

The

Evolving TSP TravelServicesProvider ...

During these melatonin-deficient, recession-ridden winter days, says STAN columnist Matt Bates, the reality of a couple of tough business years ahead may indeed bring on a bout of depression – in client and travel consultant alike. But, if you’ve invested in an ‘evolving’ business model in good times, and you stay close to your customer through these tough times, you could both emerge stronger.

THE RECESSION-BOUND CUSTOMER If there’s a single common characteristic likely to be evident in all but the most wealthy leisure travel consumers, during 2009, it’s fear – something most customer-facing travel consultants will never have experienced before. And having supplanted credit-fuelled over-confidence in the consumer psyche, it’s effect can surely only be amplified, as life-harrassed, recession-bound customers squeeze every last penny of value from their much-needed holiday budgets. Where in recent years they’ve sought the aspirational, for now they’ll simply need the re-assuring. For most, it won’t need to be the holiday of a lifetime; more likely, it’ll be respite.

A RECESSION-PROOF PRODUCT RANGE From the private cabins in First Class on SQ’s A380s, to my £10 return fare on FR between Prestwick and Oslo, this coming weekend; from Independence of the Seas to Silver Spirit; from Thomson’s refreshed package holiday to your dynamically-crafted one, the leisure travel storehouse has never been more full of good stuff nor more diverse. There was a time when matching the right package to the right client ‘off-the-shelf’ was the required skill. Now it’s as much about having ‘made-to-measure’ expertise, whilst still having the confidence to deliver ‘off-the-shelf’ when that’s right for the recession-bound customer.

SELLING THROUGH, RATHER THAN UP With most buying decisions – lifestyle v. white goods – becoming more considered than at any time in the past 15 years, ongoing communication with clients - even when they’re between purchases – is surely key? Empathy with the customer will surely pay dividends – if not right now, when we’re all going through similar pain – then when we emerge from the recession? Now is a time, I’d suggest, not to ‘up-sell’ at every opportunity; not to try to over-stretch leisure travel consumers. Rather, it’s a time to ‘sell-through’ - to take the time to understand and accept the constraints on them - and help them limit their spending accordingly.

I suggested, before Christmas, that if ever retailers, in all areas of business in the UK, needed to add real value – not just pay the concept lip-service – it would be during 2009 and beyond. I’m more than ever convinced of that – leading to a refreshed commercial marketplace founded on real quality and value, paid for with real, acquired disposable income (not acquired debt). I don’t doubt that Evolving TSPs

have the right offering and delivery mechanism for these times; it's a matter of selling them through.

I don't know anyone who hasn't been, to a greater or lesser degree, spooked by this recession, as it's played out so far. But the media has a lot to answer for in ratcheting up our unease – it drives the news, rather than reporting it, nowadays. We've never starved a winter yet. Neither will we, this winter. We'll adapt, adjust and continue to evolve, along with our customers, and we'll all emerge stronger!