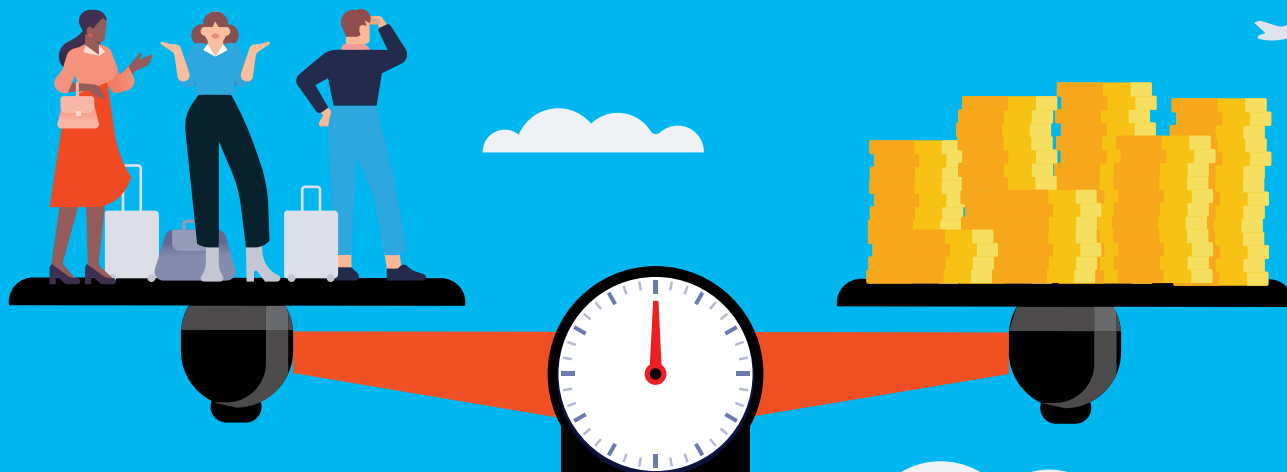


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AVIAT NETWORKS' DASHBOARD DIVIDEND

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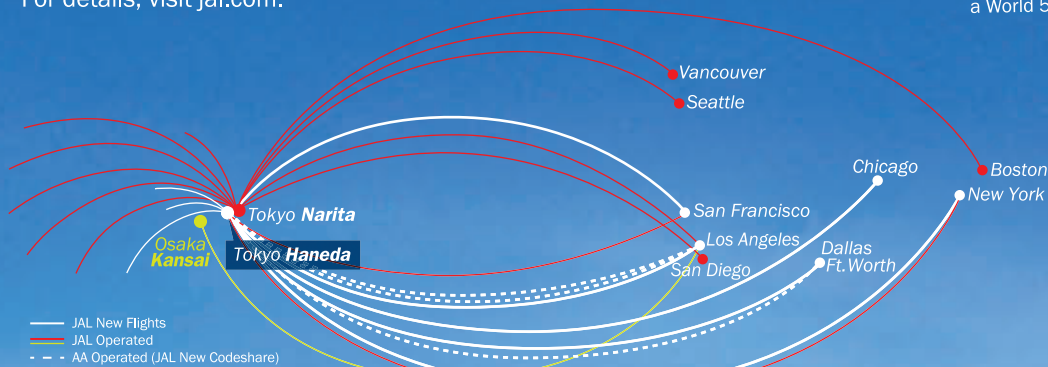
Indirect commodity manager
Eddie Martinez delivers data
through a multinational TMC
consolidation. **page 14**

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CRITICAL CONDITIONS

What's the difference between buying travel and managing travel? If you've heretofore been tasked only with the former in what have been relatively rosy times for the travel industry, you are probably figuring out the difference right about... now.

If you haven't managed travel through SARS in 2003 or through the global financial crisis in 2008, you may be experiencing challenges, questions and decisions you haven't encountered before as Covid-19 fears settle in. In covering the outbreak over the past several weeks, the Travel Procurement editors have gathered good advice from experienced travel buyers and managers as well as from suppliers who have been through similarly critical conditions before.

- **Don't panic.** Your company and your travelers need you to take a rational approach to your program. Follow State Department travel alerts and best practices recommended by the Centers for Disease Control and Prevention.
- **Work with security or risk counterparts.** For small and midsize companies, this may be a human resources or even a facilities management function. Larger businesses may have a dedicated security or risk team. Make those connections if you don't have them already, and work with them to adjust travel policies or implement rational travel restrictions. Become a united resource for employees and business travelers.
- **Button up your booking channels.** Are the travel approval hierarchies configured correctly in your online booking tool or at the agency? Do any new approval policies need to be configured in the workflows? Pay attention to booking origin and destination details, but also to connecting cities involved in an itinerary. Apply restrictions accordingly.
- **Stay on top of supplier service changes.** Capacity and frequency changes along your air routes may be changing. How will this affect your volume agreements? Can lodging partners uphold service agreements? Remember, true partnerships are a two-way street.

