



*Redesigning the Role
of Agents in Travel
Distribution:
Why and How*

***Richard Eastman**
President
The Eastman Group, Inc.*

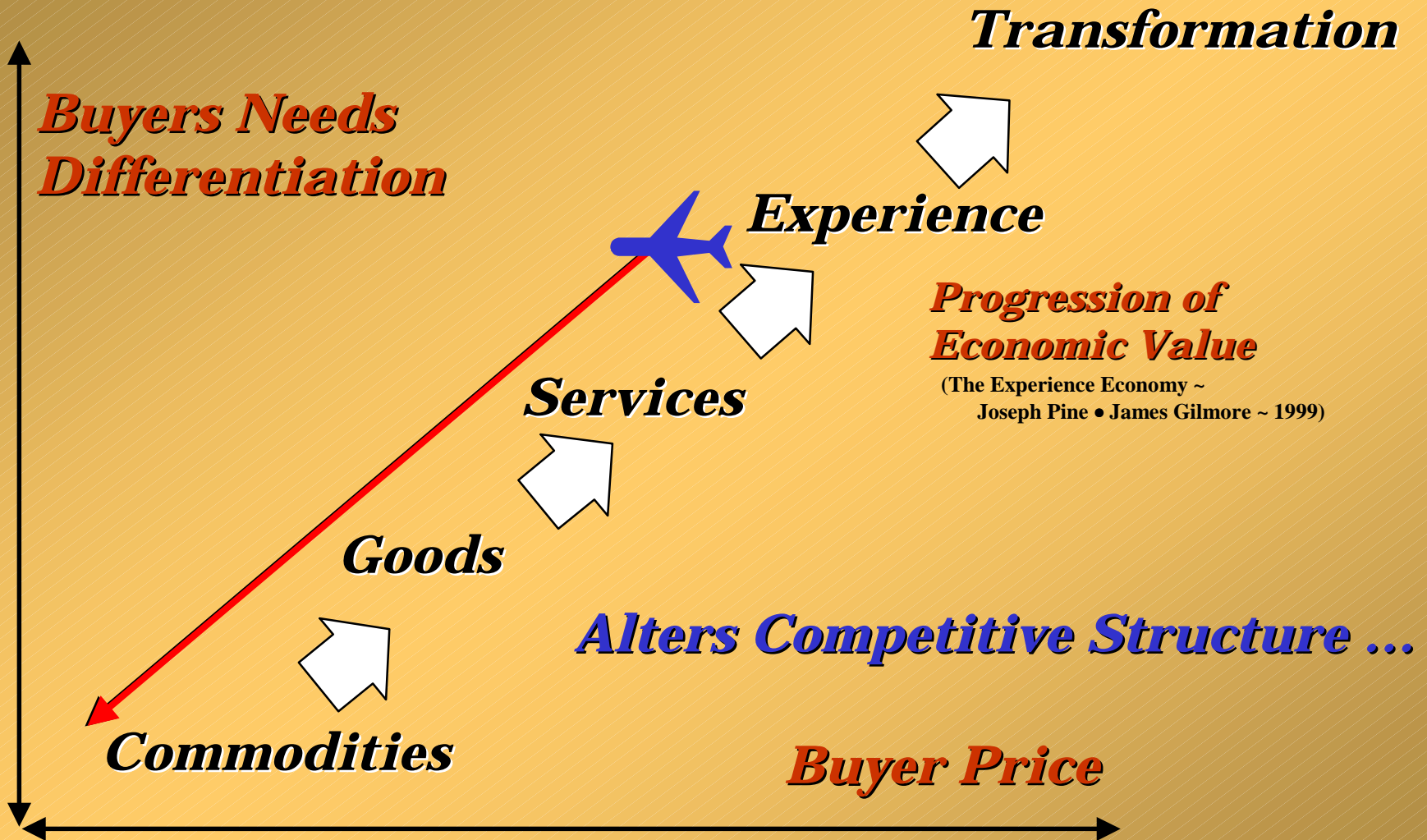
Why and How

The e-mergence of e-commerce and e-business is having great impact on travel distribution and on agents. We will review how the industry arrived at its present situation ... and outline how agents will survive in the new millennium.

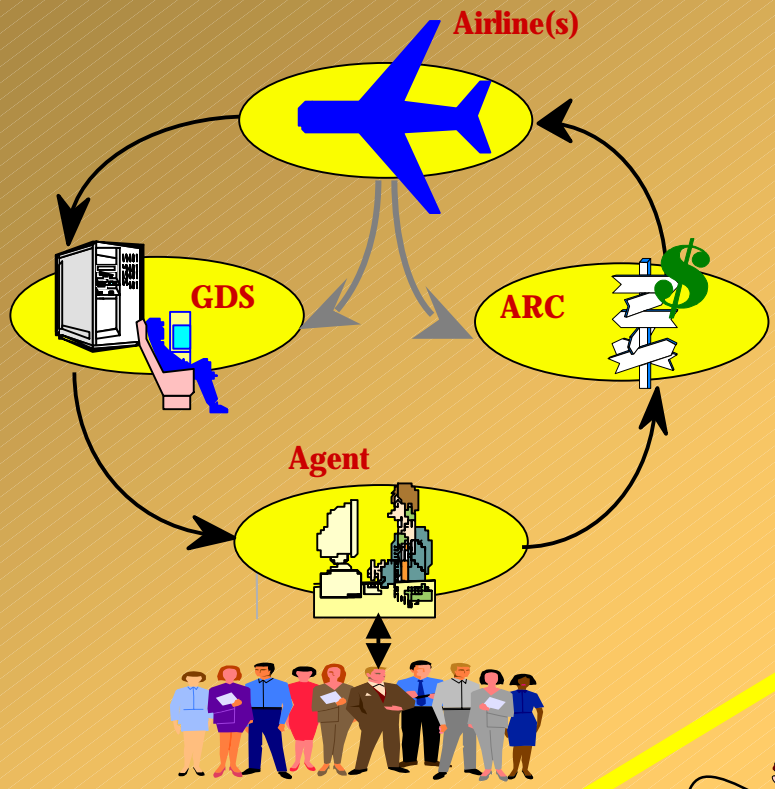
Discussion points will include:

