



The Individual Travellers Company is a three-times winner of the Observer and Guardian Travel Awards. *Vacanze in Italia* won Best Short Haul Brochure in both 1996 and 1997. *New England Country Homes* won best Long Haul Brochure in 1998

In an era of consolidation in the global travel market, valuable niche positions are being occupied by operators who value and promote their independence *itself* as a differentiator. *Locum Destination Review* went to meet **Matthew Broadbent**, Managing Director of the Individual Travellers Company, to find out what 'individuality' really means in a travel market increasingly dominated by corporate-owned brands.



Where it all began... ITC still has 600 properties in France

NICHE OPERATOR

Could you give a quick outline of The Individual Travellers Company business?

Reduced to the basics, ITC sells self-catering holidays in quality villas in France, Italy, Spain, Portugal and New England.

How long has the business been going?

We've been around for 25 years. The whole thing started with a husband and wife team, who got together with friends who owned a house in France and were looking for a means of renting it out.

How has the business developed over the years?

From that start, our *Vacances en Campagne* brand now offers a choice of 600 houses. In 1983 we then added an Italian companion brand, *Vacanze in Italia*, which now has over 400 houses in the programme. In 1989, the entire business was purchased by the team which sold the English Country Cottages operation to Thomson Travel.

After the purchase, the company expanded by including a small choice of Spanish accommodation in the France brochure. This proved popular and was later rolled out as the stand-alone *Individual Travellers Spain* brand. This model of

incremental expansion proved successful, and a similar route was followed with the inclusion of Portuguese accommodation in the Spain brochure, before this was itself split into a separate brand.

Following a different route, our Chairman, Rowland Hardwick, created the *New England Country Homes* brand. Following intensive supply-side research in New England, which revealed an abundance of product matching our consumers' expectations, this brand was rolled out through perhaps the most self-consciously upmarket brochure we've ever produced. And this product really needs a value-added edge. There are huge numbers of web-based letting agencies in New England itself, who are all too willing to rent properties direct to the consumer. The challenge for us in this market is to keep our customers' repeat business for ourselves on their second and subsequent visits.

What size is Individual Travellers?

Last year, all told, we sent roughly 35,000 clients to our five destinations. To meet our customers' needs our team is now 55 people, nearly all of whom are at Manor Court in Bignor in the January/February period, but many of whom are overseas acquiring

product and delivering our service 'on the ground' in the season. If I'm honest, there has been one small negative effect of the growth in our staff numbers that we hadn't really anticipated: we're sometimes a bit unpopular with our neighbours in rural Sussex for causing a 10-minute 'rush hour' through Bignor, which is a very small village with very narrow roads.

Your company name includes the word 'individual'. In today's tourism market what does 'individuality' mean to you?

This really is the be-all and end-all of our business model. We are constantly investing in improving our systems, our marketing and – most importantly – the skills of our staff, to deliver truly individual service. We don't just say it – we do it. Our aim is to deliver outstanding service, by individual experts, to the discerning individuals who buy our products.

What does that mean in practice?

We do everything to ensure that our customers are treated as individuals right from their first contact with us. When a potential client contacts us for a brochure, one of our staff calls them back on an individual basis. Throughout the booking process,

whenever a client calls, we try to ensure that the call is routed to an expert who has direct personal knowledge of the destination and the precise accommodation in question. Our entire brand rests on the fundamental principle of individuality. So we will always do our utmost not just to make note of but to act positively on every one of a client's instructions.

But what if a customer is not in a position to issue 'instructions'?

That's where the individual service really kicks in. Our team will listen to customers' requirements extremely carefully and then make individual recommendations regarding travel options, in-destination services and the accommodation itself.

So aren't you just creating a traditional package, then?

