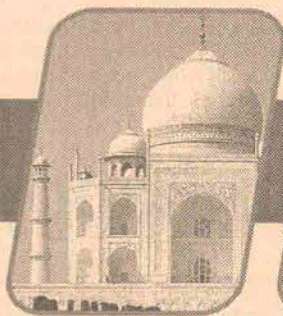


Change Is Permanent

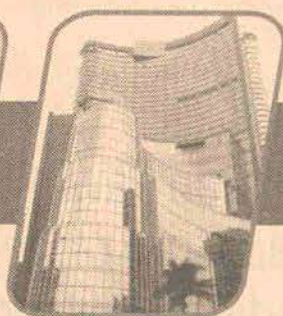
From providing hotel accommodation to arranging a traveller's passport, visa, travel insurance, and even SIM card, the agent does it all



Domestic



International



Hotel

SPECIALISATION IS THE BUZZ

Niches like adventure tourism, spiritual tourism or even only-women tourism Indo-China tourism, homestay accommodation in the hills, wildlife in vogue

IN THE NET

Two years ago, a travel agent earned a commission of 9%. This has dipped to 5% and soon it is bound to be zero as e-tickets become mandatory by IATA.

THE NEW-AGE TRAVEL AGENT

Online travel web sites have helped spurn a new breed of travel agents in remote cities who can now get cheap deals on the Net to make a smart living

golf and spa to wildlife tour packages. Specialisation is the buzz word for entrepreneurs in the travel space. A new breed of travel agents specialising in niche tourism have set an example for others. An interesting example is that of Major DN Dass who started his travel agency Tiger Travel Services' specialising in golf packages, both inbound (i.e. tourists coming to India) as well as outbound (i.e. tourists going out of India). Though he started with inbound golf packages, today owing to skyrocketing hotel prices, his focus is on outbound hotel packages. Also his agency focuses on Indo-China tourism.

Women who want to travel alone don't trust travel agents. Sumitra Senapaty, a travel writer noticed this and started WOW (Women on Wanderlust) around two years back. Her forte — only women trips (please leave your kids behind) to exciting places round the world. Women love travelling — and this was Sumitra's business opportunity. She is one-man office. WOW outsources most of its needs such as travel insurance to Tata AIG, Visa to an agency called Jet Save and so on. Explaining the concept of WOW, Ms Senapaty

says, "WOW is a travel agency catering to a niche market and not to the masses. I am like a travel agent who is not into pure ticketing but selling packages for women."

IT As A Tool

Most operators have also realised that much of the ease of travel planning would require investments in technology and have decided to do exactly that. IT is both a challenge and a tool for travel agents today, say industry analysts.

Small travel operators are using internet as a marketing tool, whereas medium-sized operators are setting shop online, competing with big brands of the online space. For instance Delhi-based Joy Travels which was started around 23 years ago graduated to the online space four years back with joy-travel.com. Now it is planning to launch a new website for real time booking of hotel rooms worldwide. Investment in the portal would be to the tune of Rs 8 crore. The travel agency has an annual turnover of Rs 20 crore. "While owing to the competition in the field, small agents are shutting shops,

medium-scale travel agents are investing in technology to survive," says Joy Travels executive director Nidhi Batra. However, the differentiating factor remains that while travel portals have huge ad spends creating a brand name, tour operators starting portals to add to their revenues and survive in the hostile market do not have marketing budgets.

Smart tour operators are starting more than one website. "Tour operators have more than one website to lure customers. It is a strong marketing medium," says Stic Travels chairman Subhash Goyal. Stic itself has around five websites which has helped the travel agency in getting customers from far flung and unheard places such as Timbuktu and Trinidad and Tobago.

Pointing out another interesting trend Mr Kalra says, "With the advent of online travel smaller agents have access to some of the best deals in the market and they are using the online travel sites to grow. Interestingly, online travel web sites have helped spurn a new breed of travel agents living in remote cities who can now get cheap deals on the internet."

The projected technology spend

for Indiatimes travel for 2007 is Rs 15 crore. Travelguru's technology spend in 2007 is estimated at \$3 million. However, in this hi-tech world the technology spend of brick and mortar agents is also conspicuous — from being nil around five years back, to being about around 30%-40% of the annual revenue. Technology can be internet, mobile, sophisticated reservation system etc.

Subscribing to GDS (Global Distribution System) services offered by players such as Amadeus, Worldspan, Abacus, Galileo etc has also helped offline tour operators in booking tickets with ease getting the best available option on a sector.

By adapting many operators today feel that they indeed can survive even if they aren't very big. The strong point of small agents is the personalised service and customised packages that they can offer, unlike big operators which have fixed itineraries and serve mainly corporate clients with deep pockets.

And so the neighbourhood travel agent continues to survive and is making money too along with the big players and travel portals.

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