- *What travel agents really do*
- *Why travel distribution must change and how agents will evolve in that process*
- *What agents will do in the new millennium*
- *New technology tools for tomorrow's travel agent and the new skills that tomorrow's agents will need*
- *Evolving travel products that will require agent knowledge*
- *The agent's role in the move from "supply-driven" to "demand-driven" travel product*

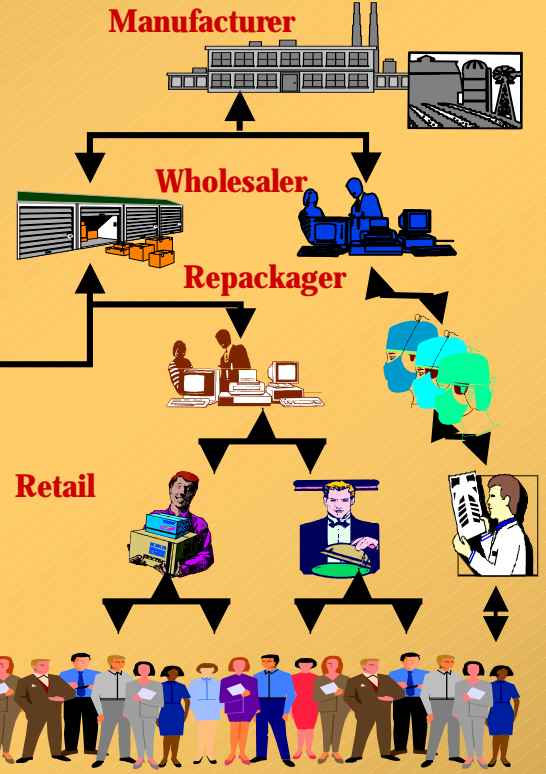
New Product Dynamic ...



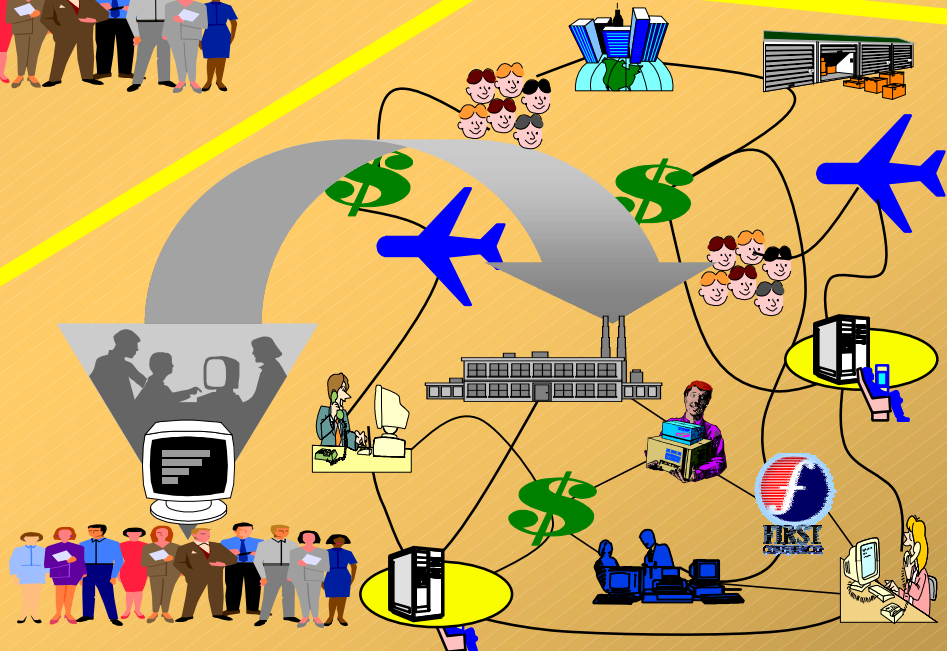
Travel Distribution in Transition ...



