innovate

INTRODUCTION

INNOVATE 2015

The BTN Group's Innovate 2015 Conference for the Advancement of Business Travel offered business travel executives the opportunity to articulate priorities and recommendations about five of the biggest challenges facing corporate travel buyers and suppliers:

- Advancing Actionable Intelligence
- Alternative Payment Practices
- The Future of Travel Buying
- The Promise of a Unified Mobile Travel App
- Building a Better Distribution System

The BTN Group worked first with its Advisory Board and then with a dedicated Steering Committee to identify the focus topics for 2015. Business Travel News editors then recruited a group of leading business travel professionals to participate in independent task forces that could identify specific concerns and posit new ideas for moving the practice, the tools and the objectives of business travel management into the future. Think Tank sessions held during the Innovate 2015 Conference served to validate concerns and flesh out innovation concepts.

THE UNIFIED MOBILE TRAVEL APPLICATION

BY ELIZABETH WEST

INNOVATE TASK FORCE
THE UNIFIED MOBILE TRAVEL APPLICATION

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When consumer travel apps are cheap, easy to download and offer choice to business travelers, one could ask why managed travel must duplicate the effort. As long as travel compliance to an agency or online booking tool is secure and the travel buyer is successful in achieving market share agreements with suppliers, what's the difference in a few finger strokes outside a managed environment to scaffold some en route support?

The short answer: the slippery slope. Without a lock on program compliance, stepping outside for an app here and there feels like opening a dangerous door. For most corporations, the need for control prevails.

Control Over What?

- Data Security
- A Standardized Tool Set
- The Traveler Experience

For many companies, the primary concern is information security. They don't want travel information or their travelers' information escaping through an app hatch. One custom app developer commented that information security was always the first hurdle to clear when being vetted by a prospective client.

Once the security boxes are checked, though, travel managers want to provide their travelers with a standardized set of recommended tools. They want to provide the right features—even if it's a limited set—and arm their travelers with mobile necessities. That doesn't have to translate into a "unified" or single app. Many travel buyers and program managers said they had assembled a menu of recommended travel apps for their programs—or were working with a provider, such as Concur, that offered a relatively integrated set of recommended apps that buyers can choose for their travelers.

Among a more advanced set of buyers, the concept of the journey played a strong role in providing a unified mobile travel application. Not only does the journey require a feature set to support travelers, but there's a brand opportunity and the chance to enhance the corporation's relationship with the traveler at specific touchpoints along the trip. The unified travel app, especially for road warriors, becomes an extension of the brand integral to the employee's experience with their company.

Checking The Security Boxes

Several buyer participants in BTN's Innovate Think Tank session lamented the

intensity with which their corporate security departments scrutinized travel apps proposed for their programs. For some companies, refusal rates were high and led to worries about maintaining program relevance and whether the corporation understood what was at stake. But data security fears concerning travel apps are real. One study conducted last fall by San Francisco-based app security solutions firm Bluebox Security analyzed the top 10 Android travel apps and the top 10 iOS travel apps for data security problems. It found plenty. Among the highlights:

• Only one out of 10 Android apps and none of the iOS apps encrypted data at rest on the mobile device
• Only two of the 10 Android apps and one of the 10 iOS apps employed certificate pinning
• None of the apps for Android or iOS had anti-tamper or anti-debugging controls
• On average, only 30 percent of code for the apps was created in-house. The remaining 70 percent was made up of third-party components

> "If we want [business travelers] to use a managed travel app, it's going to have to offer them more value. We have to give them a reason to use it; we have to win their loyalty every day with a better product."

In short, lack of encryption and certificate pinning in these travel apps can leave travel data, personally identifiable information and payment data vulnerable to thieves when the device is resting and when data is in transit. Without anti-tamper or anti-debugging controls, the apps were easy to manipulate and create malicious versions for download outside the official app stores. Also, increasing complexity of apps is increasing the use of code libraries that allow developers to rely on third-party components. Increased use of these libraries makes it easier for hackers to infiltrate a variety of apps built on shared code foundations.
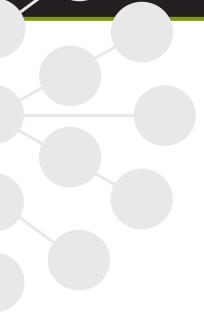
The upshot of travel app security issues for enterprises is this: Lack of rigor in travel app development can leave the traveler and the organization open to risk. The more apps a traveler downloads, the higher the risk. In bring-your-own-device environments, enterprises have to be increasingly careful that weaknesses in consumer-oriented apps of any kind don't leave their systems open to attack. They may "sandbox" or "containerize" certain apps, but this can lead to other complications.

Relying on a trusted travel technology provider to vet potential travel apps is a reasonable course of action for many companies. It reduces risk and will provide a menu of mobile travel necessities for travelers. A secure, unified travel app with multiple functions makes sense, as well, and could provide additional benefits like tighter integrations and information sharing among its different features.

