

**Hotel bookings
up 13 per cent in two months**
Pages 5 to 8



**Solution Workshop:
Analysis to improve profitability**
Pages 9 and 10



**Amadeus Selling Platform
vs. Pro Tempo**
Page 11

Your opinion!

Did you know ...

Recommend Dialogen

Subscribe

The best of both worlds

Page 1 of 3

In recent years, some of the so-called Low Cost Carriers (LCCs) have experimented with abandoning distribution via travel agencies in the belief that this would result in improved profitability. In many cases this has proved to be a misjudgement, particularly for airlines wanting to appeal to business travellers or maximise their income per seat sold, instead of simply competing on price. Wise LCCs do both: they work hard to cut costs while also endeavouring to stand out from the crowd.

This places new demands on IT support, as the solution has to be adapted to suit the LCCs' business models. In this respect, and in our capacity as IT Solutions Provider, Amadeus has had some considerable success where Inventory is concerned, rapidly developing new solutions and already filling our order books.

Unfortunately this is not the end of the matter, because an airline can in fact employ Amadeus technology and yet still choose to abandon travel-agency distribution. It is therefore particularly gratifying for us that companies such as Sterling have found that they can reach a larger market *and* reduce their distribution costs by working together with us and the travel agencies.

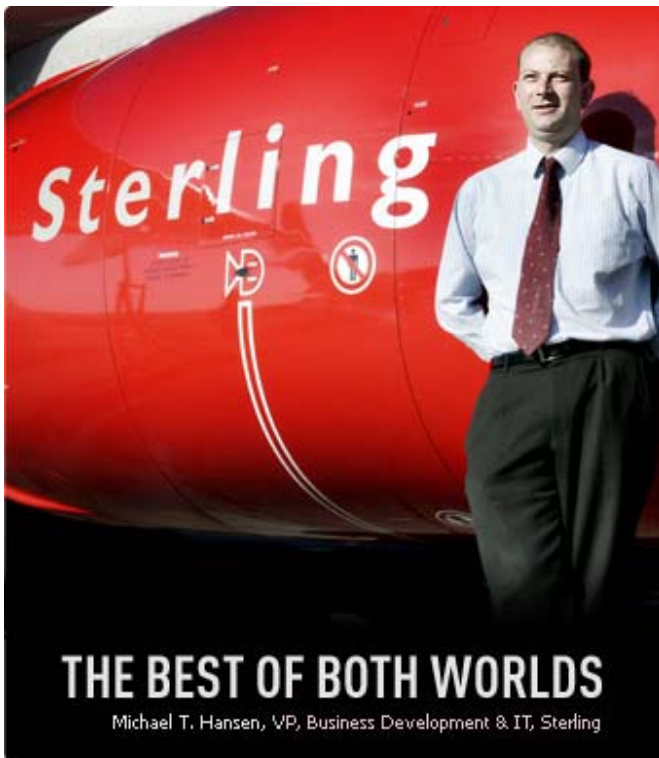
In this issue of Dialogen, we have the pleasure of meeting Michael T. Hansen, VP, Business Development & IT for Sterling, who shares his views on the subject.



In the case of Sterling, the link between the LCC and travel-agency distribution is called Amadeus Ticketless Access, and it is an example of how development can take place rapidly when there is a strong will and a good partnership. Indeed, it has all happened so quickly that it will take a little time yet before flights on Sterling will be available for sale in some of our applications. However, had this innovative solution not been introduced, all Sterling content would have passed both us and the travel agencies by.

I can promise that more LCCs will follow Sterling's example if we, together with you at the travel agencies, continue to demonstrate that volumes and profitability grow more quickly in our channel than anywhere else.

Janchristen Egnfors
CEO, Amadeus Scandinavia



A reduction in transaction costs and a broader distribution channel in order to offer Sterling's fares to more of Europe seemed like an impossible task, but this was Sterling's objective when the company contacted Amadeus to discuss the possibility of Sterling becoming an Amadeus partner.

