



People-in-Travel

Tracking Travel's Leaders

Kofi Annan

The secretary-general of the United Nations usually has more important things to worry about than the travel business.

But he did make some comments during a visit to the World Tourism Organization headquarters in Madrid. Since the WTO became a UN agency in 2005, his comments take on more importance; he is like a big boss.

We are somewhat disappointed with his comments, then, which appear to show that he does not regard the travel business as important. Or, if he does, that he is ignorant or naive about how it works.

Some comments – *with our comments in italics*:

- Tourism really has the potential of opening up economic space for people around the world. *We are not quite sure what Annan means, but we think it is meaningless – saying, in effect, that the travel business can become a business for people around the world. Ho-hum.*

- We should encourage tourist developers to go and set up tourist developments...and doing so help provide basic amenities such as electricity and clean water for the communities living in those areas. This would help 'uplift' the local people, encouraging them to produce for the tourists.

Like many others, Annan seems to have been fooled by the WTO's use of the word 'tourist' and assume all travellers are travelling for leisure purposes. If not, he might realise that (what, 98%?) of travellers go to places where they already have electricity and clean water.

- Tourists should not be offered 'Europe abroad' when they travel to Africa and other continents. We really need to get them to interact with the people and also to offer them authentic culture.

Yes, but most travellers from Europe would not book a hotel in Africa if

it had no airconditioning, for example. Plus, and we are surprised Annan does not seem to realise this, many people in Africa live and work in airconditioned homes and offices, drive 4x4 gas guzzlers on metalled highways, and eat Big Macs. So what, please, is 'authentic culture'?

We suspect Annan is thinking of village mud huts – which, probably, did not have electricity or clean water.

We are disappointed that such an important person is so out of touch with the modern and efficient travel business, and commonsense traveller requirements. And, of course, that the WTO seems to think Annan's words were commendable; we think them condemnable.

Michael Frenzel

Is he losing his grip as head of Germany's giant tour operator, TUI?

We look to France, where Eric Debry, the head of TUI's Nouvelles Frontieres, has jumped, or was pushed, after years of losses – before and after TUI took over.

This seems to confirm failure. TUI took over NF when it was a successful marketing operation, but badly managed – by founder Jacques Maillet, who was a brilliant concept man, but seems to have been a bad administrator.

Frenzel presumably thought German efficiency would simply replace the inefficiency. But the concept and moral got lost along the way, so there was not much of a business to run – efficiently or not.

And now NF – once a leader (like Club Med, another French company that has lost its pre-eminence), is now reduced to catching up with competitors rather than leading them. If Frenzel cannot see his mistakes in this operation, he may not be capable of adapting TUI to the new world realities in travel retailing. Or, rather, travel selling, because retailing and wholesaling and others are now intermixed.

Philippe Bourguignon

Bourguignon is ex-Accor, ex-Euro-Disney, ex-Club Med – heading those last two, but with an unremarkable record. Now with Revolution Resorts:

"We need to evaluate whether our businesses are going the right way or the wrong way. Today, you need global reach and critical mass to succeed, but that means people become less loyal to the brand. So you discount, and that reduces loyalty still further.

"We need to exercise good sense, personalise products, customise, treat clients as individuals, reinforce brands, focus on sustainability, integrity and ethics.

"Clients will be ready to pay more for eco-friendly hotels – and the cost has to be paid for by someone. To change today's properties to eco-friendly requires huge investment. That's why it's easier to start from new."

Richard Beere

In theory, Beere is about equal-2 with five others at Tourism Australia, the country's NTO. In practice, and certainly in the public face, he is number two.

So his move to become PATA chairman looks questionable. That honorific post is usually for people looking for publicity to help their career development, or for those on their way out of a senior position in a big company.

Beere says he is not on the way out, and that indeed the chairman's role and his own at the TA (director, global operations) overlap. In addition, PATA's travel mart reaches some markets that are in TA's smallest target markets – what it calls Tier 4.

He says the PATA job will help to "save ourselves a lot of money; I can get a lot of what we need" from PATA.

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