Hierarchal

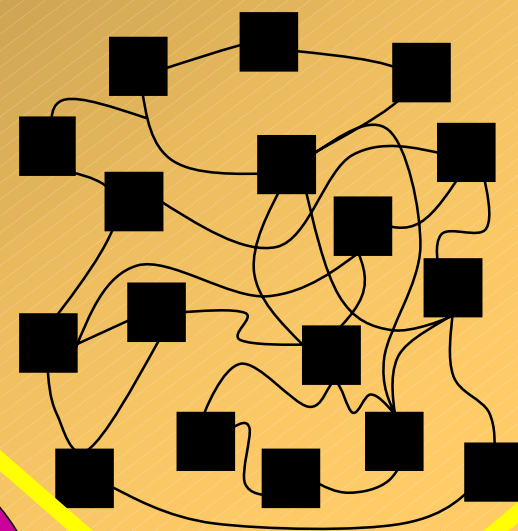


Holistic



Hyperarchy

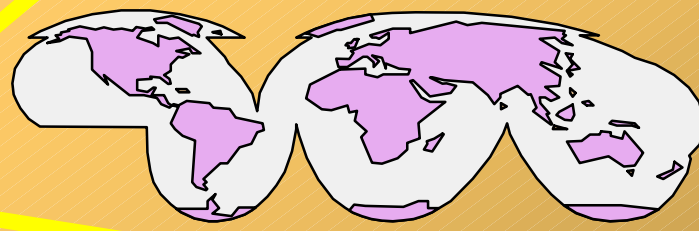
New Dynamics of the 2000's...



