

Travel group announces more job cuts

Earlier this month, Thomas Cook, the world's oldest travel company, announced that it will cut 2,500 jobs in the UK. 200 stores are set to close. The announcement comes as no surprise, given the recent woes in the travel and tourism sector.

There are a good number of reasons for the imminent closures: the difficult trading environment; higher fuel costs; the global economic downturn. The company itself has debts estimated at £788 million.

However, for me, this announcement has a lot to do with the rise of the internet. It's a long time since I went into a high street shop and booked a holiday. Nowadays, I just do it online. I can book a cheap flight, a hotel and custom-make my own holiday. I don't need to use a travel agency.

Times have certainly changed since the company was founded in 1841. Initially, company growth was spectacular. In 1855, Cook organized tours to Europe; in 1865, the business was expanded to include the States. By 1888, the company had offices around the world, including Australia and New Zealand.

The company famously got into difficulties in 2011, with the unrest in the Middle East and North Africa badly affecting tours to Egypt and Tunisia.

In May last year, the company appointed Harriet Green as their new chief executive. She arrived with a "respectable" track record of turning businesses around, despite being new to the tourism sector.

It's no surprise that Thomas Cook has created a digital advisory board. Rival tour operators have been quicker to invest in the internet. But is this too late to save the travel firm?

Is there still a place for high street travel agencies? Maybe, for specialist holidays, such as safaris or an adventure package. But there's no denying that's it's a very different world from just 20 years ago.

Areas to discuss with your students:

Do you think Thomas Cook will survive?

How do you book your holidays: using a travel agency or independently, on the Internet?

How would you describe tourism in your country: buoyant or in difficulties?

Sites you may wish to visit:

<http://www.bbc.co.uk/news/business-21686547>

http://en.wikipedia.org/wiki/Thomas_Cook_Group