The merger of Maersk and Sterling led to the combining of two different distribution systems and two different business models. Sterling had a genuine low-cost distribution solution, whereas Maersk Air had a full-grown GDS distribution system. The "new" Sterling operates as a low-cost carrier, but has taken advantage of one of Amadeus's innovative solutions for low-cost carriers – Amadeus Ticketless Access – enabling them to run their business with the same "reach" as the traditional airlines in Amadeus.

Innovation and adoption

"I contacted Amadeus and said that we wanted to use Amadeus's powerful reach in the market, but at the same time to distribute our fares to the market without a complex GDS solution," says Michael T. Hansen, VP, Business Development & IT for Sterling.



"Our decision to distribute our fares through Amadeus was, first of all, a matter of a reduction in distribution costs. For Amadeus's part, it was their innovation and fresh thinking that made it possible for us to use Amadeus as a channel for distribution while still retaining our way of doing things," he explains.

Embraced by travel agencies

Low-cost carriers with limited distribution outside their own websites and call centres have been around for many years, but this regime is at an end.

"I think that travel agencies have been screaming about this for years, because they have not been able to distribute low-cost carriers in an efficient way," says Hansen. "Sterling's presence in Amadeus means that they can now compare the fares from the different airlines on one single screen, giving the customers a wider choice. Some of the larger agencies have built applications on top of Amadeus to book Sterling and have worked their way around the problem. However, smaller travel agencies simply cannot bear the development costs of such solutions. Ultimately, Sterling's new booking solution makes it easier for everyone to book Sterling

for their customers."

More inbound traffic

Awareness of Sterling has so far been limited outside Scandinavia, and Hansen believes that its presence in Amadeus will increase Sterling's inbound traffic.

"Presence in Amadeus will help us to market our product in central and southern Europe," he says. "We plan to stick with Amadeus because they have the widest range of selling points in Europe, and at the same time we want to standardise and simplify our operation by offering our fares through a single GDS," concludes Hansen.

About Sterling

Sterling is Scandinavia's first low-cost airline, operating direct routes between Scandinavia and southern Europe, and also within Scandinavia itself. Sterling flies to the following destinations in Scandinavia: Copenhagen, Billund, Oslo, Stavanger, Bergen, Stockholm, Gothenburg and Malmö. During 2004, Sterling flew 1,825,206 passengers between Scandinavia and southern Europe.



VIA Travel Stavanger:

Hotel bookings up 13 per cent in two months

With the goal of boosting their hotel bookings, VIA Travel Stavanger launched the internal campaign "Har du flaks?" ("Do you feel lucky?") in collaboration with Amadeus. And the results? Two months later, they had achieved a 13 per cent rise in hotel reservations.

In 2004, nearly 1.5 billion airline reservations and some 3 billion non-air bookings were recorded worldwide¹. These figures include bookings not made via GDS. In other words, travel agencies have a vast untapped potential to increase their sales.

There is a myth circulating in both the private and business sectors that it does not pay to book hotel rooms through travel agencies. Additionally, many companies believe that they will lose the benefits of their hotel agreements if they elect to book through a travel agency. These may be two important explanations for why only 50 million out of a total of 1.9 billion hotel bookings are made via GDS, according to a study².

Hotel bookings up 13 per cent in two months

Page 2 of 3



Bente Adolfsen
Training manager and
team leader at VIA
Travel Stavanger

Benefiting travel agencies and customers

The myth, however, is not necessarily true. Travellers may discover many advantages in booking through an agency, such as a simpler booking process, expert and expeditious service, and company deals that can be loaded into the travel agency's booking systems.

Not only can travel agencies provide better service to their customers, but they also enjoy substantial financial benefits by booking hotels for their customer – particularly if the booking is made via Amadeus Hotels. A simple calculation reveals that if one travel consultant makes two additional hotel reservations (i.e. an average of two nights) each day, the agency's earnings would rise by approximately NOK 136,000 per year.

