



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.

IN FOCUS
**ADVANCING
ACTIONABLE
INTELLIGENCE**

ADVANCING ACTIONABLE INTELLIGENCE

BY DAVID MEYER

INNOVATE TASK FORCE: Advancing Actionable Intelligence

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There isn't a more basic component of a managed travel program than data: Programs are built on it, contracts negotiated from it and performance evaluated with it. As more complex data enters the picture, suppliers appear ready to reap huge benefits, while the capabilities of corporate travel buyers are lagging.

Advancing intelligence requires travel buyers to gather, clean, mine and connect data. With disparate sources, silos are a challenge. Even now, few buyers spend the time to match TMC booking data, payment data and expense data. Even fewer extend to other sources or demand real-time integrated data delivery to drive decisions.

Sophisticated buyers have gotten creative with their data gathering strategies. They've gone to suppliers to track direct bookings; they've scraped GDS screens to capture rate discrepancies; they've integrated with their companies' general ledgers, human resources and security tools; they've surveyed their travelers and set up feedback loops; and the better funded programs have engaged third-party data aggregators, security firms and consultants to help make sense of the information and take action on it.

New tools and supplier reporting sets are poised to ease some of these acrobatics and democratize a more advanced approach to travel data. As more buyers

engage, more opportunities will emerge.

Innovate Think Tank members focused on the following optimization priorities:

- Budget Management
- Supplier Management
- Personalization & Customization
- Traveler Safety & Security

They also discussed communications and data visualization strategies that will help drive turnkey travel intelligence to budget owners and senior management. Data privacy issues also come into play.

Budget Management

Whether managed directly by travel buyers or indirectly via business unit managers, travel budgets are always top of mind. Quality data allows budget owners to project their needs and monitor volume against a hard number. Visibility has been a challenge—both for past trips where expenses were incurred but not yet reported and for planned trips that have not yet hit the books.

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As availability of real-time data has improved, so have integration opportunities. Some rely largely upon traditional booking and expense data, but integrated with budget data to reveal new intelligence in real time.

Data Sets: Budget + Expense—By connecting budget and expense data, companies can track volume against budget and alert budget owners along the way that, for example, 50 percent or 80 percent travel budget was spent. This condition might also trigger a process change, such as implementing pre-trip approval to ensure that remaining funds go toward high-priority, revenue-oriented trips.

Data Sets: Budget + Expense + Booking—Bringing in booking data, similar calculations could incorporate actual expenses plus estimated costs of trips that are planned. That information would help budget owners prioritize current demand and give them the opportunity to cancel or postpone planned trips in favor of more critical meetings.

Data Sets: Booking + Expense—Comparing agency data at the booking stage versus historical total costs of similar trips could give managers a better understanding of how a single trip will impact the overall budget. Travel managers or budget managers would also have visibility into reasonable spending caps for their top markets.

Supplier Management

Buyers work hard to negotiate contracts with preferred suppliers, and they need reliable, detailed data to do it. While buyers may have booking and expense data, there are additional sources they should access to get a truer picture.

Data Set: Suppliers—Preferred suppliers should be able to offer data per booking

channel. Buyers specifically want data on direct bookings to compare with corporate booking tool data. This will give them a better grasp on total volume for negotiations but also better visibility into traveler compliance, as well as traveler whereabouts in case of emergency (see page 6 for more on duty of care).

Data Set: Payment Provider—Preferred suppliers may offer clients extended data sets, for other suppliers the best data is available through the payment system. Card companies are delivering more detailed data, including airline, hotel and car folio data that will include ancillary purchases beyond the base rate.

Valuing The Relationship

Looking beyond the traditional travel data for supplier management and reviews, buyers want more visibility into how supplier relationships and negotiated inclusions are boosting the corporate bottom line. Point of sale, amenity and lounge use, trip disruption and Prism data are all of interest to buyers and increase their ability to put a value on the preferred relationship. But perhaps most interesting right now is loyalty status.

