

## Mark Travel is partner in hybrid plan to sell travel on cable TV and website

By Dennis Schaal

A new partnership is unveiling what industry experts believe is the first hybrid scheme to market travel products using cable providers' video-on-demand systems in conjunction with a website and call center.

Voyage.tv, an independent cable channel that produces short videos about destinations, spas and other points of interest, is partnering with wholesaler Mark Travel, which will work with suppliers to develop products based on the videos and will provide call center services.

Mark Travel's sister company Trisept Solutions will provide technology for trans-

actions, which will be handled at first via the website and call center but will eventually also enable consumers to purchase travel products using their cable remotes.

The newly launched Voyage.tv and its cable-operator partners sell multimedia programming and advertising to destinations, hotels and other suppliers. Voyage.tv produces videos that tout luxury-lifestyle and high-end vacation experiences and are made available to viewers via video-on-demand, or VOD, services, as well as on the Web at [www.voyage.tv](http://www.voyage.tv).

Like travel websites such as TravelMuse, UpTake and NileGuide, Voyage.tv focuses on the "inspiration" phase of the travel planning  
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**'We're always seeking better and broader distribution.'**

**— Brian Robb, Mark Travel**

### MARK TRAVEL

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process by offering videos about, for example, an Aruban spa, a Jamaican resort or a Turks and Caicos eatery.

What differentiates the VOD and streaming videos on the website, the partners said, is the richly experiential part of the sell.

"The world has enough booking engines," said Michael McNabb, CEO of Voyages North America, the parent company of Voyage.tv. "We are trying to add value to the travel ecosystem."

Voyage.tv makes almost all its money by selling advertising/programming deals on cable, but the company projects that its website will be on an equal revenue footing in about three years.

"We make our money at the top of the funnel," McNabb said, referring to the primacy of advertising vs. transactions in the revenue mix.

La Macchia Enterprises, the parent company of Mark Travel, got involved in the project in late 2007. La Macchia is also a mi-

nority investor in Voyages North America, which is backed by the venture capital firm Syncom.

Trisept Solutions is providing website development and support, as well as a private-label booking engine. It is also developing a transaction technology for digital set-top boxes, so that consumers will be able to book a trip directly from Voyage.tv's cable programming.

Forrester Research travel analyst Diane Clarkson said she believed that this was the first hybrid model that combined VOD and the Web to sell travel. She added that Mark Travel's participation was a good fit, "given its broad range of inventory."

"It's an interesting experiment," she said. "But it faces some real challenges because they appear to be targeting affluent urban travelers interested in social networking, which is a small niche because higher-income people are cutting back."

Clarkson also warned that getting people to book travel using VOD might be a challenge, because consumers are not yet com-

fortable with it as a transaction technology.

"Video is great in the early phase of travel planning, to inspire appetites for destinations," she said. "But it remains to be seen if people who see the video will end up booking it" on their set-top box.

Mark Travel and Trisept Solutions handle some \$2 billion in sales and about 3.5 million wholesale transactions annually for their brands.

McNabb said the business relationship with Mark Travel is complex, but generally Voyage.tv earns a commission from Mark Travel on transactions when Mark Travel uses its supplier relationships to contract inventory. Mark Travel receives a "unit fee" when Voyage.tv contracts with a supplier.

However, under the Voyage.tv business model, Mark and Trisept make their money primarily through their Web development, call center and booking engine services rather than through ads, McNabb said.

VOD is quickly becoming a staple of digital cable systems. Typically, it consists of an on-screen menu of videos that can be ordered for a fee, as well as an assortment of videos that can be viewed for free.

Brian Robb, senior vice president of corporate development for Mark Travel, noted that the Voyage.tv business model turns the online travel agencies' revenue model on its head: While OTAs focus on transactions and drive advertising revenue in the process,

Voyage.tv focuses on ads and picks up transaction revenue along the way.

Mark Travel and Trisept Solutions, which operate Funjet Vacations and VAX VacationAccess, respectively, for travel agent distribution, are the private-label force behind some two dozen vacation

brands for consumer distribution, including MGM Mirage Vacations, Continental Airlines Vacations U.K. and Sandals Luxury Included Vacations.

"We're always seeking better and broader distribution," Robb said.

Voyage.tv currently is available in about 20 million homes. The VOD programming is being made available through a cable distributor, Mag Rack Entertainment, on the Comcast, Cablevision, Insight Communications, Mediacom Communications, Verizon FiOS and AT&T U-verse systems.

Voyage.tv does not pay for its presence on the cable systems, McNabb said, but it

shares a percentage of ad revenue with cable operators based on whether the Voyage .tv sales team or the cable operator's team sold the programming/advertising.

In essence, McNabb said, the supplier contracts to be featured in the video, benefits from spot commercials on the cable system that drive consumers to the VOD or channel, gets advertising placements on the Voyage.tv website and benefits from the bookings.

Currently, Voyage.com's cable programming has no interactive features. Viewers are prompted to call a toll-free number or visit the website to book.

Beginning in the New York area in the fall and nationally in 2010, cable viewers will be able to use a cable remote to request a Voyage.tv sales contact or brochure or to request a phone call from an agent, using click-to-call functionality. Viewers will also be able to book vacations using an electronic wallet, which facilitates transactions, McNabb said.

In addition to making money through Voyage.tv-produced videos about the destination or supplier, Web ads and bookings, Voyage.tv plans to introduce a subscription service in the fall for things like special events, premium programming and concierge services, McNabb said.

Mark Travel's Robb noted that to date, the advertisers on Voyage.tv do not include direct competitors of Mark Travel such as GoGo Worldwide Vacations or Travelocity, but he conceded that nothing bars other vacation packages from advertising.

Said McNabb: "It's not a walled garden."

