

MacNair Travel Management/American Express: GoAwayDeals

Categories: Technology, Operations and Selling

DESCRIPTION

The GoAwayDeals program was developed to enable MacNair Travel Management's consultants to harness the power of every available – and emerging – distribution channel in order to find the lowest available fare for each and every one of our customers, on every single transaction.

THE PRACTICE

At MacNair Travel Management we are dedicated to continually creating “Best Practices.” We call these *Unique Processes* within our organization. These can be either front stage (where the client can see and/or experience them) or back stage (i.e. MacNair's internal procedures). Some, like our *GoAwayDeals* process, occupy space in both realms. When a Unique Process has been clarified by (a) defining each step, (b) naming each step, and (c) putting an overall name to the process, it takes on an aura of strength and authority. It's ours; it's distinctive, exclusive and powerful. On the front stage these processes can typically be priced for profitability, while on the back stage they constitute the MacNair Way. We feel that our Unique Processes differentiate MacNair from its competitors.

One such defining process is GoAwayDeals. We use this term to encapsulate our commitment to using any and all sources to find the lowest available fare for each and every one of our customers, on every single transaction. Any travel agency can quote an airfare from the GDS. But GoAwayDeals include: web fares, tour operator fares, consolidator fares, international rate desk calculated fares, published fares, negotiated fares that may be applicable to an individual customer account, negotiated fares that are unique to MacNair Travel, and fares secured through our relationship with American Express. In our back stage parlance, we call this a Global Fare Search; no fare on the planet is excluded. In a matter of minutes (*between 3 and 7 minutes for a basic reservation; although the time can be longer for a more complex reservation*) this global search delivers to our customers the best possible value for their trip.

WHY THE PRACTICE WAS DEVELOPED:

Why did we adopt this practice? The rise of alternative distribution methods over the past decade or so has threatened the travel management industry. What could be more urgent than combating the forces that threaten our livelihoods? By showing our clients that we are the one-stop source for searching for - and booking - the lowest available fare (wherever it is to be found!), we have maintained our credibility and (more importantly) elevated the usefulness of our firm to the highest possible level in the reservation process. We tell our clients that going outside of MacNair to find value is counterproductive. We will search that web site, we'll call that consolidator on your behalf, etc. We'll do more in a few minutes to find the lowest available fare than you can accomplish in hours of frustrating research. That's the power of GoAwayDeals.

Who is affected by GoAwayDeals? Frankly, everybody inside of our organization, all of our suppliers, and all of our clients. It's that powerful – and defining – a process. Our clients derive value from the savings it brings every day. Internally, we use it in servicing – and bringing value to – our clients every day. In addition it is the hallmark of our training program, we use it in our Sales and Marketing processes, and our Accounting team works diligently to maintain the invoicing and reporting features that are unique to each booking and ticketing choice. Our suppliers are crucial, because we have been forced to develop new relationships and alter

existing ones in order to offer these various options. We really live and breathe GoAwayDeals every day.

To illustrate the extent to which agency resources are allocated to GoAwayDeals, we only need to provide a glimpse at how we incorporated web fares into the process. Many players in the travel agency industry are determining how they can offer web fares at the point of sale and what technologies will help them do this. We decided not to wait, since our clients were obviously seeing bargains on the internet every day. Starting in late 2000, we began updating our technology so that every counselor would have high speed internet on their desk. Then we began tedious testing to develop a system within GoAwayDeals whereby our consultants could manually search numerous websites in order to actually book and ticket web fares on behalf of our clients. Almost everybody at MacNair was affected by this new process. The entire staff (sales team, corporate and leisure consultants, accounting, and the administrative team) had to be educated on the new procedure. We had to test to make certain that the invoice data would transmit to the back office for accounting and reporting. That step alone took weeks to perfect. Of course, it was well worth it. Our clients now have the comfort of knowing that we leave no stone unturned in the search for the best value.

EXECUTION

The Approach to Implementation:

In the early stages of development, a select team of MacNair staff members got together to outline the goals and standards for the Global Fare Search (or, as they later named it, the GoAwayDeals Process). Once they could visualize what they wanted to accomplish (both financially and operationally), they began to test this process by implementing it with a few consultants who were familiar with consolidator ticketing and the like, and who had narrowly defined client lists. The consultants in this test group began to develop the standard steps required to undertake this global search - an integral part of creating a unique process. As the test continued, their clients absolutely fell in love with the savings and the wide variety of offerings available to them through this new process.

