

# INSIGHTS

The newsletter of HEDNA

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Winter 2009

Dear HEDNA Member:

As 2009 begins, we have a challenging year ahead of us to make a difference in the electronic distribution industry, which is in the midst of an economic downturn. That's quite a challenge, but HEDNA and its members are certainly ready to meet that challenge, and I look forward to leading the way.

One way to make a difference is by continuing to improve our educational offerings. If our members are better informed about developments and trends within the industry, they'll make better decisions and be able to profit from that knowledge. To that end, HEDNA is working on providing cost-effective webinars on key industry topics. Webinars are an effective tool and we look forward to announcing our webinar platform in the very near future. If you have a topic that you'd like to see covered in a webinar, please contact any of our Board members with your suggestion. We value the input of our members and would encourage you to reach out.

Reaching out to our members around the globe is also a focus for the Association this year, and every year. We are happy to report that membership is growing in both the Europe and the Asia-Pacific regions. HEDNA plans to nurture growth in these areas with our conferences, educational offerings and committee work, which will tap into the regional challenges within these destinations.

HEDNA's Committees are working hard to serve the membership by demystifying distribution and showing how to adopt best standards and the benefits associated with doing so. The UGI Committee is a great example of the hard work being done in developing this important, industry-changing initiative. All of HEDNA's Committees -- Payment Technologies, Group, Tour, Green, Emerging Trends and UGI - are delivering real value to the members by addressing current trends and working to develop standards that will positively impact our industry.

The Association is also working to highlight the ideas and thoughts of its members. Starting this month, the HEDNA website (<http://www.hedna.org>) will feature guest columns by members on hot topics in electronic distribution. We are confident that you will find these columns thought provoking and useful. Interested in writing a guest column? Please contact Hope Mathis at [hmathis@hedna.org](mailto:hmathis@hedna.org).

Finally, mark your calendars for the Spring and Winter conferences which are jam packed with relevant content. We'll be holding our Spring Conference in Budapest, Hungary on April 28-30. The theme is "Mobilizing your Technology Strategies," focusing on getting the most out of Web 2.0, especially during these challenging times. Don't miss this opportunity to hone your tech strategies and learn what's happening in the European electronic distribution community.

Our Winter Conference will be held in Las Vegas, Nevada on December 7-9. "Don't Gamble with your Distribution Strategy" is this year's theme. We're lining up a stellar and informative roster of speakers and panelists. More to come on this soon, so keep an eye on our website.

I'm looking forward to serving HEDNA's membership as your President over the next two years and to meeting each of you at our events. I truly welcome your suggestions and feedback to ensure HEDNA is meeting your needs as an industry-leading Association.

At your service,

Melanie

### HEDNA's 2008 Meetings Helped Members Prepare for Tough Times Ahead

The beginning of a New Year is a time of looking forward to the opportunities ahead in the next 12 months. Opportunities and challenges will abound for HEDNA members during 2009. How can members meet those challenges that lie ahead?

One way is a quick review of the insights many members gained at HEDNA's Lisbon and New Orleans conferences. We've selected some of the wisdom from those two meetings that may help you plan for this year.

#### Lisbon

- The next eight months will be some of the most challenging for the hotel business since 2001 due predominantly to economic concerns and the rapidity of technological evolution. Your team needs to be prepared to market, sell and serve the customer in an increasingly tight economic situation.
- Uncertain times call for different strategies. One of the top strategies for hotel e-business is engaging the customer.
- Creating a compelling experience is key to satisfying customers. Content and value will replace price as a

deciding factor for customers.

- Utilization of mobile technology is the platform that will drive innovation for the hotel industry.

### **New Orleans**

- Challenging times allow companies to reinvent themselves. New Orleans survived its hardest time - the aftermath of Hurricane Katrina -- and the hospitality industry is now right-sized.
- After Katrina, electronic distribution was a cost effective way to publicize that the city's tourism industry was back in business.
- In 2008, companies are managing revenues in smarter ways and aren't slashing prices, which is a lesson learned from the downturn experienced after 9/11. More and more meeting planners are looking to book and research online.
- Visibility is key for the travel industry. Use videos and consumer user reviews to pique a traveler's interest in visiting a destination. Goodrich emphasized that it pays to be unique and creative with your advertising to capture the attention of the online audience.

