

Hospitality site taps into \$300m hotel market

ENTREPRENEURIAL commerce service provider Marketboomer and the Queensland Hotels Association (QHA) have created Australia's first business-to-business (B2B) marketplace for the hospitality industry.

Powered by Marketboomer's electronic trading technology, the site is an online trading community for QHA members and their suppliers.

The initial pilot program began in March 2000 with the exchange

being made available to all members in July. The membership base of the QHA represents a potential market of over \$300m in B2B purchasing.

In March 2000, Marketboomer in conjunction with the QHA was awarded a \$100,000 federal government grant for the establishment of the pilot project.

The QHA exchange allows member hotels to get the best price for supplies by using the internet. It

also gives them choice in how they purchase.

For example, if a hotel needs to order dry foods or cleaning supplies, the purchasing system gives two options.

It can order the dry foods/cleaning supplies from its preferred supplier, or it can request prices from its selected list of preferred suppliers.

Suppliers pay a transaction fee when they win an order. Hotels pay

nothing to subscribe and can order directly from the supplier.

"Gartner estimates that as many as 10,000 B2B exchanges could be live by 2003," Marketboomer's managing director, Joe Ward said.

"We're making this forecast a reality for Australia's SME (small-to medium-sized business) sector by providing the building blocks to link customers and suppliers in a single marketplace and switch on to e-business quickly.

"The forecast is that B2B e-businesses will grow into a \$US7.29 trillion industry by 2004."

Co-founder and director of business development at Marketboomer, Nathan Gyaneshwar, said: "There are huge benefits for the users.

"The simplicity and low cost of implementation will be a real aid to the hotels and their suppliers who will realise cost benefits from their very first transaction."