In this issue of Travel Procurement, we cover the industry impact of Covid-19 on page 11. But don't miss managing editor Chris Davis' cover story on page 14 about how a midsize telecommunications company got a handle on its travel data or any of our regular features that keep you at the top of your travel buying game. You may need those skills now more than ever.



Enjoy,

Editorial Director, BTN Group

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AIR TRAVEL

American Reports Q4 Operational Turnaround, Corp. Share Gains.

American Airlines recaptured corporate business share during the fourth quarter, in which it reported “significant improvement” in its operations, executives said in the carrier’s February earnings call. American president Robert Isom said that improvement was a factor in “picking up share gaps” in corporate business, which he said was “strong” during the quarter. American’s fourth-quarter passenger revenue increased 3.9 percent year over year to \$10.3 billion. Domestic revenue was up 4.4 percent to \$7.8 billion as domestic capacity increased 4.7 percent and domestic traffic increased 6.1 percent. Yield on domestic routes, however, was down 1.6 percent. International passenger revenue increased 2.2 percent year over year to \$2.5 billion in the fourth quarter, and revenue was up in all regions with the exception of transpacific routes.

Delta Reports ‘Across the Board’ Corporate Demand Strength at 2020 Onset.

Delta Air Lines’ fourth-quarter passenger revenues increased 6 percent year over year to \$10.3 billion, closing out what CEO Ed Bastian called the carrier’s “best year in our history.” Corporate demand was up 6 percent year over year during the quarter, and revenue from premium products was up 9 percent, Delta president Glen Hauenstein said during the carrier’s earnings call. Corporate demand trends “remain healthy” this year, as 80 percent of travel managers in Delta’s most recent survey of its corporate customers said they planned to maintain or increase travel spending in 2020, he said. Overall, Delta’s traffic was up 5.2 percent year over year in the fourth quarter, and capacity was up 4.7 percent. Delta’s load factor increased 0.4 percentage points year over year to 85.6 percent during the quarter. Yield was up 0.9 percent year over year.

United Execs Optimistic After Challenging Year. United Airlines’ fourth-quarter passenger revenue grew 3.9 percent year over year to \$9.9 billion, closing out a challenging year on a strong note and kicking 2020 off to a “nice start,” according to executives. Fourth-quarter domestic passenger revenue increased 3.2 percent year over year to \$6.3 billion, despite continued pressure faced by the Boeing 737 Max grounding. Domestic capacity was up 2.6 percent year over year in the quarter, as United added a total of 69 new routes over the course of 2019. Passenger revenue on international routes was up 5.2 percent year over year to \$3.6 billion.

Extended Boeing Max Grounding Hits Southwest Q4 Capacity, Marketshare. Southwest Airlines’ fourth-quarter revenue inched up 0.4 percent year over year to a quarterly record of \$5.7 billion, despite lower capacity as the albatross of the Boeing 737 Max grounding continues to hang around the carrier’s neck. Southwest chairman and CEO Gary Kelly estimated the Max groundings cost Southwest \$828 million in operating income in 2019. Kelly dismissed media chatter that its grounded fleet would force Southwest to make an acquisition, such as JetBlue. For the fourth quarter, passenger revenue declined 0.1 percent to \$5.3 billion. That was offset by an 8.8 percent increase in other revenue.

U.S. Pricing, Volume Drive Hertz Q4 Revenue Growth.

Hertz Global Holdings’ total fourth-quarter revenue increased 1.4 percent year over year to \$2.3 billion, driven by strength in the U.S. car rental market. U.S. revenue was up 6 percent year over year to \$1.7 billion in the quarter, as transaction days increased 2 percent and pricing was up 4 percent. Both business and leisure rentals saw pricing year-over-year increases during the quarter, according to Hertz. Outside of the U.S., rental car revenues declined 3 percent year over year to \$474 million, with transaction days down 1 percent but pricing up 1 percent. Hertz noted that demand was soft in Europe but that pricing improved both in Europe and the Asia/Pacific region. Hertz reported a net loss of \$118 million for the quarter, compared with a net loss of \$101 million in the fourth quarter of 2018. For the full year, Hertz’s net loss was \$58 million, compared with a \$225 million loss in 2018.

New Ancillaries Help Drive Avis Budget Q4 Revenue Growth.

Avis Budget Group revenue increased 5 percent year over year to a fourth-quarter record of \$2.2 billion, driven partially by commercial volume growth. In the Americas, revenue increased 9 percent year over year to \$1.5 billion, with rental days up 8 percent and revenue per day up 1 percent. Interim CEO Joe Ferraro said commercial business volume was up 4 percent year over year in the quarter, though pricing in the segment remained “competitive.” The company is seeing growth in ancillary revenue, however, particularly from a recently added bill-splitting option that enables business travelers to separately bill themselves for extended leisure rental days or amenities and upgrades not covered by corporate policies. Overall, fourth-quarter ancillary revenue in the Americas were up 11.5 percent year over year, Ferraro said.

