



FOSTERING
INNOVATION



TOURISM
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Revolutionising Accommodation Bookings

Wotif.com

www.wotif.com.au

Wotif.com's founder and CEO, Graeme Wood, handed over the reins of the company to its Chief Operating Officer, Robbie Cooke, in October 2007.



Wood remains on the board of the web-based accommodation site to provide advice and pursue new ideas, but the hand-over marked the end of a seven year meteoric ride for the founder that began in a converted Brisbane garage.

In just seven years the company grew to list 10,000 properties in 44 countries, processing over 170,000 bookings each month. By October 2007, the publicly listed company had a market capitalisation of one billion dollars.

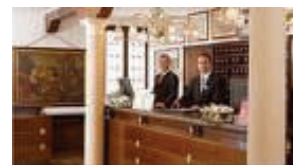
While Wood says that he has always had entrepreneurial drive, he admits that the zeal to create 'something new' has always been a much bigger incentive. He established his first business, Halifax Computer Systems, at the age of 26, having left his job at IBM Australia.

The 1990s downturn in the I.T. industry saw him turn to egg farming, which not only saved him financially but also taught him about systems. He founded Woodvale Egg Farms, which managed to break the monopoly of the Queensland Egg Marketing Board.

The concept for Wotif.com evolved some years later, when Wood, who was working as a consultant, applied his 30 years of IT knowledge to solve a client's problem. The hotel client wanted a cost-effective way to offer last-minute, flexible pricing to fill its vacant rooms.

Wood recognised that the internet was a cost-effective and suitable medium to distribute rooms quickly and efficiently. He says that the actual concept came as a moment of inspiration, after nearly two days of pacing the floor and sleepless nights. He showed the prototype to his client and to three other people. They immediately saw the potential and agreed to contribute to the initial \$160,000 investment.

However, the major hotel chains were not so enthused about a room discounting concept based on live and up-to-date inventory. In fact, many were negative - even rude - and tried to throw him out of their offices.



He therefore began with smaller boutique hotels, who were more willing to offer their empty rooms to the public with a seven-day lead time. The first booking took two weeks to occur, but by effectively using PR and harnessing word-of-mouth publicity, the concept gathered momentum and the fundamental change to the way many people book their hotel accommodation was well underway.



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The simplicity of the system and the huge customer word-of-mouth made the top hotel chains realise that, rather than a threat, Wotif.com could be used as a very valuable additional sales distribution channel. Within six months of starting, the concept had expanded to include motels, serviced apartments, guest houses and B&Bs.

A year after starting, the booking window was extended to 14 days in advance and by September 2005 it had grown to its current 28 day model.

In June 2006 Wotif.com was publicly listed on the ASX. Its financial results for 2006-2007 showed a 60% growth in net profit, with over 2 million bookings for the 12 month period. It now employs over 190 people in six offices across the globe.

Graeme Wood's breakthrough innovation for the travel industry has won him many accolades, including the Australian Institute of Management Medal for Management Innovation and the Ernst and Young Entrepreneur of the Year Award.

What type of person is Graeme Wood? – competitive, driven by ideas and easily bored, he says "If I can't do the interesting, exciting things I want to do, I misbehave".

www.wotif.com

wotif.com
first in online accommodation

Key findings:

Innovation is often more about finding ways to do things better – evolution rather than revolution.

Innovation often emerges from the need to find a solution to a specific problem.

The transference of an innovative idea into commercial reality may require the involvement of other like-minded people who share your vision and who may be able to share the risk.