

CONFERENCE REPORT

TRAVEL PORTALS AND ALLIANCES

The Berkeley Hotel, London, England, 11-12 December 2000

This 2-day conference, organised by IIR Limited, focused on defining the impacts of online partnerships and travel portals on travel businesses.

The first day of the conference saw online travel agents and tour operators set the scene by outlining the benefits of portals and defining the key considerations that should be made when forming partnerships. Among the speakers on the day were Lawrence Hunt, CEO of Dreamticket.com, who stressed the importance of forming partnerships with few suitable brands trusted by consumers in order to increase customer loyalty. This concept was further explored by Jeff Lavender, Vice President Europe for Travelocity, who prioritised the assessment of common goals as the key element for the success of online partnerships. Clare Murphy, European Managing Editor of ebookers.com, presented a case study based on the use of content as an e-commerce tool on the ebookers site, introducing the concept of partnerships with content providers. Finally, Richard Hammond and Ben Heald, respectively Managing Editor and Director of Communities of online travel trade portal Travelmole.com, recognised that while the personalisation of member services is an important element of the success of travel portals, this should be backed by a consistently high level of service.

On the second day, attending delegates heard, among others, Tim Hughes, Business Development Manager for Expedia.co.uk, advance the concept of co-opetition with similar businesses in order to offer customers a greater product range and differentiation. GDS representatives David Brown, Vice President Operations for Sabre UK & Ireland, and Alexandra Prusa, Director Distribution Sales and Business Development, Galileo International, explained how GDSs can re-position themselves and distribute their content through portals and partnerships; an example of this can be found in Sabre's own Travelocity, providing online booking functionality to Yahoo! Travel. Karsten Kärcher, Strategic Account Director for Telewest Communications plc, postulated the "Advent of the Super-Portals", industry-independent mega sites, such as Endeavour for B2B, ASP (Application Service Provision) for SME B2B, and interactive digital television (iDTV) for B2C. Finally, Liz Brown, Sales and Marketing Director for Zishi, explained the potential of wireless portals on mobile communication devices by illustrating the results of a recent trial on a Mobile Travel Services Portal carried out in Scandinavia, allowing users to check availability, book flights and profile themselves through the service.

The main consideration that emerged from the speeches over the two days is that, at present, the concept of 'Travel Portal' means all things to all people. Alongside more traditional and established players such as Yahoo! or Excite, who offer a starting point to the internet as well as a range of member services (including travel), newer online travel agents and tour operators are starting to market themselves as portals, gateways from which users can access a variety of services and products, offered through the establishment of partnerships with similar or complementary companies. Interactive

Digital TV 'walled gardens' and independent travel portals were also presented as examples of travel portals, the former offering access to the services of a variety of different providers, while the latter contributing to the formation of online trade communities. However, despite this variety of definitions, presenters and attendees alike agreed that, when providing a portal service, the offering of an original, value proposition, the careful consideration of possible partnerships that may help increase market share and the development of a close relationship with members/users, are all paramount elements that will determine success.

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