LODGING

Marriott Finishes 2019 with Mixed Results. Marriott International reported fourth-quarter 2019 systemwide comparable global revenue per available room growth of 1.1 percent year over year in constant dollars to \$112.09. Occupancy was up 0.8 percentage points to 70.6 percent, and average daily rate dipped 0.1 percent to \$158.69. For full-year 2019, comparable systemwide constant dollar RevPAR rose 1.3 percent to \$117.30, occupancy rose 0.4 percentage points to 73.1 percent, and ADR increased 0.8 percent to \$160.55. North America, which represents about 66.5 percent of Marriott's total room supply, saw RevPAR grow 0.9 percent in the fourth quarter compared to the same period in 2018, and was up 1 percent for the full year. Fourth-quarter year-over-year net income was down 12 percent at \$279 million. Full-year net income declined 33 percent to \$1.28 billion.

Hyatt Posts Slight 2019 Performance Growth. Hyatt Hotels Corp. reported mostly positive 2019 systemwide performance metrics, reporting a 0.5 percentage-point year-over-year gain in occupancy and 0.7 percent growth in revenue per available room. While positive, RevPAR was negatively impacted by 40 basis points as a result of political unrest in Hong Kong, according to the company. Average daily rate remained flat. Fourth-quarter occupancy was up 0.2 percentage points year-over-year, while ADR was down 0.9 percent, and RevPAR was down 0.5 percent, negatively impacted by approximately 110 basis points as a result of the unrest in Hong Kong and by approximately 60 basis points from the timing of the Jewish holidays. Corporate group business was "very strong," said Hyatt president and CEO Mark Hoplamazian.

U.S. Small-Group, Hong Kong Slowdowns Mar 2019 IHG Performance.

InterContinental Hotels Group for 2019 reported a 0.1 percent year-over-year increase in global occupancy, a 0.4 percent drop in average daily rate and a 0.3 percent decline in revenue per available room. The results "reflect the impact of ongoing unrest in the Hong Kong market; supply outpacing demand, particularly in the United States upper-midscale segment where we are weighted; and uncertainties caused by geopolitical tensions, with the U.S.-China trade discussion and Brexit as two examples," said IHG CEO Keith Barr in an earnings call. Fourth-quarter figures fared even worse, with global occupancy down 0.2 percent year over year, ADR off by 1.5 percent and RevPAR falling 1.8 percent. Fourth-quarter U.S. RevPAR fell 1.7 percent.

Weak Business Transient Demand Offsets Hilton Gains in Q4 and Full-Year 2019.

Weaker-than-expected business transient demand muted Hilton Worldwide's fourth-quarter and full-year 2019 results, according to the company. Systemwide fourth-quarter comparable revenue per available room was down 1 percent year over year "as weaker than expected business transient performance offset leisure gains," said president and CEO Christopher Nassetta on an earnings call. Full-year 2019 RevPAR was up 0.8 percent compared to 2018, primarily driven by an increase in occupancy. Similarly, fourth-quarter U.S. RevPAR "fell 80 basis points as softer corporate spending pressured business transient," said Hilton EVP and CFO Kevin Jacobs.

PAYMENT

Wex to Acquire Travelport's eNett for \$1.7 Billion.

Wex has entered into a definitive agreement to pay \$1.7 billion to acquire virtual travel payments provider eNett from majority owner Travelport and minority equity investor Optal. As part of the deal, Wex also is acquiring Optal, a virtual card issuer formerly known as PSP International. The deal comes after Travelport was taken private in May 2019 by Siris Capital Group and Evergreen Coast Capital after four years as a publicly traded company. In recent years, eNett—a joint venture Travelport launched in 2009 with Optal, then known as PSP—had been a major growth area for the company, specializing in generating virtual account numbers for payments for hotels and other non-air suppliers. Since 2016, eNett's purchase volume has grown at a compounded rate of 36 percent, according to filings. That business now will come under the umbrella of Wex, the Portland, Me.-based company founded in 1983 as a fleet card specialist. Over the past several years, Wex steadily has grown its line of corporate payment solutions, including virtual payment products for travel.

Amex GCS Revenue, Billings Up in Q4.

The corporate payment card division of American Express reported \$3.5 billion in fourth-quarter revenue net of interest expenses, up 7 percent over the final quarter of 2018, Amex reported today. The payment giant's Global Commercial Services business unit has seen consistent and similarly sized increases in net revenue for the past several quarters. Fourth-quarter card-billed business for the GCS unit was \$133 billion, up 5 percent from \$126.9 billion the previous year. Proprietary cards in force tallied 14.9 million, a 3 percent advance from 14.5 million cards in Q4 2018. Average quarterly cardholder spend was \$8,956, up 2 percent from \$8,757. Among client segments, small and midsize enterprises continued to serve as strong growth areas for GCS.



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informative. Thank you.

- Maricell Cruz, Global Travel
Manager, Verisk

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excellent/above average

90% said networking was
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“ Innovate 2019 was well put together. I look forward to attending this conference to not only participate in the **Master Classes** and **Think Tank discussions**, but to learn about the **new innovations** that are coming up the pipeline for use in the travel industry.

