

VOLUME 35 | JULY 2, 2018 WWW.BUSINESSSTRAVELNEWS.COM

BTN

BUSINESS TRAVEL NEWS

GETTING GLOBAL RIGHT.

#1 IN A ROW
DELTA AIR LINES
BTN
BUSINESS TRAVEL NEWS
2017 ANNUAL AIRLINE SURVEY



KEEP CLIMBING



DELTA



KEEP CLIMBING



CREATING A WORLD OF ENHANCED EXPERIENCES.

We're investing in our global partners' businesses and integrating their operations into ours to deliver:

- › Smoother connections through co-located terminals.
- › Reciprocal loyalty program benefits.
- › One simplified, global contract that includes our JV and equity partners.
- › More consistent experiences via integrated teams and systems.



BTN

BUSINESS TRAVEL NEWS



TRANSPORTATION

Turkish Airlines CEO Bilal Eksi talks about the capacity growth that will come with a new Istanbul airport this fall.

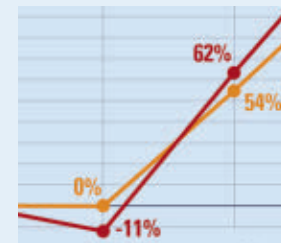
PAGE 22



LODGING

Starwood tried to revitalize Sheraton twice. Now the brand's new parent, Marriott, reveals how it plans to tackle the task.

PAGE 20



VOICES

A travel industry outsider presents an unbiased look at the health effects on those who travel for work more than half the time.

PAGE 24

TOP STORY



Innovators You Should Know

BTN reporters caught up with the companies that have won its Innovator of the Year and People's Choice awards. These accolades, bestowed during the BTN Group's Innovate conference since 2014, recognized the startups that appealed most to corporate travel managers. Now, those tech companies are scaling up. In so doing, some have doubled down on their original ideas, while others have pivoted. All are succeeding. Keep reading for the latest from:

- Conichi's Maximilian Waldmann
- DVI's Brian Beard
- Freebird's Ethan Bernstein
- Roadmap's Jeroen van Velzen
- SpotHero's Becca Rabinowitz
- Tripbam's Steve Reynolds

FULL STORY ON PAGE 14

MEETINGS MAVENS

Shifting Hotel Commissions & Strategic Meetings Management Structures

Genentech's Amy Perrone, Cisco's Carolyn Pund and Shire's Monica Dickenson spoke with BTN editor-in-chief Elizabeth West.

Q Tell me how your meetings program is structured.

Perrone: I was originally hired to implement our meetings management tool and train users throughout the company to input their meetings and data, which I did. Doing that led to the development of our SMM program. We have an internal meetings department that works in conjunction with a third-party logistics provider for larger, more complex meetings. Genentech also has about 600 people throughout the company who plan occasional, simple meetings. A team of five from BCD M&E supports these. If you're a Genentech employee, you have to go to the meetings team or the BCD team. You can't do it on your own.

Q Are Cisco and Shire models similar?

Pund: Each one of our three region managers and India country manager are Cisco full-time employees who lead outsourced managed service teams. We offer venue search, sourcing and contracting, housing and room block management, planning and logistics, one-on-one executive management, program site delivery, event apps, surveys...everything related to logistical event operation and technology. It's a global standard because of [information security] and other requirements. About 11,000 meetings were registered in Cisco's events portal last year. We touched about 4,000. There many [small meetings] where an admin does an offsite but doesn't need services. Those still must be registered for overall governance, budgeting and visibility.

