

By Elliott Locke  
| [elliott.locke@kantox.com](mailto:elliott.locke@kantox.com)

# Interacting with customers is the key to crafting the perfect trip: Turbulence interview with Amplitudes Co-Founder José Martinez.

Published December 7, 2017

*About **Amplitudes Business Travel**: Founded in 1991 to help fuse far-flung business travel with luxury holidays, Amplitudes aims to provide companies and individuals in France with customised trips. Whether it be as an incentive for excellent work, a corporate travel event, or making an individual's holiday dreams come true, Amplitudes continues to innovate and create best-in-class travel products.*

*About **José Martinez**: A lawyer by training, José Martinez, took what was supposed to be a gap year to work as a tour guide and hasn't looked back since. Co-founding Amplitudes in 1991, he has overseen the company's growth from their inception. He holds degrees from the Université Toulouse 1 Capitole and the Institut d'Etudes politiques de Toulouse.*



**Turbulence: Tell us a bit about yourself. How did you wind up in the travel industry and what lead you to found Amplitudes?**

**José Martinez:** I initially studied political science and international law. After finishing school, I decided to look for a job as a tour guide before entering the traditional workplace. In the end, though, a 'job' that was supposed only to last one or two years became a fantastic eight-year experience during which I accompanied groups through a French tour operator which organised then well-known adventure.

Overseeing trekking groups in the likes of the Sahara, the Himalayas and Greenland gave me an insight into people, their tastes, different countries, DMCs and much of the tourism industry. It wasn't until I turned 30 that I decided that the time was right to go back home to France and settle down where I started working as a commercial director.

However, a couple of years later, an acquaintance from one of my trips – we'd forged a pretty close relationship after I rescued his wife in the Himalayas when she fell ill at high altitude – proposed that we start a travel company together. That's what took me back into the industry and led to the founding of Amplitudes.

**I gather that you didn't have any experience besides the work you'd done on the ground as a guide?**

Exactly. In fact, at that point, I knew very little about how to manage a travel agency, because my experience was in creating routes and exploring new regions. This might be a bit embarrassing, but I didn't even know that agencies also sold flights.

What's more, I barely had any money to invest in the business. I was only able to chip in 25,000 francs or about 4,000 euros, which I managed to raise by asking everyone in my family. It was thanks to the collateral provided by my partner that we were able to secure all the credit we needed and get the agency up and running.

**What sort of agency did you initially establish? Was it a distributor of tour operator packages or did you already have exclusive products back then?**

To begin with, we bought a tiny, one-person company that sold tour operator trips, train and plane tickets, and that type of stuff. However, I soon got bored

because I wasn't interested in selling conventional tourism products. At that time, I felt we could only add value through selling new and different types of tourism, but we couldn't become a tour operator ourselves overnight, in part due to budgetary reasons.

It was a gradual progression, and it all started when a businessman asked us to organise a month-long trip to India with his wife that would include visits to suppliers across the country. They needed business-class tickets for a variety of flights, transfers in luxury vehicles, rooms at high-end hotels and so on. The day after he asked me whether I could arrange the trip, I sent him a proposed itinerary and the prices. He immediately got back to me, saying that he couldn't believe I'd designed that package for him because he'd been in touch with five agencies and not one of them gave him a positive response.

That was our turning point. I went to see the guy, and at the end of the meeting, he handed me a cheque worth €80,000 in today's terms to book the trip right away despite us not even having signed a contract! I left in a state of shock and almost in tears. It was then when I first glimpsed what my company was going to become and thought to myself, 'I'm going to make a lot of money with this thing.'

**A lot has changed since then seeing as you're now active in over 80 countries. How has the company adapted to all the changes along the way?**

Starting in 1992, we slowly but surely began to build out the production side of the business. I contacted all the DMCs that I knew, and we reached out to tourist offices to establish a network of providers in the countries where we had customer demand. We didn't start proposing new destinations of our making until four or five years ago.

We operated without a catalogue for many years. Customers would come in, and we'd devise a travel plan from the first day to the last. Starting from a blank canvas, meaning we'd offer them a wholly exclusive trip. We worked that way for years. It was pretty challenging, and it took a lot of time to coordinate with hotels, for example, because they didn't have fax machines and were slow adopters of email, but the margins were high because we were one of the very few companies providing such a service.

