

SELLING TRAVEL ONLINE — 'the fundamental transaction has not changed'

By Ian McMahon

ONLINE channels have added to the complexity of travel distribution, asserted Martin Kelly but "the fundamental transaction has not changed", Andrew Burnes pointed out.

The two men were speaking at Traveltech in Sydney late last month.

Kelly is the founder of Traveltech, Australia's major annual travel technology symposium and Burnes is chief executive of the AOT Group which dominates Australia's domestic and inbound wholesaling sectors.

Joining them for a panel discussion on "more complicated" travel distribution in the era of the internet were Travelpart managing director Pacific, Shelley Beasley, Stella Travel Services chief information officer Peter Beveridge and Intrepid Travel's general manager global sales and marketing Robyn Nixon.

Despite the proliferation of online options, Burnes said that travel agents continue as major sources of bookings. The majority of long-haul inbound bookings, for example, come through traditional channels, he said.

Similarly, on the domestic front, 90 per cent of bookings are from travel agents, with AOT handling 10-12,000 phone calls a week from agents.

"I know everyone is clicking away but we handle up to 3000 calls a day, despite paying agents more commission to book online," Burnes told Traveltech delegates.

However, while AOT is prepared to incentivise agents booking online, Burnes said the company sold to the public at the same price whatever the booking method.

"Rate parity across all channels is very important," he said.



His comments on rate parity recalled what Flight Centre's general manager web and e-commerce, Sean Sutherland, had to say at last year's Traveltech.

Flight Centre's is second only to Webjet in share of visits to online travel agency sites, according to Experian Hitwise data (page 4).

But the company's website also maintains rate parity with its bricks

and mortar outlets because, Sutherland said, the company risked cannibalising its business model if it offered lower prices over the web.

This year, Stella's Peter Beveridge also referred to the need for the group's member agencies "to ensure (pricing) discipline" across distribution channels.

He said the company negotiates with suppliers on the total volume of sales

achieved across all channels.

He noted, for example, that Stella chain, Harvey World Travel, whose agencies give clients the option to buy in-store or over the web, has a customer proposition built around service (rather than price). He stressed the need for agents to "add value" if they are to survive.

Travelpart's Shelley Beasley said that online travel developments have proved beneficial to the GDS companies, "providing us with more opportunities".

She agreed with Kelly that the evolving role of the GDS in travel distribution – including seeing off the challenge of so-called "genie" cut-price versions – has confounded critics.

Beasley also vigorously contested claims that the GDSs have not developed technology capable of handling the sale of airline ancillary services in conjunction with airfare bookings. (See separate story.)

Intrepid's Robyn Nixon said the internet provided greater reach for her company which was a niche brand in a highly competitive market sector.

She pointed that "content rich" Intrepid packages "are not a simple sell" by contrast with unbundled airfares or accommodation bookings.

While 84 per cent of Intrepid passengers check out the company's website, only 23 per cent make the transaction online, she revealed.

And the proportion of online bookers varies greatly from country to country – up to 50 per cent in the US and the UK, only six per cent in Australia, according to Nixon.

"What's been really interesting is that Intrepid has been growing its retail sales ... We are getting as much growth from our industry partners as online," she said.



Shelley Beasley

Beasley hits ancillary services 'smokescreen'

TRAVELPORT managing director Pacific, Shelley Beasley, has refuted claims that GDS technology cannot handle the trend to selling a range of ancillary services in conjunction with a basic airfare.

She suggested airline claims to the contrary could be "a very nice smokescreen", providing carriers with an excuse to keep certain fares exclusive to their own websites (rather than opening them up for sale by agents).

Increasingly airlines – particularly, but not exclusively, low cost carriers – are offering rock-bottom lead-in fares and then inviting passengers to purchase a range of ancillary

services such as meals, inflight entertainment and carriage of baggage (*travelBulletin*, June).

There have been airline claims that the GDS technology has failed to keep pace with this development.

But Beasley vigorously rejected that proposition during Traveltech 2010.