- Nan Lindstrom, Global Travel Manager, HMCC, ZOLL Medical

“ What an amazing conference! I have been involved in the industry for over 14 years and was very impressed with the **Business Travel Innovation Faceoff**, the **Think Tank sessions** and **Master Classes**. I wish I could have attended everything! The networking amongst peers was a great experience.

- Lee Courtney, President and Chief Operating Officer, DLC Strategic Solutions



2019 Business Travel Innovator Award and People's Choice winner Devon Tivona of Pana.

BUSINESS TRAVEL BY THE NUMBERS

HOTEL

STR and Tourism Economics' 2020 U.S. hotel forecast illustrates a stagnant sector in which new supply exceeds demand. In fact, it's the first STR forecast for annual flat year-over-year RevPAR since 2009. STR also detailed global performance for the past few months. Meanwhile, Certify's analysis of more than 50 million client 2019 expense transactions shows that the highest proportion went to ride-hailing services, including taxis and sharing-economy vendors.

2020 U.S. YOY FORECAST

SUPPLY
UP 1.9%

AVERAGE DAILY RATE
UP 0.3%

DEMAND
UP 1.6%

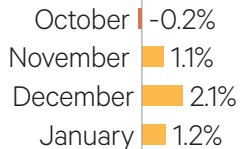
REVENUE PER AVAILABLE ROOM
0.0%

OCCUPANCY
DOWN 0.3%

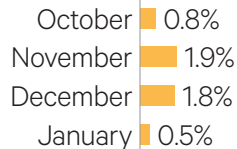
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LOOKING BACK AT ADR: YOY CHANGE

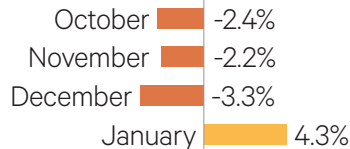
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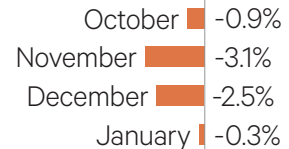
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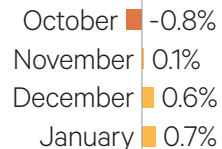


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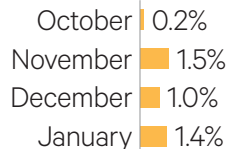


LOOKING BACK AT OCCUPANCY: YOY CHANGE

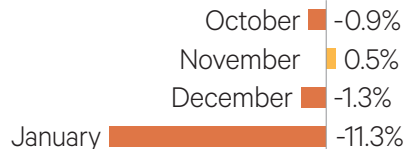
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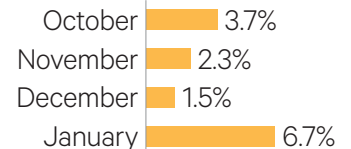
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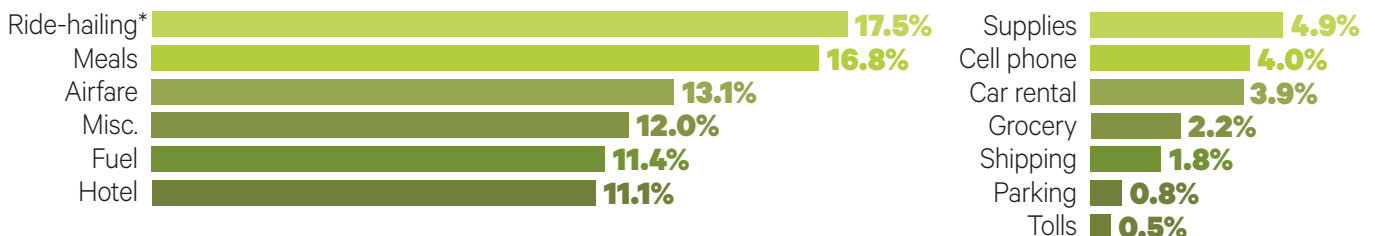
MIDDLE EAST & AFRICA



Source: STR

EXPENSE

2019 SHARE OF T&E RECEIPTS BY CATEGORY



* includes taxis and sharing-economy vendors.

Source: Certify's 2019 SpendSmart Year in Review Report

Covid-19 Fears Chill Global Business Travel Demand

Despite China’s aggressive containment campaign, the novel coronavirus that originated in Hubei province is spreading globally. At press time, diagnosed infections were approaching 100,000 cases in 38 countries. And while China has reported a slowdown in new cases, the virus has taken a firmer hold in Europe, the Middle East and the United States, with significant outbreaks in Italy, Iran, California, New York and Washington State.

According to a Global Business Travel Association survey fielded Feb. 25 of business travel professionals (including buyers, suppliers and third parties), 95 percent had suspended all or most trips to mainland China. Seventy-three percent had suspended all or most trips to Hong Kong; 54 percent had done the same for Taiwan and 45 percent likewise for a broader swath of Asia-Pacific.

