

'India is a big contributor to Traveport's growth'

Anil Parashar, President and CEO, ITQ, talks about the potential of India market for Traveport as well as new developments at ITQ

InterGlobe Technology Quotient (ITQ), an official distributor of Traveport in 6 markets across Asia Pacific region including India and Sri Lanka, recently formed partnerships with Treebo Hotels and Oyo Rooms to offer travelers more hotel choice. India is currently the third largest GDS market for Traveport after US and Germany. The pace of growth being witnessed in India is set to make India the second largest market for Traveport in near future.

Traveport CEO Gordon Wilson stated earlier this year that the next "Jewel in the Crown" for Traveport may be India. How would you explain it?

India is an emerging market and is predicted to be the 3rd largest aviation industry by 2020 and the largest by 2030. The market size is growing dynamically with a projected number of 421 million passenger traffic cumulatively in Indian airports. Not just the passengers, government initiated plans to build 250 airports by 2020 and increase in regional connectivity under UDAN scheme has justified India as the 'Jewel in the Crown' for Traveport.

With IndiGo coming on board, how is the share of air business growing?

Joining of IndiGo on Traveport's platform has opened a plethora of opportunities for the GDS. Being the largest LCC of India, it has helped the entire travel distribution of network with ease of booking LCC and Full

service carrier in one go. The aim of this partnership was to reach out to the travel agents community and help them optimize the range of travel choices they offer to their customers. Indian market has embraced this initiative with open arms. Especially in Tier I and II cities, the agents have reverted to us with positive feedback.

International regions represent 73% of Traveport's platform revenues. What is the contribution of India in Traveport's overall revenue?

The Indian market is a huge contributor in Traveport's overall revenue. Being an important part of the Asia Pacific, which is the world's fastest growing and largest travel region, Traveport's air market share has shown highest level of quarterly revenue growth for over five years, and India is surely driving maximum value among other regions.

How is ITQ helping its customers in meeting their accounting challenges with GST in place?

ITQ with its technological prowess is prepared to cater to its customer's requirement. Keeping this in mind we have created ITQ Financial, a GST and Ind-AS compliant, online back-office travel accounting software that automates the accounting process of any travel agency/ organization and helps one to get real time status of financial data online having assured data integrity with multi

level security. Its customizable checks reduce errors. It can generate more than 200 reports-financial, credit control, airline, statutory, exception and MIS. It has the advantage of remote data access, incremental back-ups and automatic Next-Year upgradation.



Anil Parashar

What new business Traveport has acquired so far this year?

Traveport has recently joined hands with one of the most prominent hotel chains Treebo Hotels in India to expand its hospitality inventory base. It has also announced long term agreements with multiple airlines like Emirates, Air Canada, Flynas, Finnair, Onur Air, Nesma Airlines and so on. From the technological perspective, Traveport has collaborated with prominent names like Misterfly and HotelPlanners to deliver the nextgen improved search engines.

How has been the growth in hotel inventory at Traveport India?

Traveport and ITQ have recently teamed up with two big brands of the Indian industry to expand its hospitality base. Treebo Hotels and OYO Rooms' inventory are now directly available on all Traveport platforms.

- Murari Mohan Jha

Thomas Cook India acquires Kuoni's DMS business for Rs. 125 Cr

The group will not integrate the companies and will allow it to run independently

Thomas Cook India Group has completed the acquisition of a significant part of Kuoni's global Destination Management Specialists (DMS) network. The acquisition of five brands under the DMS was acquired for Rs. 125 crores.

As a part of this acquisition, the Thomas Cook India Group will now include leading DMS like Asian Trails (APAC), Desert Adventures (MENA), ATM-Australian Tours Management (Australia), Allied T Pro (North America), Private Safaris (Eastern Africa) and Private Safaris (Southern Africa) under its network.

Speaking about the acquisition Madhavan Menon, Chairman and Managing Director, Thomas Cook (India) said, "This transaction basically involves buying out the inbound business, which we in the trade call the Destination Management Services business, across 18 countries. Stretching from Australia, South East Asia, China, Middle East, Southern and Eastern Africa, and United States, these 18 countries falls under five companies. With this we have 5 brands in addition to other brands like TCI, SITA, SOTC, LUXE in Sri Lanka, with Thomas Cook as the mother brand. We have now acquired a whole suite of brand."