"Do you feel lucky?" campaign

Having realised this substantial potential, VIA Travel Stavanger has now decided to offer its customers a one-stop service.

"We actively use Amadeus Hotels, and when we see that there is an opportunity for booking accommodation, our policy is always to ask the customer if we can assist them in finding a hotel," says Bente Adolfsen, team leader and training manager at VIA Travel Stavanger. The agency launched the "Do you feel lucky?" campaign on 1 February in co-operation with Amadeus, to stimulate further growth. Consultants can win lottery tickets for their hotel bookings. The campaign will run for three months until the end of April, and the results at the halfway mark are quite impressive: a 13-per-cent increase.

"We have kept our goal simple – an increase in hotel sales compared with last year. If all our consultants average an extra 2.5 bookings per day, we will see a significant increase over last year," says Adolfsen. Amadeus sends out results and follow-up every two weeks. Adolfsen believes that swift follow-up is essential to maintaining enthusiasm amongst the consultants.

How to sell a hotel

"It is important to sell hotel accommodation correctly. It does not cost the customer more to book via travel agencies – in fact, the opposite is true. As a chain, we have negotiated competitive hotel discount prices. These prices are not available to customers who contact the hotel directly. Not only that, but customers' agreement prices can also be loaded into Amadeus. Thanks to the Amadeus Best Available Rate programme, travel agencies can guarantee that they are offering the best prices available using their booking system, compared with other booking channels."

Next step: the car-hire campaign

"Those taking part in the campaign are extremely competent and very optimistic. The team leaders at VIA Travel Stavanger also deserve praise. We are now gearing up for a similar campaign in the autumn to increase car-hire sales through Amadeus Cars," concludes Adolfsen.

¹Source: Amadeus Scandinavia ²Source: Hermes MC 2005 Hotels Availability & Rates Survey of 20 Hotels

Here are some facts to combat the myths surrounding hotel bookings. These figures are taken from a survey carried out by Hermes MC Survey in August 2005.

For the customer: Direct Booking. In 92 per cent of cases, Amadeus offered lower prices than those offered directly by the hotels. In 62 per cent of cases, the Amadeus price was lower than that available from online distributors.

For the customer: Content. Offers from Amadeus for the best hotels at "top city" destinations are 23–33 per cent better than those from online distributors.

For the travel agency: Efficiency. Searching for and booking hotels through Amadeus is on average 61 per cent (6.5 minutes) faster than doing so by phone or fax. If 1,000 telephone bookings were transferred over to Amadeus Selling Platform, a travel agency would save about 110 hours – some 14 working days.



Solution Workshop: Analysis to improve profitability

Amadeus Scandinavia runs Solution Workshops for Scandinavian travel agencies, using each customer's goals and strategies as a starting point. This involves a two-day analysis of the travel agency's business procedures, culminating in a recommendation of suggested improvements and ways to optimise solutions.

"This is a new approach to dialogue which strengthens our working relationship with our customers," says Espen Stendal, Senior Manager, Sales Development for Amadeus Scandinavia.

The aim of a Solution Workshop is to analyse business procedures and identify areas for improvement. Areas up for discussion could include which sources the agency uses for booking information, how effective mid- and back-office processes are, possibilities for automating manual tasks in the booking process, and how the agency's point-of-sales solutions are utilised.

Workshop with a management perspective

A Solution Workshop is a thorough examination of the client's activities and systems from a management perspective.

"The target group for each Solution Workshop is the management team within the travel agency concerned. We analyse the processes and the big picture so as to be able to offer optimal solutions," continues Stendal.

Business strategy is the key

The two-day workshop starts by defining the company's business goals and strategies. These then form the basis for the further analyses. Usually, all activities are under the microscope, but, if desired, certain areas of the business can be focused on, such as business travel or online sales.

"We then subject all the activities to a careful examination," says Stendal. "How well do the processes work, who in the organisation is involved, how are tasks carried out, and how do these activities help the company achieve its commercial and strategic goals?"

