

PEAK PERFORMANCE: Covering your rear while boosting your bottom line

Sorry. We couldn't resist having fun with the headline. Trip Cancellation Insurance (TCI) is truly a win-win for tour operators. There's nothing worse than having to decide between upsetting a client who is requesting a refund when canceling their trip due to an illness in the family or taking a loss on pre-paid vendor expenses. Increasing your sales of Trip Cancellation Insurance not only reduces your exposure to these situations, but it also makes a nice contribution to profit in the form of commissions paid by your insurance provider. In this issue of PEAK PERFORMANCE we share a case study of how Geographic Expeditions implemented a new TCI program with PEAK 15.

Before the new program, GeoEx recommend that clients purchase TCI and included a brochure from their insurance provider with every invoice. Clients then purchased TCI directly from the provider which meant that GeoEx had no idea who was or was not purchasing insurance. The result was a low rate of sales.

The new program leveraged the PEAK 15 TCI insurance module that allows for so-called "negative invoicing." This means that the TCI premium is included by default on the invoice and automatically calculated by the system. A section on the bottom of the invoice instructs clients what to do if they want or do not want to purchase TCI.

Invoice Screen: TCI auto-calculated with option to adjust insured amount

Line#	Description	Category	Unit Cost (\$)	Qty	Line Price
1	Land Cost	Land	5795	1	\$5,795.00
2	Park & Conservation Fees	Park Fees	1285	1	\$1,285.00
3	Internal Airfare	Internal Air	785	1	\$785.00
4	Single Supplement	Land	525	1	\$525.00
Invoice SubTotal					\$8,390.00
Insured Amount					8,390.00
Trip Cancellation Insurance					
		Insurance	0.0700		\$587.30
Invoice Total					\$8,977.30

The results? Dramatic. "We doubled our TCI sales and commissions overnight," says Jean-Paul Tennant, GeoEx's CFO.

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—Jean-Paul Tennant, CFO,
Geographic Expeditions



One important requirement for implementing this program was that it be possible to turn off the negative invoicing for certain trips or clients. For example, some of GeoEx's affinity partners like National Geographic Expeditions and Smithsonian Journeys have their own TCI procedures.

Now when a trip planner sets up a trip, he or she can simply uncheck a box for that trip and TCI is no longer included by default on that trip's bookings. TCI can then be turned off or on for each individual booking.

The system also makes it possible to insure more or less than the invoice sub-total in order to account for situations where the client wishes to have other expenses insured. Since this is rare, the system prompts the user to confirm the insured amount if it is not equal to the invoice sub-total. Finally, GeoEx had PEAK 15 create a series of custom invoice templates, one of which included a boilerplate message that instructed clients how to confirm their purchase in order to qualify for the coverage of pre-existing conditions. Though seemingly minor features, these options gave GeoEx the flexibility they needed to deal with any scenario that might come their way.

Contact us today to learn more about this and other tour operator solutions we've created that can help you market smarter, sell better, operate easier and move faster.

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