Data Set: Loyalty Benefits—Elevated loyalty status allows business travelers to receive benefits that have value attached to them. For example, seat upgrades, lounge access, hotel breakfasts, free parking and other services. Buyers are keen to identify the value of these upgrades and services so they may communicate them to management and to travelers—as further proof that managed travel relationships are driving value to the company and to the individual traveler.

Some hotels and airlines are more open than others to providing this information. Some

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airlines have created specific reports to outline the value of elevated loyalty status to the corporation. But even those that won't provide it in writing may do so verbally.

Once this information is in hand, buyers may need help differentiating negotiated savings from status savings. The difference is material as travel managers often need to compete for their travelers' loyalty. As a group, buyers need to tell preferred partners what data they want and create more pressure for them to supply it.

Personalization & Customization

The laser focus on loyalty is driven by what many believe to be the next frontier of travel management: Using data to personalize and customize the corporate travel experience. Loyalty is a big part of that landscape.

Personalization may entice travelers to be more engaged with the company and more willing to alter behaviors to comply with the managed program. That said, this approach relies on having more extensive access to data including corporate and personal history, and the ability to share details like bookings and loyalty status across each travel category.

Obstacles persist. They include corporate data security rules and data privacy regulations (see page 5), traveler objection and supplier resistance to sharing proprietary information. Even the logistics of integrating the data is daunting: It exists in vastly different file formats including GDS profiles, ERP and HR systems, email and surveys that are not tied to specific travelers.

The future of personalization and customization is to make more connections through data in order to understand not just supplier and personal preferences but also the history of choices made for past trips. In addition, personalization should ultimately allow the integration of all travel booking information regardless of supplier category and include all internal data streams, as well as linking status to policy in order to allow targeted booking options to travelers.

It's a lofty goal that eventually will produce a streamlined, traveler-as-customer approach to travel management. The industry is motivated to crack the code on personalization, but knocking down data barriers is key.

Traveler Safety & Security

While personalization may be the next frontier, data sharing initiatives can enhance traveler security now. Mobile devices have changed the landscape of traveler security and crisis management by providing new data sets that can achieve specific goals. As mobile phones are often personal devices, however, business travelers may need to opt-in to participate.

Data Set: Mobile Numbers—Procedures that once took multiple days to locate traveling employees might now take less than a day if a company has access to mobile numbers and can blast crisis communications with a single push. Access to that mobile contact, however, is not a guarantee. Organizations

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Data In Action

One Innovate Think Tank participant focuses on loyalty status for senior executives and road warriors. Its preferred airlines, hotels and car rental companies feed the corporation information about individual status, and the corporation maintains the details in a traveler profile. The buyer can track, per traveler, monies saved as a result of status. The company records whether the status was earned or gifted by tying the charges back through the expense system. The company adjusts its policy based on status.

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DATA ACCESS & PRIVACY

There are limitations to the personal data travel managers can expect travelers to share. Some limitations are regulated and will differ from market to market. Others are imposed by individuals, corporate groups or suppliers who may be unwilling to share what they consider proprietary data.

Travel buyers cited worker council rules in certain European countries, along with HR restrictions about releasing personal data, as the most challenging hurdles to accessing traveler data to improve travel programs. While individuals cannot be required to share their personal data, they may be persuaded to do so by communicating such benefits as improved duty of care and enhanced personalization. Buyers prioritized the following:

- Legal name
- Level of employment
- Birthdate
- Passport # and visa
- Home phone
- Mobile phone
- Banking info
- Supplier loyalty status
- Medical, personal health info
- Emergency contact

Individual travelers need to opt in to this type of data sharing arrangement. Some companies push the envelope, explaining that it is not required to share data, but it is required to share certain pieces of data if the employee expects to travel. The extent to which that type of hair splitting is possible depends upon the company, its culture and to a certain extent the regulatory environment. Travelers who do not opt to share data obviously forego the advantages.

INTELLIGENCE TO DRIVE COMMUNICATIONS

Ask any travel buyer: Communication is a big part of the job. Whether communicating to business heads and management or communicating to travelers, data provides a solid backbone. Clarity and relevance are critical. Here's how the best buyers do it.