The method used builds on interviews with management and those responsible for the various business areas under

scrutiny. Findings are presented and discussed at full meetings. Solutions are subsequently fed back to the established business goals and strategies.

Reliable analysis of needs

Not only does Solution Workshop enable Amadeus to share its expertise, but it also provides Amadeus with a better understanding of customer needs.

"We want to try to help our customers gain a broader view of their own business, as well as an understanding of the tools available for improving efficiency and reducing costs," explains Stendal.

Good results

Amadeus has carried out similar workshops with a large number of customers in other markets. The result has been improved profitability for those customers who have decided to work on the areas for improvement which have been jointly identified.

"Our experience so far in Scandinavia has been highly positive, and the customers consider these workshops to be extremely valuable," concludes Stendal.



The Myths and Truths Amadeus Selling Platform vs Pro Tempo

The myth: Command Page in Amadeus Selling Platform does not have the same features as Pro Tempo.

The truth: The Command Page in Selling Platform does have the same features as Pro Tempo; it is just a different workflow and way of using your keyboard to get the same functions.

Command Page also contains a lot of extra functions that were not available in Pro Tempo, such as additional Smart Keys, an increased number of most-recently-used entries (command recall), and an active history window that you can actually work from instead of instant pictures.

[\[Back\]](#)



The Myths and Truths Amadeus Selling Platform vs Pro Tempo

The myth: I am less efficient using Amadeus Selling Platform instead of Pro Tempo.

The truth: Our tests have shown that users are most efficient when combining the Command Page and the Graphical Tabs in Selling Platform. A combined usage will give you an easier workflow, access to various cross- and up-selling tools, and an increase in overall efficiency compared to finding the same information in other ways.

[\[Back\]](#)



The Myths and Truths Amadeus Selling Platform vs Pro Tempo

The myth: Amadeus Selling Platform does not add anything extra for me on a day-to-day basis, since I know all the inputs very well, and I have been using Amadeus for many years.

The truth: It is still possible to use all the cryptic entries in the Command Page. But in Amadeus Selling Platform you will for the first time also have access to hotel pictures, hotel maps and pictures of cars. And, in the Graphical Tabs, you can easily fill in boxes instead of using complex cryptic inputs for entries or procedures that you do not do so often. This enables a shift of focus to customer attention and selling, rather than staying up to date on all the codes and inputs.

[\[Back\]](#)



The Myths and Truths Amadeus Selling Platform vs Pro Tempo

The myth: In Amadeus Selling Platform, I do not have “two windows” as I used to have in Pro Tempo.

The truth: A function similar to the “two windows” arrangement in Pro Tempo can be ordered as an additional feature for Amadeus Selling Platform. The one-time setup fee is SEK/NOK/DKK 275 per terminal.

[\[Back\]](#)

Announcement

New status information in Zone replaces SMOD22

Amadeus Scandinavia has launched a new status-information application for its customers, in the Amadeus Agent Zone information portal. The new application has a much clearer layout, and it will replace SMOD22 with effect from 1 May 2006.

As well as status information, you will also find a lot of useful information in Zone, such as an updated and searchable Amadeus Transaction Guide, Amadeus News, and product information.

If you are not already using Zone to log in to STINA, you can access zone at <http://zonelight.sca.amadeus.com>, or via our home page www.amadeus.com/sca (click on the “Zone” tab).

If you use Amadeus Selling Platform (Vista), you can order access to a dedicated Zone tab within Selling Platform.

Did you know ...

... that Oceania Cruises are now available to Scandinavian travel agencies via Amadeus Cruise Reservation?

In order to access Oceania’s products, travel agencies must first register with Oceania Cruises.

For more information, see GGAMASCACRU.85.

... that a further two new airlines are now available via Amadeus e-Ticketing? The two additions are British Midlands and LTU International Airways.

For more information, see GGAMASCATKT.505.

