



## Buyer's Choice: Best In Region Vs. One Tool

By Amon Cohen

**DECEMBER 08, 2008** -- Global travel buyers face a dilemma: Either satisfy local demand by choosing the best booking tool in each region or insist on implementing a single tool to reap all the benefits of consolidation. Even as tools popular in Europe struggle to grow marketshare in the United States, European travel managers are showing continuing, if not increased, resistance to U.S. booking tools ([BTNonline, Nov. 24](#)).

Expert opinion as to whether to choose a single or multiple tools is mixed, but two travel managers whose companies use Sabre's GetThere online booking tool globally said they consider consolidation to be paramount.

"Our policy of using single global travel suppliers and processes provides material net benefits in consistency, simplicity and leverage and, of course, cost savings," said Keith Mullineux, EMEA regional travel manager for General Electric. "While there may be certain local disadvantages, these are more than outweighed by the overall advantages."

French professional media and entertainment services group Thomson uses GetThere in 32 countries, predominantly in the United States, Canada, Mexico, France and the United Kingdom. Global travel manager Cindy Heston said travel managers should concentrate on whether a tool meets their main objectives in their major countries of operation.

"GetThere met those requirements for us," she said. "In the United Kingdom, there are no issues. In France, there have been with booking SNCF, the French national rail company, but now they are testing a new link. It does not solve the rail issue for us, but 90 percent of our transactions in France are for air and hotel, so our rail requirement is not as big as it is for other companies. It is not a good enough reason for us to find a separate tool."

According to Heston, the benefits of a single worldwide tool are consolidated contracting, air booking, hotel booking, data and support. She also believes it wins her greater influence.

"If you partner with a supplier on a broad basis, you can drive initiatives with them to a much greater extent than if you just use it in America," said Heston.

**Tom Wilkinson**, president of TRW Consulting, can see both sides of the argument. "It really depends on travel patterns and how much travel will not be bookable online with only one system," he said. "It is a lot easier to work with a single vendor, such as one travel management company and one GDS. If a company already has made a lot of compromises in the interests of process standardization, it seems odd to create an exception for online booking tools. The company would need separate system administration functions for, and variations in, the work flow around each tool.

"On the other hand, for what I believe are more sophisticated companies that vary services, technology and policies in different regions or countries, it would not be much more difficult to administer multiple tools," **Wilkinson** said. "The payoff would be allowing travelers to book a higher percentage of their travel online. It may be good value to invest in multiple, best-of-breed tools in different regions."

Travel Tech Consulting president Norm Rose said travel managers must ascertain which approach is best for their business. "If I were a travel manager getting pushback, I would do an audit and ask what is missing here," he said.

"Then I'd say to the vendors, here is a service-level agreement to deal with these issues. If you don't fix it, then we will go somewhere else."

Rose said a single booking tool would aid the pursuit of globally consolidated management information, but he doubts this would be achieved unless the company also has a global travel policy mandate and advanced consolidation of such other intermediaries as card providers.

Several sources said that the European booking tools, such as KDS or Amadeus E-Travel Management, are better-equipped technologically to cross the Atlantic than their U.S. rivals, but winning over the U.S. market has remained elusive. "It has always been a challenge to play in someone else's park," said Rose. "I don't think the European tools are inadequate. It is more of a marketing and distribution issue."

Amadeus multinational customer group vice president Albert Pozo agreed with Rose that poor fulfillment support among American TMCs has been the central problem, even though the Amadeus booking tool can run off GDSs other than its own. "From a technological point of view, Amadeus is very well-fitted for North America," said Pozo, "but it is true that TMCs don't have the infrastructure to support Amadeus." Pozo urged U.S. TMCs to reconsider whether they should support a tool for which there is considerable demand in Europe.

Since the world is waiting for American tools to finish playing catch-up in Europe and European tools to gain traction in the United States, Pozo views the single versus multiple vendor debate as a question of time. "The long-term strategy should be to create efficiencies through a single solution and deep integration," he said, "but companies need to consider interim tactical steps to provide local solutions."