



UNIT-15

Transport Management

Learning Outcomes

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

- ✓ Understand the role of transport principals in transport management
- ✓ Identify the issues involved in the management of transport

Unit 15

Transport Management

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

Changes in Transportation

Modes of conveyance are forever being developed to make it easier to move from one location to another. Trains are faster, aircrafts are larger, coaches are more comfortable - 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;
- 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, begin with a car journey to the airport or the train station. Cars are used 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 travelling with children.

An surprising number of trips in the United Kingdom are conducted with cars towing **caravans**. Caravans provide flexibility and convenience, with newer 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 and carrying tents and other required equipment 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 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 the 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 travel between major cities. Establishments like **National Express** and **Megabus** operate a large network of services connecting large towns and cities. While these scheduled services are usually less costly than rail travel, they do tend to be slower and restricted by traffic congestion on the roads. 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 starting point to the airport from which they will be leaving. Coaches are used for touring holidays inside the United Kingdom and Europe. Many larger commercial establishments offer 'package' coach touring trips which are inclusive of travel cost, accommodation and visits to main attractions in the price of the package. Coach vacations are especially liked by senior tourists as they have the advantage of being cost-effective 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 use of as well. Some visitors may like the comfort and dependability of getting to a destination within city by making use of a taxi. This is particularly true when they are not comfortable using the underground/buses, or 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 be a very cheap option, but it might also be expensive during peak times. High-speed trains cut down on travel time between major cities significantly, 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. Underground rail services, such as the London Underground and Newcastle Metro, make for convenient and effective transport options for 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 also, 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 tourists travel on a budget and cannot afford rented cars, taxis or other costly forms of transport.
- **The Total Travel Time** – For very early morning trips and late night trips, catching a train may not be convenient or even possible.
- **The Length of the Journey** – For long journeys, certain types of transportation are more comfortable than others.
- **The Length of Stay** – What kind of transportation will be needed to get to the destination, given the duration of the stay?
- **The 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 for whom the 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 the south coast of England and France are the most important ones, and the Dover to Calais route is the shortest and most popular. While the most significant route for United Kingdom tourists are those that cross the English Channel to Europe, ferries also run on the following routes:

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

Cruise Ships

Greater numbers of United Kingdom travelers are now choosing to have a cruise holiday. The numbers of tourists taking package holidays remains the same overall, but the ratio of those 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 a fly-cruise. Recently, cruising has become more fashionable since greater numbers of people can afford this type of vacation. Cruise holiday demand is expected to continue rising in the future.

Air Travel

Travel by air is the most popular form of travel for United Kingdom tourists travelling abroad and its value continues to grow. To be able to understand air travel in the United Kingdom, it is essential to understand the association between airports and airlines. Both are commercial entities with the goal of making profits. Airports earn profits by charging businesses like restaurants to make use of the space in departure lounges. Airlines earn a profit by transporting passengers. Airports also earn a profit by charging airlines to land on the runways and utilise airport services. These are called landing charges. With 70 million passengers every year, London Heathrow is one of the busiest airports in the world. 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 were 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 a 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 seen phenomenal growth in the last decade. These cheap airlines have become so

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

On popular, short distance routes to locations like Paris and Barcelona, the costs that are charged by traditional and low cost airlines are very similar. The cheaper airlines do not fly on long distance routes to the 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 has increased.

Advantages and Disadvantages of Different Types of Transportation

Almost every traveller has the option of different 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;
- 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 the vast majority 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 busy times, such as weekends. Quite frequently, bookings which are made on short notice cost significantly more, 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 travel is 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 often 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 ending up 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 kkey 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 main cities like Birmingham, Manchester and Cardiff as compared to smaller cities and towns. A lot of ferry routes function on a seasonal basis and might not operate as frequently during less popular times. 'Fast Cat' ferries operate more frequently between Portsmouth anaad 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 method 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 the case of delays. Even though a majority of leisure travellers use direct flights, business travellers may need to travel indirectly to less popular/common 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 international tourists arriving by air.

