



Towards a pleasant travel experience

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Introduction to Singapore's travel agency industry

- Industry started in the late 40s
- Singapore has about 1000 travel agents today
- Four main sectors in the industry
 - Outbound
 - Inbound
 - Air-transportation
 - Surface-transportation
- Industry turnover around S\$6 billion a year
 - Air-transportation - \$3.5 billion
 - Outbound - \$1.5 billion
 - Inbound - \$0.5 billion
 - Surface-transport - \$0.5 billion
- Travel industry is one that has a huge turnover but earns only a very small margin of profit

Introduction to Singapore's travel agency industry

- Travel agents in Singapore are licensed by STB and not NATAS
- Current requirement – paid up capital of S\$100,000.00 and continue to maintain a net worth of \$100,000.00
 - This money is NOT a bond put up by agencies to STB
 - There are also requirements on the Key Executive
 - To promote entrepreneurship, STB has now relaxed on other requirements such as office premises
 - On line travel agents may not need an office to operate



Role of NATAS

(National Association of Travel Agents Singapore)

- NATAS is a trade association and not an authority or government body
- Association was formed in 1979 after 2 trade associations were merged into one
- Membership of 450 = 350 (travel agents) + 100 (associates)
- NATAS TA members control 85% of total turnover
- NATAS members are also categorized under the same 4 categories
 - Outbound
 - Inbound
 - Air-transportation
 - Surface-transportation



Role of NATAS

(National Association of Travel Agents Singapore)

- To promote and foster cooperation, understanding and goodwill amongst members
- To generate business opportunities for our members
- Voice of the industry – mainly in dealing with government bodies, suppliers, counterparts around the world
- To promote training and education
- To assist members in their dispute resolution with customers
- To play its role in serving the community



Challenges faced by the industry

- Travel agency / supplier relationship
- Supply chain issues
- Changing demands of consumers
- Competition
- Manpower / training issues
- Service level issues
- New technology
- Disasters and calamities – always the first industry to suffer

Travel trends amongst Singaporeans

- Singaporeans amongst most travelled in the world
 - UK – 75% of population has passport
 - Canada - 60%
 - Australia - 46%
 - USA - 37%
 - Japan - 27%
 - China - 1.5%
 - Singapore ???
- More trips made than population
- Multiple holidays a year
- Travel threshold of around \$2000 / trip
- Fast to take advantage of
 - Exchange rate
 - Special offers
- Fast to react (or over react) to world situations
- Travellers are moving from fully escorted all-inclusive package tours to “free and easy” program

Travel trends amongst Singaporeans

- Where are Singaporeans going today? (both leisure and business)

2010 top ten destinations by Singaporeans

- 10th Korea 112,855 (trips made)
- 9th Japan 180,031
- 8th Taiwan 241,334
- 7th Macau 257,196
- 6th Australia 308,000
- 5th Thailand 579,105
- 4th Hong Kong 709,777
- 3rd China 1,003,800
- 2nd Indonesia 1,128,906
- 1st Malaysia 13,042,004

How to choose a travel agent for your holiday

- Field of expertise
- Staff product knowledge
- Track records
- Content – both quantity and quality
- A NATAS member?

Never choose a travel agency based on

- Price
- Advertising gimmick

Common areas of satisfaction and dissatisfaction among travellers (using a travel agent)

Satisfaction

- Hassle free holiday, everything well taken care off
- Cost savings due to agent's volume versus higher cost of self travel
- Expertise and advise by professional travel agents

Dissatisfaction

- Cancellations due to insufficient participants / late notification
- Areas of inclusions / exclusions / non-delivery
- Tipping and service fees
- Service level of staff and tour leaders
- Slow in follow up on booking / complaints
- Refunds
- Visa requirements / validity of passports
- Children travellers – age
- Tour duration misrepresentations

Common areas of satisfaction and dissatisfaction among travellers (not using a travel agent)

Satisfaction

- Convenience of making booking at own time and comfort
- Better perceived value
- Probably larger choice of product range

Dissatisfaction

- If things go wrong, you are on your own
- Lack of expertise and industry knowledge on products
- No assistance for visa, passports and other advices
- Internet offers mind boggling choices making it very difficult to make decisions

Resolving disputes

- Travellers can call NATAS
- NATAS will notify the member involved in the case
- NATAS will follow up with the case until resolved
- We do not arbitrate but perform the role of mediator
- Rate of our mediation success is high
- NATAS cannot handle complaints on non-members
- Cases may be referred to STB, CASE or small claim tribunal if customers are still unhappy

So how does one achieve a pleasant travel experience?

- Make sure your travel documents are in order
- Choose your travel agent carefully based on their product knowledge and expertise instead of price
- Know what you are buying – if the price is unbelievable, it probably is
- Don't be greedy over free gifts – end of day, you pay for everything
- Do some research of the destination before going
- Respect and enjoy the country's culture and not impose ours on them
- Don't be ugly Singaporean



The end