

TTG Toolkit

TECHNOLOGY

Incubators give you wings

As Virtuoso launches its 2016 incubator programme, *Matthew Parsons* explores how nurturing homegrown talent can help consortia gain the cutting edge in technology

Keeping up with the latest technology trends and the digital tools is one of the greatest challenges faced by agents today. Then there's the small matter of competing with online giants such as Expedia, Booking.com and Kayak, who each year invest millions in technology.

Yet one travel agency group has come up with an innovative solution: why not simply nurture your own travel technology start-ups?

The Virtuoso Incubator scheme is now in its second year, and saw more than 100 companies apply for 1 of 12 places this year (see box).

While there is no investment in the



Virtuoso's David Kolner

companies, Virtuoso - a US-based international network of luxury travel agencies - offers the start-ups a special relationship.

"We are not making an investment, but we are lending them our brand," says David Kolner, Virtuoso's senior vice-president, global member partnerships. "It's not just about investing, but about putting the start-ups in touch with real people. It's an asset."

Participating companies benefit from the guidance of the group's advisor-based Technology Committee - a panel of between 5 and 10 agents - which tests the products and provides feedback. It also allows the start-ups to continue iterating their products to better meet the needs of agencies, advisors and clients.

"The point is to look at technology from around the world," Kolner continues. "The start-ups agree to work with us, give us the product for free and we test it in six countries. They also attend our events. There are no clauses. We're a 200-employee organisation, across 37 countries; the start-ups need to have more than just us, even if that means working with competitors.



"It's an altruistic approach, but with some start-ups we may ask they work with us exclusively. There's also a stealth option for applicants. Then it can go one of two ways: either we break up, or they become a preferred partner."

Last year's Virtuoso Incubator saw 75 submissions, with 10 places available, and Kolner says the aim is to "adopt firms we liked in the space" - and investment is encouraged.

"We're about innovation, we want these companies to succeed," he adds. Three companies graduated from last year's incubator to become preferred partners: Umapped, TripScope and Axus.

The spark of the idea came a couple of years ago, according to Kolner, during a Phocuswright conference.

"We heard there was \$3 billion invested in travel technology over 2014. It seems it was always the consumer side of business, but it is crazy - and outrageous - that no one invested in the B2B category. People are spending time solving problems that don't exist; people actually like planning their trips."

Catching on

While there seems to be a willingness to experiment in the US, could this type of nurturing catch on in the UK?

In a broader sense, the UK does have its own Traveltech Lab - established in 2014, and to date housing more than a dozen start-ups - but should UK consortia consider replicating the Virtuoso model, to

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The class of 2016

- **Addo:** A content marketing and communication management system
- **AlannaTech:** A database management system
- **CheckMate:** Multi-platform two-way conversation tool
- **Engage:** Chat and video communication tool
- **FITExplorer:** A bilingual English-Spanish productivity and itinerary tool
- **The Quest:** An itinerary management tool
- **Tandem Cruise Booking Engine:** A B2B cruise booking platform
- **Travefy:** A collaboration platform for group travel
- **Tripbam:** Global hotel rate assurance solution
- **TripChamp:** A booking tool that allows advisors to see fares from their GDS as well as fares from other sources
- **TripWing:** An itinerary builder
- **Yonderbound:** Travel knowledge monetisation platform



Chat and video communication tool Engage has been integrated into Virtuoso's website

help members remain the most competitive in the market?

Colin O'Neill, business development director at the Advantage Travel Partnership, says: "Given the emphasis placed upon emerging technology at our recent 2016 Advantage Conference, echoed in the overall conference theme of Blink, this is something that we would consider partnering with in the future."

"Interestingly, last year we spoke to the Traveltech Lab, and two of its new technology

partners spoke at the 2015 Advantage Conference in Bodrum."

Meanwhile, Steve Reynolds from Tripbam - a Virtuoso incubator



Travefy is being trialed by Virtuoso agents

start-up that was profiled by TTG last year - believes UK consortia should follow suit with their own incubator schemes.

"It is part of a consortium's role to introduce innovation to their members," he argues. "We've worked with the WIN Travel Network over the years and they've been a great partner."

Although Tripbam is still "99% focused" on the business travel sector, Reynolds says that within Virtuoso there are a number of independent contractors using his service to support their leisure customers.

Virtuoso's Kolner adds: "No single tech advancement can meet the needs of 11,400 advisors, and this programme allows Virtuoso to present our members with options so that they can choose the best solutions for their unique businesses.

"We call ourselves a network, and we want to help members have a selection, if there is just one tool, then that's shortsighted."

"We don't have a proprietary operating system. Yes, we have built our own software in the past 30 years, but no company can keep up with the innovation we're seeing today."

"I'm proud of the 2016 class, there's an enormous amount of variety."

APPLY NOW

The Virtuoso Incubator is now accepting applications for its 2017 programme, or as additions to the 2016 programme if the need arises. Email incubator@virtuoso.com to register your interest.