



# UNIT-15

## Transport Management

### Learning Outcomes

**By the end of this unit the learner will be able to:**

- ✓ Discuss the role of Transport Principals in Transport Management
- ✓ Explore the issues involved in the management of transport.

## Unit 15

### Transport Management

This unit brings to light tourist transport management problems, i.e., organisation, planning, and marketing of road transport, mainly.

#### Changes in Transportation

Modes of conveyance are forever being developed to make it easier to move from location to another. Trains are faster, aircrafts are larger, and coaches are more comfortable and altogether, they make moving from one place to another easier, more convenient, and more efficient.

#### Transport Principles

Establishments in the transportation aspect of the travel and tourism industry are frequently known as **principles**.

These include the following:

- Operators of coaches;
- Car rental businesses;
- Train operators;
- Cruise and ferry companies;
- Airlines; and
- Airports

#### Land Travel

Travel by road or rail is a part of land travel; land travel consists of private motor cars, coaches, taxis, and hired cars.

#### Private Motor Cars

Cars provide greater flexibility and convenience in comparison to other modes of transportation. Car owners have the choice of when they travel and for most local destinations, they have the freedom to travel door – to - door. A lot of journeys, dealing with international travel, begins with a car journey to the airport or the train station. Cars are employed most frequently for domestic holidays or day journeys. However, a large number of outbound UK tourists, who are headed for other parts of Europe, in particular those bound for France and northern Spain, find taking their cars more convenient and cost effective. Usually, taking a car gives tourists fewer limitations on the quantity of luggage which they can carry. This can be a significant factor for families with small children.

An astonishing number of trips in the United Kingdom are conducted with cars towing **caravans**. Caravans provide flexibility and convenience, with the new models of caravans offering a great deal of comfort. Caravan parking sites are situated throughout United Kingdom and Northern Europe. **Motor caravans** are another favoured option. Additionally, camping is a favourite vacation for many - making use of road transport with campers carrying tents and other required gear by car. Business tourists also make many car journeys. A large number of individuals have to travel to different locations within the United Kingdom for business reasons. When such locations are situated outside the location of where the individual lives and works, the trips they make become a part of the travel and tourism industry. Standard day – to – day journeys to work by car (which is known as **commuting**) is **not** considered to be a part of travel and tourism industry.

### **Coaches and Buses**

Travellers have many choices when they travel by coaches. First of all, coaches offer a substitute for rail in travel between major cities. Establishments like **National Express** and **Megabus** make a large network of services connecting large towns available. While these scheduled services are usually less costly than rail travel, they do tend to be slower and restricted by traffic congestion on the road ways. These scheduled coaches also offer links to airports in certain major cities and train stations giving travellers a choice when going to the airport.

Coaches may be rented by tourist groups wishing to go on a full day excursion or a touring holiday. Also, bigger tourist groups, such as, educational groups might find it more convenient to rent a coach from their journey's initiation point to the airport from which they will be leaving. Coaches are employed for touring holidays inside the United Kingdom and Europe. Many larger commercial establishment offer 'packaged' coach touring trips which are inclusive of travel cost, accommodation and visits to main attraction in the price of the package. Coach vacations are especially liked by senior tourists as they have the advantage of being cheaper and do not require a member of the group to be responsible for driving. Buses are employed within destinations, usually for shorter trips, and are made available for locals as well as tourists. Specialised tourist sightseeing buses are also widespread in a number of tourist cities.

### **Taxis**

In cities and towns, taxis may be made of use, as well. Some visitors may like the comfort and dependability of getting to a destination inside a city by making use of a taxi. This is particularly true when they are not comfortable using the underground or buses or even when travelling late in the evening. Taxis always tend to be more costly than public transport and are most commonly used for short trips.