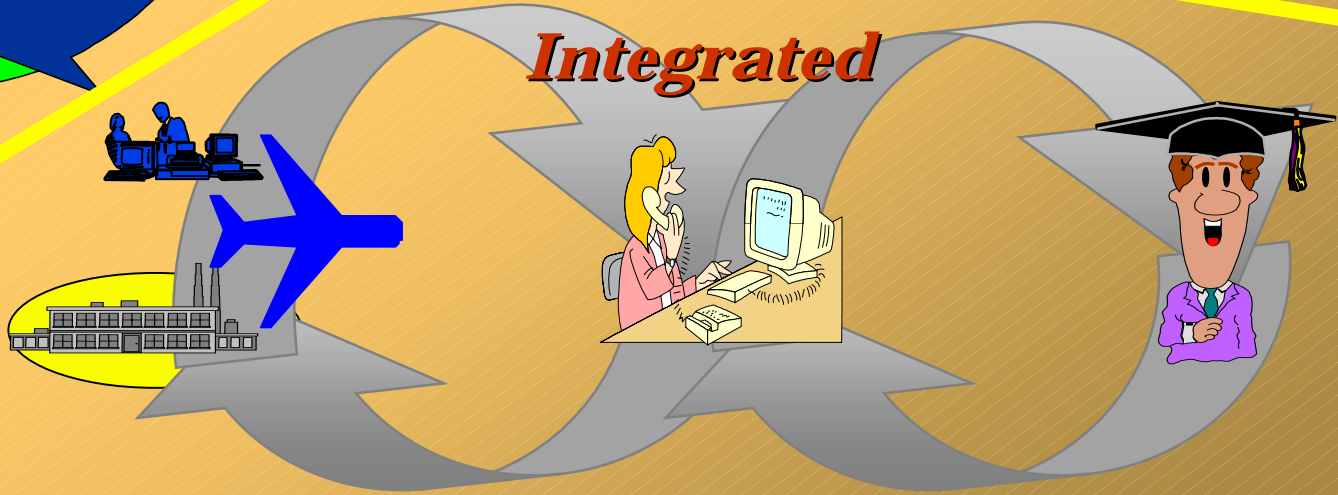
Interactive Speed



Targeted

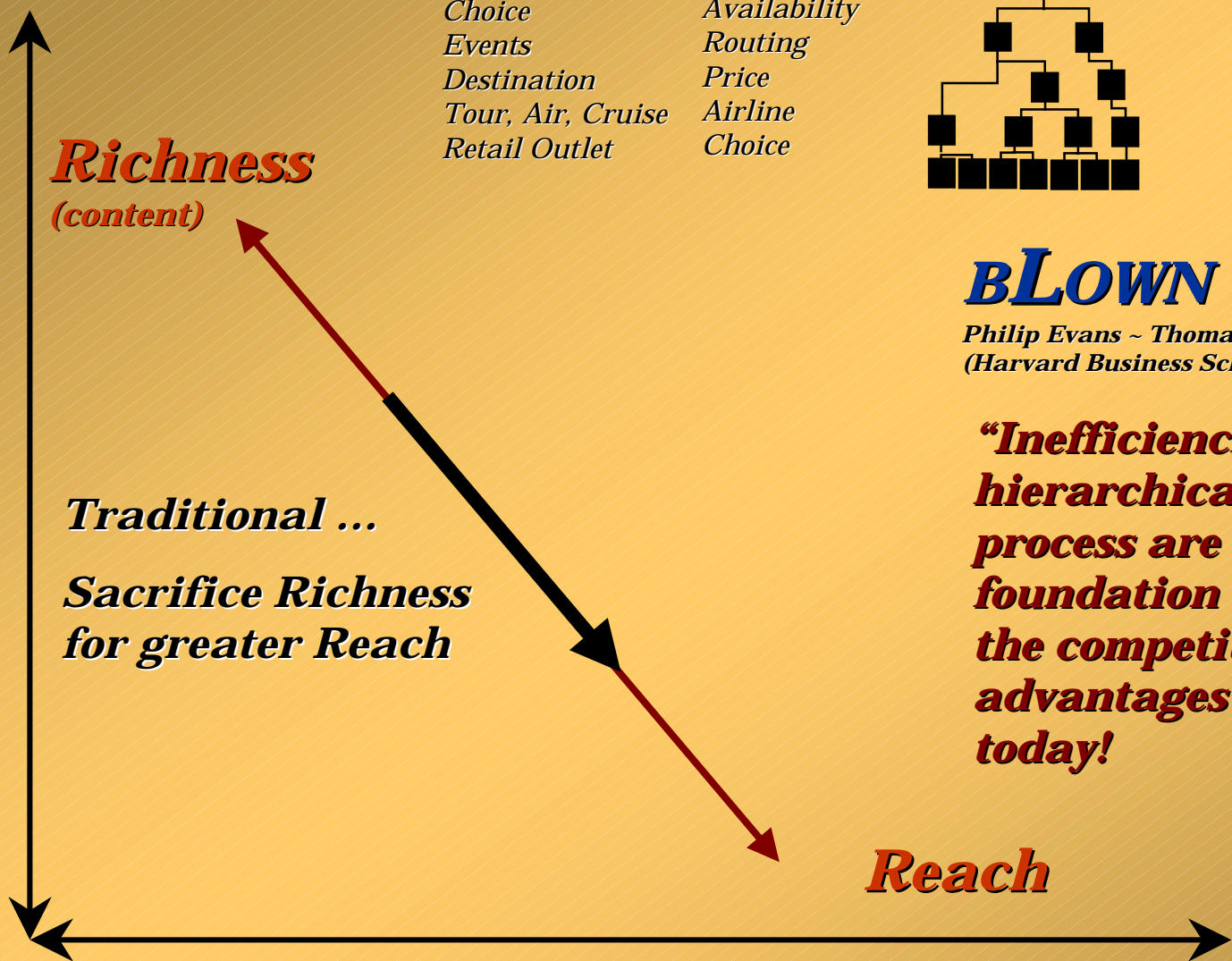


Boundaries

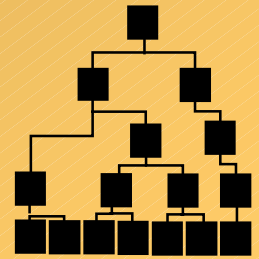


Integrated

Traditional Change in Distribution ...



- Choice
- Events
- Destination
- Tour, Air, Cruise
- Retail Outlet
- Availability
- Routing
- Price
- Airline
- Choice



BLOWN to Bits

Philip Evans ~ Thomas Wurster
(Harvard Business School Press)

“Inefficiencies in the hierarchical search process are the basis of foundation of many of the competitive advantages sellers today!”

Trade-off between Richness ~ Reach ...

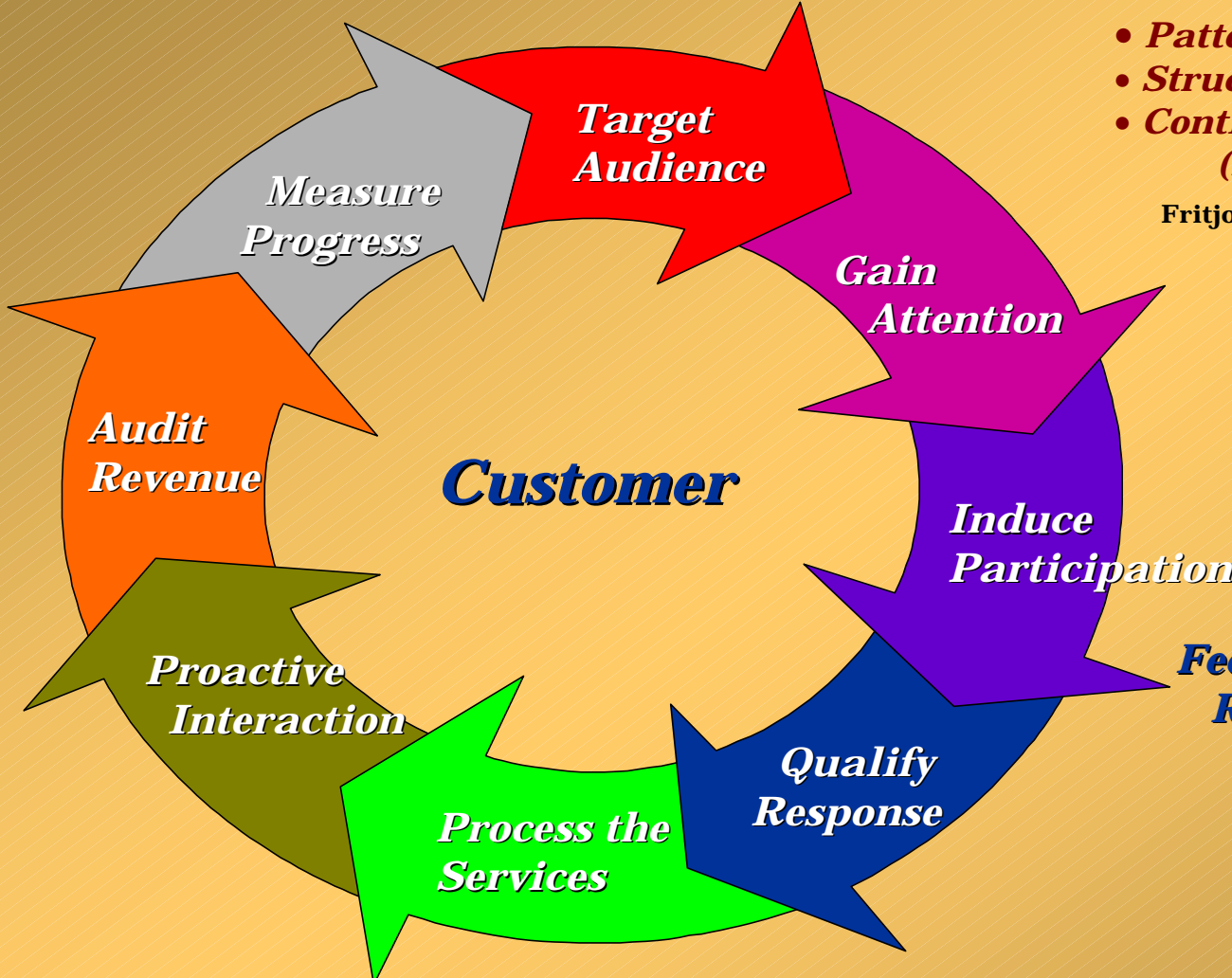
Fundamental Change in Distribution ...



