

## Clarity and World Travel pull together new TMC 'community'.

Press Release: [Business Travel News Europe](#)

Travel management companies Clarity and World Travel announced in October the creation of a new joint venture that the companies said would be capable of servicing clients with global needs on a single technology platform. The joint venture, One Global, plans to identify its partners in the coming weeks – “between now and Christmas,” according to Pat McDonagh, chair of One Global and CEO of UK-based Clarity. He and World Travel EVP of business development Mike Farrell spoke to BTN executive editor Michael B. Baker about why they developed the joint venture and how they expect to compete with existing TMC networks and mega agencies.

**BTN Europe:** What was the impetus in creating this joint venture?

**Pat McDonagh:** We started talking about this probably three to six months into the pandemic. Several things drove the conversation. The pandemic was a good time to reflect on what we were doing with our businesses, where we saw some of the blockers to growth and what we could do to improve our outlook. Also, external factors meant that the network we were involved in – we were in Radius – wasn’t going to be suitable in terms of trying to meet our global ambitions moving forward. World Travel and Clarity [have] worked together for many years. Clarity purchased Portman back in 2016. Portman had been a founder member of Radius and worked with World for many years in that environment. We were naturally in a similar kind of position and wanted to talk about how we’d work together to carve out a brighter global future. Initially, I picked the phone up to [World Travel president and CEO] Liz Mandarino and Mike, and we chatted through what our frustrations were, where we thought the challenges were and spent a lot of time discussing how we were going to do things differently, given really a blank sheet of paper.

**Mike Farrell:** We looked at a ton of different options. We didn’t set up knowing where we were going to end up. We looked at options of other networks. It was impossible to stay in Radius based on the acquisitions that were taking place, even during the pandemic. It made it more clear that we needed to find a new path. The first thing we did was call out our commonalities, which we knew because we had been working together for so long. In the process, we found out we were more alike



than we even knew, and that validated the reason to go down this path together and our opportunity moving forward. We also came to conclusions as we looked at our options – we both said joining another network is not an option for us. We really had to start something fresh on our own, and that’s where we came up with the concept of One Global, which is best defined as a community, not a network, not an affiliate and not a partner programme. It is a community of agencies that we’re bringing in that has the same DNA as Clarity and World Travel and has a lot of exclusivity.

**BTN Europe:** What sort of exclusivity?

**McDonagh:** The networks are incredibly crowded, and consequently you get this network environment where there isn’t that trust or transparency in the relationships, because I could be working on an opportunity and needing help from the rest of the world, but there are maybe four other agencies in the UK who also want to work that opportunity. Sharing information and working together becomes very difficult in that environment. Typically, these networks exist or commercially rely upon the idea that they have lots of members. Those members generate partner fees and supplier income, which is great, but you lose sight of why the network was there in the first place. These networks were founded on really good principles of trying to share and win business together. As they grew up over the years, they became cash cows, really. We would rather cover more of the world in fewer pieces because we create that simplicity of structure in this, that makes it easier to manage, creates an atmosphere of trust and transparency and means to a client that it’s simple. For a local market requirement, maybe a customer has been having a difficult time with the smaller markets they’re implementing in. We put you in touch with somebody in the local market who knows all about it and give you the time with that team. They know how it should be delivered in that marketplace. We’re consistent where it counts. We do all the things you’d expect us to do, like consolidating pre- and post-trip data, providing single points of entry on a global basis if that’s how a client wants to work across their business, and doing all the good things around global account management and management of supplier programmes you’d expect from a global proposition. It’s really getting down into the nitty-gritty and delivering something that is right in all markets rather than just an off-the-shelf, global one-size-fits-all solution, which more and more buyers are getting frustrated with.

**BTN Europe:** What’s the criteria to join?



**McDonagh:** First and foremost, you have to be able to deliver on the standards of customer service and customer-centricity that we have. If you're not bought into that set of values then you're not going to succeed as a partner of One Global. You have to be able to deliver on it technically as well. There's a really rigorous due diligence process. We're not recruiting income from these members. We're recruiting because they're going to deliver a better solution and great service to that shared customer. If you look at World and Clarity, World is the largest independent TMC in the US. They have market standing scale and reputation. Clarity is one of the largest TMCs in the UK, and we have standing and status in our market. We're partnering with agencies with similar standing and status in their home markets. They may be looking to expand into their surrounding region, but we want to be able to facilitate that growth, encourage that growth and go together. We want ambition in the membership base. Fundamentally, we work with people we like to work with. These are not new relationships. These are relationships developed over many, many years with people we trust and place business with.

**Farrell:** There's financial due diligence as well, to make sure they're viable. The relationship part of it has been key to this. Obviously, the professionals and folks at Clarity have built those relationships with community partners over the years, and World has done the same. We hired a general manager for One Global Travel, [former Radius global sales director] Jodie Gentles, and one of the reasons we hired her is because of the relationships she has with agencies on a first-name, invite-them-over-to-a-family-dinner basis - real and positive relationships with all these agency owners, sales team and account managers.