Airlift to the region has cratered, but that demand chill, too, is beginning to spread. United on March 4 announced it would reduce its entire international service by 20 percent as well as service within the United States and Canada by 10 percent. The domestic and international airline

community has also made sweeping changes to travel waivers and change fees for the next several weeks, lifting penalties to encourage bookings.

The latter move signals a development not registered in the GBTA study, which showed domestic business travel demand almost entirely intact.

With the outbreak along the West Coast, Silicon Valley and Seattle-area tech giants like Amazon and Microsoft since have implemented major travel restrictions, taking potentially hundreds of thousands off the road, out of the air and away from hotels—not just for the Asia-Pacific region. Sources with multiple organizations confirmed to Travel Procurement similar moves, including encouraging employees to work from home.

As a result, the outlook for travel suppliers has taken a dark turn.

“Airlines are preparing capacity cuts and working to adjust costs to address the decline in revenues that will come from a drop in corporate travel,” according to Cowan analyst Helane Becker, who also noted that corporate travel comprises between 15 percent and 20 percent of total airline revenues.

U.K.-based regional airline Fly-

Silicon Valley and Seattle-area tech giants have implemented major travel restrictions, taking potentially hundreds of thousands off the road, out of the air and away from hotels.

be, which already was financially strained, succumbed on March 5 to the impact of Covid-19 on its demand environment. In the European market, eyes are on Norwegian Airlines, which had a rocky balance sheet in 2018 but looked to be turning it around by late last year.

Larger European airlines aren’t immune from the effects of the virus. Reuters on March 4 reported that Lufthansa is grounding 150 aircraft and is bracing for even worse demand effects. The carrier said that it could cut short- and medium-haul flights by up to 25 percent over the coming weeks.

The International Air Transport Association estimated global airline industry losses in 2020 could climb to \$113 billion in what it called an “extensive spread” scenario.

“As governments look to stimulus measures, the airline industry will need consideration for relief on taxes, charges and slot allocation,” said IATA director general and CEO Alexandre de Juniac. “These are extraordinary times.”

Global distribution giant Sabre said the coronavirus will have a material impact on its 2020 results. CFO Doug Barnett said bookings have been down in the “mid-teens” so far this quarter, and the company estimated a potential \$100 million to \$150 million decrease in first-quarter revenue due to the virus. The most impacted region has been Asia-Pacific, he said, but in late February the company was starting to see the chill grip Europe as well. “We have little insight as to when to expect relief,” said Barnett.

Travel Procurement’s Michael B. Baker contributed to this report. ◀

	Canceled All Trips	Canceled Most Trips	Canceled Some Trips	Canceled Few Trips	Canceled No Trips
China	84%	11%	1%	2%	3%
Hong Kong	54%	19%	8%	4%	15%
Taiwan	35%	19%	10%	6%	30%
Other APAC	22%	23%	16%	14%	26%
Europe	3%	5%	15%	12%	65%
North America	1%	1%	3%	5%	90%
Latin America	1%	2%	3%	4%	91%
Middle East	4%	4%	6%	9%	77%
All International	2%	5%	26%	24%	33%
All Domestic	0%	2%	1%	4%	93%

Source: Global Business Travel Association Feb. 25 survey of 401 business travel professionals (67 percent of respondents were travel buyers/procurement professionals; suppliers and other industry professionals also participated)

Booking Platform Omio Expands into North America

After changing its name from GoEuro last year, Berlin-based multimodal travel booking platform Omio has followed through with plans to expand its borders beyond Europe, adding North American suppliers including Amtrak, Delta Air Lines and JetBlue Airways. Omio VP of commercial Julian Persaud, who joined the company three months ago, spoke recently with Travel Procurement's Michael B. Baker about the platform's plans for the U.S. as well as the overtures it has begun making toward the corporate travel market.

What drove your expansion to the United States?

The U.S., which we launched in the middle of January, is our first major foray outside of Europe, and the intention is to go global. We are a platform that is multi-modal. We have flights, but really the core of what we were doing is rail, buses and we just added ferries as well. The idea is a one-stop shop or platform where users can come and make their booking onsite. We want to make travel and the journey really convenient with a single platform you can rely on to go from anywhere to anywhere. Often, traveling, particularly with buses and trains, is incredibly fragmented. There are many providers, very much local, and we bring those all together in one platform and make it seamless and easy for the consumer to book. Now, we want to offer consumers that option all over. Organically, we had about

10 percent of our users as U.S. users anyway, so it made sense as a natural, logical step to go to the United States. Many of these were U.S. folks traveling in Europe, and you know what it's like when traveling in a foreign country, where you don't even necessarily know what the train companies are called or how you book. That's the challenge that needed to be solved, and that's Omio's mission.

What sources do you use for your content?

It's a combination. The heartland of what we're doing is having direct relationships with most of the providers. We have about 800 actual providers we've built up over the last six or seven years, and they were largely European. Since we launched in the U.S., we have 20 providers [there, including] RedCoach and Amtrak. We prefer giving people options, which is important given the sustainability discussion that happens around giving consumers choices about how they make their journey.