CONTINUED ON PAGE 10

What's Inside

3 ON THE HORIZON

- CWT brings air booking to mobile app with application programming assist from Sabre
- AccorHotels CEO confirms the company is considering Air France-KLM investment

19 LODGING

- Facebook & Google, not Airbnb, keep hotel execs up at night
- IHG launches Voco brand

23 TECHNOLOGY

- Mezi ends relationships with travel management companies
- Sodexo launches integrated T&E solution Rydo

4 | On the Record



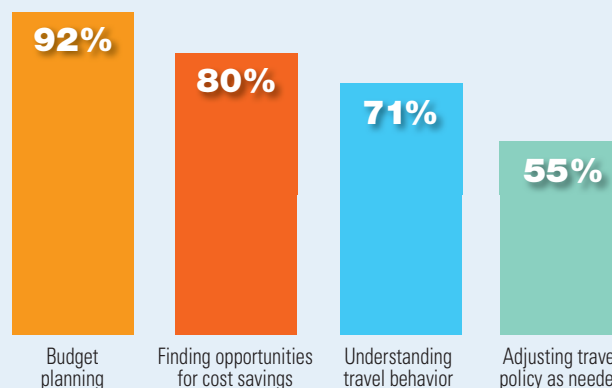
Carlson Wagonlit Travel CEO Kurt Ekert on changes in the consumer world making their way into the corporate travel sphere

"There is going to be disruption in payments in corporate travel. We want to understand that, capitalize on it and bring it in as soon as we can. ... We're going to test a few emerging technologies."

8 | Data Hub

Corporates' Visibility & Control of Out-of-Policy Expenses

At right, how travel programs use expense data. More insights inside.





**PEACE OF MIND?
PIECE OF CAKE.
WE MEAN
BUSINESS.**



*Cambria® Hotel,
Philadelphia, PA*

Comfort Inn®, Denver, CO

Your travelers have high standards. You have high expectations. That's why we're modernizing our core brands to bring you more consistently excellent, business-ready properties that you can confidently recommend. Make sure you don't miss us at this year's GBTA convention. We can't wait to show you what's new.

LEARN MORE AT:
ChoiceMeansBusiness.com

Sign up to meet with us at GBTA and receive a **\$50 gift card.**

**Going to GBTA?
Meet us at booth #3521**





CWT Brings Air Booking to Mobile App with API Assist from Sabre

BY JAY BOEHMER

Carlson Wagonlit Travel plans to roll out flight booking capabilities on its CWT To Go mobile app in the second half of the year, CEO Kurt Ekert said. Already, mobile flight booking is testing with clients in what he called an “aggressive pilot phase.”

Sabre executives in recent months had made reference to a large, unnamed corporate travel agency that has tapped into its shopping and booking application programming interfaces, including from Sabre’s GetThere booking system. Ekert confirmed CWT is using GetThere APIs, as well as other tech partnerships, to bring flight booking to its native app. “We think the rules engine, meaning the algorithms in the front end, are what we want to focus on,” Ekert said. For “the back end and the acquisition of content, we are using other partners to help us with that. We think it’s the right way to focus in terms of driving a consumer-grade experience.”

The mega TMC has been working on mobile flight booking “over the past year or so,” chief technology officer Andrew Jordan said at the end of May. “It is being used in a number of markets now. It’s not something that we said, ‘Let’s go Big Bang and give it to everyone all at once.’ Some people don’t want it for various reasons, but there’s a lot of interest in it. We’ve had hotel [booking] on mobile for quite a long time.” CWT To Go flight booking will not be enabled by default. It requires corporate client authorization to turn on, CWT noted on its website.

Flight booking is available in the U.S., the U.K., Canada, France, Spain, Germany, Italy, Switzerland, Brazil and Australia. Additional markets will launch this year, CWT noted. Flight cancellations and changes are not initially supported but are on the road map, CWT stated on its website. The earliest flight-booking capability will address “point-to-point trips.”

CWT To Go will support shopping and booking of



“Our chief data scientist, Eric Tyree, has this vision of one-click travel, which is the idea that we know what airline you like, we know when you like to travel, we know what seat you want and we know what hotel you like to stay in, so we ought to just offer itineraries to 90 percent accuracy.”

—CARLSON WAGONLIT TRAVEL’S ANDREW JORDAN

negotiated fares from individual corporate clients, as well as from CWT. The mobile flight booking capability also will include a “best-time-to-buy” indicator, “which shows how much the fare is likely to increase by if you delay booking early,” CWT noted on its FAQ.