Once the select team was confident that this process was viable, the decision was quickly made to implement GoAwayDeals company-wide. At that point in time, a larger focus group made up of staff members from various areas of the agency was assembled to ensure peak operational performance. In addition, a training curriculum was developed to educate the corporate and leisure consultants on the process. In the background, our technology team was implementing a \$100,000 network upgrade that put Windows 2000 workstations with high speed internet access on each desktop. The new technology brought the entire agency together in a secure wide area network environment controlled by a Compaq server with RAID hard drive array, Cisco managed switches and Cisco firewalls. This upgrade made the GoAwayDeals booking process fast, seamless and consistent throughout the company, while it allowed the GoAwayDeals training and implementation teams to share information across the network.

Operational Issues:

Mandatory training sessions were held at each agency location to educate the consultants on the methodology related to this practice. They learned who our preferred consolidators are, how to use web sites to make booking, which suppliers serve different areas of the world, how to ticket, how to invoice, and, of course, how to present the new booking options to the clients.

Meanwhile, we touted the new system in email publications (our InFlight Newsletter) to our existing clients. We went to meet with our largest accounts so we could explain and demonstrate first hand how the new system could save them substantial amounts of money. They listened carefully, asked good questions about the different types of tickets, how their fare rules differ, how refunds and exchanges work, etc., and then they made decisions as to what level of alternative booking and ticketing methods is right for them. When our web fares initiative kicked off, we invited every corporate client to send representatives to a Town Hall Meeting that we sponsored.

There was a very lively discussion on web fares, pros and cons, and a detailed discussion on how we had added web fares to the GoAwayDeals process.

We of course have updated our sales material to tout GoAwayDeals, and explain how it makes us different in the marketplace. We have discussed the process at numerous trade events and in various publicity outlets. We even went up to Capitol Hill and testified in front of the National Commission to Ensure Consumer Information and Choice in the Airline Industry, advocating for freer access to all fares, particularly web fares, through the travel agency distribution system.

Costs:

How much did all this cost? Well, by assigning a reasonable dollar figure from our technology upgrade to the GoAwayDeals implementation process, and accounting for all of the training and other resources marshaled for the program, we would estimate the cost to be approximately \$75,000 over the past 24 months.

OUTCOMES

Success of the Practice:

The practice has been extremely successful throughout the agency and will continually evolve as new products and suppliers are added to the process. The consultants benefit by gaining increased customer satisfaction from the superior value each client receives on GoAwayDeals transactions. Customers also receive a greater variety of options, and the confidence of knowing that their consultant is searching a variety of channels to provide them the best value. In addition, customers can have access to these alternative channels and continue to receive the priceless advocacy that makes the travel agency community so invaluable. The owners of the agency are pleased because the GoAwayDeals process has improved service levels, increased retention of current accounts and led to the addition of new accounts.

In order to monitor this process, the consultants are provided with weekly reports which allow them to track their sales. In each report, the GoAwayDeals sales are broken out separately. This allows the branch manager to continually use these figures to encourage increased adoption from the consultants.

INSIGHTS

Advice and Observations:

Some suggestions for implementing this process:

- Interview reputable suppliers to be approved for the program.
- Become familiar with new technologies that are available for this practice.
- Upgrade desktop and network technology so that your consultants have instant access to a variety of fare sources.
- Develop a regular training program so that the process can be continually evolved.
- Be sure to involve all necessary departments within the organization to ensure a smooth transition.
- Keep abreast of new developments so that you are able to offer your clients new products as they are offered.
- Examine new technology tools as they become available as to make the process more efficient.

MacNair has already expanded the process to include hotel and car reservations from its original development as an air product.

The future of the travel agency industry lies in our ability to sort through the large quantity of information from every conceivable distribution channel in order to provide clients with the most valuable options for their upcoming trip. We recommend a GoAwayDeals type of revolution at every travel agency.

Thank you very much for this opportunity.

Contact

Michael MacNair
President & CEO
MacNair Travel Management
1703 Duke St
Alexandria, VA 22314
703-836-1100
Fax 703-836-2078
mike@macnairtravel.com
www.macnairtravel.com