### **Rental Car Companies**

Rental car companies have offices at all major airports and cities. These cars may be used by tourists who are not worried about driving in a new country and who want to maintain their independence to visit the various locations at their own convenience instead of going with a group or on coaches. Avis, Hertz,

Budget, Europcar, and Holiday Autos are some of the major car rental companies. Trains offer a range of travel choices for tourists. Normally, trains run according to schedules and are an efficient way to travel between city centres. If booked in advance, train travel can often be a very cheap option, but it might also be expensive during peak times. The high-speed trains cut down on travel time between major cities significantly as compared to travel by road. A noteworthy addition to the rail network is the introduction of the Eurostar service, running between St. Pancras Station in London to Paris and other main European cities.

Eurostar has cut down the journey time between Paris and central London and offers an alternative to flying. A high speed track makes it possible to complete the journey in just two hours and fifteen minutes. The underground rail service, such as the London Underground and Newcastle Metro make transport options available to tourists and local residents alike.

### Comparing Different Forms of Land Travel

Tourists may need to choose between varying types of land transport for their trips and different points have to be taken into account.

These include:

- **The Exact Starting and Finishing Points of a Journey** - The first portion of the trip to the airport or railway station might be best made by a car, even if most of the remaining trip is not going to be made by a car. Journeys that begin in city centres can, most likely, be made by rail.
- **Travelling as a Group** - Groups made up of families and small children might favour travelling by car.
- **The Cost of Travel** – A lot of the tourists travel on a budget and cannot afford rented cars, taxis, or other costly forms of transport.
- **The Travel Time** – For very early morning trips and late night trips, catching a train may not be the most convenient.
- **The Length of the Journey** – For long journeys, certain types of transportation are more comfortable than others.
- **The Length of Stay** – Specifically, what kind of transportation will be needed to get to the destination?
- **The t Time of Year** – Types of weather conditions that might be encountered.

### Sea Travel

There are two types of sea categories. First there are the ferries, used to cross bodies of water by tourists to make it to their destination. Next, cruise ships cater to the needs of people whose whole holiday has to do with sea travel, enjoying the amenities on board the ship and touring attractions on land once the ships docks at different ports.

### Ferries

The coast of the British Isles offers many ferry routes operating in the area. Many of the ferries can house vehicles also, allowing passengers to take their cars with them on the ferry. Routes operating between south coast of England and France are the most important ones, and the Dover to Calais route is the shortest and most well-liked. But the most significant route for United Kingdom tourists are the ones across the English Channel to Europe, ferries also run on the following paths:

- Between Liverpool and ports in Wales and the Irish Republic;
- Between Isle of Wight and the Channel Islands; and
- Between Islands of Scotland and the mainland

## Cruise Ships

Greater numbers of United Kingdom select to have a cruise holiday. The numbers of tourists taking package holidays remain the same overall, the ratio taking cruise holidays is increasing. Many people opt to fly from the United Kingdom to meet their ships at port when going to the most popular destinations in the Mediterranean. This is given the name of fly-cruise. Recently, cruising has become fashionable, since greater numbers of people can afford this type of a vacation. The cruise holiday demand is expected to rise in the near future.

## Air Travel

Travel by air is the most popular form of travel for the United Kingdom tourists visiting abroad and its value continues to grow. To be able to comprehend air travel in the United Kingdom it is essential to comprehend the association between airports and airlines. Both are commercial entities with the goal to make profits. Airports earn profits by charging businesses like restaurants to make use the space in departure lounges. Airlines earn a profit by transporting passengers and airports also earn a profit by charging airlines to land and on the runways and utilising airport services. These are called landing charges. With 70 million passengers every year, London Heathrow is one of the busiest airports. At Heathrow the main airlines are the established 'full service' carriers such as, British Airways, BMI, and Virgin Atlantic. At other airports in the UK, users are made up of lower cost airlines like Ryanair and Easyjet.

The nature of the airline industry is changing and the differences between 'full service' and 'low cost' airlines are becoming less distinguishable. Conventionally, major airlines like British Airways and Air France was called "flag carriers' and might have been publicly owned. Now they are owned by private sector organizations. All main airlines like Ryanair and British Airways run scheduled service. This means that the airline flies according to a published timetable for a given time period. Aircraft have to fly on scheduled routes regardless of the number of passengers.