Disintermediates Intermediaries ...

The Same, but NOT the Same

Automation speeds the process



A Living System

- Pattern of Self-Organization
- Structure
- Continual Embodiment
(learning from feedback)

Fritjof Capra "The Web of Life", 1999

Feedback Learning
ReTargeting
Self-Organizing ...

Automating Customer Relationship Management

Multiple Dynamics ~ Feedback Loops ...



*Progression of
Economic
Value*

Boundaries

Targeted

Culture

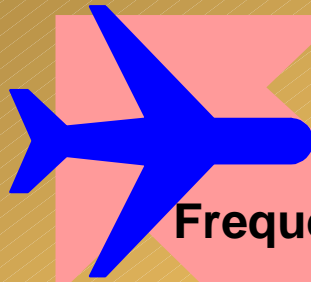
Speed

*e-Commerce
e-Business
The Hyperarchy*

- Airlines*
- Hotels*
- Car Hire*
- Rail*
- Tour Packagers*
- Cruise Operators*
- Agencies*
- Consolidators*
- Reverse Consolidators*
- Corporations*
- GDS/CRSs*
- Ground Handlers*

Managing the Unknowable

Integrated Travel Distribution ...

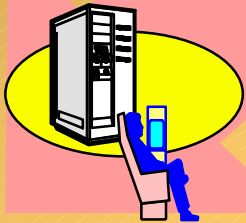


Frequent Fliers



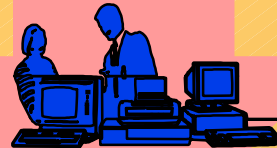
Reverse Consolidators

Risk Distribution • Commodity Re-packaging

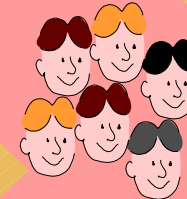


Online Live Packaging

Repackagers



Interactive Packagers



... targeted to specific buyer needs!

So, what makes a good “Navigator”?

Knowing the Customer better than the “other guy”...

BLM

Let's Talk About People, First ...

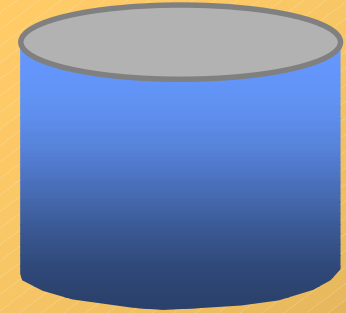
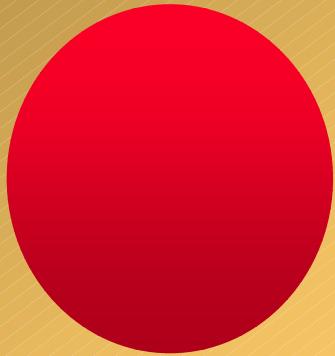
Question ... Which leaves you feeling most complete?

- A: When you know you've helped a fellow agent or client find something good within themselves?***
- B: When you know that you've helped your fellow agent or client by being of service to them in the correct way?***
- C: When you know that it is your knowledge or competence that resolved a question for your fellow agent or client?***
- D: When you have been free to follow your impulses and made an impression in resolving a need for a fellow agent or client?***

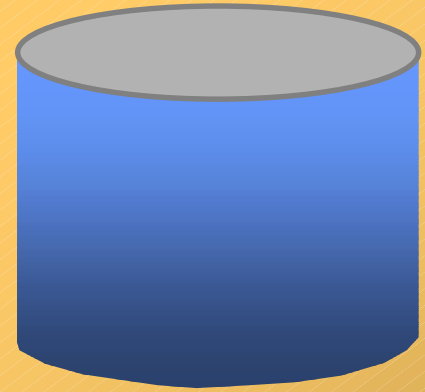
What do you see here?



*The shadows were the same ...
But what created them very different!*



BLM ~ what YOU see ...



BLM ~ What another view sees ...



