancements to your product to better **align with the needs of travellers** from your target markets.

# WORKING WITH TRADE

## BENEFITS

- Wider distribution: partnering with Travel Trade is another avenue to expand your reach to customers. Think of them as an extension of your marketing arm. Most often, you won't face any upfront fees; instead, you'll be asked to offer competitive net rates or discounted prices, that enables the trade partner to add their commission.
- Efficiencies and market knowledge: trade partners often have repeat business from several markets, they have knowledge of international consumer needs and can share these insights with you. They also make regular sales visits which can save you both time and money from visiting independently.
- Longer lead times via the travel trade can allow better business planning and security of business on the books.
- Customer experience: by engaging with Travel Trade, your business can delegate various tasks, from handling general enquiries and financial transactions to addressing client issues. The trade serves as a crucial intermediary until the guest arrives at your business, often having the capacity to sell additional components of the traveler's holiday, making the process easier for you.

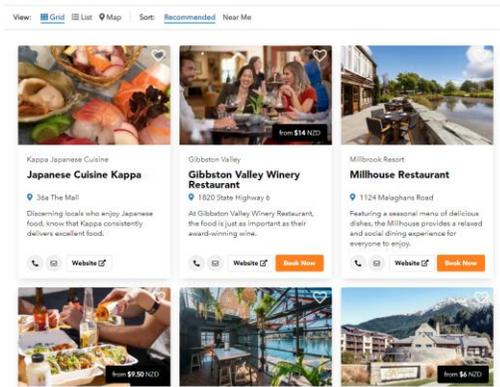
## THINGS TO CONSIDER

- Reduced profit margins: paying commission can lead to reduced profit margins on your products or services.
- Loss of direct customer relationships: working through intermediaries can distance you from your end customers. This can limit your ability to gather direct feedback, build loyalty, and understand your customer's needs and preferences.
- Economic diversity: ensure you spread risk and have a healthy mix of direct and third-party business and domestic and international visitation in your business plan.

An aerial photograph of Queenstown, New Zealand, showing a large white ship docked at a lake. The town is nestled in a valley with green fields and buildings, surrounded by steep, rugged mountains. The sun is low in the sky, creating a warm, golden light. The text "WORKING WITH DQ" is overlaid in large white letters.

# WORKING WITH DQ

# WORKING WITH DQ TRADE



## Listings and product updates

Share your latest news and developments with the DQ travel trade team so we are aware of your product or service. We are an extension to your marketing in the travel distribution channel. We send quarterly newsletters to a global database of travel sellers. We also include this information in our 'new product' updates when off-shore with our trade partners.



## Familiarisation (famil) trips

Famil trips are a great way for product managers and travel sellers to experience what your business offers. 'Famils' can come through DQ, TNZ, Inbound Operators, Airlines and others. To get the most out of a famil, it is important to welcome buyers and provide relevant information about your business so they can be confident in selling your product to their clients.



## Send us your latest imagery and video assets

Providing DQ with high quality imagery of your product or offering is important to ensure appropriate representation of your business within DQ activity. Ensure your assets have permission for DQ and third-party use, allowing us to use this in our activity and across all channels.



## Attend trade shows with DQ

TNZ coordinate international roadshows and events, many of which provide partner opportunities. DQ also leads off-shore activity. When these opportunities arise, they are shared in the Fortnightly Remarks newsletter. Be sure you read and keep an eye out.

# TRADE CHANNELS TO CONSIDER



**100% PURE  
NEW ZEALAND**



## TNZ

Tourism New Zealand is the national tourism body promoting New Zealand to the world.

With similar opportunities to your local RTO, create a listing on NZ.com and ensure the team are aware of your offering.

[www.traveltrade.newzealand.com](http://www.traveltrade.newzealand.com)

## RTOS

Your local Regional Tourism Organisation promoting Queenstown to both international and domestic audiences.

[www.queenstownnz.co.nz/travel-trade/about-us](http://www.queenstownnz.co.nz/travel-trade/about-us)

## TIA

Tourism Industry Aotearoa is the national private sector organisation speaking on behalf of the tourism industry. TIA provides tools and information to help its members run successful business.

[www.tia.org.nz](http://www.tia.org.nz)

## TECNZ

Tourism Export Council of New Zealand represents inbound tour operators and product/service providers who sell their services offshore.

[www.tourismexportcouncil.org.nz](http://www.tourismexportcouncil.org.nz)

# OTHER PARTNER ORGANISATIONS



## Qualmark

Qualmark is New Zealand's national quality assurance programme for tourism operators. It operates as a licensing system for tourism's official quality mark. All tourism businesses in NZ are eligible to apply. To participate in offshore marketing with TNZ you must be endorsed by Qualmark.

[www.qualmark.com](http://www.qualmark.com)



## MBIE

The Ministry of Business, Innovation and Employment is responsible for tourism research and policy making. They provide advice to government on how to create the right environment for enhanced productivity and growth in the tourism sector in order to grow tourism's contribution to the NZ economy.

[www.mbie.govt.nz](http://www.mbie.govt.nz)



Department of  
Conservation  
*Te Papa Atawhai*

## DOC

Department of Conservation. If you have a business that seeks concession on DOC estate with visitors you are required to pay a concession fee which assists DOC with their conservation activities and/or maintenance of many walks, huts and car parks.

[www.doc.govt.nz](http://www.doc.govt.nz)



NZ MĀORI  
TOURISM  
HE TOA TAKITINI  
'OUR STRENGTH IS IN UNITY'

## NZ Maori Tourism

New Zealand Maori Tourism is the national Maori tourism organisation, representing and advocating for more than 200 Maori tourism business.

[www.maoritourism.co.nz](http://www.maoritourism.co.nz)

**Queenstown**  
NEW ZEALAND



BOARDWALK

BOARDWALK  
SEAFOOD • STEAK • OYSTERS

Queenstown Jet

Realnz

Queenstown  
NEW ZEALAND