One of the most noteworthy developments in travelling by air in the last twenty years is the appearance of cheap budget airlines. Ryanair and EasyJet are the largest operators in this category. Both of these companies have witnessed phenomenal growth in the last decade. These cheap airlines have become so

successful that they forced the traditional full service airlines to alter their operational practices to be able to compete.

On well-liked, short distance routes to locations, such as, Paris and Barcelona, the costs, which are charged by traditional and low cost airlines, are very similar. The cheaper airlines do not fly on long distance routes to USA and other out of Europe destinations. The low cost carriers have also impacted the operations of other travel and tourism organizations. Greater numbers of travellers can now book their flights directly with a carrier instead of making use of a travel agent. Additionally, airlines have been accountable for self packaging, which is where the traveller books their own flights, accommodation and transport, instead of buying a conventional package vacation.

Also, the number of travellers carried by cross-channel ferries has gone down as the numbers of flights available to various destinations in Europe have increased.

## Advantages and Disadvantages of Different Types of Transportation

Almost every traveller has an option of the types of transports they choose to use to get from their homes to their intended destination. As discussed earlier, a lot of them may have to use more than one type of transportation for their trips.

Every type of transport comes with its own set of benefits and drawbacks including:

- Cost;
- Convenience;
- Comfort level;
- Availability;
- Frequency;
- Accessibility; and
- Suitable routes

Those in the position of putting together a trip for themselves, their families, or groups of people need to make decisions on the basis of the factors mentioned above.

### Cost

The cost of transport is a very vital factor for a large number of people. Not everyone can bear the cost of first class travel on planes or trains and thus have to travel in economy class. Frequently, the trains running at peak times tend to be more costly than those running at less used times, such as, the weekends. Quite frequently, bookings, which are made on short notice, cost significantly more as compared to those made well in advance. Some coaches even offer travel for as low as £1 if the trip is booked well in advance.

Taxis are very handy and offer the convenience of direct travel, but tend to be rather costly in comparison to public transportation.

## Convenience

Private vehicle happens to be the most convenient type of transport, as the driver can choose precisely when the trip begins and what route to use. Most other types of transports function according to a set timetable with a specific start time and route. These paths might not be very convenient for the traveller who is starting a trip from their own home. It is similar to how some flights are not as convenient as others, since they may leave from the UK or reach a destination at an odd time. Reaching a new city late in the night is not as convenient as reaching it earlier in the day.

## Comfort

Certain types of transportations are more comfortable than others. A run – of – the – mill bus will not be as comfortable as an air-conditioned coach during a long trip. An economy seat on a plane is not as comfortable as a business or first class seat. Air travellers are ready to pay extra for greater comfort. Travelling by train at peak periods can be uncomfortable, despite the fact that the fares are at their maximum during this time. Since a large number of people wish to travel during the same time period, some passengers have to stand in the carriages making it less comfortable. Some transport types are not dependable, making passengers wait for long durations at departure lounges or getting tied up in traffic jams.

## Availability

Scheduled flights and trains do not go to each destination daily. Some locations may only be served by flights on some days of the week while there may be fewer trains to some towns on weekends. This is known as transport availability. Many airlines do not go to every destination all year round. Flights to certain locations are only available during the more popular months.

## Frequency

There are usually more frequent flights and trains to the some main destinations, and fewer to destinations that are less popular. For instance, British Airways may have twelve or more flights to New York daily but fewer to other US cities.

There are greater numbers of trains from London to the main cities like Birmingham, Manchester and Cardiff as compared to smaller cities and towns. A lot of the ferry routes function on a seasonal basis and might not operate as frequently during the less popular times. 'Fast Cat' ferries operate more frequently between Portsmouth to the Isle of Wight.

## Accessibility

For individuals with disabilities or special requirements, certain types of transportations are easier to use than others. While extra help is available in most cases, the ease of accessibility of the transport might still be a factor in the decision of which mode of travel to use to get to a destination.