The Feature Set
The feature set is a critical component, and Think Tank participants considered the following to be table stakes for a unified app:

• **Itinerary Management**—The ability to consolidate disparate itinerary pieces into a single management tool was critical. Air, hotel, car, rail all needed to be included along with the ability to check into the flight and the hotel. Calendar integration was a critical component to align travel schedules with meeting times. Travel buyers acknowledged the need for itinerary

management tools to parse email itineraries for bookings made outside preferred channels and at least bring them into the data fold. TMC servicing for off-channel bookings remains limited today, but travel buyers saw the practical application.
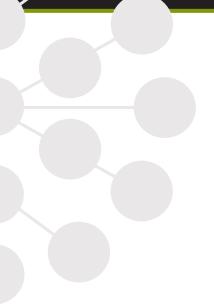
- **Travel Booking & Disruption Management**—Mobile travel alerts have become an indispensable part of the business travel experience, but the ability to take immediate action or to be provided with in-policy options via mobile device has not yet permeated the managed travel space. TMC apps will prompt travelers to call the agent and Egencia offers a "click for a callback" option to alleviate hold times. It also allows the agent to review trip details before contacting the traveler. At least one other mega-TMC has incorporated mobile chat. Buyers were positive about these types of features.

  Mobile booking has lagged in most apps targeted to the managed travel space. Egencia's TripNavigator was the first agency app to offer mobile air booking, first for bookings originating in the United States but the OTA expanded the technology to a global scope in November 2015. No other major TMCs have introduced air booking capabilities, but with mobile bookings on the rise, travel buyers said an intuitive re-booking feature was vital, at the least.

  Buyers were not unanimous in their desire for fully-fledged booking tools within the unified app environment. If offered, booking capability in a unified

app would have to be integrated with desktop and offline booking tools.

- **Destination Management**—Destination mapping and wayfinding features need to play within a unified travel app as well, and potentially link to the itinerary management tool or calendar where meeting locations are also stored. The ability to customize locations, such as corporate offices, client offices, preferred hotels and other tailored landmarks would be a benefit. Corporate-specific hotel and restaurant reviews that engage the travelers of a single program as well as access to outside reviews was another idea. Buyers specified language translation and currency conversions as handy tools for their travelers.

- **Policy & Risk Messaging**—Integrating with policy is an obvious requirement for any managed travel tool. Inasmuch as booking has been integrated into TMC apps, policy configurations and preferred supplier settings must be integrated. Perhaps more important than in-policy mobile bookings right now is the ability to message travelers about in-policy activities or convenient options, or even special deals, based on their location or particular triggers in their itineraries.

  For example, recommendations upon landing about ground transportation to their booked hotel, or reminders when they check into their hotel that Wi-Fi and breakfast are included in their corporate hotel rate. Concur's acquisition of conTgo in 2013 put this type of messaging in scope for more companies. Risk management messaging can run

across the same wires, so the feature offers a dual purpose.

- **Personalization & Integration**—While many of the features included above already exist in isolation and in limited combinations across the landscape of managed travel apps, more personalization and feature integration were critical development areas that emerged during Think Tank discussions. Mobile-enabled, concierge-style services might include destination or restaurant recommendations tailored to match the traveler's interests or past choices. Messaging about specific deals or benefits attached to loyalty status or corporate negotiated rates would create a more robust, consumer-type experience.

No matter how these developments are achieved, one buyer pointed out that these these are capabilities that, offered in combination, help to provide more value than disparate consumer apps and would help drive adoption.

> "We're thinking about this the wrong way. Mobile is the new platform; we're not looking for an app. What we need to do is take everything that we currently have on the desktop portal and move it to a mobile portal. Plus, then, you wrap in all the mobile features that you need."

Platform vs. Features
Creating this type of business travel experience represents a major philosophical shift for many travel buyers and managers, who for many years have been primarily focused on procurement strategies and cost savings. While those pressures aren't going away, sacrificing the travel experience is no longer an option.

With this in mind, at least one travel manager in the Innovate Think Tank postulated that the unified app concept would not take the travel experience far enough to serve the traveler—or to serve the organization. "We don't need a collection of features," the buyer said. "We need to develop a mobile platform. That is where we are all going anyway, so we need to embrace it."
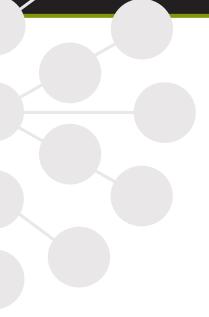
This buyer painted a picture of moving the desktop travel portal to the mobile device—not to replace it, but to offer an integrated experience that moves with the traveler from office (desktop) to the road (mobile) with parallel tools that merge on the back end, updating PNRs and itineraries and triggering reminders and support features along the journey.

Potential Developers
Several potential app developers are circling around the all-in-one app concept.

- **Internal Corporate Developers**—Companies with an intense focus on security, and which typically maintained a managed device environment, were motivated to develop their own mobile travel apps. Buyers from such industry verticals as healthcare and insurance reported exploring the build-your-own path. Advantages include control over branding, features and data security. In these environments, the latter had prevented adoption of most consumer and even managed apps so far—at least on company-owned devices. Such tight control over an internally developed app might also limit utility and, therefore, limit adoption. If the internal app is the only one approved for the managed device, however, adoption rates could be falsely inflated.