... that there is a new, improved version of Amadeus Itinerary+ which makes it easier – and more profitable – for you to use SMS-based itineraries?

For more information, see GGAMASCAOTH.190.

... that from now on only the last four digits of credit card numbers will be displayed on Amadeus screens?

The other digits will be concealed in order to improve security and prevent misuse.

For more information, see GGAMASCAPNR.526.

About Amadeus

Amadeus is the world's leading global distribution system and technology provider to the travel industry. More than 450 airlines, 63,000 hotels, 50 car rental companies and a host of other travel providers use Amadeus technology to get their product to their customers, 24 hours a day, 7 days a week, 365 days a year. From our inception in to the present day it is our technological development and vision that has driven us forward. It is of course, our substantial investment in technology that is continuing to drive the very profound changes taking place in today's travel and tourism industry. As well as our original travel distribution business we have over recent years developed two highly successful new business divisions: e-Commerce and Airline IT Solutions.

e-Travel, Amadeus's e-commerce business unit is now global leader in online travel technology and corporate travel management solutions. Our technology powers the websites of over 900 travel agencies, 250 corporate sites, 18 hotel websites and 140 websites serving over 50 airlines. Airline IT Solutions is a strong growth business for Amadeus. We identified some years ago the powerful technological benefits that we could bring to our airline customers. More and more of those airlines are choosing to switch to Amadeus for their core technology support in the area of Passenger Service Systems.

British Airways, Qantas and Finnair were amongst the first airlines to adopt Amadeus technology and expertise. It's a decision that sits right at the heart of an airline's decision to work closely with partners in non-core activity areas so that they can focus exclusively on building their business. Amadeus is headquartered in Madrid, Spain and quoted on the Madrid, Paris and Frankfurt stock exchanges. We employ over 5,100 people worldwide.

[\[Click here for contact information\]](#)

[\[Click here for Legal Notices\]](#)

[\[www.sca.amadeus.com\]](http://www.sca.amadeus.com)

Our offices – A structure set up to be close to our customers

To better serve and be close to you, our offices are centrally located in Copenhagen, Oslo and Stockholm, where our administrative, sales and marketing, customer service and support, Helpdesk and training facilities are housed. In addition, we provide unparalleled local support and unmatched customer service throughout the entire countries.

Amadeus Denmark A/S:

Banestrøget 13 DK-2630 Taastrup, Denmark
Tel: +45 43 32 75 00 Fax: +45 43 71 75 57

Amadeus Norway AS:

Box 651 Skøyen NO-0214 Oslo, Norway
Tel: +47 22 96 70 00 Fax: +47 22 96 70 01

Amadeus Sweden AB:

Gävlegatan 22 Box 6602 SE-113 84 Stockholm, Sweden
Tel: +46 8 458 05 00 Fax: +46 8 32 01 90

Legal Notices

Amadeus data and information

All data on this Amadeus website is the property of Amadeus Global Travel Distribution S.A and/or has been licensed by a third party for the purpose of this website.

The data and information available through the Amadeus website may not be reproduced, sold, transferred, modified, redistributed, retransmitted, published or commercially exploited in any way without the prior written consent of Amadeus Global Travel Distribution S.A.

Design

This website is provided to you by Amadeus Global Travel Distribution S.A. The website design and look and feel is owned by Amadeus. All intellectual property rights related to it belong to Amadeus Global Travel Distribution S.A and/or the affiliates belonging to the Amadeus Group.

Disclaimer

Amadeus Global Travel Distribution S.A. does not guarantee availability, access, accuracy, timeliness or any other aspects of the information contained in this website.

Amadeus Global Travel Distribution S.A. does not warrant the completeness, merchantability or fitness for a particular purpose of any of the data disclosed in the Amadeus website. Amadeus Global Travel Distribution S.A. shall not be liable for any injury, loss, claim, damage, or any special, incidental, indirect or consequential damages of any kind which arise out or are in any way connected with any data within the Amadeus website, or resulting from any use or inability to use the Amadeus website.