## Suitable Routes

Air and train travel is not always direct. Quite often, travellers need to change trains or catch connecting flights. This adds to the difficulty of travelling, in case of delays. Even through a majority of leisure travellers use direct flights, business travellers may need to travel indirectly to the less sought after destinations.

Air transportation is a vital factor of the tourism development, particularly, at an international level where a destination option might be more restricted by time, cost and accessibility factors. In certain situations, air transportations may be the only viable transport option. For instance, a large number of important international tourism destinations in the remote 'pleasure peripheries' of the Caribbean and South Pacific are very reliant on the international tourists arriving by air.

The management of competitive strategies in the air transportation industry may lead to extreme implications on the local travel industries of such island destinations. Even the major tourism destinations in the Northwest Europe and North America are to some extent reliant on the creation of the jet engine and wide-bodied aircraft, since such innovations are responsible for ushering in the mass tourism era in destinations, such as, Florida, Greece, Hawaii, and Spain.

During the last few decades, the modern-day air transportation industry has undergone radical shifts in the regulatory regimes, which had been responsible for establishing airfares and allowed air routes. These alterations have totally shaped the tide of tourists from the origin to destination markets. Deregulating airline markets in the USA and the European Union (EU), developing agreements between countries of 'open-skies' such as, the Netherlands and USA, and the appearance of strong strategic alliance networks between carriers have collectively enhanced airline management's freedom to reorganize route networks, in addition to increasing the total competitive level and volatility in air transport industry.

Alternatively, the severe space restrictions that are found in almost all major European and American airports – due to the shortage of runway space and terminal crowding – have significantly limited the tourist flows in some perspectives. The success and failure of resort destinations can in part be explained by the decisions made at the management levels of airline executives' offices and airport authority directors' levels relating to things like route networks and runway/terminal extension plans.

## Planning

To the typical overseas visitor to this country, the air, rail, or road transport system is a weak link in the overall package. Trains are normally of poor quality and congested, the airlines inconsistent, poor roads, and substandard transport vehicles generate a depressing image of the transport system. Whether the tourist is foreign or domestic, the concern is to get reliable and comfortable transport service. A transport company manager or owner might not be in the position to do much about the road conditions but you can make certain that your clients get good quality transport facilities. To be able to make

satisfactory services available, you must learn to manage your business effectively and efficiently. Regardless of the business, planning is the first step in good management.

In this section, we will cover planning the context of tourist transportation. Planning involves selecting a course of action and making decisions in advance regarding what needs to be done, the sequence it is to be done in, when to do it and how. In formal terms, planning entails establishing the goals of an organization and setting up appropriate policies and schemes to reach the mentioned goals. In regards to tourist transport planning, the strategy begins with a study of the external environment, i.e., market and demand and internal resources in the tourism industry, i.e., manpower, financial, and infrastructure, etc. of the establishment. In the smaller companies, the planning is frequently carried out by an individual – maybe the owner. With larger companies, a separate division might be engrossed in coming up with effective plans. Let us put some of the more important points in capsular form that can aid in preparing the transportation strategy for your organisation.

They are as follows:

- Establish the company target, i.e., the level of operations, the number of vehicles, and the market to which the service is to be provided, etc.;
- A study of the company's main resources; e.g. how many drivers, skills needed, and salaries to be given, etc.
- Figuring out the main requirements for success, i.e., assuring the quality of the transportation service;
- Compare the strong points and weaknesses of your company with those of competitors;
- Training of human resources with stress on the induction training and continuous upgrading of information and knowledge; and
- Putting together a list of factors influencing the company's activities, such as, associations and business relationships with hotels, tour operators, and travel agencies, etc.

For tourist transportation management, the information regarding market demand must be collected and then, the services provided by other companies put together. Analysing the data collected can give you the required feedback for fixing a goal for your own company. In establishing the goal for your company, the resources available to you have to be kept in mind. The work force makes up an integral portion of the planning. Based on the company's volume of the business and targets, you have to come up with the desired work force needs.

