

TTI Autumn Conference

FIRING ON ALL CHANNELS

TTI's Autumn 2001 conference took place at the Royal Institution of Electrical Engineers at the Embankment in London. The event, entitled 'Firing on All Channels', was kindly sponsored by Anite Travel Systems, Galileo International and Rapid Travel Solutions. A good attendance rate despite the proximity of the events of September 11th showed that, despite the current industry downturn, TTI members are optimistic about the future and committed to the development of distribution technology strategy within their organisations.

The conference was centred on the opportunities offered by multi-channel distribution and seamless integration. Representatives from a wide variety of segments of the travel and telecommunication industries convened to discuss the distribution strategies drawn up and adopted by their companies in order to guarantee that their product reaches the widest possible audience, and the IT and marketing tools used to accomplish this purpose.

The first case study of the day was presented by Steve Dobson, Director of Technical Development with Anite Business Systems. Steve introduced a dynamic context management tool developed by Anite, @com, which enables organisations to implement a smooth transition from the traditional 'cut&paste' brochure composition method to a technology enhanced, multi-channel distribution model. The system dynamically draws content from its database source and, through the use of XML (eXtensible Mark-up Language) tags, presents it in different formats, according to the media platform used, be it the Internet, Interactive TV (iTV) or wireless media. The use of such a tool simplifies both the presentation production process, as content is managed at item – not document – level, and the customer search process, which is now capable of producing more relevant results with easy access to increasing levels of detail.

The importance of XML as the enabler of multi-channel content presentation was further discussed by Andy Mayes, TTI Consultant. Andy provided an exhaustive, yet accessible, introduction to this technology for those who may not yet be familiar with it. XML is a tool for creating proprietary, custom languages containing content-descriptive tags. XML documents are based on schemas, which refer to shared vocabularies and aim to define the structure, content and semantics of XML documents. The components of XML documents are elements, which contain information or content and may contain other elements, and attributes, which provide additional information about elements. A detailed article by Andy explaining the functionality and uses of XML can be found in Issue 4 of Working Together. The XML introduction was followed by an update on the Leisure Work Group's progress on the package holiday booking standards. In the spring, TTI defined the data required for inclusion in the schemas: request booking (request and response) and confirm booking (request and response). The specification is now available to members. Two organisations are already implementing the standard and identifying areas for improvement. The third phase of the project, initiated in July, aims to develop standards for destination information and brochure content.

Richard Sedgwick, Head of UK Partnerships for Genie Internet, spelled out the opportunities offered by mobile communications in the travel service/information delivery arena. M-commerce finds its most fertile grounds in its main target, ABC₁ males, who have been shown to possess a high propensity to purchase. Genie builds on this propensity through the

introduction of special tariffs, encouraging users to take advantage of mobile services and channelling them towards Genie's own web portal. Channel integration is achieved by making travel offers accessible by mobile and any two other channels. To better understand the logistics of m-travel distribution, Richard guided the audience through the three steps of the logical customer experience: Marketing and CRM, Operations and Customer Service, and M-commerce. The first, relatively simple phase involves the diffusion of informational content aimed at increasing awareness of the travel products on offer and stimulating the interest of users. The second phase requires a higher degree of personalisation, as it involves the delivery of user-relevant services, e.g. itinerary confirmations, seat maps and remote check-in. The third, decisive phase is concerned with the realisation of the travel booking, from in-depth browsing of special offers to telephone booking and itinerary modification. At the base of a successful m-commerce proposition lies the knowledge of how users interact with the media, and the ability to 'keep it simple', ensuring that fare rules and fulfilment can be implemented as smoothly as possible.

An interesting perspective on seamless integration was offered by Gordon Maynard, Technical Director of Teletext, who illustrated the challenges encountered by the company in the process of transition from a purely analogue medium, terrestrial TV, to a variety of interactive and digital distribution channels. Even with its extremely high household penetration rate, Teletext faced increasingly tough competition from new entrants on the Internet and established operators on iTV. This was initially considered a difficult task due to the restrictive architecture of the Teletext IT structure, which necessitated distinct processes for all of the core activities (data feed, storage, page building). As a result, each platform would require proprietary page builders and special in-house development skills. Teletext was able to overcome this technological hurdle through the adoption of a database-driven system, supporting single authoring across all platforms and providing search functionality. A separate identity for travel retail, Teletext Holidays, was established and is now present on a variety of channels, including interactive terrestrial, interactive digital and cable TV, the Internet and mobile (WAP and SMS services).

However, not all of multi-channel distribution stories are resolved with a happy ending. Lawrence Hunt, Managing Director of Rapid Travel Solutions and ex-CEO of unsuccessful venture Dreamticket.com, believes there is as much to learn from failure as there is from success. On the day, he drew from his experience with Dreamticket to provide the audience with a Dos and Don'ts list for would-be entrepreneurs. The Company was built on a business model based on the maximisation of revenue per customer through the sale of a wide range of products. While able to implement a product independent platform, Dreamticket had difficulty securing suppliers' collaboration and additional funding. While Lawrence highlighted the importance for an organisation to have a multi-channel distribution strategy, he pinpointed three major challenges on the road to implementation. New entrants should ensure they affirm their position in the market quickly, while at the same time providing a positive customer experience and keeping costs to a minimum. Legacy systems constitute an obstacle to the achievement of the above, as they often impede the multi-criteria searchability that increasingly sophisticated customers expect across all distribution channels. In response, Rapid Travel developed TravelTrader, a modular platform comprising a set of applications enabling users to control the management and multi-channel distribution of travel products.

Matthew Barnes, of iTV solution provider di3, took a final look at digital TV distribution. He illustrated the different types of interactivity possible on the medium, and how they can be used to obtain competitive advantage. The 1-way communication flow involves the

presentation of information on the digital screen. This has proved particularly successful in disseminating travel product information. Contrary to their analogue version, digital text services can be interactive and have additional flexibility. The 2-way communication flow encompasses user response to the content provided. Dedicated interactive services fully exploit the potential of two-way communication; these are broadcast separately from TV channels, and may offer users the opportunity to shop and play online, or browse the Internet and send emails. The variety of activities and services available constitutes the strength of iTV; its accessibility, ease of use, and the possibility to involve the rest of the family in the travel-making decisions makes this media preferable to PC. One of the greatest benefits of distribution on iTV for travel companies is the opportunity to connect to the same product database used on other media (e.g. Internet), therefore reducing IT costs. Call centre and brochure costs are also minimised, as interactive holiday information and booking facilities can be accessed independently by customers. While there are some drawbacks associated to iTV, namely high set-up costs forming a barrier to participation, the limitations on text-rich content and occasionally slow service, the high potential of iTV distribution cannot be ignored. Indeed, those companies who refuse to invest in the technology may lose out in the long term, as they realise that they have no access to a heterogeneous and profitable leisure market: the TV viewers.

As the conference drew to a close, the message conveyed by each speaker, regardless of their background, is that there are many roads to consumer markets. Those agents and operators who have previously relied on a high-street presence and a web site on the Internet to draw in business are realising that their customers are increasingly sophisticated; accustomed to doing their banking and shopping on virtually every communication medium to which they have access, they expect to do the same with the delicate process of choosing and purchasing the best holiday deals on the market. In order to meet these high expectations, travel businesses must be prepared to invest, not simply on the necessary IT infrastructure, but also in marketing and customer relationship management. By doing so, they will ensure that customers are able to move from a channel to another and find a consistently high level of service from the brands they trust.