Describe the search process through Omio.

Seventy percent of our usage is mobile. That's the trend for us. The desktop is a similar experience. You put point to point, journey to journey, and we present you with the different options. For example, I travel a lot from London to Edinburgh, and I don't just go one way. Sometimes I take the flight and sometimes the train depending on a lot of factors: convenience, time, whether I want to work on the train. The goal is to

have not just multiple modes but since you might take three modes to get there, we want to make it a seamless, magical journey.

How much information do you provide about your suppliers, particularly since they might not be familiar to your users?

We try to give as much information that's useful. We don't want to overwhelm the user. The key things are: what class am I traveling, [and] having a mobile ticket—most of our U.S. content is mobile ticketed.

What is your breakdown of business versus leisure usage?

It's quite difficult to answer that. Sometimes I'm a businessman making that trip, and sometimes it's for personal reasons. At the moment, we're designed around the consumer, but we're starting to move into the B2B and corporate space, and we're investigating different options there. We know we do have a substantial amount of users who are traveling for business, and they're on the platform anyway. We're also starting to develop offerings in the industry as well, white-label products, so we can power up other providers and services. We're exploring more of what we can do in the corporate area. We're thinking through what that offering would look like.

If companies have negotiated rates with a travel supplier, can they get those through Omio?

That's exactly the sort of thing we're looking at right now and exploring the different options. ■

OMIO'S JULIAN PERSAUD TALKS:

- Building business in North America
- Multimodal booking use for business travel
- Potential TMC partners



Why TMCs Are Banking on New Payment Products



The recently announced TripActions Liquid corporate travel payment tool represents a convergence of three ongoing trends in the corporate travel sector: the rise of in-house payment services being offered by corporate travel service providers; the steady penetration of virtual cards into the market; and the continued growth of the Silicon Valley-based travel management firm, which has expanded its services and landed nearly half a billion dollars in funding over the past two years.

Visa-branded TripActions Liquid is designed to work with the company's existing travel management platform, funding corporate travel bookings and expenses occurred in-trip. Travelers get an easy method to pay for expenses without having to keep paper receipts, while managers benefit from trip budgeting, fine-tuned spending controls and direct tracking of expenses, according to TripActions.

With Liquid, TripActions has added its name to the growing list of corporate travel and expense providers that

have rolled out companion payment products over the past several months – a roster that includes Expensify, Emburse (the recently rebranded expense conglomerate, including Chrome River and Certify), the just-launched Center and BCD Travel, which late last year became the first TMC to issue UATP payment accounts.

Long siloed as a separate service provided by a card-issuing bank, corporate cards are a natural fit with a larger T&E services suite, according to advocates of that unified model. Along with the client benefits of improved data capture, tighter spending controls and simplified reporting and reconciliation, there are spoils to be had for providers as well; by capturing a cut of the transaction fees merchants pay for card purchases, those providers gain access to a new source of ongoing revenue.

One App to Rule Them All

TripActions Liquid also includes a virtual card for pay-ahead purchases, such as flights and hotels. And because the virtual card exists within the TripActions app, travelers can present it for booking at hotel check-in, helping solve the long-running issue of front desk friction.

By storing virtual cards within mobile wallets, the cards can simply be presented during check-in and scanned

with an NFC reader, eliminating the faxes-and-friction model. While virtual card specialists such as Conferma have launched standalone apps to create mobile-based virtual cards, TripActions Liquid leverages the company's existing travel management app to produce the card, which can be stored in a mobile wallet such as Apple Pay.

TripActions Liquid is the latest step in the expansion of the company itself. Founded in 2015 to provide travel management to SMEs, the firm has steadily scaled up to serve larger enterprises—and has racked up plenty of investment dollars to support that growth. Liquid's launch brings yet more funding, in the form of a debt financing facility of up to \$500 million—money TripActions will float as credit to clients using Liquid.

While Liquid is a solution for SMEs, TripActions is also positioning the product as an alternative to established card suppliers, hoping to win over large clients with the promise of more control and visibility for managers, and an improved experience for travelers.

While time will tell if TripActions Liquid can wrest any significant turf from legacy corporate card programs, the company isn't shy about its ambitions, which is no surprise given the compelling reasons for that confidence. ■

Long siloed as a separate service provided by a card-issuing bank, corporate cards are a natural fit with a larger T&E services suite, according to advocates of that model.



AVIAT'S AGILE CON- SOLIDATION PAYS DATA DIVIDENDS

MIDSIZE TELECOM MOVES NIMBLY TO A SINGLE GLOBAL TMC TO GAIN VISIBILITY AND DRIVE TRAVEL PROGRAM COMPLIANCE. BY CHRIS DAVIS

Managing sourcing for a small or midmarket multinational travel program doesn't often include a large margin for error. International airfare can be an expensive proposition, as just one example, but SMEs don't always have the ability to demonstrate the kind of volume that can persuade an airline to offer them a good discount. And creating the conditions necessary to direct and demonstrate that volume can challenge even creative procurement and travel managers.

