



Booking Tools Accounting For Fees

By Seth Harris

JULY 21, 2008 -- Online booking tools have been adapting their point-of-sale interfaces to accommodate the introduction of airline baggage fees, potential further unbundling of services and U.S. Department of Transportation regulations by including informational notes, airline fee grids and hyperlinks to carrier Web sites for further information.

Some online booking tool executives said the recent alterations are a temporary fix while the industry works to implement more comprehensive systems that can account for such ancillary fees and additional data.

Meanwhile, components of the global distribution systems' developing airline merchandizing platforms could serve as the basis of the online booking tool interfaces. Travelport GDS' new multi-distribution channel point-of-sale platform—born out of the April acquisition of some G2 SwitchWorks software and point-of-sale technology—is expected to roll out in early 2009, and will be applied to Travelport's Traversa online booking tool, which will display unbundled services, different fare types and potential fees to the user, according to Travelport GDS senior vice president Flo Lugli ([BTNonline, April 4](#)).

In May, DOT published a ruling in the Federal Register addressing the necessary disclosure of baggage fees by both airlines and travel agents at the point of sale. "GDS displays are used by professional travel agents and not individual consumers," said DOT spokesperson Bill Mosley in an e-mail to BTN. "Therefore, our guidance applies not to the GDS displays themselves but to the travel agents that use the GDS displays. In other words, agents must disclose baggage charges prior to completing a sale to ensure compliance with the ruling."

This regulation has put more focus on online booking tools to provide fee information at the point of sale, and in some cases has accelerated the development of user interfaces to provide transparency into total trip cost and enable online payment at time of purchase rather than at the checkin counter.

"We'll continue to see a natural sort of antagonism between the airlines' desire to retail their product in a unique way versus the demands of TMCs and corporate travel managers to have consistency and price transparency," said Mike Koetting, Carlson Wagonlit Travel executive vice president of global supplier management.

GetThere now is using configurable load-page messaging capabilities and specific airline notes sections, and has built manually populated graphical airline fee and fare-type grids. Other online booking tool providers have altered their informational pages. ResX has included potential baggage fees on its shopping cart page, effectively notifying travelers prior to purchase. Cliqbook has taken a similar notification approach.

Rearden Commerce recently launched an unrelated point-of-sale trip calculator, which the product development team currently is amending to enable calculation of potential add-on fees, according to Rearden vice president of worldwide sales Tony D'Astolfo.

Eventually, some online booking tools may adopt technology from other markets, which already have had to cope with unbundling of service and ancillary fees.

According to GetThere vice president of product marketing and user experience Suzanne Neufang, the tool's

"branded" fare capabilities, in use in Australia and New Zealand to manage various fare buckets offered by Qantas Airways, are relevant to other markets as service unbundling and restricted one-way fares launch in Europe.

"It's only a matter of time," she said. "Corporations are concerned about being able to track the total cost of the ticket when it's coming in by drips and drabs as the employee is being upsold or checking more bags than they expected. Their criteria for tracking total spending has become very complex."

Air Canada's direct connections with online booking tools also could support new selling interfaces. ResX plans to launch an Air Canada direct connect later this year, but going down that path with other carriers would be costly, "arduous, complicated and a pain," said ResX Technologies president Shane Hammond.

Concur also could use the Air Canada wires in dealing with future airline merchandising, but executive vice president of research and development Tom DePasquale said another possibility is interfacing with an airline's online checkin systems, which at this point cannot handle baggage fee collection. "Right now, the airlines' need to collect additional revenue has gotten ahead of their ability to electronically charge for it, said DePasquale. "That will catch up soon, and they will give us the utilities to work with that."

"It's going to be driven by what the carriers can offer with respect to capturing and offering those different services at the point of sale versus having them available en route," said Ross Atkinson, BCD Travel vice president of online technology solutions. "It's 100 percent dependent on them driving it versus the online booking tools reacting."

Tom Wilkinson, president of TRW Travel Consulting, said, "I don't think any of us believe that the final rules have been written by the carriers in terms of what kind of pricing variables and permutations will be in the marketplace in a couple of years. Ultimately, both corporations and individual travelers really need to have this information. The marketplace will demand that kind of transparency. We all want to know what we are paying and what we are getting."