Through the planning of manpower, management works to employ the appropriate number of people, in the right positions, at the needed time to carry out functions that produce long term benefits for the organization and the individual receiving it.

## Organisation

In broad terms, organizing is inclusive of providing physical facilities, personnel and capital. Organisation can be explained as two or more individuals working in harmony to reach group results. It is the

company's objectives and resources that determine the type and structure of the organisation. An organisation is mainly accountable for the implementation of the planned proposals and to reach the given objectives of a company.

A few of the main costs in the transportation service are as follows:

- Fuel;
- Maintenance and repair;
- Interest and depreciation;
- Taxes and insurance;
- Salaries and wages; and
- Miscellaneous expenses

Suitable budgeting, expense control, and every possible effort to generate income are the essential fundamentals of efficient management. Defining and delegating tasks and authority is also a vital aspect of organisation.

In the tourist transport management this will include:

- Identifying the needed forms of transportation;
- Allotting driver duty, cleaning, and related supervisory staff specifying their duties and responsibilities;
- Liaising with the different agencies; and
- Vehicle maintenance, etc.

Organization essentially aids in reaching the sought after goals through well matched efforts of the different people or groups.

To be able to achieve the desired results, the following points have to be kept in mind:

- Which tasks have to be completed?
- Who does what, when and for what duration?
- How should the tasks be grouped?
- Who reports to whom and where?

Every aspect of tourist transportation has to be monitored continuously. It has to be kept in mind that, in the transport business, the service is being produced *and* consumed at the same time. Thus, in situations of failure or breakdown, instantaneous remedial steps have to be implemented or the company image and good will goes down.

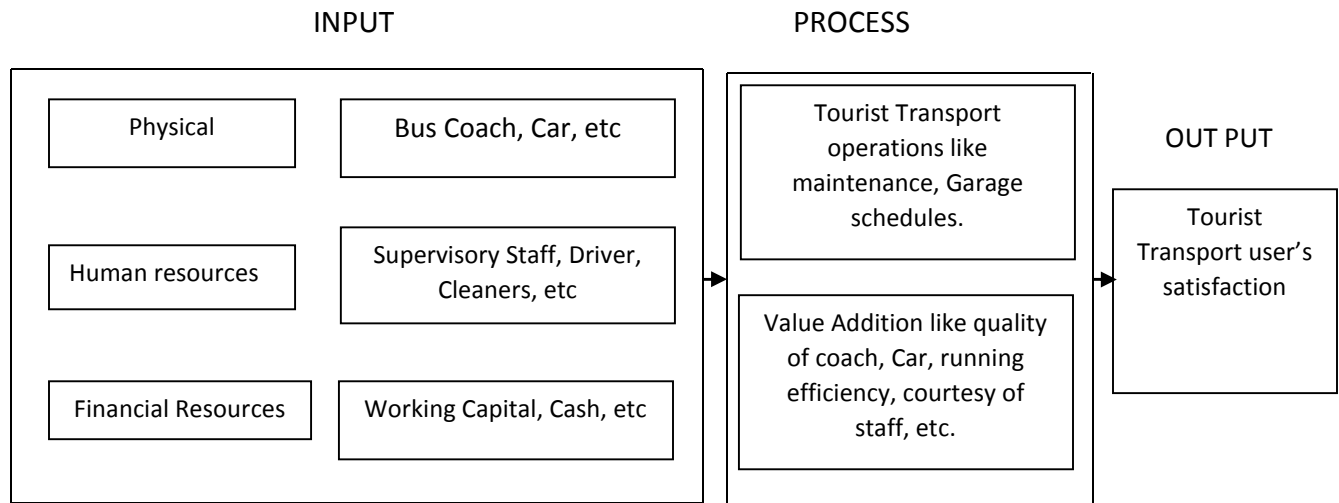


Fig: 8.1

## Marketing

In tourist transportation, businesses not using a bus/coach/ or car adds up to a loss. Profits are only earned when sales cross the “breakeven” point. Thus, the success of your business is dependent upon your ability to market your product and services. There is *always* competition in the market.