For Eddie Martinez, indirect commodity manager for Austin, Texas-based multinational telecommunications and networking firm Aviat Networks, the solution to all these challenges sat in the data.

Since Martinez joined Aviat in 2018, the company has consolidated its preferred travel management company roster to one for all countries in which it operates, down from three. It has deployed a travel data dashboard that brings in TMC booking data as well as travel expense data to heighten visibility into the details of Aviat's travel spending for senior management. It also has used that data to secure a global discount from United Airlines under the terms of its midmarket program.

PROGRAM CONSOLIDATION OFFERS STRATEGIC VANTAGE POINT

With annual travel spend of about \$5 million, Aviat sits at the lower end of the midmarket. But it was a desire for more visibility into that spend, Martinez said, that spurred the company into action.

Aviat operates in the U.K., France, Poland, India, Singapore, New Zealand and several countries in Africa as well as the United States, and the decision to service travel in those countries using multiple TMCs made sense at the time, Martinez said, since it fit the needs of those locations. But doing so presented one problem: Aviat wanted to build a dashboard to allow full travel spending visibility, but the travel data feeds from those TMCs weren't delivered in identical formats.

"When speaking with our CEO, he was asking why we had this information from this location [and different information from another location]. The information was not [consistent] enough to put in this T&E dashboard," Martinez said.

The solution, quickly decided, was converting to a single TMC worldwide. Pleased not only with the service but also the data feed Aviat was receiving from Corporate Travel Management, its incumbent TMC in the U.K., Martinez explored the possibility of global service.

"When I was getting the reports, they had a hundred lines that I could look through and say, 'let's winnow it down to maybe 50,' Martinez said. "I've worked with different TMCs, and when I asked them about the report, it's like, 'Well, we can only provide you so many data lines or rows.' So when it came down to data, because they're providing us with great service, the information that they provided to us already was amazing. Let's see if they can fit the need for all of the locations."

Martinez did not undertake a formal request-for-proposals process, calling it instead "RFI-ish; just for what fit our needs." Comfortable with CTM's presence in the United States and noting that the TMC's Australian roots could help in converting New Zealand and Singapore, Martinez pushed ahead to consolidate with CTM.

"It was kind of informal," said Martinez, who resides in Aviat's supply chain operation. "I did the research, presented the case to my leader and once she reviewed it, sent it to the CEO. They reviewed it and said, go for it."

Aviat switched first to CTM in 2019 in New Zealand and Singapore and moved to CTM in the United States in early February. Aviat also deployed Lightning, CTM's proprietary online booking tool.

Receiving travel booking information from CTM has allowed a broader view of travel spending through Aviat's in-house built travel dashboard, which also incorporates travel expense feeds from its Oracle iExpense expense management tool.

"Now, when leaders look at their information from a holistic view, they see all locations, all T&E spend, the reasons why, who, what, when, where," Martinez said. "So they understand better what's going on within the business."

Martinez gets a better view, too. "I can look at things strategically as opposed to, 'Here's a fire. Let me go put it out.'"

DRIVING COMPLIANCE & GAINING CREDIBILITY

Dashboard access is limited to senior corporate managers, but reports are available on-demand, allowing the midmarket firm to determine not only how much it is spending on travel but also any discrepan-

cies in booking and expense data. Those discrepancies can lead to sussing out noncompliant bookings made outside of Lightning or CTM's agents.

"We use [the dashboard] to see who's not booking within the tool. We can see who expensed [travel] versus who made reservations in the tool," Martinez said. "Then you can have that conversation to ask, 'Hey, what's going on?'"

With this data in hand and Aviat's TMC services now globally consolidated, Martinez said his United sales representative considers Aviat a good candidate to receive discounts under the carrier's United for Business program, which incorporates what used to be called United's Propel midmarket program. United currently is Aviat's preferred carrier, and Martinez said he will analyze several months of 2020 travel data to see if stronger policy is required concerning its use. "We're just waiting on the data right now so we can make those hard decisions," he said.

Aviat does direct travelers to use preferred properties in each of its locations. Using a single TMC helps in this area as well, Martinez said, as it enables international travelers quick booking access to those properties and gives him easy access to the data.

"Everyone, no matter where they're traveling from, can book the preferred hotel easily, which we weren't able to do before," Martinez said. Then, to get the data, he looks to his consolidated travel and expense dashboard. "Before, I had to talk to three different TMC account managers to upload the data. It's great now." ■

"Now, when leaders look at their information from a holistic view, they see all locations, all T&E spend, the reasons why, who, what, when, where; so they understand better what's going on within the business."

Navigating China's Payment Systems Requires Planning

Despite the current coronavirus crisis, which has all but isolated China from business travelers around the globe, it is inevitable that organizations will resume their contacts with the world's second-largest economy in the near future. When that happens, travelers will again be faced with a payment system that can potentially confuse and frustrate them—unless they prepare in advance.

One of the biggest challenges is that travelers take their 'standard' payment methods, usually based around credit cards, so much for granted that they can't contemplate a situation where plastic is not accepted.