Jordan said he instructed CWT’s developers to take “a very consumer-led UX/UI approach” and to make it “intuitive to use.” He said CWT is striving to “stay one step ahead of the booking, rather than just somebody saying ‘I want to book a flight to New York’ and you say ‘Here are 600 options for you.’ That’s not a very good experience.”

As such, to optimize booking options for each traveler, CWT is working to mine data on user behavior and individuals’ stated and implied preferences. That is a broader effort that extends to offline channels, as well, Jordan said. “Our chief data scientist, Eric Tyree, has this vision of one-click travel, which is the idea that we know what airline you like, we know when you like to travel, we know what seat you want and we know what hotel you like to stay in, so we ought to just offer itineraries to 90 percent accuracy for much of what we do. There’s no reason why we can’t use data to drive that.”

After opening up its Sabre Red desktop APIs last year, Sabre has opened GetThere APIs so outside developers can construct their own booking applications. Sabre confirmed that CWT is the first user of its “corporate air service API that provides multisource content and a robust rules engine for travel policy. It’s powered by the Sabre platform, which includes corporate travel capabilities of GetThere,” a Sabre official noted by email. “This is the first API from Sabre specific to corporate business travel workflows, with more to come.”

BCD also has said it is working on mobile air bookings for its TripSource app.

—Additional reporting by Amon Cohen

AccorHotels CEO Confirms the Company Is Considering Air France-KLM Investment

BY JULIE SICKEL

AccorHotels CEO Sebastien Bazin has confirmed the company is weighing the possibility of investing in Air France-KLM. Media reports surfaced last month that it was doing so.

During a press panel at the NYU International Hospitality Industry Investment Conference in early June, Bazin said Accor for the past few

years has been in talks with Air France-KLM about developing joint digital projects and a joint loyalty and services platform. “It is very early stage,” Bazin said. “We can’t deny that we did have some discussions. I still don’t know whether it makes any sense. ... Do you need to be an investor to do digital partnerships? Of

course not. But give me the benefit of the next few weeks to assess whether it makes any sense or not.”

Accor has extra money on its balance sheet following its May 31 4.6 billion-euro sale of 57.8 percent of hotel investment platform AccorInvest. Accor announced its intention to divest a portion of its owned hotel assets via AccorInvest, formerly named Booster, in early 2017. Accor also closed its acquisition of Mantra Group for 830 million euros on May 31.

Whether a deal proceeds or not, the news points to Accor’s continued push to areas beyond the lodging space. The company also is working to boost its loyalty program, the penetration of which lags, Bazin said, far behind competitors Marriott International and Hilton. ■

CWT CEO Kurt Ekert's State of the Industry

Carlson Wagonlit Travel president and CEO Kurt Ekert talked with BTN contributing editor Amon Cohen about the competitive landscape and the digital innovations his mega travel management company is working on for customers.

HOW'S BUSINESS?

We're filling the equivalent of 260 Boeing 787s and 100,000 hotel rooms each day, and we handle 105 to 110 corporate events. We are seeing very healthy transaction growth of 3.5 percent or so. We are seeing revenue growth in our RoomIt hotel distribution business in the mid-teens. We're now up to 1.1 million users of our mobile app, CWT To Go, so we're really beginning to see our strategy take hold. This year, we have already sold over \$1 billion of new business.

TO WHAT DO YOU ATTRIBUTE THE DISPROPORTIONATELY HIGH GROWTH FOR ROOMIT?

In addition to growing from 100,000 to nearly a million properties in our portfolio, we are also now able to aggregate rates, so when you look at a given property, we show the negotiated corporate deal, the best retail rate, the best aggregator rate and the CWT proprietary rate. We are effectively helping you understand and arbitrage the rate.

WHAT CHANGES ARE YOU SEEING IN THE RATE MIX FOR CORPORATE CLIENTS? SOME PEOPLE ARGUE THAT CORPORATE RATES ARE LOSING THEIR IMPORTANCE.

Corporate negotiated rates account for 40 to 70 percent of what is bought, and I don't expect that to change. They remain especially important with larger corporate clients who have purchasing power with hoteliers. All things being equal, we prefer to show a corporate rate above anything else. What we are seeing is clients concentrating on buying at less hotels. They realize they don't need to get as long in the tail anymore because we have effectively done that on their behalf, and because we do \$6 billion of turnover ourselves, we are able to get good deals for them.