In early 2000, Airbus contacted us and expressed interest in our business model. They wanted to partner with us so that Airbus employees could book trips and enjoy benefits through their works council, but on the condition that

we brought in a catalogue. It was only when we started working with them that we went from being a 'homespun' operation to having a more organised model, with a department responsible for producing trips and the catalogue and a more clearly defined production system. From then on, we began growing 20-30% year over year.

In 2008, the financial crisis hit, and we set about investing in creating a bespoke software suite to organise our work further. This development was another landmark moment because although it cost €1.5 million; this software has become a cornerstone for the running of the business. It brings together all aspects of our work – from prices to itineraries, online publications, currency exchange, destination details and figures relating to each member of our sales team. It is another of the keys to our ability to keep forging ahead and turning healthy profits.

### **What proportion of the business is catalogue-based and what percentage entails tailor-made trips?**

These days, voyages that we sell “as-is” in the catalogue account for no more than 10% of our sales. Our business continues to revolve around putting together bespoke trips, because that’s what people want. Generally speaking, customers increasingly want personalised products, and the travel industry is no exception, so we need to interact with a customer extensively to craft the perfect trip.

More than 20% of our sales now come directly from our website, where our software allows customers to choose from a selection of accommodation, itineraries and rates to tailor the trip to their liking.

### **Can you tell us a bit more about this software? Does it connect you with hotels and airlines, for example?**

We connect through our GDS, which allows us to view prices for the project we’re working on. Moreover, it also has hotel databases from various countries, for instance, which are updated every 48 hours. But the best part is that this software is managed exclusively for us by an external company, which enables us to stay up-to-date with the latest innovations.

### **How does it impact the organisation’s structure?**

The company is made up of several subsidiaries, but I view it as one big group. We've got three main activities split between tourism and business travel, and account for a total turnover of €54 million.

The business travel side is worth around €30 million, and the rest comes from tourism, which in turn, gets divided into individual and group travel. Since we're highly focused on quality, we have a team that is pretty much entirely dedicated to big groups and handle about 100 transactions a year. Besides business packages, we don't sell anything at all from tour operators. On the individual traveller side, we've got around 24 salespeople along with a team of 10 who deal with the production of trips (itineraries, payments, etc.). The software mentioned above, which we've dubbed Naga, coordinates everything.

We've got some 100 staff members in total, with three offices in Toulouse, and a presence in Paris. We've also got four agency branches that are open to the public, and a few months ago, we opened one in Toulouse that specialises exclusively in boat trips, which is proving hugely successful.

### **Can you personalise boat trips?**

Yes, and in that new division we sell exclusive trips and offer activities for before and afterwards. As a case in point, if you're going on a cruise to the Antarctic, you have to stop over in Argentina, so we organise activities for before and after the boat trip. On the other hand, we also rent out sailboats for bespoke itineraries that enable travellers to reach secluded islands and beaches that no one goes to at some destinations, such as Thailand.

### **In general (and this is a question we're asking all of our interviewees), what do you see as the biggest challenge facing tourism and the travel industry today?**

I'm very optimistic about the future of the sector. When I started out in this industry, it was rife with organisational shortcomings, and I've seen many companies disappear over the years. I've always felt that competing with firms with an industrial modus operandi which offers products for mass consumption is a very tall order because you can only provide limited added value. The same applies to the internet these days since, for example, anyone can arrange a simple trip to London from the comfort of their phone or computer.

Nevertheless, there is still plenty of room for numerous companies to emerge and continue to thrive. I like to illustrate our model by likening it to

architecture: anyone can draft a house, and they may even have it built, but it will never be equal to one designed by an architect. Similarly, our job is to know the territory, to provide travel savvy, to unearth the latest trends and to advise travellers well. We're geared towards a sector that is willing to pay for quality, which it's up to us to guarantee.

In my view, that is the way forward. There are bound to be plenty of changes down the road, and we'll have to keep investing in technology to improve how we work and to remain current and findable. However, leaving all that aside, I think that a bright future still beckons for companies that are permanently quality-centric. Anyone can create things that deliver little added value, but we don't see the point in that.