**McDonagh:** She's practical and she's in the details, which is what's really going to matter to a client and to a partner. She has that huge array of experience, but she's able to roll her sleeves up and get involved. One Global is there to facilitate what we're doing. It's not there to be its own thing and grow its own brand and become a monster we have to keep feeding. It's here to help us do what we need to do as agencies, but you're never going to have a situation currently - and it may change in the future - where One Global is the contracted party. The contracted party will be the TMC. The customer has a single throat to choke, because that's the lead TMC, and One Global enables us to place business with partners all over the world and ensure consistency and standards. It's there to grease the wheels and to make things easier for us rather than become its own beast.

**BTN Europe:** So, will One Global as a brand not be as visible to the client side?



**McDonagh:** One Global is about partner attraction, so there will be certain territories where we're still looking for partners, so they'll hear about it and perhaps want to get involved. For that reason, the brand is important. Also, there's the supplier side. We've had hugely positive feedback from the supplier community, saying this is great and we want to be able to introduce our brand to new markets. This is a new opportunity to do that, and we're very keen on ensuring we deliver supplier value in this as well, be that facetime with the agencies, a more constructive relationship with the client base – anything really that offers value, and obviously we're looking for value in return.

**BTN Europe:** Is either TMC the lead on the technology side?

**Farrell:** We really took the best of both worlds from Clarity and World Travel and melded them together for the technology stack, but we're open to partners as well who say, "I have this, and it might really fit well into One Global Travel". Or, we'll look at that technology and see how we can incorporate it to benefit everybody.

**BTN Europe:** How easy was that process?

**McDonagh:** That was one of the key things we wanted to do. Removing the barriers to integration are massive for us. It ought to be easy for a partner to integrate. Regardless of which GDS you're using, you can queue your pre-trip data into the solution. There's a data standard that we ask our partners to meet, and of course each client is going to require their own data capture and policy and approval processes. They should be able to do that, but we are also able to receive data in a consistent format, translate that, aggregate it and present it using those technologies. We didn't want our partners to have an enormous cost of entry in becoming a partner, but we did want to make sure in terms of presenting data and sharing data that we're meeting a certain set of standards. The investment is more doing the work to make sure you're integrated rather than a huge outlay on the technology, because that doesn't suit either the partner or the client through an implementation.

**BTN Europe:** Are SMEs your primary client focus?

**McDonagh:** The obvious area is global expansions. We all have clients right now who maybe are expanding globally or perhaps have a tail of spend they want to get control of. Then, we would describe the rest of it as multinational SMEs. These will



still be significant spenders, but they might not quite resonate with the global, mega TMCs. Maybe they're not large enough, maybe it's too complex, maybe they've been there before and didn't have a good experience and are looking for more of a local focus. That's the sweet spot for us, anything from \$5 million globally to \$50 million, and it could be more.

**Farrell:** Many customers go into the process believing they want similar throughout the globe. However, when faced with that least common denominator service, they say they've really sacrificed in a smaller region or country. That's the conversation we're having with customers.

**McDonagh:** Don't compromise locally because you don't have to. Let's find a way to deliver it the way your people want it delivered in that location, and we'll make sure we bring everything together in the end of it all, and you can trust us to place that business. You don't have to manage this in multiple pieces. We can make all it happen behind the scenes.

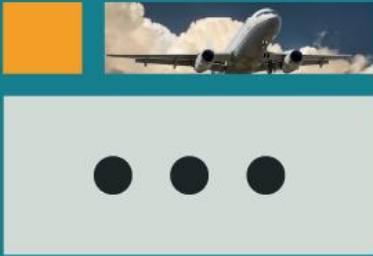
**BTN Europe:** What technology works best across partners?

**Farrell:** A profile system, duty of care/risk, but when an online booking tool doesn't work in a certain country as well as the homegrown or local tool, they have that flexibility.

**McDonagh:** The world is a different place. There's a lot of traveller-centricity now. You can't just impose things upon people, because they're used to choices around a variety of things in their day-to-day lives. If you fail to manage it locally, you end up with maverick spend, things happening organically in certain territories. Maybe they don't fit with the wider corporate objective. You either choose to ignore that or try to approach it in a different way. That's not imposing one solution across the world. That does not exist, no matter what anybody says. It's a fantasy as we stand today.

**BTN Europe:** Do your initial partners cover all the geography you wish to cover, or are you still looking for more?

**McDonagh:** There's a list of must-haves, and we're ticking those off very nicely. The larger markets are absolutely critical. Some of those members will be covering regions, so we're dealing with this in a smaller number of pieces, which is going to make us more effective. It's not the United Nations we're trying to put together here. It's a small, cohesive group that delivers very effectively. Everywhere you would expect us to have covered, we will have covered.



**BTN Europe:** Are any customers live in the JV yet?

**McDonagh:** This isn't our first rodeo. Within the Radius network there was a lot of bilateral business that never touched the Radius machine, as it were, and we've shared business bilaterally and multilaterally for many years. This exists today in terms of the delivery for the customer. From an existing customer standpoint, the message is that it's only going to get better. We're going to be bringing new and exciting technology solutions to their offering to enhance what they've already got, and on top of it, all the investment we're making on the venture in the middle is about enabling that global management for a client, about putting experts in the centre who can coordinate and pull this together. If you have a client that's expanding and wants to look at a new market because they just acquired here, perfect, because One Global can facilitate that, open the conversations, get the right people in front of them and manage the implementation.