"Absolutely, the GDSs can accommodate this," she said in reply to a question from a Traveltech delegate.

According to Beasley the real problem is the failure of airlines to agree to an industry standard for the sale of ancillary services.

If there was an industry standard, the GDSs

could offer agents the ability to merchandise and sell ancillary services for all airlines, she said.

But without an industry standard, individual airlines have to meet the cost of "bespoke developments" and they are not willing to pick up the tab for this.

"It (the development of an industry standard) has to happen," Beasley said.

■ Earlier this year, leading travel management companies, online travel agencies and GDSs agreed to support common technology approaches for the merchandising of airline ancillary services (*travelBulletin*, June).

Another award 'endorses our strategy' claims SERKO

SERKO Online was voted "Independent Software Vendor Solution of the Year" in the Supreme Award category of this year's Microsoft New Zealand Partner Awards.

"There are over 3500 Microsoft partners and with the calibre this year considered the best yet," said a suitably pleased Michael Thorburn, general manager sales and marketing for the New Zealand-based company which has carved out a significant Australian market for its online booking tools.

The New Zealand award from Microsoft follows SERKO Online's "Technology Services Provider of the Year" award from *Business Travel Monthly* in the Australian BTTB Travel Management Awards earlier this year (*travelBulletin*, June).

"We always set out to be the market leader and an award such as this independently endorses that strategy," said Thorburn. "Coming on top of our recent award from *Business Travel Monthly* it is clear to us that the industry and our peers in general back what our client feedback tells us: that the SERKO solution is Australasia's leading Online Booking Tool (OBT) and has been so for over a decade."

Thorburn maintains SERKO Online has always had an innovative approach, claiming the company was the first to develop "One Way Fare Logic".

"The latest version of the SERKO Online Booking Tool has some 30 outstanding and practical features that other OBT's have yet to match," he claims.

"All of these, and the company's approach, are customer-focused and end-user driven.

"Everything we develop is aimed at making the job of the client easier, and making them more efficient and



effective when booking travel online. That applies whether we're working with a travel management company or a procurement manager: it's our job to make theirs better with our innovative technology."

He says SERKO Online is fully ERP-integrated, with a web-based program that delivers duty of care features such as Traveller Tracking.

"And it's all done within policy specific to each particular business or organisation," he adds.

"Being voted Supreme ISV Solution of the Year at the Microsoft Partner Awards gives further impetus to our ongoing strategy to innovate and lead the market so that our customers – existing and potential – know they're dealing with the best online travel solution."

Voyager Travel sets up itineraries with Triplt

VOYAGER Travel Corporation, has announced that its travel itineraries are now fully compatible with Triplt travel itinerary and trip planning software for the web and smartphones.

"Our clients can now take full advantage of Triplt's extensive range of travel planning and management services by simply emailing or requesting their travel consultant to forward their itineraries to Triplt," said Voyager chief executive Richard Savva.

"Once the itineraries are sent to Triplt, our clients have all aspects of their flight, accommodation and car hire bookings through Voyager available to them on the web or directly on their iPhone, Blackberry or Android smartphones."

Triplt, which is available in several versions, allows travellers to organise their various travel requirements into one master itinerary. It also synchronises with most personal and corporate calendar applications such as Outlook, Lotus Notes and Google allowing travellers to view all of their travel details on their main calendar without having to cut and paste entries between applications.

"Triplt, in conjunction with our Mobile Travel Assist solution from conTgo, ensures we can reach travellers wherever they are and that their travel plans are documented and available to share with colleagues and travel procurement personnel within their organisation," Savva said.

"I need

access to
the best fares"

Talk to Amadeus



"Amadeus has made it possible for Jetabroad to sell travel from anywhere to anywhere, enabling us to stay competitive to our customers and implement new techniques to increase profitability. Through the collaboration of Amadeus' and our own uniquely developed technology capabilities we have been able to offer unique features to our customers such as being able to display and sell combinations of traditional and low-cost airline flight tickets. "

Alex Snead, Founder and Executive Director
Darin Walters, Managing Director
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TSAX uses the web to drive business to its bricks and mortar outlets

TRAVELSCENE American Express claims its investment in an upgraded online presence and strategic social media campaigns are paying off for the brand, and its agents.