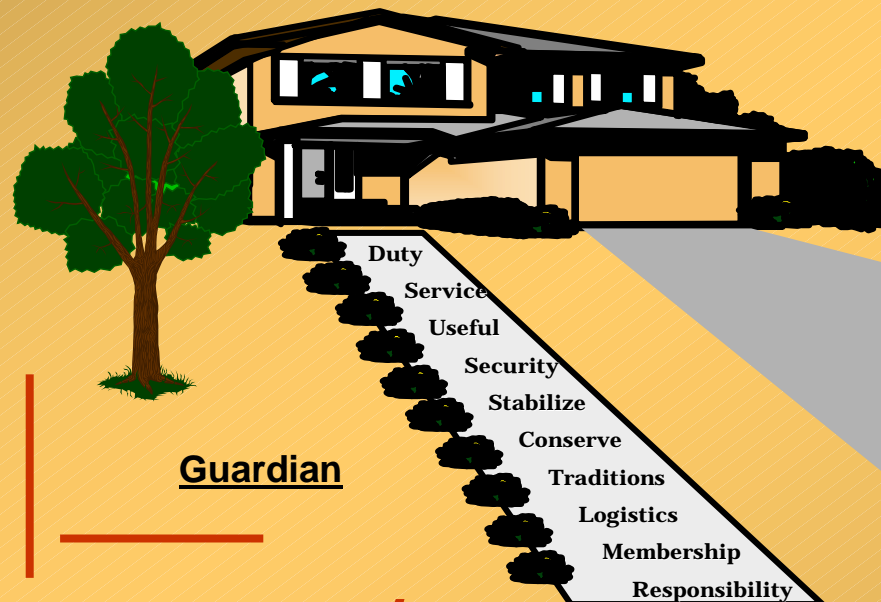
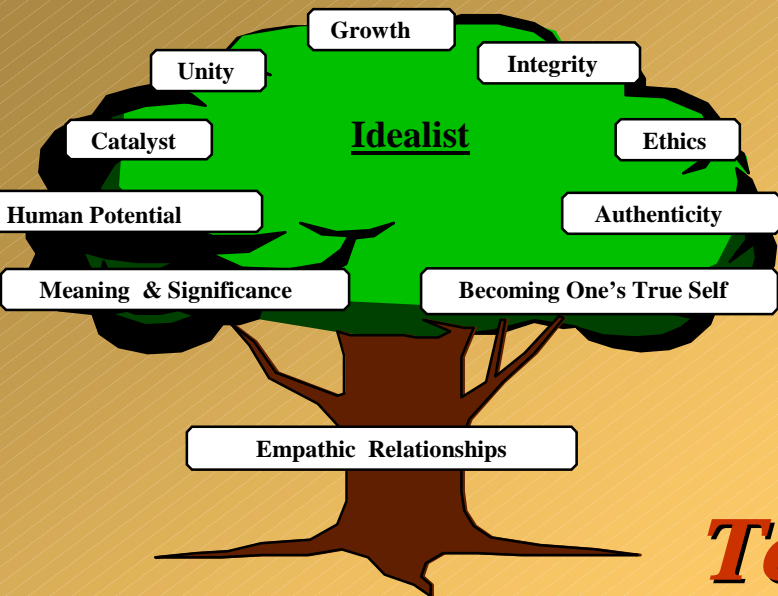
The Customer ...

Different perspective “sees” a different customer

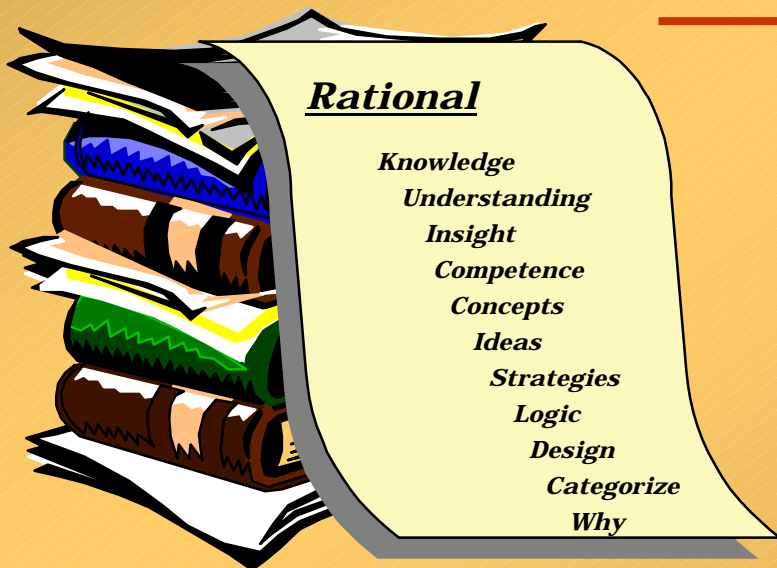


Without understanding ... BML prevails ...