## **Surviving and Thriving in 2009**

Let's face it. Times were tough at the end of 2008 and remain so in 2009. But you don't have to face the economy alone. HEDNA will be doing its utmost to help you survive and thrive in 2009.

Attendees at the Winter Meeting in New Orleans heard some sobering statistics from Henry Harteveldt, vice president and principal analyst at Forrester Research. He pointed out that during the last few months of 2008, retirees saw their nest eggs decline in value. That's not good news for the travel industry. Since retirees make up 25% of all travelers, it's no wonder that one in four leisure trips in the fourth quarter of 2008 were canceled.

The drop in the stock market also caused corporate travel to decrease in Q4 2008. Look for corporate travel to remain in decline during Q1 2009.

Another staggering statistic heard from Harteveldt was that 25% of online consumers have cancelled a leisure/personal trip or cut travel spending since Sept. 1, 2008. Travel cut backs are greatest among African-Americans, 25-44 year olds, and people with household incomes of either \$45,000-59,000 or \$100,000-plus.

Despite the less than encouraging trends, there are bright opportunities even during these difficult times. Since Americans view travel as a right, they are getting more creative about using points and other bonuses to enable them to continue to travel. Online travel purchases will continue to rise, Harteveldt said. There were 66-million online travel purchases made during 2008. In 2009, it's expected online buying will reach 68-million purchases. A whopping \$26-billion

of leisure travel is purchased online and \$8-billion of corporate travel is bought online. This leads to opportunity.

What does this mean for you as a HEDNA member? The Association will continue to provide value to its members with education and industry-based initiatives that will move electronic distribution forward. HEDNA is responsive to members feedback and will continue to listen and learn from its members. Working together, we can tackle these tough times.

### Membership Dues Support HEDNA's Mission

The start of a new year indicates the start of the annual dues cycle for HEDNA membership.

Your membership dues provide needed financial support for HEDNA, allowing the Association to serve the membership by providing an opportunity for an open exchange of information among members and educating industry members about electronic distribution.

Please show your continued support of HEDNA by remitting your membership dues promptly.

Questions: Please contact Chanale Taylor at [ctaylor@hedna.org](mailto:ctaylor@hedna.org).

### UGI Project Proceeds to the Next Step

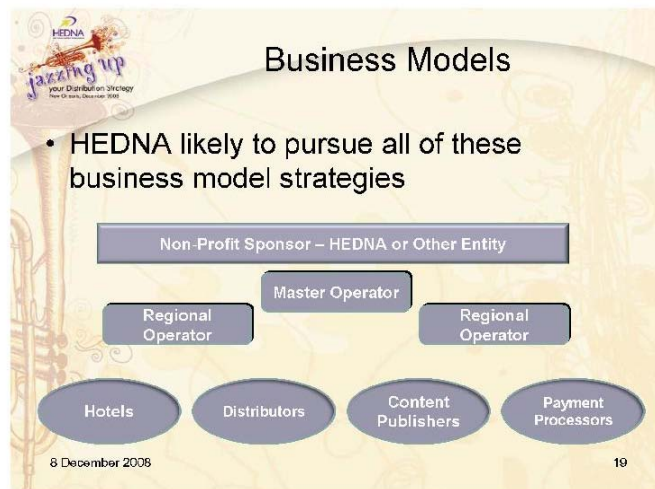
Thanks to the support of the HEDNA membership, the Unique Global Identifiers (UGI) project is moving ahead.

The UGI initiative seeks to solve the sometimes confusing systems of identifying entities involved in travel transactions. The UGI initiative would provide a unique global identifier for every hotel and organization in the sell/stay transaction process.

A HEDNA-funded study conducted by The Prism Partnership, LLC found that there's a real need for UGIs in the hospitality industry. Currently, there are many duplicative efforts for identifying entities involved in the sell/stay transaction process. Implementation of a UGI system would have a great cost savings across the industry, the study said.

The study investigated how such identification systems work in other industries. Among the organizations researched were the American Bankers Association (bank routing numbers) R.R. Bowker LLC (International Standard Book Numbers or ISBNs), and the International Air Transport Association.

