

Role of suppliers in accentuating the 'Anti-OTA feeling': How do suppliers currently assess the significance of OTAs?

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In the case of major airlines, the investment in flexible operating platform and the sale of interline itineraries with their alliance partners definitely indicates that functionality of supplier's own sites continues to evolve.

Commenting on how the relationship with OTAs is evolving and where is the so called 'Anti-OTA feeling' taking this relationship forward, **John Slater, Managing Director - Distribution, Continental Airlines** told **EyeforTravel.com's Ritesh Gupta**: 'Better with some than others (relationship with OTAs). A couple of the OTA's been receptive to our calls for cost efficiency. Continental recognises the value of partnering with a couple of major brands."

"The question is what is the right number of partners to give you the coverage you want for that audience? Given the overlap, we don't think it's necessary to be in every online channel. The ones that we'll play with will compliment our direct channels not try to undermine them.'

Slater, who is scheduled to present during the inaugural session of **EyeforTravel's Travel Distribution Executive Conference 2007 to be held in Las Vegas on 9 and 10 October**, acknowledged that customers like to deal direct with suppliers when the price is the same or better.

'There is also a strong perception that the best deals can be found on supplier sites. Customers also enjoy the unique benefits such as no booking fees, loyalty recognition, mileage bonuses, and low fare guarantees. Customers have greater confidence that they'll be taken care of if their trip should be interrupted when they deal directly,' pointed out Slater.

In relation with lowering of distribution cost and connectivity, during EyeforTravel's conference in Chicago in 2006, Ron Anderson-Lehman, CIO, Continental Airlines had referred to two things:

The first was the use of direct connect interfaces to support direct distribution and the associated economics. The airline built its direct connect interfaces based on OpenTravel Alliance XML specifications that allowed the airline to easily and inexpensively establish new participants quickly, including not only interfaces to its systems, but from airline's to other suppliers, as well. Secondly, the use of voice and speech recognition in the reservations centers to service routine information queries that were tying up valuable agent time.

Continental invested in modern and cost-effective technology to facilitate direct communications. If the travel consumer cannot come to it directly, the airline worked on initiatives to expose direct connect functionality to travel integrators to meet that similar need.

On how have these capabilities positioned Continental today, Slater said, 'They've allowed us to interface with distributors and meta-search providers more efficiently. While volume through these channels remains low, it expands the options we have to reach the end customer beyond traditional vehicles.'

In the wake of GDS contracts in the last year or so and considering the performance alternative forms of distribution, Slater said, 'The alternative distribution systems will never completely replace the legacy GDS providers. They were always intended to be a vehicle to supplement GDS distribution in a more cost effective way. They also proved that GDS technology didn't have to be expensive and debunked the assertion by some of the GDS's that suppliers were trying to cut agencies out. Why add new channels if you're trying to get prune travel agency distribution? We just wanted an efficient distribution model and the GNE's proved it could be done.'

Slater is also scheduled to comment on range of issues including driving direct bookings from suppliers' site, what really influences customers to book via a branded website, the usefulness of best rate guarantees in the encouraging the consumer to go direct and many other issues during the **EyeforTravel's Travel Distribution Executive Conference 2007 to be held in Las Vegas on 9 and 10 October**.

More information can be found at:

<http://www.eyefortravel.com/tdsusa2007/conference/tds-overview.asp>

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