SO IS THERE A BIG SHIFT TO RATES NEGOTIATED BY CWT?

We've seen traction with third-party as well as RoomIt preferred rates, but I think RoomIt rates are going to be the fastest-growing channel for us.

WHAT'S YOUR FEELING ABOUT THE PROPOSED ACQUISITION OF HOGG ROBINSON BY AMERICAN EXPRESS GLOBAL BUSINESS TRAVEL?

You have two large competitors whom we respect going into one, and they'll compete under



Carlson Wagonlit Travel
Kurt Ekert talks:

- Growth, including the RoomIt hotel distribution division
- The future of corporate negotiated hotel rates
- The pending Amex GBT-HRG merger
- Becoming the leading digital travel management company
- Blockchain, automation, AI & data reporting

one or two brands, assuming the transaction actually closes. We're very focused on our 3.0 strategy and a great hotel offering, so the beauty for us is that while others are focused on things that might require a lot of internal effort, our focus is 100 percent on the market and our customers.

DO YOU NEED TO RESPOND BY MAKING YOUR OWN ACQUISITIONS?

We are very comfortable, with the strategy and scale we have, that we can separate ourselves from the rest of the pack, and we are not compelled to do a similar acquisition.

VENTURE CAPITAL IS FLOWING INTO SMALLER DIGITAL STARTUPS THAT CLAIM THAT THE CURRENT MODEL, DOMINATED BY COMPLACENT MEGA TMCS AND CORPORATE BOOKING TOOL PROVIDERS, IS BROKEN. DOES THAT CONCERN YOU?

The business travel sector is a \$1.2 to \$1.3 trillion global industry. It's a good sector, growing at a 5 percent-ish compound annual growth rate, and it's ripe for disruption in that the pace of digital change in B2B has been slower than in B2C. There are reasons for that. There is more complexity. While there are a lot of things we build and are proprietary to us, there's no pride of ownership if [you're not] enhancing the value proposition. So if there's a third-party technology company out there that we can bring into our ecosystem and make it seamless for the buyer, that's what we do. We have partnered with two early-stage venture capital technology incubators, one in Silicon Valley and one in Paris. We look at about 1,000 different early-stage companies each year. We bring in a subset of those and beta them with a subset of our clients to ask if the technology is scalable and works in their environment. In some cases, we [go on to] invest in and scale that for our network.

BUT A LOT OF MONEY IS BEING PUMPED INTO THESE STARTUP COMPETITORS. DO YOU WORRY ABOUT DISRUPTION OF THE MEGA TMCS THE WAY AIRBNB HAS DISRUPTED ACCOMMODATION OR UBER AND LYFT HAVE DISRUPTED TAXIS?

Any sector or company that does not innovate will die. The key for us is to see changes in the marketplace and seize that opportunity. If we had the philosophy of saying, "We have to solve all those things ourselves," well we're just not that smart. But we are smart enough to say, "That's pretty cool. How do we make it work in this environment?" And that we're pretty good at, so I'm excited when I see interesting third-party capabilities coming up and seeing if there's a symbiosis there. Our whole strategy is to become the leading digital TMC in the world. There is no leading digital TMC today. I think we have maybe a marginal lead, but we really want to move the needle on what a TMC looks and feels like.

NOT THE LEADING TMC IN THE WORLD BUT THE LEADING DIGITAL TMC?

Absolutely correct. And that is a fundamental

CARVING THE PATH FORWARD.

Leadership means going where others haven't. That's why Delta is busy innovating, developing and perfecting products and services that push our entire industry forward. See what's next at PRO.DELTA.COM.



 DELTA
EDGE™

change. Out of our top 100 leaders in the company, nearly 50 percent were not here when I joined the company. We've brought in a lot of talent from e-commerce, consumer travel and technology. Our entire product technology team is different, and we've massively upgraded our capital expenditure spending. We really are becoming more of a technology and e-commerce company.

