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## COLUMN

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# Dynamic GDS for the travel value chain

Need spurs innovation. Innovation spurs development of compelling life changing products that pave their way into our lives becoming the 'need' again. The travel industry in India which has today become one of the largest revenue generating sectors is a great example of need resulting in innovation that has positively impacted the travel value chain.

The GDS (Global Distribution System) that has consistently been relied upon throughout the evolution of the travel industry and forms the backbone of its basic form of function has also reflected this constant innovation. The GDS is arguably the most influential link in the travel value chain. GDS products and attitudes about travel technology have driven much, maybe most, of the way suppliers, TMCs and many corporate buyers think about the travel technology landscape.

Now to evaluate how technology is the enabler itself. The GDS which was inherently developed for the US market was developed by the airlines to distribute inventories to create a common platform that could bring in efficiencies and reduced costs, proved to the US what a resourceful innovation the GDS was. Naturally, with high traffic from the European continent, the GDS soon evolved to those markets, revolutionizing how people travel.

Asia that has been the land of tradition and mystery to the western world also advanced to the phenomenon called GDS to ease travel and visits. Today India is has evolved into a complex market that demands a high level of customised functionalities. India has been broken down to 4 regions with different operations attributing to the cultural differences one may face. This feature alone, speaks volumes of GDS as a creation as it has adapted and evolved.

If one was to address the community of travel agents or the

original customer, there also lies a success story. Today the travel agent is a service provider in the true sense. With the availability of content that varies from rail to air to car and from hotels accommodation to travel itineraries, the travel agent has gone beyond a ticket booker. Today he is an educator to his customers. The role of consultant dovetails nicely with the trend towards customized travel. Today's tourists are well travelled and want to enjoy a certain freedom. They want to go beyond the beaten path and avoid crowds, yet still enjoy the benefits and peace of mind they can get from a travel agent. This means that agents must have the flexibility needed to offer customized travel products.

The adoption of GDS by travel agents came through again as a compelling need to sustain businesses in a cluttered market. Dropping commissions from airlines has pushed the travel agents to reinvent themselves where they have adopted the advisory role; where clients now pay for the agent's expertise and service. The GDS has in this battle of sustenance and success, given the agent the much needed flexibility and it has played a vital role for the discerning travel agent.

Dynamism of the GDS was proved with the various audiences the GDS addressed; the traditional player, TMCs, e-tourists both B2C and B2B. Web capabilities have enriched the user experience for the e-tourist as GDS functionality has allowed users to build personal itineraries. On the other hand, in the case of business travel, online agencies are still outperformed by corporate travel agencies, who continue to play a vital role as a distribution channel.

The vitality of the GDS will continue to engage with its target audience as it redesigns itself to create a more dynamic travelling experience both for the buyer and seller.