The Group, which prior to this acquisition, comprised Thomas Cook (India), SOTC Travel, TCI-SITA and Kuoni Hong Kong had a network spanning four countries - India, Sri Lanka, Mauritius and Hong Kong.

"Now, Thomas Cook group is in three form; one is foreign exchange vertical which is our traditional business; outbound business, which is the leisure travel business, within this we have packaged holidays, meetings and incentives, corporate and domestic travel and we have the DMS which is spread across 22 countries. Being present in Asia is a main element in our strategy, especially in the inbound business. This inbound business in Asia basically caters to traffic from US and Europe. This is a niche markets which affords better margins. Travellers need help to travel to these destinations, which is an opportunity for us. We have effectively created a global footprint for us." Menon added,

Speaking about the strategy Menon said, "In Fairfax philosophy, it essentially involves allowing the management in the companies that you acquire, we will not change this policy. It is physically impossible for us to manage all 22 countries. We will allow the local management to run the businesses; we will support them to run the business," Menon said informing that all these businesses are profitable. "It allows us to diversify our business; we are no longer dependent on our India centric business. We are now building our business in other geographies. Also, if you see the outbound businesses, our presence in Australia, South East Asia and US, our corporate business helps to deal with Indian corporate with

end to end solutions. This is a very important aspect of the transaction. Also, when we have destination management businesses here we can leverage on the relation with hotels and transportation services on these destinations."

He further added, "There will be a shareholder and subsidiary relationship between Thomas Cook and all these companies. There will be active interaction and support will be provided. We will not integrate the companies; we are here for the long term. We want to build each of these companies. We have not displaced even a single member from the companies we acquire. These businesses will generate our negative working capital; they will generate revenue from day one and has come at a very attractive value for us."

With this transaction, Thomas Cook (India) has also acquired a human capital of 1400 employees across these companies. With this the total headcount of Thomas Cook India's travel business will be 6500. There will be no integration of the brands and each management will run independently with the support of the mother brand.

- Akshay Kumar



Madhavan Menon

Domestic travel to be US\$48 bn

Indian travel market is projected to grow at 11-11.5 per cent to \$48 billion by 2020 with the biggest contributor, air travel expected to grow at 15 per cent to \$30 billion, says a report released by Google India and Boston Consulting Group (BCG). According to the report, hotels will grow at 13 per cent to \$13 billion by 2020 while railways will remain largely stagnant at \$5 billion. Additionally, as more people come online, smartphone penetration improves and use of digital payments goes up, the report estimates that India's online hotel market will grow to US\$4 billion with 31 per cent penetration at a CAGR of 25 per cent.

Speaking about the key findings of the report, Vikas Agnihotri, Industry Director, Google India said; "India's domestic travel market is on an acceleration path. One of the key findings of the report is that by 2020, one in three hotel rooms will be booked online - a clear indicator of the growing importance of digital in travel research, planning and booking. There are several actionable insights for domestic online travel players including the role of mobile and the level of curation and personalisation that Indian travellers are looking for."

PATA & MoT hosts roadshow in USA

PATA India Chapter, in cooperation with Ministry of Tourism, Government of India, conducted its business development Roadshow in USA & Canada recently. The Roadshow commenced in Toronto, Canada, and moved on to USA with its first show in Boston followed by Chicago, Houston, and finally New York where two roadshows were held. 211 Tour operators and Travel Agents from USA & Canada met with 17 Sellers from India and conducted a series of 3587 B2B meetings to gain a firsthand understanding of tourism development and opportunities in India.

USA alone contributes nearly 15 per cent of FTAs in India and is the leading source market. These markets have a variety of travellers, including both high-end as well as mid-market. The idea is to give the Buyers and key influencers, a taste of Incredible India.

appointments

Carlson Wagonlit Travel

Carlson Wagonlit Travel (CWT) has appointed Vishal Sinha as Chief

Executive Officer of CWT India. He will be based in CWT India's head office in Gurgaon. Vishal will lead CWT India's team of over 1,200 people across nine offices, delivering

an exceptional customer experience to more than 180 corporate clients in India. He will also be responsible for growing CWT's business in India, particularly with local companies and small and medium enterprises (SMEs), many of whom do not yet have managed travel programmes.