SOME OF THE STARTUPS RECEIVING INVESTMENT ARE BIG ADVOCATES OF TRAVELER INCENTIVIZATION. CWT HAS INTRODUCED LOYALTY BOOSTER, WHICH REWARDS TRAVELERS WHO BOOK PREFERRED HOTELS THROUGH ROOMIT, YOUR HOTEL DISTRIBUTION DIVISION. DO YOUR CUSTOMERS LIKE THIS, OR DO THEY LOOK ON IT WITH DISTRUST?

For the vast majority of clients who opt into Loyalty Booster, we see definitive improvement in hotel attachment and user satisfaction, which is good for the corporation because it gives them control of their spend. There are also third-party companies which do similar things. We've worked to incubate a few of those and test them with our clients, with varied success. Each client looks at this differently. Some say it's pro-user experience and they want to do that for their Millennials. Others say, "Why should the traveler get a perk?" We understand it's not a one-size-fits-all mentality about that.

SOME THINK PAYMENTS IS AN AREA THAT HAS BEEN OVERLOOKED. HOW ARE YOU GOING TO ADDRESS IT?

Approaching 90 percent of our transactions globally are on credit card. The world where the TMC played the role of banker is still present, but it's much smaller than it was.

YOU'RE TALKING ABOUT PAYMENT BY INVOICING, RIGHT?

Correct. That's not a game I'm interested in playing long term. It's less than 10 percent, but it's certainly more concentrated in some key European markets. If you look at the consumer world, there are massive changes, and I think that's going to find its way into B2B. We haven't figured out the optimal-scaled mouse-trap yet, but there is going to be disruption in payments in corporate travel. We want to understand that, capitalize on it and bring it in as soon as we can. Instead of inventing one ourselves, we're going to test a few emerging technologies, and if there's one that looks right, we're going to figure out how to implement it on a scaled basis.

DO YOU THINK BLOCKCHAIN COULD PLAY A ROLE?

Blockchain could dramatically simplify our workflow processes, including payments. We have a couple of people focused on if and how blockchain could be an influence. It's much more theoretical at this point, but if you look forward five or 10 years from now, it will probably be prevalent in what we do.

"We've built a new front end [to CWT AnalytIQs] called AnswerIQ. ... You basically act like you're Googling. You click through and you search your data in any way possible."

WHAT OTHER TECHNOLOGIES HAVE YOU BEEN WORKING ON?

We're doing a lot with robotic process automation, so we can free travel counselors up to interface primarily with the client. [For example], when we implement a client ... we have to input the profiles of what can be 10,000 or more different users for our largest clients. In the old times, we would have to enter them again several times for other steps in the process. Now, you press a button and they transfer across all the platforms. That's RPA. It's so simple, but it exponentially reduces the time to do things. We've improved our implementation time with a typical customer by 40 percent since I joined the company.