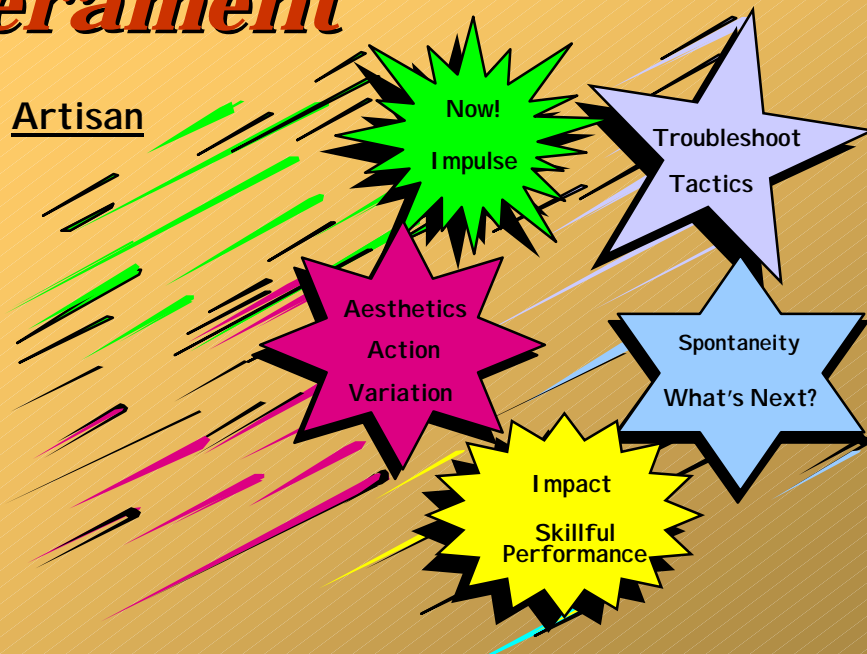
Who is the Customer...



Temperament

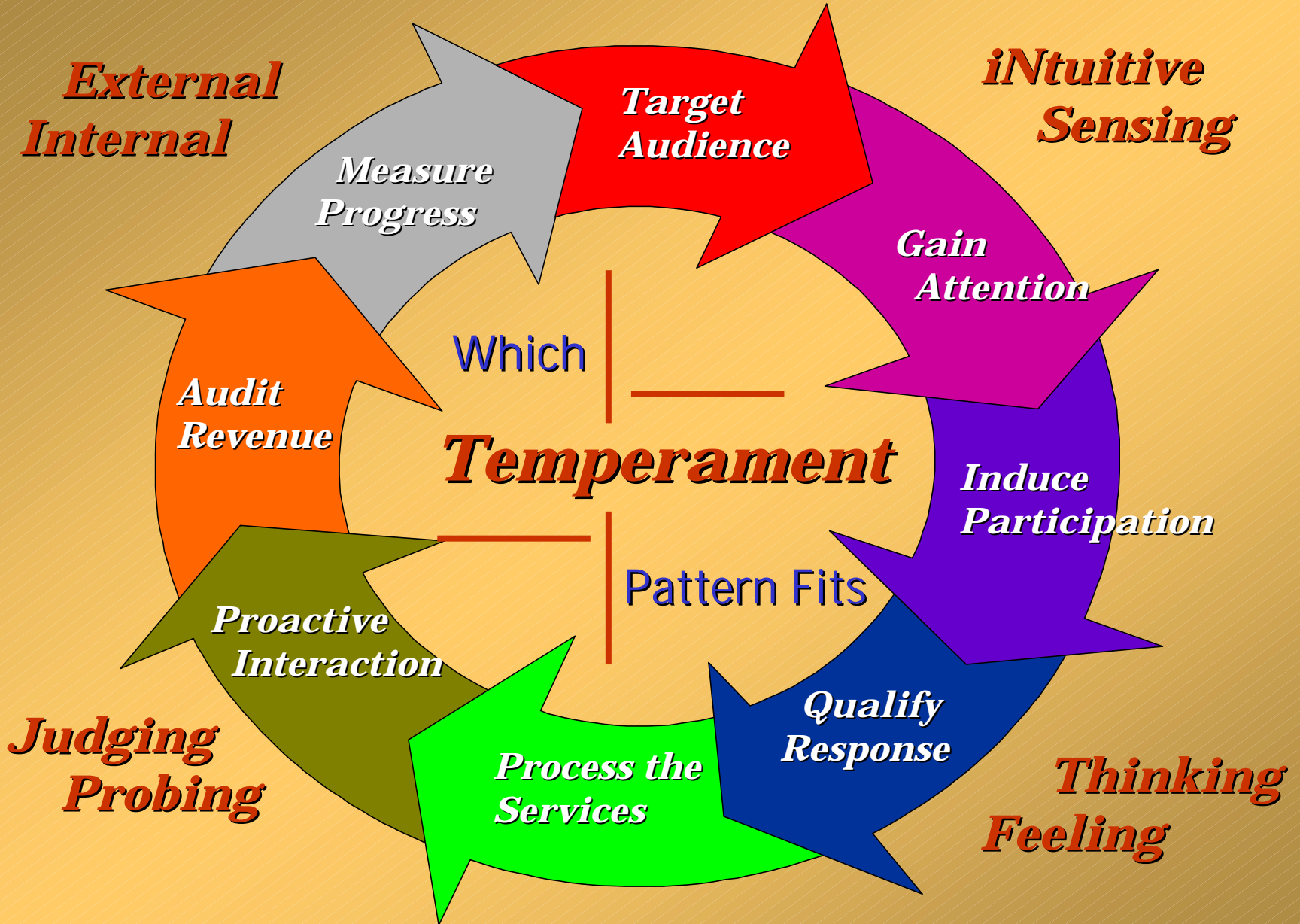


Artisan



Studies show people have preferences ...

Who is the Customer...



Knowing the customer better ...