The  
study  
found  
that



- HEDNA likely to pursue all of these business model strategies

successful organizations involved in identifier programs were hybrid organizations that have not-for-profit and for-profit components (*click on the image to access the presentation*). The not-for-profit sponsor controls the intellectual property while the for-profit commercial partner is employed by the sponsor to run the program. For example, the American Bankers Association engages Standard and Poor's to run the CUSIP Service Bureau. The study recommended that HEDNA consider a hybrid model for implementing UGIs.

The study also found that the UGI program must be user friendly, fast to use, always available, and extremely reliable. In addition, the UGI process needs to be highly automated, self-service, and contain extensive interfacing capabilities. Neutrality of the program is essential.

The study recommended that the UGI initiative explore a business model that includes fee-based registration and utilization, low cost of acquisition, and variable costs for higher level services. The UGI program should focus initially on the hotel segment and then roll out to other segments of the industry, according to the Prism study.

The UGI Committee is beginning that exploration and will have an update for the membership at the Budapest meeting in April.

## HEDNA Announces its 2009 Board of Directors

HEDNA, the Hotel Electronic Distribution Network Association, announced the election of the new Association President and three newly elected members to the Association's Board of Directors. The announcement was made at HEDNA's December Conference in New Orleans, Louisiana.

Melanie Ryan of Orbitz Worldwide was elected President of HEDNA.

The new HEDNA Board members are:

- Keith Cotton of Hotel Booking Solutions - Board Member at Large

- Philippe Garnier of Hilton International - Board Member at Large
- Louise Meyer of VFM Leonardo - Board Member at Large

Continuing on the HEDNA Board are: (Re-elected for a new term\*\*\*)

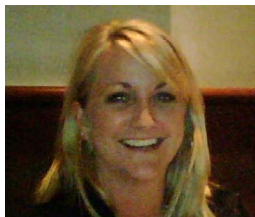
- Linda Kent - Vice President
- Keith Harrison of Travelport GDS - Treasurer
- Edward Perry of WORLDHOTELS- Secretary
- \*\*\*Sarah Fowler of Pegasus Solutions - Board Member at Large
- Nancy Little of Intercontinental Hotels Group - Board Member at Large
- \*\*\*Puneet Mahindroo of Taj Hotels, Resorts and Palaces - Board Member at Large
- Duane Overgaard of Sabre Travel Network - Board Member at Large
- \*\*\*Pam Streeter -- Board Member at Large
- \*\*\*Alison Velez of Wyndham Hotel Group - Board Member at Large

"I am privileged and honored to have been elected by the Board of Directors to serve as HEDNA's president for the next two years," said Orbitz Worldwide's Ryan. "I look forward to our association's continued success, and to working with the Board and HEDNA's membership to continue the advancement of electronic distribution within the hospitality industry."

Tiffany Topcik will move into the immediate Past President's role, serving on the Board for one year to help ensure a seamless transition. Ryan, in collaboration with the Board, expressed gratitude toward Topcik for generously serving as HEDNA's President for the past three years.

The Board would also like to recognize Brian Hill of Hyatt Hotels and Resorts for his dedicated service as a Board Member at Large for the past two years.

Here are the biographies of HEDNA's President and newest Board members:



Melanie Ryan is the Senior Director of Global Strategic Accounts at Orbitz Worldwide, headquartered in Chicago, Illinois, where she leads a large portfolio of accounts on behalf of Orbitz brands including Orbitz.com, Cheaptickets.com, ebookers.com, HotelClub.com, Asiahotels.com, Ratestogo.com, and Away.com. Melanie provides strategic leadership and oversees supplier partnerships across North America, Europe, Asia Pacific and the Middle East. Melanie joined Orbitz Worldwide in 2004 and has 12 years of extensive industry experience. She has held various positions in ecommerce, revenue management, sales and marketing and operations. Prior to joining Orbitz Worldwide, Melanie was on the lodging side of the industry developing ecommerce strategies for Sunburst Hospitality. Melanie has served on the HEDNA Board of Directors since 2006.



Keith Cotton is Vice President, Supplier Solutions for Hotel Booking Solutions, Inc. (HBSi). A founding Board member of HEDNA, he has more than 25 years in the industry. Keith has spent the majority of his career in electronic distribution roles with Holiday Inn and Pegasus. Prior to joining HBSi, Keith held position with ReservHotel and AltiusPAR.