General manager Jacqui Timmins says members' experience reflects research, including the recent PhoCus Wright Consumer Travel Report, that nothing rates as highly as personal service, customer support, and an expectation that face-to-face delivers better deals than online.

Travelscene American Express agents, by contrast with members of the other Stella Travel Services agency group, Harvey World Travel, do not have an online booking facility on their websites.

Instead Travelscene American Express uses latest Telstra locator technology to send customers to their preferred, or most conveniently

'Consumers are doing more holiday research online than ever before but are ultimately choosing to book with a qualified, experienced and contactable travel consultant'

located, outlet. The technology works whether clients are online or making contact by landline or mobile 'phones.

"The global trend that is now starting to ripple through Australia is that consumers are doing more holiday research online than ever before but are ultimately choosing to book with a qualified, experienced and contactable travel consultant," Timmins said.

"The first phase of our website upgrade which is now live facilitates that research process while giving our web visitors the information they want with an emphasis on cruise, coach tours and experiential holidays such as adventure tours and trekking.

"By creating a much closer travel partnership with our customers, we are then able to make sure they transition from the website to one of our Travelscene American Express members.

"Our customers are telling us, and our members, that they want to have the information at their fingertips but still want the reassurance and empathy of a travel professional to complete and fulfil their dream holiday."

Travelscene American Express says it has also taken "a dominant position" in social media in travel with more

than 200 marketing campaigns with 35 preferred suppliers through Facebook in the past 12 months.

"These dedicated campaigns and our own Facebook presence now drive almost one third of all visitors to the Travelscene American Express website and that's great news, and new business for our members," Timmins said.

"We have now reconfigured our website to allow our visitors to actively on-promote all of our product to their friends and family on Facebook around Australia – it's a natural extension of the brand into a highly targeted and trackable platform.

"We are actively encouraging and seeing an increasing number of our members promoting their own agency Facebook pages through targeted advertising into their local communities."

Sabre-FarSight solution has given travel agent 'a new lease on life'

MELBOURNE-based FarSight Travel has signed with Sabre Pacific in an arrangement that allows legally blind travel agents to access the GDS and continue to follow their dreams in the travel industry.

Sabre Pacific general manager sales, marketing and product Richard Morgan, says his team is proud to be partnering with Farsight's David Lee.

"Sabre teaming with FarSight Travel demonstrates how flexible and easily accessible our solutions really are," he claimed.

"David Lee is legally blind, but this was no barrier to us bringing him on board with Sabre Pacific.

"We developed systems that enable David to easily access the Virtual Trainer and Personal Trainer programs which gave him tips and insights into how to most effectively use our GDS.

"We used PDF clue cards and scanned our training documents into files that allowed them to be magnified on David's customised screens.

"Our technology team also installed the Sabre products on David's various computers so that he could access the magnifier program that radically increases the font so it can easily be read."

According to Sabre Pacific, across the USA and in Asia, no blind association or

organisation has been able to access the GDS. Those with visual impairment typically have to rely on sighted travel agents to work as an intermediary.

"We hope that the Sabre Pacific solution we have customised for FarSight Travel, with its unique needs, can be introduced to other customers with similar requirements in other markets," said Morgan.

"With full access to Sabre Pacific's suite of solutions, David has paved the way to ... forge a successful and independent career as a travel consultant."

Lee said the Sabre solution is as good as a new lease on life. "I was actively involved in

various facets of the travel industry up until losing my eyesight to an hereditary disorder some 10 years ago," he said.

"At that point I had to move away from an industry and an occupation about which I was (and remain) very passionate.

"This advance in technology by Sabre Pacific has allowed me the opportunity to return to an occupation I absolutely enjoy."