Out with the Old, In with the New

China can present a rude shock for the foreign business traveler. Where your credit card may be your best friend everywhere else, in China that's not the case. This is especially true for international cards from the likes Visa, Mastercard, American Express and Diners, which are not widely accepted in the country.

China largely has leapfrogged the card-based system, and the digital payment systems such as e-wallets and mobile payments have come to dominate most commerce. Even cash, the traditional fallback in most markets, is accepted rather grudgingly by many Chinese vendors.

It is estimated that more

than 80 percent of all payments in China today are made using mobile phones. And of these, over 90 percent are processed through AliPay and WeChat Pay, the two leading third-party mobile payment providers owned by Chinese tech giants Alibaba and Tencent, respectively.

This has been one of the biggest pain points for international business travelers because, until recently, WeChat Pay and Alipay could not be used without a local Chinese bank account and a local mobile phone line. Late last year, however, both companies announced they would make their services accessible to foreign visitors.

AliPay has added a feature to its app which works similarly to a prepaid card, and can be topped up using international credit cards. Similarly, WeChat Pay recently has opened to foreigners, through a collaboration with many of the major global credit card companies.

This means that business travelers visiting China should now be able to use these payment modes for dining, transportation and accommodation, among other things.

Getting Ready to Pay in China

While you may be able to present your personal or corporate credit cards at an international hotel in a big city like Beijing or Shanghai, it's best not to assume that your go-to payment methods will work everywhere. When you get to independent

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Preparing to travel to China requires not only a rethink of payment practices, but also preparing travelers with the right technology.

hotels or tier-two and -three cities, for example, you may not have the luxury of being able to pay by card.

The same is true for meals, taxis and other things you will need to pay for on your trip.

Preparing to travel to China requires not only a rethink of payment practices, but also preparing travelers with the right technology. They should make sure they have WeChat Pay and AliPay apps loaded on their devices and have their cards linked to the app, where possible. This also means IT departments may have to 'white-list' some sites and apps with which they may have little prior experience.

That said, even if you've downloaded the apps and linked up your credit cards, it's advisable not to put all your eggs in this basket. While visiting Shanghai for a conference earlier this year, some of my colleagues found they were unable to link their cards, while others couldn't make payments even after all the set-up was complete. When the tech fails, cash can come to the rescue. While the cashier may give you a bewildered or disapproving look, they'll probably still take your money.

A final word of advice: Life is easier if you have a local contact—a colleague, a client, or a friend—and you keep their contact details handy. That way, if something goes wrong and you don't speak any Mandarin, they can help you out. ■

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Search Cities: Select all, Akron, OH, Albany, NY, Albuquerque, NM, Allentown, PA, Anaheim, CA, Atlanta, GA, Austin, TX, Bakerfield, CA, Baltimore, MD, Baton Rouge, LA, Biloxi, MS, Birmingham, AL, Boston, MA, Buffalo, NY

Hotel Tier: Luxury, Upper Upscale, Upscale, Midscale, Economy

Car Rental Class: Full Size, Intermediate, Compact

Meals: Breakfast, Lunch, Dinner

Select Quarter: 2018/Q4, 2019/Q1

All Cities Selected: Avg Risk Score **43** | Hotel **\$176.36** + Car Rental **\$46.97** + Meal **\$98.09** = Total Cost **\$321.41** | QoQ Change **2.99%**

City	Risk Score	Avg Hotel Cost Across Selected Tiers	Avg Car Rental Cost Across Selected Classes	Total Cost for Selected Meals	Total Daily Cost	QoQ Change
Akron, OH	46	\$140.39	\$43.21	\$86.53	\$270.13	-3.45%
Albany, NY	44	\$197.76	\$44.18	\$93.79	\$335.73	4.00%
Albuquerque, NM	37	\$127.51	\$42.48	\$86.53	\$256.52	-0.24%
Allentown, PA	54	\$145.94	\$42.94	\$89.86	\$278.74	2.58%
Anaheim, CA	31	\$215.09	\$45.81	\$103.21	\$364.11	3.36%
Atlanta, GA	55	\$188.26	\$46.36	\$106.37	\$340.89	-7.69%
Austin, TX	40	\$253.58	\$43.90	\$102.13	\$399.61	8.84%
Bakerfield, CA	42	\$145.13	\$46.56	\$85.47	\$277.16	-14.84%
Baltimore, MD	32	\$171.86	\$47.27	\$109.30	\$328.43	-0.21%
Baton Rouge, LA	30	\$141.03	\$39.86	\$90.91	\$271.80	3.79%
Biloxi, MS	54	\$126.20	\$35.23	\$87.73	\$249.16	14.54%
Birmingham, AL	56	\$154.78	\$40.25	\$95.78	\$290.81	-1.66%
Boston, MA	31	\$223.70	\$47.12	\$113.82	\$384.64	-18.89%
Buffalo, NY	44	\$167.06	\$31.81	\$94.67	\$293.54	10.13%

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