C-Level Communications – For CEOs and upper management, buyers deliver just two or three points of high-level data indicating risks or opportunities using a short dashboard along with highlights and key performance indicators.

Department Heads & Budget Owners – Concentrate on the line of business perspective that shows how expenses are tracking against budgets. Highlight outliers or repeat problems along with positive patterns. Identify additional opportunities within the existing budget, compliance KPIs and financial metrics. If appropriate, provide comparisons to other business units using scorecards.

Traveler Training – Data can serve as a wake-up call for travelers with compliance issues. Some buyers publish a list within their companies of those who don't comply with specific policies, including those late in making credit card payments. Some companies provide data to all employees about travel expenses versus budget. Some TMCs provide travelers with messaging that shows them individual scorecards based on corporate metrics.

DRAW THEM A PICTURE: DATA VISUALIZATION

Data is more compelling if presented as a story that is being told. Infographics can be a way to be a little more dramatic. The interactive dashboard environment is best for showing current and future data as opposed to past data and for predictive analytics that can show trends. But dashboards and what-if trends have been around for a long time. It's the data itself that drives the visuals and tell the story.

Emerging tools can aggregate a larger data picture, taking in data that lies outside of travel and showing its effect on decision-making. First steps first, though. Progressive travel buyers are starting with card and expense data, and performing match analysis with travel booking data. Bringing in supplier data could be next, as well as looking to extras like weather, online reviews and perhaps benchmarking data.

Even without such tools, buyers can make a bigger impact with their data by showing savings and changing market conditions. They should forward data-oriented calls to action, provide what-if scenarios and drill down to individual travelers when needed.

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One technology company uses an opt-in arrangement with its travelers to share their mobile phone numbers with TripLingo to get access to international roaming service. Each phone number is captured without other identifiers and "anonymized" so the travel team can see which telecommunications carrier the phone number uses and then messages it to sign up for calling plans that reduce roaming and other international calling charges.

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with company-issued devices should have a record of phone numbers and email addresses. Bring-your-own-device environments, which are on the rise, must have opt-ins.

Data Set: Travel Alerts—Buyers generate alert notifications for travelers planning or executing trips to high-risk locations. If the travel manager has a contract with a third-party security firm to supply these alerts—and potentially other emergency services—they often share that contract with an in-house security department or at least the HR department.

Data Set: TMC Bookings—TMC reports allow buyers to review where travelers are supposed to be located—according to itineraries. But emergency situations often disrupt plans.

Data Set: Payment Provider—Credit card reports allow corporations to find where the corporate card was last swiped, ultimately following a payment trail to locate an individual traveler, which could take days.

Data Set: GPS Signal—Some companies employ mobile-enabled geo locators in high-risk markets. These technologies are controversial given their invasive nature that allows corporations to track traveler movements around the clock, and even establish geo-

fences that will alert the corporation if the traveler goes outside of specified safety zones.

Coordinating among travel alerts, crisis messaging, TMC reports and credit card data reports, travel buyers say that suppliers are doing a good job of providing the right data for duty of care. Buyers should communicate their security data before, during and after a trip to employees traveling to countries identified as restricted or high-risk. Some buyers incorporate this status check in pre-trip approval processes to ensure the traveler receives guidance.

Both Sides Can Do More

Buyers want the industry to develop ways to make traveler tracking more effective but also more anonymous to better address the needs for both data access and privacy.

Corporations need to do more in extending duty of care beyond travelers to all employees. They need to work with security departments to push internal messaging to travelers as well as outsourcing that function. They need to keep abreast of health care issues that could impact all employees and work more closely with HR departments to determine what risks may impact the general employee population and how those risks should be communicated and managed.

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A large technology company, which captures about 98 percent of its bookings through its agency, has used that agency data to create dashboard reporting that provides 700 people in finance analyst roles with access to travel pattern data. The company focuses on the following metrics:

- Monthly air spend
- Advance bookings
- Internal trips
- International trips in business class
- Costs per mile
- YOY online booking transactions
- Top spenders
- Top travel markets

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