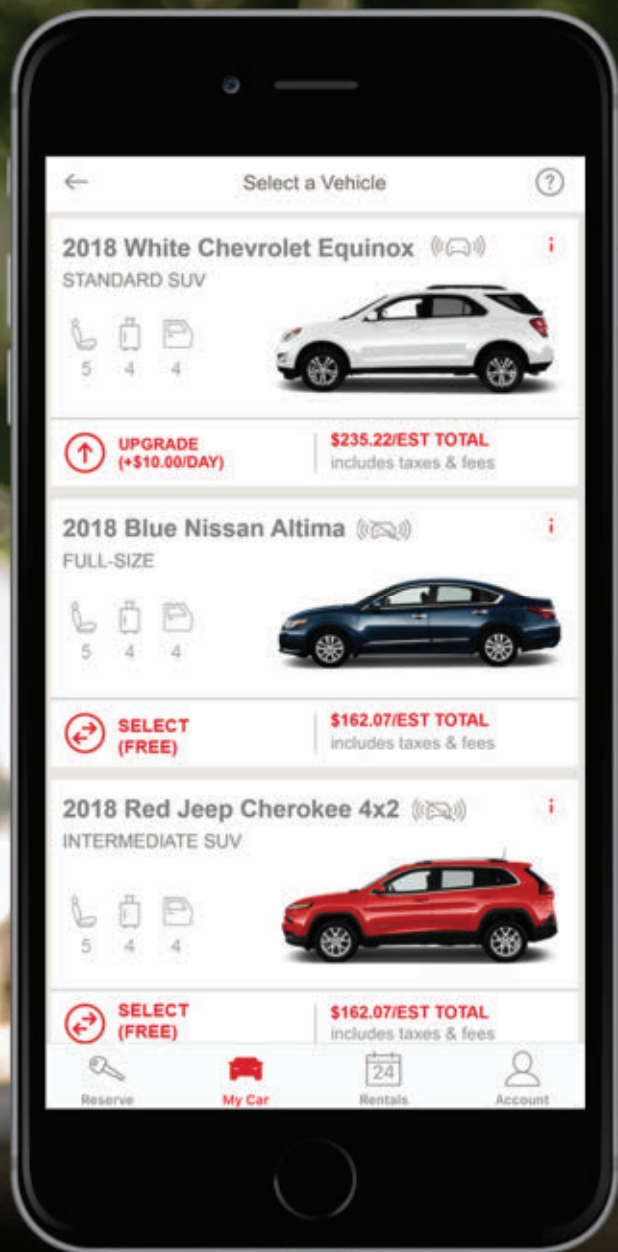
HOW ABOUT ARTIFICIAL INTELLIGENCE?

With AI, the real opportunity is in personalization. The biggest thing we are doing there is around search algorithms. We have a team of about 60 data scientists, which did not exist two years ago. They work on analytics projects and the personalization engine. We are in the very early stages of this. We think we can drive a much more intelligent search response. It's moving much more in that direction of our knowing who you are, what you're doing and what your colleagues are doing. If you are booking a flight to New York, we are saying: "Here are two hotels for you to go to, [based on] your loyalty, preferences and corporate policy." We don't assume; we know with great confidence what you want before you even book it.

WHAT ELSE ARE YOUR CORPORATE CUSTOMERS ASKING FOR?

One of the biggest things is analytics. CWT AnalytIQs is our data product, which by all reports is the best in the industry, with good levels of customer satisfaction, but it's a real-time look backwards at what happened with your program data and doesn't always marry with your card or expense data, for example, or out-of-program data. So we've done two things that are pretty innovative. We've built a new front end called AnswerIQ. This will be rolled out in the second half of this year. Basically, it's a Google search box with drill-down capabilities. Instead of us [providing] 20 canned reports and with some effort you can create another report, you basically act like you're Googling. You click through and you search your data in any way possible. We spent the last 18 months with the engineers building a data lake. It's a much more enhanced way to get around your program data. The second thing is a product called Travel Consolidator. We've integrated feeds from all the key card and expense providers, etc., and we've married that with program information, so in one place you have one version of the truth. You can match it to a traveler. You can match it to a trip. You can see exactly what's going on. We're able with that to do a lot of "what if" analysis—for example, to optimize supplier relationships. ■

NEW LOOK. NEW EXPERIENCE. TOTAL CONTROL.



The next time you land at your destination, use the Avis app, and choose the car you want.*

 **DOWNLOAD THE APP TODAY.**



AVIS[®]

