

U.S. Tools Meet European Resistance

By Amon Cohen

NOVEMBER 17, 2008 -- Facing sustained criticism from European travel managers that their products remain inadequate for the European marketplace, United States-based booking tool providers GetThere and Concur Cliqbook say they have improved rail sourcing capabilities and added other content not available through global distribution systems.

Though the vendors claim European criticism is outdated, the near-unanimous opinion of more than 20 buyers at two roundtable discussions hosted by BTN at the Association of Corporate Travel Executives' global conference in Rome last month was that U.S. booking tools are not delivering in Europe.

"We changed our booking tool last year [from a U.S. provider to a European provider] and it has made a hell of a difference," said PricewaterhouseCoopers U.K. head of business services Mark Avery. "We are getting savings of £100 per return sector on short-haul domestic. Travelers are getting much better information about what is available and what the restrictions are, so they are making some informed choices. Our old tool didn't show the fares in that way."

Avery said PwC changed booking tools because "the business came to us. We had online for six or seven years and were bumping along at 50 to 60 percent adoption, but the business said: 'How can we push this tool if you can't give us all the inventory?' There was a problem with everything: air, rail and hotel. By changing the tool, we now have the business engaged again. The one that we had is well adapted to the United States. The tool we have now implemented in the United Kingdom suits the European market better."

International head of travel for JP Morgan Chase Bank, Bernadette Basterfield, said her company is introducing a different tool in Europe than the one it has in the United States. Philips senior sourcing specialist travel airlines and corporate card director Peter Sijbers said: "The world is not necessarily the same everywhere, even though that would be nice. I do not think you can conquer the world with one tool."

One travel manager said: "We use Concur for expense management, but we won't take Cliqbook. The trouble with Cliqbook is it's square and if you want to be a little bit round, it can't do it." Another said: "We have Cliqbook in the United States, but we found it wasn't right for Europe."

GetThere has not been spared criticism either. One Europe-based travel manager recently said his company switched from GetThere to Amadeus.

The principal accusation against the U.S. providers is they have not sourced the much wider range of content required in the European marketplace. "Europeans are more likely to use intercity rail service and to stay at independently owned, non-chain hotels, many of which are not in the GDS," said **Tom Wilkinson**, president of TRW Consulting. "To access those vendors, online tools need to build links to each one independently and tend to have the greatest coverage of these services in their home regions."

GetThere and Concur both argue they have made precisely the effort to which Wilkinson refers. "If GetThere has fallen behind in certain markets, it is because we have been investing heavily in re-architecting," said Suzanne Neufang, vice president for GetThere product marketing. "We have a brand that is the oldest but a system that is the newest. Anyone using GetThere will have seen a pace of change in recent months that was not there for us in the previous two-and-a-half years. In the middle of this year, we completed our new air architecture and since then we have completed hotel too. GetThere was built on a C++ system. We needed to get more onto an open Java system, so we have rewritten every single line of code."

Claiming GetThere has changed philosophically as well as technologically, Neufang added, "The investment

is absolutely worthwhile. In the past, GetThere might have thought of Europe as an add-on for U.S. companies, but today we view Europe as individual countries that we need to address."

Neufang cited the access that French travelers now have to SNCF, Eurostar and Thalys rail reservations and the planned early 2009 incorporation of U.K. online rail booking service Thetrainline, with Deutsche Bahn to follow, as examples of GetThere's growing European-friendliness. GetThere also has introduced a special portal for travel arrangers.

Christopher Juneau, Concur's EMEA strategic marketing director, also said prejudices against U.S. booking tools are outdated. "If we were having this conversation three years ago, then yes, the negative perceptions would be fair," said Juneau. Since then, he added, Concur has tackled the problem of content fragmentation, such as by integrating Deutsche Bahn, and spending E500,000 on a link to SNCF currently being tested with travel management company partners. "The biggest challenge we have is communicating that we have changed," Juneau said. "We have five programmers in Europe just working on European content."

"They are catching up, but they are still not there," said BCD Travel vice president of online technology solutions for Europe Walter Schmitt-Figgenger. "From the other side of the pond, they might say they are there, and might satisfy a U.S. customer going into Europe, but they would not satisfy a multinational company based in Europe. The gap will become smaller every month. It is only a question of time before they catch up."

Schmitt-Figgenger estimated it would take 18 months for U.S. tools to achieve parity. Three key reasons causing them to lag behind are the need for functionality to make the tools user-friendly for travel arrangers and to adapt to complex approval processes; lagging integration with local content providers, including up to 25 hotel aggregators; and the need for customer support in each marketplace in Europe.

For Norm Rose, president of Travel Tech Consulting, the only solution for travel managers is to make a detailed investigation. "There is a certain level of bias and a certain level of truth in the complaints of European travel managers," said Rose. "You need an audit to separate the emotion from the facts."