The management of competitive strategies in the air transportation industry can have 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 existence of the jet engine and the wide-bodied aircraft, since such innovations are responsible for ushering in the mass tourism era in destinations like Florida, Greece, Hawaii and Spain.

During the last few decades, the modern-day air transportation industry has undergone radical shifts in regulatory regimes, which had been responsible for establishing airfares and allowed air routes. These alterations have totally reshaped 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 the 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 tourist flows in some perspectives. The success and failure of resort destinations can in part be explained by the decisions made at 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 any given country, the air, rail or road transport system may be a weak link in the overall package. Trains are normally of poor quality and congested, airlines are inconsistent, there are poor roads and substandard vehicles which generate a negative image of the transport system. Whether the tourist is foreign or domestic, the concern is to provide a reliable and comfortable transport service. A transport company manager or owner might not be in the position to do much about 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 toward good management.

In this section, we will cover planning in 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 involves establishing the goals of an organization and setting up appropriate policies and schemes to reach these goals. In regards to tourist transport planning, the strategy begins with a study of the external environment, i.e., market, demand and internal resources in the tourism industry - manpower, financial, infrastructure etc. - of the establishment. In smaller companies, planning is frequently carried out by an individual – maybe the owner. With larger companies, a separate division might be given the task of coming up with effective plans.

Some of the more important points that can aid in preparing the transportation strategy for your organization 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 strengths and weaknesses of your company with those of competitors;
- Training of human resources with emphasis on induction training and continuous improvement of information and knowledge;
- Putting together a list of factors influencing the company's activities, such as, associations and business relationships with hotels, tour operators, 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 setting 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 workforce 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 required workforce needs.

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

Organisation

In broad terms, organization is inclusive of providing physical facilities, personnel and capital. Organisation can be explained as two or more individuals working in harmony to reach a desired set of 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;
- 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 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 other agencies;
- Vehicle maintenance, etc.

Organisation essentially aids in reaching the established goals through the 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 reputation may suffer.

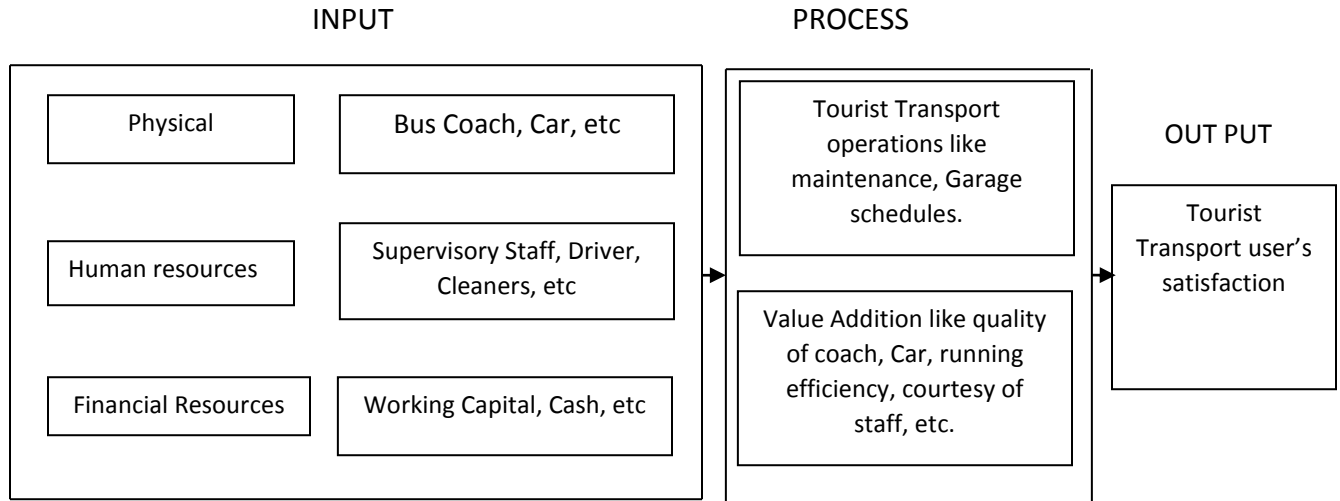


Fig: 8.1

Marketing

In tourist transportation, businesses not using a bus/coach/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 implement 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 focus 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 in marketing a tourist transport service.

