

Japan PI Travel chooses Amadeus Service Fee Manager to secure revenues

The permanent airline commission reduction is pushing travel agencies to seek other sources of revenues. Numerous travel management companies have started introducing service fees to replace or complement the traditional commissions. However, this introduction of service fees brings with it the specific challenge of how to efficiently process charges without impacting the agencies' core business of selling. After a successful pilot phase, Japan PI Travel, a Japanese travel agency based in Brussels, joined the increasing number of agencies choosing Amadeus Service Fee Manager to secure their revenues.

In brief

The challenge

- > Airline commission capping.
- > Greater competition from online agencies.

The solution

- > Service fee engine at the point of sale.
- > A smart key added in Amadeus Selling Platform (Vista) per fee category.

The results

- > Higher Productivity:
 - Fewer mistakes, transparent information flow to the back-office.
 - Faster service fee collection.
- > Better customer service:
 - Japan PI agents can display and fix the total price at the point of sale.
- > More revenues:
 - By charging service and activity based fees for each sale.



About Japan PI Travel

Japan PI Travel is a fast growing Japanese travel agency established in 1989 and based in Brussels, Belgium. It caters for a mixed business and leisure market and has won a reputation for its expertise in travel to Japan and business travel amongst the Japanese community in Belgium. The agency is divided into three departments: the incoming division taking care of Japanese groups arriving in Belgium; the outgoing leisure department dealing with the Japanese community travelling in Europe; and a last one in charge of ticketing and business travel.

Thanks to Amadeus Service Fee Manager, we can now work much quicker.

Pierre Flandre, Vice President
Japan PI Travel

The challenge

Since January 1st 2005 several airlines (Air France, KLM, Delta, British Airways, AA, UA, Continental, SAS, Varig, SN Brussels...) have, in Belgium, cut commissions traditionally paid to travel agencies. To face this critical change, Japan PI Travel, like all other agencies, recognised the need to adapt to the new business model. This means finding alternative ways to earn revenues. This need is exacerbated in the light of other challenges such as the competition from online agencies.

Since airlines are no longer compensating agencies, the end customer is also impacted, having to accept to pay for the services they have benefited from.

The solution

To respond to these challenges, Japan PI Travel decided to turn to Amadeus Service Fee Manager. This tool provides a completely integrated, central based solution for storing, calculating and collecting all distribution related service fees. It is the best tool to grow revenues in a changing business environment.

Amadeus Service Fee Manager is fully integrated with a tight and seamless dataflow. In addition, the secure and confidential data handling provides peace of mind for the user.

This solution is totally flexible: price schemes (including transnational) can be easily managed and updates and maintenance of service fee schemes are very quick thanks to the browser-based Amadeus Selling Platform (Vista) GUI.

Finally, Service Fee Manager is highly automated: the total price (service fee + fare) can be immediately communicated to the customer thanks to real-time calculation and point of sale display.

The implementation

Pierre Flandre, Vice President of Japan PI Travel, explains how the solution was set up:

“We took part in the pilot phase at the end of November 2004 and we were operational beginning of January. We really worked against the clock but had obviously prepared ourselves well. We apply different fees depending on the customer's importance and on the service requested. Before, our sales force was doing all this on paper... a painful task implying high risks of mistakes. So we were delighted to take part in the pilot phase and were very interested in the integration of Service Fee Manager in our agency.

Thanks to Stephanie Brouwers, Product Manager in Amadeus Benelux, we structured our various fee models that we then integrated into the system. To maintain full clarity whilst automating the entire process, we defined a smart key per fee category. We now have approximately eight categories, for which we only need to type the reference number in the system to obtain the relevant fee. In addition, the agent is guided through the entire process, so that mistakes are hardly possible”.

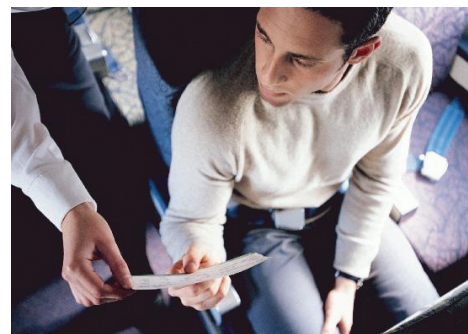
The results

With Amadeus Service Fee Manager installed and in daily use, Japan PI Travel has been able to assess the value of the front-end tool in action: improved efficiency. “Thanks to Amadeus Service Fee Manager, we can now work much quicker, with fewer mistake risks” commented Pierre Flandre. With the automatic calculation of service fees at the point of sale there is no longer the need to switch between front- and mid-office applications, which reduces the overall booking time. Also, the integration with mid- and back-office systems is totally seamless. “The information flow to the back-office is also transparent. As soon as the data is captured in the Amadeus GDS, you just need to integrate the PNR in the back-office to extract and deal with all the information” he added.

Also different rules can be automatically attached to different customers; with Service Fee Manager choosing the right fee rules to apply is very easy.

Amadeus Service Fee Manager also generates business benefits that go straight to the bottom line. It allows agencies to determine and increase revenues per sale through service fees charged, that can be communicated to the end customer at any point in time.

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Pierre Flandre, Vice President
Japan PI Travel

About Service Fee Manager

Amadeus Service Fee Manager is being implemented across the industry, with users reporting increased efficiencies, significant cost savings and the ability to manage complex transactions.