

# Travel agents versus online booking: pros and cons

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## **Jane E. Fraser finds the death of the travel agent has been greatly exaggerated.**

When it comes to booking travel, the internet is king. Right? Online bookings are soaring, booking engines are reporting huge profits and traditional travel agents are suffering.

It is a common refrain but one that does not tell the whole story.

There is no doubt internet bookings have grown exponentially over recent years, as evidenced by the massive growth of companies such as Webjet and Wotif. Wotif.com Holdings, which includes wotif.com and travel.com.au, reported a 21 per cent increase in profit to \$20.6million for the first half of the financial year. The company attributes much of its success to a surge in domestic bookings, at a time when official figures show a slump in domestic travel.

In the same period, Webjet had a 29 per cent increase in profit, off the back of a 15 per cent increase in bookings.

Yet there are more than 3000 licensed travel agencies operating in Australia and while many of them are doing some online sales, traditional sales remain the mainstay for most.

The internet is great for many things, including point-to-point flights and basic accommodation bookings, but there are still plenty of products that are difficult or impossible to book online.

And there are still plenty of travellers who prefer to have the advice and back-up of a travel agent - or simply don't have the confidence to make an internet booking.

A recent study by British operator responsibletravel.com found that while 98 per cent of those tested could make a flight booking online, only a third could complete a rail booking online.

The study highlighted another issue with internet bookings: the time the traveller spends on the process. Those who did manage to complete a train booking spent an average of 12 minutes making the booking - considerably longer than a typical phone booking.

Further highlighting the internet's limitations are large operators holding back from selling their products online. These include cruise companies, coach tour operators and travel wholesalers. In most cases they have invested big dollars in developing and maintaining detailed websites, yet they direct people to travel agents for bookings.

One of the main reasons for this is to maintain their relationship with travel agents, who play a key role in recommending products and tours. Suppliers who compete with agents by offering online sales can find themselves in a thorny relationship. Many operators also believe their products are too complicated to be booked online, or that travellers need someone to talk them through visas, insurance and other requirements.

Creative Holidays, which claims to be Australia's leading independent travel wholesaler, only offers online bookings for Australian hotels, day tours and car hire - a fraction of its total business. For all other bookings, it refers customers to its network of preferred travel agents. Creative's stablemate, Trafalgar Tours, has also shied away from internet bookings, with its website advising travellers to consult their local travel agent.

"Recent research by Roy Morgan found while many people research travel online, the majority still prefer to book with a travel agent," says Trafalgar managing director Paul McGrath.

"The report also found that most people prefer to make their holiday bookings in person rather than online or via the telephone."

McGrath says the internet is a valuable research tool but an overseas holiday usually requires sourcing components from several different companies and a travel agent is the best person to do this.

Glen Moroney, the managing director of Scenic Tours, says he has no plans to open up his company's sophisticated online booking system to the public.

"Our business is now predominantly international and there are a number of things to coordinate that ideally should be done by a professional," he says.

"There are specific booking conditions, visas in some areas, inoculations.

"This is before you even talk about the variations on offer for even a single tour or cruise . . . departure point, stopover options, earlybird offers, cabin categories, upgrades, the list goes on.

"The main risk is that a client books and pays for something they don't want as they get confused by all the different options available."

One area in which internet bookings have taken a leap forward is round-the-world fares, with the oneworld airline alliance launching online bookings last year. Passengers can now put together their own round-the-world itinerary, using any of the oneworld carriers (these include Qantas, British Airways, American Airlines and Cathay Pacific), and book it through the oneworld website.

The site uses simple point-and-click technology but there are many rules and restrictions associated with round-the-world fares and putting an itinerary together is no easy task. Many will prefer to let a travel agent do the hard work, especially while a large percentage of agents will still do it for nothing.

The internet may be in the category of royalty when it comes to travel bookings but it is a long way off total rule.

## **BEFORE YOU CLICK**

\* The biggest trap when booking online is websites that use multiple currencies, or quote in US dollars - a potentially rude shock when converted to Australian dollars.

\* Another is hotels and tour operators with similar names, a problem that has caused many travellers to end up in the wrong place. Car rental companies and other operators have also had problems with people making a booking for the wrong city, such as Sydney in Canada instead of Sydney, Australia.

\* Many internet deals are also non-refundable, so travellers who accidentally click on the wrong dates or otherwise mess up their booking can find themselves out of pocket.

This story was found at: <http://www.theage.com.au/travel/traveller-tips/travel-agents-versus-online-booking-pros-and-cons-20090402-9ksi.html>