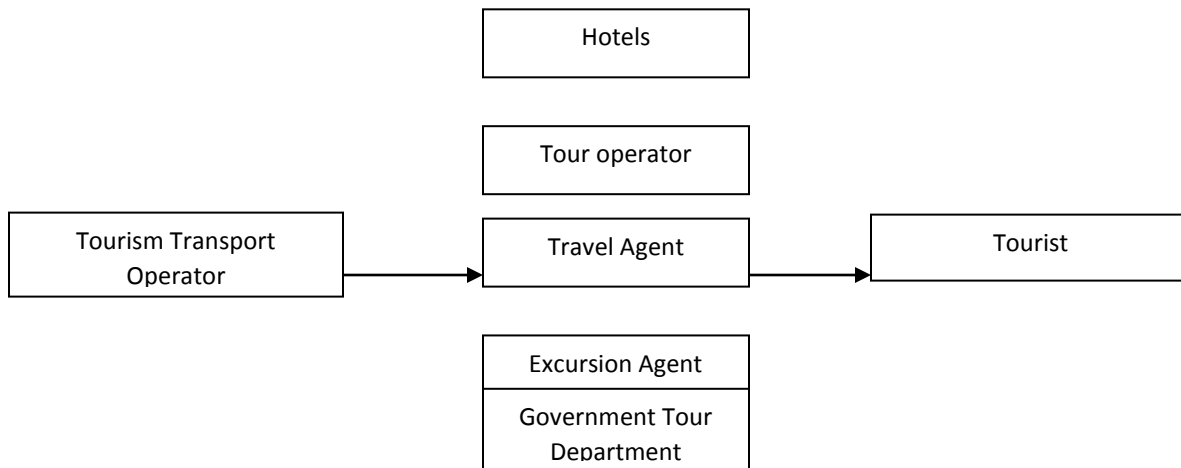


Fig: 8.2

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

For instance, the 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 maintaining the quality of a product/service provided at the start aids in promoting or selling your product. You may be familiar with comments like “They’re still as good as they always were” or “They’re nowhere near as good as they used to be”.

Forecasting

There are three main methods of predicting future demand for coaches and 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. transport demand increases at a predictable rate of 5% annually. Another way is to use statistical data and look into the future, while the final method is to take into account the 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 instead consider some of the major aspects that link to tourism transportation.

The main aspects affecting tourism transportation’s future demand include:

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

By looking at the tourism industry’s part and its contribution towards GNP, we get an overall view of its role and within the revenue contribution of tourism, 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 far in advance. Those who purchase your products and services, such as tour operators and excursion agents, etc., make their own forecasts of their predicted business volume which, in turn is linked with demand for your products and services.

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 only if they meet the following terms and conditions:

- 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 during specified seasons;
- A vehicle fitness certificate must be obtained annually;
- The company/driver must have knowledge of the entry taxes and permits needed to operate various forms of transportation;
- The company/driver must also have knowledge about the Motor Vehicle Act and Traffic rules

Other Aspects:

The transportation operation can be made or ruined based entirely on how valuable/popular the chosen 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 the roads 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 a half-hour of break after 50% of this. The total driving hours in a day should not be more than eight and should not total more than 48 hours in a working week. The driver should have knowledge of the routes and addresses. Additionally, they 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 fail 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 priority. If they get satisfactory service from your company, they will share this experience with their friends. Remember, they promote your company to potential future tourists 100% free of charge, if you get it right.

Transport and Environment

There has been change spurred by 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 its environment impact;
- Select appropriate travel modes like public transport, trekking and cycling instead of renting a car;
- Travel to popular destinations out of season.

The successful/active transporter will need to fulfil the standards and expectations established by environmental activists and tourists alike; the difference between the two is becoming increasingly 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, it 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 who's held to blame and the transporter is **not** excluded from this.

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 may take their complaints to 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 *back* every penny spent, in terms of comfort. 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 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*