■ Sabre Pacific partnered with FarSight Travel to donate a \$1000 international travel voucher for an Eye Foundation fundraising auction in conjunction with this year's juEYE campaign.



Innovative Status Verified.

Our commitment to innovation was rewarded recently at the Microsoft Partner Awards, where SERKO® Online was voted ISV Solution of the Year. As Australasia's leading OBT, we were gratified indeed to receive such a resounding and independent endorsement of our product, our people and our capabilities. Most importantly, it reinforces to our clients that SERKO® Online is the market leader, one committed to making your job easier, more efficient and more effective.

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Amadeus boosts the capabilities of its corporate self booking tool

AMADEUS says it has enhanced the hotel booking capabilities of its self booking tool (SBT) for corporations.

Announcing the release of version 13.2 of e-Travel Management earlier this month, Amadeus said the SBT now uses new hotel mapping technology based on Microsoft BING maps.

The GDS added that other enhancements include an instant "BookNow!" facility, a clearer page layout and streamlined booking flow.

The revamped hotel shopping module enables users "to easily and intuitively visualise, search and navigate through a range of hotel selections; comparing locations, amenities, policy compliance, availability and prices", according to the Amadeus announcement.

It said the module uses a new Graphical User Interface (GUI) with "the look and feel of Web 2.0".

The "Book Now!" feature, which can instantly add selected hotels to travellers' itineraries, is part of the new interface. "It further benefits from using the same 'Hotel Shopper' technology as Amadeus Hotels Plus, the successful hotel-selling tool for travel agencies," the Amadeus announcement stated.

The updated version of e-Travel Management



also unveils a new multi-availability feature which,

Amadeus states, provides the opportunity to preview different rooms available in a given hotel.

"The availability is displayed directly, meaning the user can avoid navigating to the single availability screen first, streamlining the entire process," the

GDS said. "Furthermore, additional filters have been installed to the interface in order to help users narrow down their choice more quickly allowing them to get the best deal possible.

"The whole booking process has also been sped up from start to finish, with more data fields pre-filled automatically."

Amadeus' head of product management for corporations, Jean-Noel Lau Keng Lun, claims: "This latest version of Amadeus e-Travel Management will revolutionise the way business travellers search for and book hotels and will ultimately save them both time and money in the process.

"We believe that version 13.2 will empower corporations to take greater control of their travel policies whilst at the same time ensuring that the utmost care is given to travellers and travel bookers by making it inherently easier for them to search for and book their business hotel accommodation."

According to Microsoft travel manager (EMEA), Julia Hesterman: "As Microsoft is a user of Amadeus e-Travel Management across multiple European markets, we are delighted to see the implementation of BING maps as a standard feature globally."

She said BING Maps are used frequently outside the corporate environment, so many business travellers will already be familiar with them – "something that can only help encourage future usage throughout the business travel community".

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Avis Budget deal boosts Travelport push to expand non-air content

TRAVELPORT has announced details of a new long-term marketing and distribution agreement with the Avis Budget Group, Inc.

"The multi-year agreement secures access to Avis Budget Group's rates and services for all Travelport-connected customers worldwide including corporate customers and online agencies booking through Galileo and Worldspan," according to the announcement.

The announcement quoted Avis Budget Group senior vice president of global travel and partnership sales Kaye Ceille saying: "We are committed to our traditional and online travel agency customers.

"This agreement enables us to support these agencies and gives Avis Budget Group continued access to the bookings generated by Travelport's subscriber agencies."

Said Travelport GDS vice president supplier services Dan Westbrook: "This deal represents the start of a new partnership to benefit our customers worldwide.

"This partnership offers tremendous opportunity for Avis Budget Group and it is great news for our customers, who will have long-term assurances of access to the products and services of one of the leading car rental vendors in the world.

"The agreement demonstrates the continued value of Travelport's global marketplace of approximately 60,000 travel agencies worldwide to an important industry leader such as Avis Budget Group."

The Avis Budget Group deal is just the

latest example of Travelport expanding its non-air content offering.