Of course we are 'packaging' travel, accommodation and services together. But the key difference is that we're putting things together on an individual basis for each individual customer. We aim to provide service which matches individual clients to specific properties in specific destinations, not general categories of accommodation in a general location. And much of this really isn't rocket science: it's just about developing a detailed understanding of our customers' needs and then getting our recommendations right. Of course, this means advising *against* inappropriate choices too: offering a family with a toddler a villa with an unprotected pool wouldn't be a great idea. Similarly, even though many of our customers prefer more authentic, traditional properties rather than purpose-built holiday accommodation, recommending a property with a steep, uneven staircase would be a quick way to lose the repeat business of our elderly or mobility-impaired customers, no matter how authentic the property!

So you really have to know your customers inside out, then?

Yes, but we also have to recognise that, as a relatively small company selling holidays, we'll never be in the position to build detailed *data-based* profiles of our consumers in the same way that big datamining operations can. Put simply, we'll never be able to find out as much raw data about our customers as, say, a life insurance company. By the nature of the product they sell, they're entitled to ask extremely detailed and personal questions of their customers which our clients would find intrusive and impertinent.

If you can't do data-based research to large company levels of detail, what do you do instead?

Our experience is that it is precisely our smaller size that compensates for our inevitable lack

of the heavyweight data-gathering and analysis superstructure of some of our larger competitors. Being smaller, we really can create genuinely personal relationships between our staff and their customers – and these are often built up over many years of repeat business. In many senses, we're simply 'lighter on our feet', with our personal knowledge of individual customers, than our larger competitors can hope to be, weighed down as they are by their tomes of research. The big players' databases may be able to generate more accurate theoretical demographic profiles of their consumer bases than we can. But we know many of our customers on a *human* level, which no amount of statistical analysis will ever replicate. And I know how I would want to be treated *myself*, when I am making an important purchasing decision – I'd rather be an individual than a profile any day!

What does this mean for your approach to market research?

What I've just said does not imply that market research is not important to us. On the contrary, as the company now moves, so to speak, from its 'teenager' to 'adult' life-stage, research has been identified as absolutely essential to developing our business.

In real world terms, what does this mean?

As a for instance, we have recruited our first dedicated in-house research analyst. Part of his brief is to delve deeper into the data we do have about our customers – which is by no means insubstantial despite what I've said – and to get to know them better. We know, for instance, that over 60% of our market fits an 'affluent suburb' typology. In order to focus our marketing more effectively on this group and to extend its reach in closely-related groups, we are now looking at some pretty interesting 'cross-over' stuff. As an example, we want to know more about the *domestic* leisure and tourism spending of our customer base. This could help us identify the attractions, restaurants and events – the whole mix – on which our clients are doing their discretionary spending *in the UK*, on short breaks and day trips. Once we understand that in detail, we'll be able to judge whether we can 'infiltrate' highly focused marketing for our *overseas* tourism product into activities in the UK which our primary market associates with pleasure, leisure, luxury and self-indulgence.

Of course, research is not just about understanding consumers and their behaviour. Like everybody else in this business, we're always trying to understand our competitors, too. We're pretty rigorous and disciplined in 'reverse engineering' competitor brochures, so that we can analyse in detail what the competition is saying, how they're saying it and, most importantly, who are they saying it to.



The company's Spanish properties were rolled out as a separate brand



One of ITC's 400-plus Vacanze in Italia properties



Portuguese properties were added to the Individual Travellers Spain brand



Our entire brand rests on the fundamental principle of individuality



One of ITC's New England properties

I'd rather be an individual than a profile any day!

But all the research and all the abstract knowledge in the world won't do any company any good unless they've also got a great team capable of turning research intelligence into action.

The success of the business is ultimately down to people, then?

Yes, I know it's a cliché, but our people really are our most important asset.

Beyond the clichés, how does your commitment to your team translate into action?

We have committed to a serious, long-term programme of work both *on* the business and on the continuous professional development of the team *in* the business. We started the programme last year with the senior Executive team working with expert outside consultants to define the vision that will take the business forward into a new era of growth and quality.

This year the emphasis shifts to refining this corporate vision and then, most importantly, to 'cascading' this philosophy of whole-company business objectives into visions for all the individual departments (such as sales, marketing, etc) whose team members must, of course, turn philosophy into consumer satisfaction.

