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INTERVIEW: TMC Exec Tammy R. Krings

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When founding the Troilo & Associates consulting practice in 1995, Tammy Troilo had no intention of getting into the travel agency business. By 2003, the unintended Travel Solutions Inc. travel management company had grown larger than the original consulting firm, and absorbed it. Troilo spoke last week with The Beat's Jay Campbell about why she is in the business and other topics.

Campbell: Do you generally develop technology internally or source it outside?

Troilo: My preference has always been to source it, but the technology side and have been accused of being process-oriented because we do a lot around process mapping, but when a customer comes to us, we don't sell them a pre-determined solution.

Campbell: What are your biggest challenges in running Travel Solutions?

Troilo: Trying to secure the appropriate talent is a challenge because a lot of folks continue not to explore this industry for their career.

Campbell: Do you see your growth being more national or global?

Troilo: Certainly more national. We continue to grow organically. We had been about to embark on an acquisition phase, but put that on the back burner because in the [size range] of agencies we were looking to acquire, they typically had two or three very large accounts making up to 80-85 percent of their book of business. We decided it would be better to just garner the same size of account, rather than get involved with an acquisition where you're talking about integration efforts and business issues that could take us away from our focus, which is our customers. So, we abandoned that and now are focusing totally on salespeople. Up to now, our growth has all been word of mouth. But, in January of this year, we hired our first salesperson.

Campbell: Describe the origins of the company.

Troilo: The only reason Travel Solutions was born was because Troilo & Associates had come up with a couple of creative solutions for our first few consulting customers. ARC's Corporate Travel Department designation didn't exist then, but there were a lot of TMC acquisitions happening and [some] clients came to me and asked whether there was something they could do to better control their destiny. They said it seemed like no matter what agency they chose, they ended up with Carlson or Amex, and they didn't like the future view of having to go through those changes all the time. So, we came up with what we believed to be kind of the prelude to the CTD and we called it the "sponsored model." At that time, too, the commission caps had come into play, so there was a huge reason for corporations to listen to alternative models. We came up with some alternatives on things they could in-source or outsource and what the value of those products should be, so they could evaluate what they should be paying to an agency. Ashland Chemical, here in Dublin, Ohio, loved it and so we shopped it to a number of agencies. We got a very mixed response. Some thought it was brilliant but they couldn't support it, and others felt we were anti-agency and turning against the agency community. So, we went back to Ashland, saying we couldn't get anyone to support it. A couple days later, their CEO called. I had no idea this project had visibility to that level. I said, "I'd love to help, but we have to regroup because we can't get an agency to support it." He asked why we don't do it, and I said, "Good God, no. We're not going to open up a travel agency." But after a couple other phone calls from him, I agreed to help support it in a small way, so I opened an ARC number, we got some global distribution systems in here and we did some of the conventional agency requirements and ... I had opened an agency. I wish I could say it was more strategic, but it really was to launch these new theories and turn them into reality, so we could support our consulting assignments.

Campbell: It's interesting that some travel management companies have gone almost the reverse way, starting with a TMC and evolving on the consulting side.

Troilo: We were a consulting organization that grew into a travel agency, so when I talk of customization, that consulting culture is embedded in every fiber of this company. There are travel agencies out there that have implemented a consulting layer in their organization, but that's a very very different kind of company.