

Media release

A new Business perspective at the Adventure Travel World Summit in Lucerne

Lucerne (dad) – October 12, 2012 – One of the biggest Travel conferences worldwide ended yesterday, bringing up a new business perspective especially for tour operators and activity providers. Philippe Willi from TrekSoft was interviewed about how tour operators should face future challenges, higher complexity and international competition.

After having held a speech explaining to 200 auditors how to handle contribution margins, customer value and how to improve cash flows, the CFO of several tourism companies and the driving force behind TrekSoft, Philippe Willi, gave a short summary about his perspective on the subject.

Philippe, you spoke about improving revenues by focusing on value, pricing and commission. What are the key messages from your speech?

My speech was actually about creating profitable tour operating companies. First, I stated the importance of the “contribution margin”. I am convinced that one should value contribution margins and especially the contribution margin 1 of every single trip. This is calculated by taking the earnings, subtracting commission to selling points and credit cards, which leads to total earnings. Subtracting the trip expenses, third party expenses and further commissions leads to the contribution margin 1. Second, we analyzed that the contribution margins usually jumps from deep negative values to moderate positive ones. The magic about getting tour operators to be profitable is about selecting trips with a positive contribution margin.

What does a tour operator mainly need to do to evaluate and select those trips?

Well first he has to know what his contribution margin is. Therefore, he needs to have an overview about his sales, and needs to structure that. As trips sales are converting online more and more, a tour operator should consider a tool that helps to get an overview of total earnings in real time. This means a tour operator needs a single database that allows him to easily see what is sold concerning multiple sales channels such as agents, over the counter sales and online bookings. There are not too many viable solutions to accomplish that. After having this overview, he should calculate the costs on every single trip and see whether the one trip is profitable or not. If not, he should change prices or costs. Further, a broad marketing is needed to have the choice to reject unprofitable trips.

You have established TrekSoft as a booking and payment solution. How does TrekSoft contribute to this need?

TrekSoft is one of these solutions. We developed TrekSoft directly out of the need to make companies profitable. TrekSoft is a booking and payment solution, but actually offers the software for managing tour operator’s sales entirely. As TrekSoft integrates all kinds of bookings and has several interfaces for resellers and online purchases, it is the one solution for getting an overview of total earnings. From there it’s easy to subtract costs and to get an overview of the total costs. Further, TrekSoft offers the possibility to strengthen a tour operator’s marketing in a way that he can choose what kind of tour he is going to offer and be able to strengthen its profitability.

Okay, but why TrekSoft and not any other booking solution such as Rezgo, Bookeo or Checkfront?

I believe that online sales are not just about price and publicity; it’s about making the customer feel comfortable by providing an easy booking process. TrekSoft is a consistent solution for tour operators that specifies on this process. A part of the entire overview of all revenues, it integrates a set of features that help to optimize; TrekSoft allows you to strengthen sales by integrating other tour operators while partnering up with them. Tours can be a lot more appealing if one could gather core competences for the customer. Why not organize a Trip to Prague with a pub crawl and a museum visit? Therefore, three companies can partner up, which is strongly supported by TrekSoft. Further, an operator can market through whatever agents such as Hotels or ambassadors or any other possible agent. To track results TrekSoft uses gift-codes.



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About Philippe Willi and TrekSoft

Philippe Willi is CFO and a board member of several tour operators and activity providers. He has built those companies on profound business knowledge. To have the ability to handle and improve sales for his companies he initiated TrekSoft as a Software solution that builds the basis for calculating contribution margins and cash flows in real time. Further, TrekSoft enables the tour operator industry to open new sales channels. TrekSoft has offices in Interlaken, Switzerland and in New York City, United States. The start-up company today handles over 200,000 bookings a year for its international customers.