How to set commission

As with most aspects of running a successful travel business, setting commission is all about understanding your client. To be competitive you need to know your worth and be able to set yourself apart from the rest – whether it's through the valuable service you offer your clients, or the great deals you're able to find.

Here FlightSiteAgent offers a few helpful tips on setting commission:

Best practice when setting commission

Consider the time it will take you to make the booking and use this as a guide for setting your fee. Your time should be compensated, but you don't want to overcharge and potentially scare off sales. We encourage agents to always keep the end fare in mind when preparing quotes.

Business class vs economy

For business class tickets it's more acceptable to set a slightly higher commission, but bear in mind that just because a client has a bigger budget, it doesn't mean they won't be comparing prices elsewhere. Always ensure that quotes are reasonable and competitive.

Differentiate yourself from online services

It is important not to compete with online booking websites, as the service they offer is completely different to yours. Ultimately, the client will be paying more for your service because it includes helping them find a flight that suits their budget and schedule and being there to assist with extras like stop-overs, changes and cancellations. You should also be able to answer most of their questions and put them at ease, which is not usually the case when booking online. Make sure that your service is worth it by going the extra mile for your clients.

Package holidays

Commission percentages differ from supplier to supplier, however with package holidays, there is already a 10-20% commission included in the quote. Once clients have completed their stay and the supplier pays th 10-20% commission into FlightSiteAgent's account, 25% of the amount will be kept and the remaining 75% will be paid into your FRAG account.

You also have the option of charging an additional booking fee, but keep in mind that payment for this will be charged separately and will be disclosed to the client. This option might not be feasible in every situation, but could be a way to earn additional income from difficult clients.

General travel

Flights: For flights booked via FlightSiteAgent, agents are given the option to set the commission on the system, which can either be percentage based or a set price.

Accommodation: Agents are able to set their own commission when quoting for accommodation. As with flights, this can be based on a percentage or a set price. If accommodation is booked through Booking.com, however, agents will earn 5-10% commission on all bookings made.

To note: Booking.com commission will only be paid into your FRAG ID two months after the client's stay has been completed.

Travel insurance

Travel insurance is essential for any trip, whether it's business, leisure or "bleisure". Be sure to add this to your quote to save your client any unforeseen stress. The way commission works on this is that 10% of the quoted price of travel insurance is included which will be paid to you after your client has completed their trip.

To note: Send your FRAG number and confirmation to <u>finance@flightsite.co.za</u> to have the commission paid to your FRAG ID.

We hope this helps to answer your questions around setting commission. If you need any further assistance, please contact us at info@fightsiteagent.co.za or call 0860 23 25 26 to speak to one of our account managers.