Buyers reported slow development in this scenario, combined with a high incidence of secondary device use among business travelers. Sharing itineraries to a personal device and setting up a supplementary ecosystem of consumer apps was common practice among travelers. The group recognized the irony of tight security controls actually working against corporate security in this situation. As travelers take app management outside the corporate ecosystem to personal devices and consumer apps, the data becomes the least secure.

- **TMC Developers**—Mobile apps have become a prerequisite for travel management companies to win corporate business. Mega-TMCs and many larger players have focused investment heavily on their mobile offerings. American Express GBT launched its iOS app in December 2015, joining CWT To Go (and the newer government version CWTSato To Go), BCD's TripSource and Egencia's TripNavigator.

  While TMCs claim "millions" of trips serviced by their apps, corporate buyers in the Innovate Think Tank reported tepid adoption among travelers, who already have favorite consumer apps filling what they perceive as gaps in corporate travel offerings. Booking capability, for one, has been elusive to date, though more TMCs have said they are poised to introduce hotel booking in 2016.
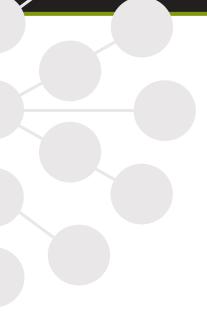
  Several TMCs see hotel attachment as a pernicious problem they can impact via mobile strategy and as a money-maker: Enhanced communication capabilities layered over a basic app may come at a fee to the client, while reminders to

travelers to book a hotel (with preferred options potentially included in the reminder) could drive commissions that will payback several-fold for the sunk investment in content aggregation and app development.

TMC focus on travel management challenges like hotel attachment—and not solely on delighting the traveler— could be a weakness. Most TMC apps are included as part of the value proposition, leaving agencies to fund technology on already slim margins. Third-party developers (notably TMC's staunchest competitors in the unified app race) said this approach results in a commoditized app that reduces the value of corporate brand and hampers adoption rates.

- **Third-Party Custom Developers**— Suppliers like Roadmap, ManticPoint and TouristMobile have developed products built to spec with itinerary management features, loyalty programs, and integrations with booking and expense tools that are presented on top of a communications platform that allows corporations to message travelers while on the road.

  Innovate buyers were impressed with the the the degree to which these solutions appear to deliver on the potential of an all-in-one mobile app for managed travelers. To wit, Roadmap won BTN's 2015 Innovate Award.

  The brand experience emerged as a critical component, and providers offer white-label solutions that wrap technical features in a corporate-branded environment. That said, they come at price

point that most corporate travel budgets cannot oblige—at least for now.

For a handful buyers able to invest—including companies that might otherwise develop internally—the idea of uncoupling the app from their TMC was attractive in terms of providing freedom to change or add agencies without affecting a mobile travel offering. Other buyers—even some with dollars to invest—disagreed. They saw value in deepening their relationship with a consolidated TMC partner, utilizing existing (but enhanced) traveler profiles and having traveler servicing connected to the app experience.

At least one TMC representative understood the commodity challenge to the apps TMCs have introduced so far. "If we want [business travelers] to use a managed travel app, it's going to have to offer them more value. We have to give them a reason to use it; we have to win their loyalty every day with a better product," he said.

He's not the first TMC to speak publically about delivering the right experience; mega-TMCs, at the very least, are pushing toward that all-in-one app to capture more market share. Choosing the essential elements for that product, and providing some degree of flexibility for client customization will be key to their success, according to buyers.

The ability to provide that product at a lower cost—or a version of that product as an included feature of the TMC's value proposition—would put it on firmer ground for the majority of travel buyers. Yet the enthusiasm met by customized apps that deliver on the corporate brand experience shows

that there is room in the market for providers at all levels. Whether it benefits TMCs to achieve the highest touch technology—and how much they could charge clients for that top-shelf product—remains to be seen.

Traveler Loyalty: The Wild Card

The wild card in all this investment from suppliers and buyers is traveler loyalty. Duplicate apps and fast changing capabilities favor the newest apps over aging corporate apps (and aging may be a matter of mere months). This dynamic won't disappear when a corporation rolls out an all-in-one option.

Meanwhile, app adoption is often measured by the percent of travelers within a company that has simply opened the app. Using this measure, custom app providers claim as much as 70 to 80 percent adoption rates and TMCs count the number of trips they've supported.

It's nearly impossible to measure, outside a completely closed system of controlled devices and apps, how many travelers choose a corporate app of any kind over their personal favorite app. Duplicate app functions continue to sit side-by-side on their devices. Do they open one or both—and where do their loyalties really lie?

It's that question that keeps buyers and suppliers wondering whether an app investment is worth it. It's another reason that a less customized, more commoditized "free" app may continue as the app of choice. The good news, however, is that as managed travel app options increase, the base-line has to rise for providers to compete. As mobile becomes the platform of choice, corporates may ultimately choose suppliers based on their ability to deliver the mobile travel experience.

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