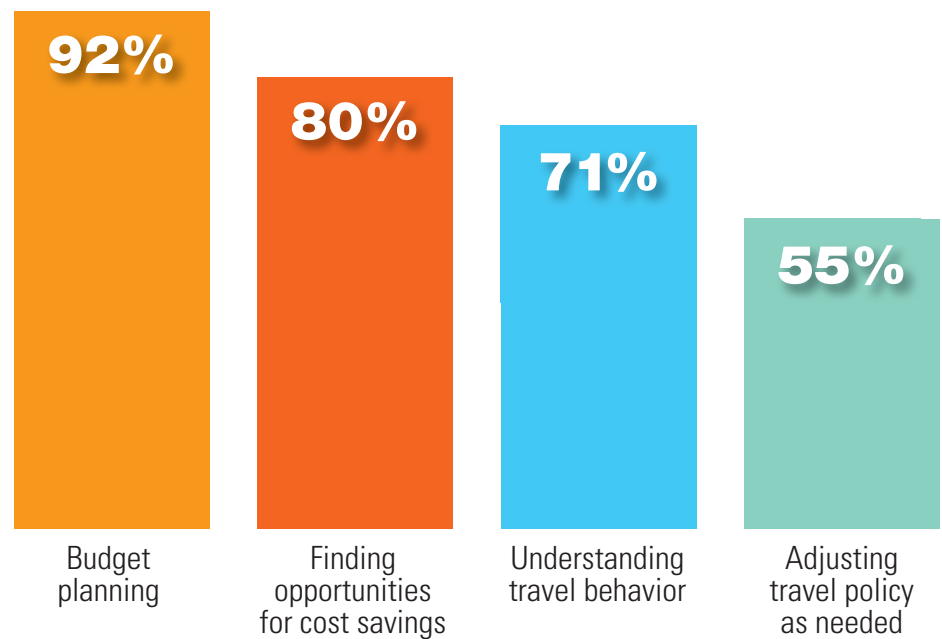
*For full details, visit [avis.com/app](https://www.avis.com/app).
©2018 Avis Rent A Car System, LLC

Corporates' Visibility & Control of Out-of-Policy Expenses

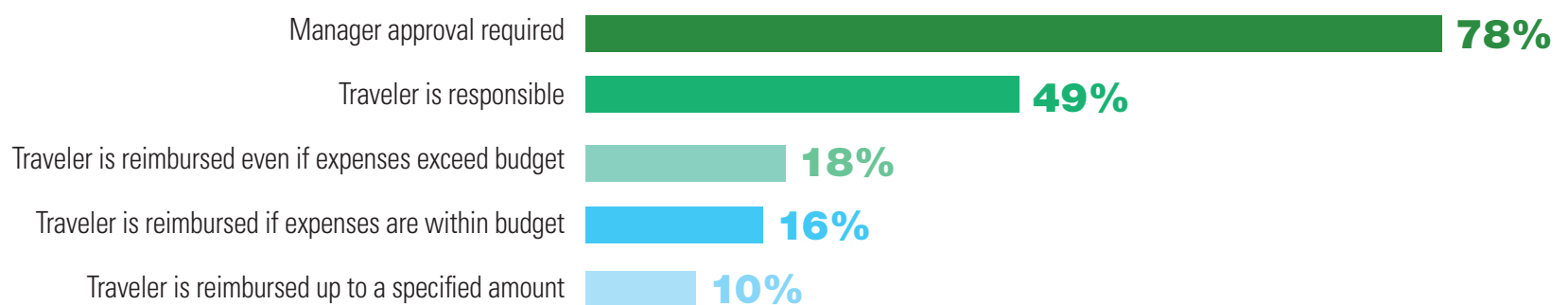
79%
of travel programs search expense reports for out-of-policy expenses
Based on 136 responses

54%
reconcile expenses with booking data
Based on 135 responses

HOW TRAVEL PROGRAMS USE EXPENSE DATA Based on 128 responses



HOW TRAVEL PROGRAMS REIMBURSE OUT-OF-POLICY EXPENSES Based on 125 responses



TRAVEL PROGRAMS' ABILITIES TO MANAGE OUT-OF-POLICY EXPENSES Each item based on between 101 & 123 responses



Source: Global Business Travel Association & AirPlus International survey, between Jan. 17 and Feb 1, 2018, of 163 U.S.-based travel managers, travel buyers & procurement officers who had at least some input into decisions about payment solutions providers & policies.



34TH ANNUAL

TRAVEL MANAGER OF THE YEAR

AUGUST 14, 2018

6:30 PM – 8:30 PM

**CORONADO ISLAND MARRIOTT
RESORT & SPA SAN DIEGO**

Business Travel News invites corporate travel buyers to attend its 34th annual reception as the coveted Travel Manager of the Year award is presented. Also announced during the reception are the 2018 Best Practitioners for their industry accomplishments and innovations.