Question ...

A: *When you know you've helped a fellow agent or client find something good within themselves?*
(Idealist)

B: *When you know that you've helped your fellow agent or client by being of service to them in the correct way?*
(Guardian)

C: *When you know that it is your knowledge or competence that resolved a question for your fellow agent or client?*
(Rational)

D: *When you have been free to follow your impulses and made an impression in resolving a need for a fellow agent or client?*
(Artesian)

The evolving Agent's world...

- 1: e-Commerce is about separating the economics of information from the economics of things ... separating physical from distribution.*
- 2: Inefficiencies of the hierarchal search process between “reach” and “richness” are the base of most competitive advantages today.*
- 3: As e-Commerce roles “richness” into “reach”, new “navigators” will derive advantage by affiliating with the interests of the buyer.*
- 4: The smaller your “reach”, the greater the the need for “richness” as it relates to the “needs” of the buyer ... expanded beyond the reach of technology!*

Self-Organizing System

Increasing Speed

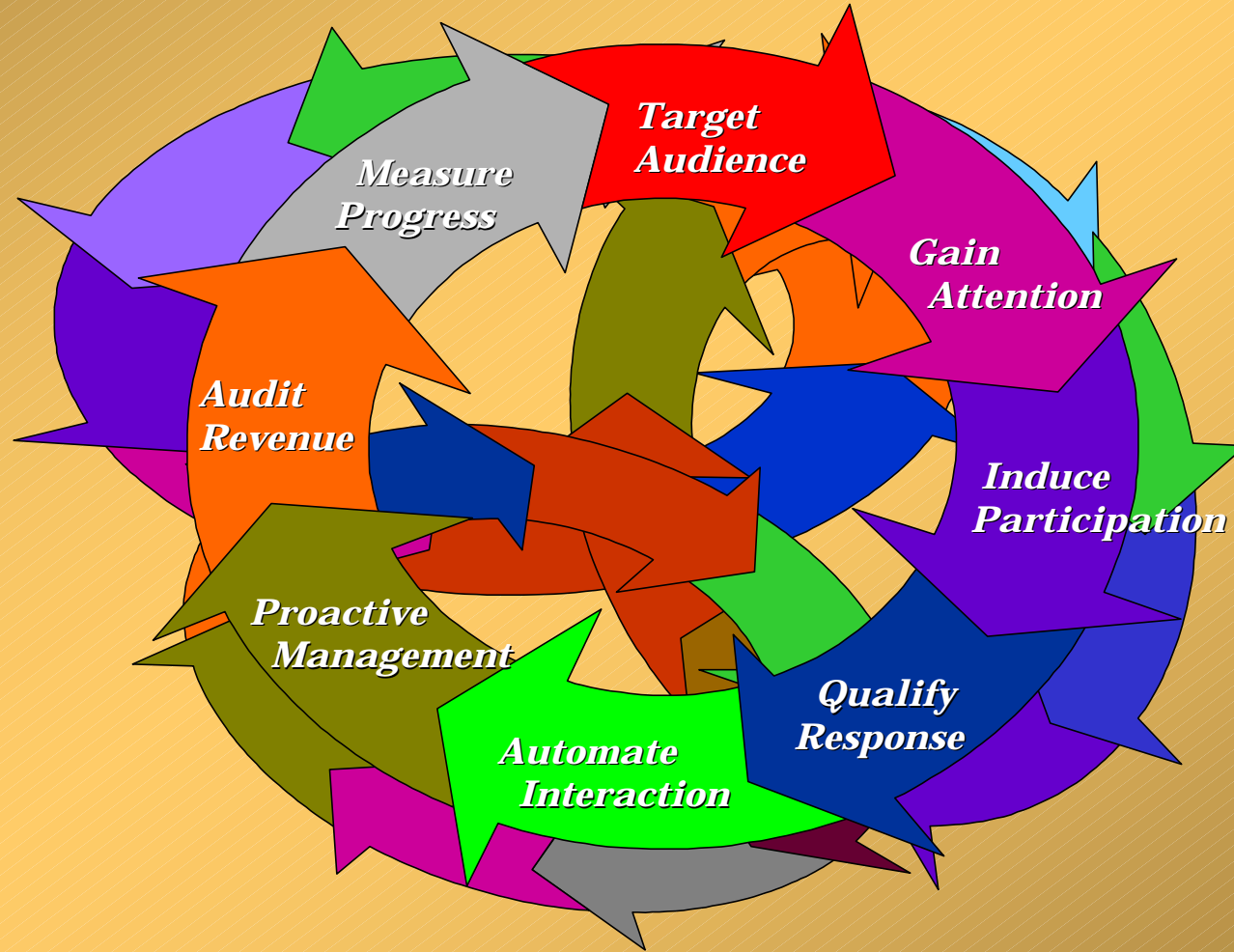
Niche Targeting

**Multiple
Automated
Feedback
Loops**

Which

Temperament

Pattern Fits



The Travel Agent of “tomorrow”...

... only automation can ensure the necessary speed

... but only humans can recognize behavioral needs

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Thank You!



800-700-4874

www.tri-network.com

Travel Software Solutions
Technology Consultants
2280 University Drive
Suite 104
Newport Beach, CA 92660-3328
USA

949/574-1505 : Fax/574-8369

www.eastmangroup.com