

People-in-Travel

Tracking Travel's Leaders



From Travel Business Analyst

Awards bandwagon

We don't do annual awards. Partly because few companies accord them much value (despite paradoxically, at the same time as lauding themselves for the awards they have won).

And partly because criteria for our selection (we have had only one award before this year) has no scientific basis. It is based solely on the whim of our (award-winning, of course) editor.



Bisignani

In 2007, our award - for Travel Man of the Year - went to the then head of IATA (International Air Transport Association), Giovanni Bisignani.

The award was for his leadership in attacking hypocrisy in the airline business, and then for proposing specific environmental targets, even if that meant his member airlines needed to make substantial changes to the way they worked.

We did not like Bisignani as Alitalia's CEO, but at IATA he not only changed it into an open and outward-looking organisation, but that influenced some member airlines, and some of the few airlines that are not members, to change.

Grandly then, we think Bisignani changed the world airline business. Although he does not get anything like the credit for that anywhere else.

Phew.

After that heavy commentary, our new award is much simpler - Happiest CEO Of The Year. Perhaps we were influenced by Bhutan's proposal for a Gross National Happiness index to replace GDP (gross domestic product). But we were also inspired by the winner - Paul Kerr, head



Kerr

of UK-based Small Luxury Hotels of the World - to actually create such an award.

HCOTY is not an award related to business results (although it seems SLHW is doing well) but personality. In public presentations, Kerr is confident and amusing (although the humour is dry English), a person having fun in doing business. This happiness seems to spread to others around him.

In such an industry as travel, where serious respect for directors, vice-presidents, etc seems so important, this is refreshing.

Unlike IATA's Bisignani influence on airlines, we have no illusions that Kerr will change the hotel business. But we do believe he changes the areas he touches.

Even Leading Hotels' CEO, Ted Teng, seems to be introducing more levity in his demeanour. And even Teng's company - with its film-related promotional activity planned for 2013 - is following a lighter line.

Will 2013 be the year of TBH - Travel Business Happiness? (*Ed: No.*)

Goeke gets ITB

Raimund Hosch, 64, CEO of Messe Berlin, is due to retire next June, handing over to Christian Goeke, 47.

In the travel business, MB is better known as the owner/operator of ITB travel trade events in Berlin in March and Singapore in October.

This should be a 'seamless' handover as Goeke has been COO at MB since April 2000. Before this he was with Messe Frankfurt (as was Hosch) and Roland Berger - a Germany-based consultancy company sometimes considered in the world top-5 with companies

such as McKinsey and Bain.

His qualifications are in law, which may explain why he gave no clues on what might change following his takeover.

Key decisions needed - in MB's travel business - include starting an ITB Americas, based in the US and building from that. Then there is Asia, where Hosch made two mistakes. First in starting ITA (in Hong Kong, 10 years before the Singapore event started). And then, despite his comment to PinT that the corporate structure for ITA was wrong, he established a similar structure in India. That too failed.

ITB Asia in Singapore is now an established success - although some may believe it is too small in comparison with ITB Berlin.

The question for the future, probably under Goeke's (minimum 10-year?) tutelage, will be China. There will be great pressure - from many directions - to establish an ITB China, or to move ITB Asia to China.

We believe moving ITBA to China (which was one of the destinations considered before Singapore was chosen) would be bad for ITBA - but would obviously be good for an ITB China. Goeke needs to whether to establish sub-continental-ITBs, such as ITB China. If yes, then why not ITB UK to overtake the World Travel Market, or ITB France?

Senior soundbites

May be paraphrased.

• **Sebastian Escarrer**, head of Melia Hotels:

-The hotel business needs to adapt to the environment.

-The industry is too focussed on itself.

• **Mari Pangestu**, tourism minister, Indonesia.

-Indonesia is working on adding tourism Special Economic Zones. SEZs mean we can offer more fiscal incentives to foreign investment as well as more facilitation to investors. The first was in Tanjung Lesung (3-hours' drive from Jakarta, in Banten).

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For more information, contact Raymonde Perpignani at Travel Business Analyst, TBAoffice@gmail.com

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