Our strategy recognises that, fundamentally, our staff *are* our business in our customers' minds. We therefore think it's hugely important to ensure that key professional information is always communicated to the team actually responsible for dealing with customers at the 'sharp end'.

For us, just as, I suppose, for any business reliant on developing a body of knowledge in its staff and then communicating that knowledge to customers in a professional manner as a major part of the selling process, obtaining, training and retaining experienced staff is the key to success.

That's why we're moving towards the 'Investors in People' benchmark. We're not doing it so we can put a logo on our letterhead, we're doing it because this standard of best practice has a real business meaning for us. Much of the brand value of our business really is invested in our people.

What sort of people do you employ?

In a phrase, people who work in the Individual Travellers team are 'mature individuals'. Maturity is, of course, not necessarily a function of age, but it is a question of attitude and ability. We employ graduates, often linguists, who develop the detailed local knowledge which enables us to create and market attractive tourism product. It's important for us that our people develop an instinctive 'feel' for the quality our market demands and an in-depth understanding of our product.

To come back to the earlier question about our commitment to our team, it's also on this level of the practical day-to-day operation of the company that our commitment to professional development of our people shows through. It's because our business works best with mature, motivated and informed people talking to our customers that we make a point of sending out our sales team to see the properties on which they are advising customers at first hand.

In the medium term that's why I'd like to reshape the business a little so that our staff don't all follow the classical travel industry route from sales into the product management side of the company. Ideally, given that we basically compete through our great selling of a first-rate product, I'd dearly love to see more people moving the other way through the business, from product into sales.

Obviously there has been very significant consolidation in the travel industry. At one level the recent mega-mergers have created even larger pan-European mass tourism businesses, controlling huge chunks of the means of production, distribution and exchange of holiday product. On another level, up-market niche brands such as Simply Travel have been acquired by mass-market operators looking for higher margin business. Where does this all leave your business?

I firmly believe that the recent upheavals create *better* opportunities for a truly independent player. In my view, all the consolidation going on around us leaves a genuinely independent company like ourselves able to beat the 'pseudo-independents' – the upper-market niche brands which disguise their ultimate mass-market corporate ownership – at their own game.

For me, the contrast is clear. Here we are, looking to the future with a really committed team delivering a product they know *personally*. On the other side, you've got the core teams of once-independent quality brands who have now been bought out. Inevitably, the Directors will be straining against their 'golden handcuffs', and there's just no way that the 'PLC culture' of some of our competitors can deliver the goods in our market. It really does seem that some of our larger corporate competitors have senior management

structures which are more focused on internal politics than on delivering quality product to consumers whose expectations are, rightly, constantly increasing. In the long run, this just has to be good for the Individual Travellers Company and other independents like us.

Does that mean that your business model fundamentally depends on retaining your independence? Is your consumer proposition of individuality at the consumer level dependent on retaining your independence at the corporate level?

Yes. There is no way round it. I just don't think it works any other way.

Are you saying that you just don't think it is possible for a larger organisation to deliver an 'experience product', such as a holiday, effectively on a truly individual level?

The issues are very clear. We simply don't aim to compete with the mass-market operators. We are not set up to deliver their sort of product and don't intend to attempt to do so. But I am equally firmly convinced that no large and unwieldy corporate player – no matter how deep their datamine – can ever hope to do what we do as effectively as ourselves.

Finally, if you had just a few words, how would you summarise precisely what it is that your company does?

For me one of the major benefits of doing so much careful and logically structured work on the development of the company is that we now have a very clear definition of the guiding principles of our business.

As a professional team, we aspire to be the most successful independent supplier of quality holidays by

- Enhancing customer loyalty
- Investing in our people and our products
- Creating a happy, dynamic and open environment

thereby

Optimising service and profitability

The Individual Travellers Company can be reached on 08700 771771 or by visiting www.indiv-travellers.com