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Traditional travel agencies continue to play role

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The corporate travel industry has rebounded since the dark days following the terrorist attacks on the northeastern United States when business travel "was pushed off the cliff," said Cathy Keefe, spokeswoman for the Travel Industry Association of America

Business travel increased 4 percent in 2004 and is on track to climb another 5 percent this year, Keefe said.

"After 9-11, instead of traveling, many employees would use the telephone, video conferencing and other alternatives to travel," Keefe said. "But you can't replace face to face contact and a handshake, and so business travel has been on the increase, but it's still going to be another couple of years before we reach the record levels of 1999."

Online travel executives also believe in the importance of personal contact, and so they have tried to duplicate - as best as possible - the greatest advantage offered by brick-and-mortar travel agencies: a real person who is accessible by phone and who helps work out unanticipated problems with travel.

"One misconception (about online travel services) we're working to change involves the belief that there isn't a face behind the computer screen," said Travelocity's Joel Frey. "I would encourage a (corporate) customer with any type of a problem or request to call us first, rather than the airline."

All major online corporate travel services operate help desks staffed around the clock to accommodate all sorts of requests.

As an example: In the days following the August 2 near-tragedy at Toronto's Lester B. Pearson International Airport when an Air France jet skidded off the runway and burst into flames, representatives of online corporate travel services were scrambling to rebook tickets. The airport was closed in the days following the crash - in which 309 people on board escaped with their lives.

"There were a number of business travelers who were scheduled to fly to Toronto and we had to reroute them to other cities, such as Montreal, and we did this pro-actively by shooting them a message via their cell phones, pda or email," said Orbitz spokesman Marc Osborn.

Can online travel services emulate the advantages offered by traditional travel agents?

"When things go wrong, it's amazing how much the customers want us to help them," said one New England travel agent who requested anonymity. "When you use a brick-and-mortar company, you're buying security."

While increased competition from online corporate travel agencies certainly has pressured brick-and-mortar companies, it has also provided them with a Nietzsche-esque lesson in survival.

"It's true that what ,doesn't kill you makes you stronger," said Alan Krensky, president and chief executive officer of Colpitts World Travel, a 100-year old travel agency based in Dedham, Mass. "And many in our business think we're stronger than ever today."

Colpitts is one of several firms, known in the industry as super regional travel companies because they cater to firms with travel budgets of as much as \$25 million. Besides contending with the growing online leisure and corporate travel industries, they also must compete with mega agencies such as Amex Travel, Carlson and Navigant.

Krensky explained it's not only the online travel Web sites that are trying to emulate their competitors. He explained brick-and-mortar travel companies continually improve technology, and most offer well-developed Web sites as well as the personal touch customers expect from travel agents.

And so, business travelers who have registered with colpittswt.com can do everything from managing their travel plans to checking out hot deals or the latest news in corporate travel simply by clicking on one of several of the site's hyperlinks.

Indeed, Krensky explained, it's easier for a brick-and-mortar company to offer the advantages of an online corporate travel service, than the other way around.

"We have 100 people scheduled to travel to New Orleans on Sunday, and obviously Hurricane Katrina had made it necessary for us to reroute these travelers to different cities throughout the East," Krensky said. "Can you imagine if they had booked their trips through an online agency? They'd all be calling the help desk. They'd all be talking to different people. They'd never have a one-person contact to help them manage their travel plans."

The good news for online corporate travel services and brick-and-mortar companies is that there is plenty of room in cyberspace for everyone.

"The Internet certainly isn't going away," said Keefe of the Travel Industry Association. "But, while more people are booking everything online, this doesn't signal the demise of (brick-and-mortar) travel agencies. They've had to adapt, and many have done so admirably."