

FLIGHT CENTRE ACQUIRES GAP YEAR SOCIAL NETWORKING BUSINESS

FLIGHT Centre Limited has expanded its presence in a niche travel sector by acquiring a social networking business that focuses on the growing “gap year” market.

The company has acquired gapyear.com, a UK-based website dedicated to providing information, products and a ready-made social network to travellers preparing for or undertaking an extended international break.

The site has operated since 1998 and has developed a strong brand presence within its core market. During the past year, gapyear.com has attracted 2.2million unique visits.

The business generates marketing and advertising income from travel and other companies and is the top ranked website in its category in Google.

FLT marketing manager Colin Bowman said gapyear.com provided valuable information for travellers and linked to a range of products and services that directly related to gap year travel, such as accommodation, flights, transport, travel insurance and travel money.

He said this was supplemented by related products and services, including footwear, clothing, camping and trekking supplies and equipment, travel guides, destination guides and other publications.

“An increasing number of people globally are now choosing to take off overseas for an extended gap year break, whether it be after completing school or university, between careers or before retirement,” Mr Bowman said.

“In the UK alone, an estimated 2.5million people have taken trips of this kind over the past five years.

“By acquiring gapyear.com, FLT has the chance to increase its market share globally within this growing travel sector.

“Our aims are to:

- Cost effectively generate travel-related enquiry for FLT’s retail travel brands, in the UK initially and elsewhere as we develop the brand. Visitors to the site will now be able to organise their gap year travel via FLT’s shops
- Continue to generate advertising revenue on the site from companies wanting to target the gap year market; and
- Build gapyear.com’s brand and social networking value through further promotion and development in other key international markets that FLT operates in.

“In addition, the acquisition immediately provides FLT with basic social networking capabilities and a platform for travellers to engage in and share travel advice, tips and information.”

FLT has initially acquired an 80% holding in gapyear.com and has an option to acquire the remaining 20% from founder Tom Griffiths.

Mr Griffiths will continue to run gapyear.com and will report to Chris Galanty, FLT’s executive general manager in the UK.

FLT’s investment in gapyear.com has not been disclosed. The investment will not have a material impact on the company’s financial performance or position.

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