You must be aware of the “4 Ps” in marketing, Produce, Price, Promotion, and Place (or Distribution). To be at the top position of the market, you have to have the correct calculative mix of the 4Ps. In transportation services marketing must pay special attention to punctuality, quality, comfort, and pricing. All four factors are vital to tourists when selecting a transportation service.

When marketing your company, it is important to put on these aspects and ensure that they make your company different than others. Additionally, networking with government tourist departments, hotels, and tourist creating agencies is vital to market of a tourist transport service.

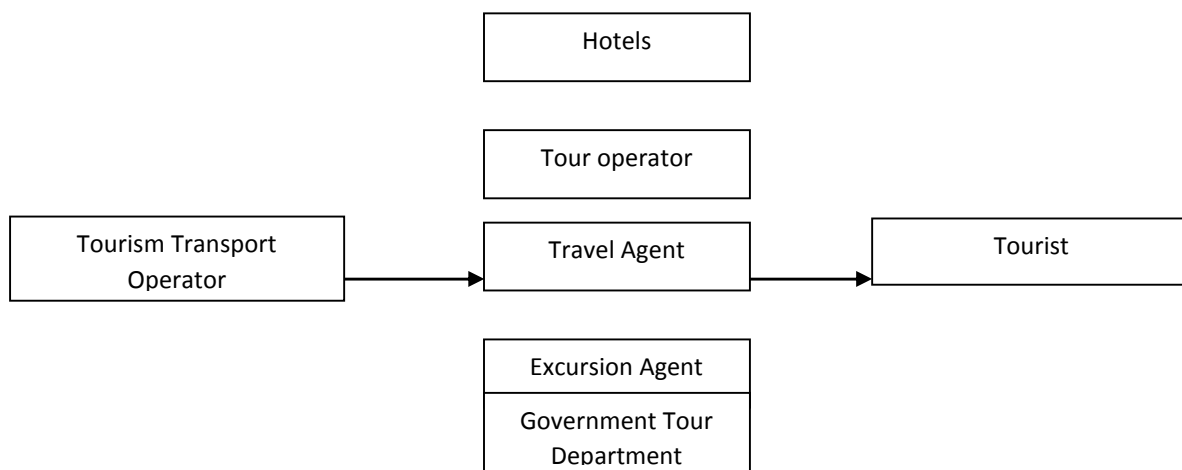


Fig: 8.2

Innovative packaging needs to be given a special thought in tourist transport marketing. Proper packaging plays a critical role in the marketing success of your service, especially in our modern age. You must clearly define the market segment you intend to service.

For instance, a majority of transportation operators do not sell to tourists directly but only deal with intermediaries or third-parties. They are well aware of the needs of the intermediary company and their client profile. Making a product better and keeping up the quality of a product/service provided at the start aids in promoting or selling your product. You may be familiar with the comments, “oh, they are maintaining the quality of service” or “they are no longer like the way they were when they began.”

## Forecasting

There are three main methods of predicting the future demand of coaches or other forms of transport. The first way is to go back and look at the past record to predict what the future will bring e.g. the transport demand increases at the rate of 5% annually. Next way is to use statistical methods and gaze into the future, and the final method is to take broad views of the people already in the business. The depth of this module is insufficient to go into the details of technical aspects of forecasting. We will consider some of the major aspects that link to tourism transportation.

The main aspects affecting tourism transportation’s future include:

- The share of tourism in the Gross National Product (GNP);
- Share of transporters in the total tourism market;
- Total tourist expenditure and the per capita expenditure; and
- The total number of tourist trips.

By looking at the tourism industry’s part and its contribution towards the GNP, we get an overall view of its role and within the revenue contribution of tour transport has a major share. In a country, such as, India, where there are large distances between regions, transportation plays a major role. The overall tourist expenditure on transport can be subdivided to contribution per person.