Philippe Garnier is Senior Director, Distribution Sales with Hilton Hotels' International Division. Philippe oversees Hilton's business with GDS, third party online distributors, and works to standardize sales contracts. A five-year veteran with Hilton, Philippe has also working as a management consultant with KPMG and

PricewaterhouseCoopers.



Louise Meyer is Vice President, Hotels for VFM Leonardo, Inc. Louise has over 20 years of experience and leadership in the hospitality and travel industry and has key roles within the hotel, travel and distribution industries, including responsibility for the hotel business line at Galileo International and varied roles at Sabre. Louise also has held positions at American Airlines, Borden Foods, and Federated Department Stores.

### Education is Key to Continuing Market Growth in ASPAC Region

The ASPAC region is one of the most tech savvy areas of the world when it comes to travel. A whopping 99% of ASPAC travelers are online. Social computing has a large role to play in the travel industry, especially in e-commerce travel transactions. In order to support the growth in the ASPAC region, educating the ASPAC travel industry about electronic distribution is essential.

At HEDNA's 2008 ASPAC meeting, the Association launched an Education and Training Subcommittee for the region. The Subcommittee is working to identify the training needs in the region, and is considering creating course offerings to help solve some of the e-commerce training gaps that are holding the region back.

If you would like to get involved in this subcommittee, please contact us at [info@hedna.org](mailto:info@hedna.org).

HEDNA Honors Henry Harteveldt with its 2008 Award of Excellence

HEDNA has announced that Henry Harteveldt of Forrester Research, Inc. has received its 2008 Award of Excellence. HEDNA presented the award to Harteveldt at its Conference in New Orleans, Louisiana on December 9, 2008.



The award honors an individual whose career has made remarkable contributions toward the advancement of hotel electronic distribution and involvement with HEDNA. The recipient of the Award of Excellence is honored by the general membership of HEDNA at its December meeting.

"Harteveldt's forward thinking and contributions to the advancement of electronic distribution within our industry have made a tremendous impact on the continued growth of HEDNA," said Tiffany Topcik, past president of HEDNA. "It is due to Henry's expansive career in our industry and his valuable contribution to HEDNA that he is the 2008 HEDNA Award of Excellence recipient."

Henry has worked tirelessly with HEDNA to further hotel electronic distribution. He has volunteered endless hours providing support, consulting and strategic insight to the HEDNA Board of Directors and membership base. Harteveldt has leveraged his expansive network of industry experts to increase the depth of HEDNA's conference content and status as a leading association within the industry.

Harteveldt is a graduate of the Tulane University School of Business.

## Save the Dates!

*Announcing HEDNA's 2009 Conferences...*

### **Mobilizing Your Distribution Strategy**

28-30 April 2009  
 Budapest, Hungary  
 Novotel Budapest Congress

Join us in beautiful Budapest to discover how to mobilize your distribution strategy in today's market. HEDNA's Spring Meeting will explore how mobile technologies are changing the face of distribution.



The Budapest meeting will feature keynotes from mobile technology experts as well as informative panels on greening initiatives, emerging markets, corporate booking tools, tour packaging, social networking and social media, and user-generated content. Due to the success of New Orleans, we will continue the Working Group platform and will have sessions with each of the GDSs and relevant online players.

## Don't Gamble with Your Distribution Strategy

7-9 December 2009  
Las Vegas, Nevada  
Wynn Las Vegas



Join HEDNA in fabulous Las Vegas to explore strategies for electronic distribution that will have you coming up a winner.

In addition to the exclusive Working Group sessions and HEDNA Committee meetings, presentations will include an economic update on the industry, and the latest trends impacting electronic distribution.

Announcing HEDNA's 2009 Sponsorship Opportunities!  
HEDNA's Spring and Winter meetings offer many opportunities to promote your company and its services to conference attendees.

Whether it be as a conference partner, a sponsor of a reception, networking break, luncheon, or a display at the Tech Showcase, HEDNA sponsors support the Association and the work it does on behalf of the electronic distribution community while gaining tremendous exposure for their brand.

For a brochure on sponsorship opportunities for Budapest and Las Vegas, please contact Chanale Taylor at [ctaylor@hedna.org](mailto:ctaylor@hedna.org).

We look forward to seeing you in Budapest and in Las Vegas!

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