For example, the company is also considerably widening its hospitality offering in the wake of its takeover of Singapore-based Spruce Pte Ltd earlier this year.

Travelport's acquisition of the Spruce.com hotel and travel search engine has enabled the company to provide Galileo and Worldspan-connected agents with access to Spruce's portfolio of more than 240,000 international hotel properties, as well as a comprehensive suite of hotel reviews, merchandising options and comparison tools.

Travelport says it is also using Spruce's "proven search technology" to enhance its GDS channels, enabling the company "to deliver and distribute richer, more diverse supplier content" to customers.

"With Spruce, Travelport has acquired firstly, a highly innovative proven technology platform that is deeply synergistic to our GDS business, enabling us to deliver and distribute more content and secondly, an established and vibrant inventory of hotel options and comparison tools that will significantly add to our existing hospitality portfolio," said Travelport GDS chief Gordon Wilson.

"Through this acquisition, Travelport expects to deliver a much broader range of hotel options to its travel agency customers, supported by comparison features, as well as providing the technology platform for new content."

New corporate travel risk system: QBT gains (temporary) edge on rivals

TRAVEL management companies (TMCs) are a key target market for a new traveller tracking and security service offered by a partnership between UK-based travel technology company, conTgo, and Australian security specialist, Dynamiq.

Dynamiq's emergency management expertise will be combined with conTgo's technology for tracking the whereabouts of travelling executives and providing assistance in emergency situations.

Dynamiq chief executive Anthony Moorehouse said companies are under mounting pressure to have sophisticated measures in place to safeguard the welfare of employees travelling on company business. TMCs should be able to assist them with this aspect of travel management just as much as with the procurement side.

Moorehouse said corporations are facing court cases based on the "duty of care" they owe executives on the road. While TMCs have not yet been caught up in such cases in Australia, they have been involved in UK and US litigation, he said.

Moorehouse was speaking at

the announcement of the conTgo-Dynamiq partnership in Sydney late last month.

He said it would bridge the typical disconnect between companies' travel procurement and security divisions.

Companies are under increasing pressure to safeguard the welfare of employees travelling on company business. ConTgo's technology can help ensure rapid response – Anthony Moorehouse

Talking about the role played by Dynamiq in events such as the Mumbai terrorist attack and the loss of the Sundance board in a Congo plane crash, Moorehouse said: "We have been working in this space for the past five years, trying to do risk management in a holistic way."

A "most important" aspect of this, he said is "knowing where they (company executives) are in a risk situation".

In an emergency, conTgo's technology can help ensure rapid response, converting a 200-page policy document into a live, interactive experience,

instantly pinpointing the whereabouts of all employees and enabling quick assessment of the degree of risk each one is facing, said Moorehouse.

ConTgo's London-based founder Johnny Thorsen, who was in Sydney

for the launch of the partnership with Dynamiq, said his company's tracking technology is not just useful in emergency situations.

It can also assist travel policy compliance and facilitate contact between staff while travelling. He instanced a company with employees arriving in London on separate flights who may be able to share a single transfer.

The conTgo system will be further enhanced next month when it incorporates Microsoft's "Mapcast" into its "Mobile Travel Assistant" product.

ConTgo technology is already being used by TMCs – for example, it is available to Tramada users – and Thorsen said the company is keen to make greater inroads into this market.

However QBT, which supplies Mobile Travel Assistant to its clients as "QBT Connect", has formed a strategic partnership with conTgo, and will have the jump on other TMCs.

"The strategic partnership between conTgo and QBT has been expanded and formalised to include the new travel risk focused technology," said conTgo's Sydney-based director strategy and business development, George Freney.

"As a strategic partner of conTgo's QBT has provided valuable input to the development of the Travel Advisor and MapCast functionality of the Mobile Travel Assistant to suit the Australian market requirements.

"In recognition of the investment QBT has made, it will have exclusive access to this functionality for the commercial market to December 31 and to the Federal Government to June 30, 2011."

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