This will provide an idea of rupee contribution per tourist. You also need to keep in mind that bookings are made much in advance. Those who purchase your product and services, such as, tour operators and excursion agents, etc., make their own forecasts of their business volume which, in turn, is linked with the demand for your product and service. .

## Issues In Transport Management

The below mentioned points must be considered if you are in the tourist transport business: Vehicle Regulations: Tourist coaches are given permission to conduct business if they meet the below mentioned conditions and terms:

- The vehicle can only be used for specific routes or areas;
- The vehicle is prohibited from use outside the designated area unless modified or extended;

- Passengers may be carried on specified occasions or for a given period or specified amount of time and seasons;
- Vehicle fitness certificate must be obtained annually;
- Must have knowledge of the entry taxes and permits needed to operate various forms of transportation; and
- Must also have knowledge about the Motor Vehicle Act and Traffic rules

### Other Aspects:

The transportation operation can be made or broken, depending upon how lucrative the routes are. Route preference is determined by the volume of traffic encountered between two points i.e. the start and end points. The style of vehicle will depend on the type of use and demand. If the demand is for stylish modern vehicles but route on which the vehicles are to run are in poor condition, then it will be costly to use them due to high maintenance and repair costs. Driving hours for the driver should be limited to five hours of nonstop driving with half an hour of break in between. The total driving hours in a day should not be more than eight and should not more than 48 hours in a workweek. The driver should have knowledge of the routes and addresses. Additionally, he should have good communications skills.

Also, knowledge of the region's history, culture, customs, and arts etc., can add value to the quality of the driver's service and you should ensure that they have this knowledge. They should also be aware of the airport and train station procedures and regulations. A standard complaint by tourists is that transporters neglect to provide the promised services in terms of schedules and service quality. It should be understood that establishing credibility in the market is a company's asset. If they get satisfactory service from your company then they will share this experience with their friends. Remember, they promote your company to potential future tourists.

### Transport and Environment

There is a major impact of the Green Movement in the West especially in countries like Germany and before embarking on a trip a tourist may like to:

- Select a travel operator after inquiring about environment related questions, such as, what the company does to cut down the environment impact;
- Select the appropriate travel modes like public transport, trekking, and cycling instead of renting a car; and
- Travel to famous destinations out of season.

The flourishing transporter will need to fulfil the standards established by the environmental activists and tourists; the difference between the two is now becoming blurred.

## Consumer Protection

Typically, holiday companies attempt to sell dreams but can only provide realities. Legally, the distance between reality and dreams is closing with claims of disappointment. Legal cases are increasing in value and numbers in regards to this. When the tour operator is held responsible, he will, also, most likely, hold the transporter responsible for any issues.

Upon the inception of the Package Travel Regulation in 1992 in the UK, the trend has followed the American idea that if anything unpleasant occurs with me, it is someone else's fault. In such a case, it could be anyone and the transporter is **not** spared.

The UK's Package Regulation No. 15 makes the tour operator accountable for any omission or commission acts. The UK is not the only nation to have this in effect, Japan also has a similar system in operation. Japanese travellers are compensated within one month in case of seven different complaint categories. Of importance to tour operators, who are concerned with surface transport, is the fact that 5% damages (of total tour cost) are granted when the whole itinerary is changed, 3% if departing and arrival dates change, and 2% if destinations are altered. The same thing can occur here. Tourists might end up in consumer court or the press if a commitment is not fulfilled.

As the Tourist Transport Operator, you have to keep in mind that the tourist is travelling for enjoyment and that they have every intention to earn every penny spent, in terms of comforts. You have to set up written contracts with clients, as well. It must be stated in the contract which things you will be held accountable for and those which are not your obligation – this will protect you, the company, and the client, as well. It is best to get the advice from a legal consultant when drafting the contract.

### Further Reading:

- ✓ *David Timothy Duval, (2007), Tourism and Transport: Modes, Networks and Flows*
- ✓ *Ratandeep Singh, (2008), Tourism and Transport Management: Practice and Procedures*
- ✓ *Les M. Lumsdon, Stephen J. Page, (2004), Tourism and Transport*