**Attendance is
for Qualified
Buyers Only!**

**Don't miss this exclusive
gathering of the industry's
elite corporate travel
professionals!**

REGISTER by July 31st

www.BTNGroupConferences.com/TMOY

PRESENTED BY

BTN
BUSINESS TRAVEL NEWS

SPONSORED BY



mastercard.

Meetings Mavens

CONTINUED FROM FRONT PAGE

Commissions & SMM Structures

Illustration by Scott Pollack



Genentech North America strategic meetings manager Amy Perrone, Cisco senior global meetings & events manager Carolyn Pund & Shire head of global meetings & events Monica Dickenson

Dickenson: We have business partners that are either in other regions or other lines of business. The line-of-business leads don't report into the global meetings and events team, but their meetings are governed by the policy we manage. They are our key stakeholders and our customers. We also have local-country event planners who don't report into either one of those groups. In terms of outsourced partners, we have three certified, global providers that can work across all lines of business and are managed directly by my global team. One provides sourcing and meetings logistics. Any meetings that require venue sourcing are routed through that organization, but we also have two other providers only for planning services. These can take over after sourcing is completed. International is broader in scope and includes a second tier of preferred suppliers.

Q *Outsourcing isn't required for meetings management, but clearly there are advantages.*

Pund: In a managed service model, we buy the services needed to expand and contract resources at any given time. Per meeting, decisions about resources to provide—and whether those are internal or external—is largely driven by the meeting budget. If it's simple, it's going to be done by an admin. If they need some level of technology, maybe it's the admin plus our internal team services. If it's slightly larger, it could be a professional program manager using all our outsourced services. If it's our mega customer conference or global sales meeting, you're talking about working with a major agency partner.

Perrone: Genentech doesn't want to be in the

business of planning meetings. That's not our mission. We research and make medicines that are going to be life saving or life extending. Anything beyond that focus is not our core business.

Dickenson: I agree. Outsourced support is vital. It allows us to maximize our existing resources and to help our employees be more efficient, compliant and effective in their core roles.

Q *If companies don't want to support, how do meetings leaders fund SMM programs?*

Dickenson: You do have to really sell [regulatory, data security and risk mitigation factors] to executive leadership. They still may not want to give meetings leaders a budget, and that can make things really challenging. It forces strategic meetings managers to be very tenacious in their approach, not just in how to fund the program but also in how to provide a high level of service.

Perrone: I've had budget to run my program from the beginning. We didn't know exactly how many meetings we were going to support, but we knew there were a lot and it was worth investing in.

Q *Do you rely on hotel commissions payments for funding, then?*

Perrone: Commissions offset our costs.

Dickenson: Same here. It helps us drive policy, program adoption and market share to our preferred hotels as well as generate savings which further adds to our ROI.

Meetings Mavens Talk Shop

WHAT DRIVES INTERNAL & EXTERNAL STRATEGIC MEETINGS MANAGEMENT STRUCTURES

HOW THE SHIFT IN HOTEL COMMISSIONS MODELS COULD IMPACT SMM PROGRAM SERVICES

Pund: We are a self-funded meetings program. Because of funding from hotel commissions, we are able to offer lower pricing in our service costs, which allows our internal team a value proposition compared to external agencies. There are clearly other benefits of having internal services: They're behind the firewall, they're completely conversant with policy, compliant to Cisco's financial and reporting requirements, information security and data privacy requirements, etc.

Q *In the current environment, with Marriott, Hilton and IHG reducing commissions to 7 percent, do you foresee changes in your preferred relationships to maintain current funding levels and program structure?*

Pund: Yes. We have increased our [number of] preferred partners. Our SMM sourcing team is the function that drives business to our preferreds, and commissions contribute to funding them. Without that team in place, the preference and advocacy is lost.

Perrone: My conversation with the brands that have taken a hard stance on commissions is that they spend fewer resources selling to us because we have SMM programs in place. If they reduce the commissions and theoretically defund our SMM program, how many salespeople will they have to deploy against our company to target our 600 admins who plan two small meetings a year?

Dickenson: The relationship with our hotel partners is at the SMM level. Our policies and processes drive the business to their brands. I'm not sure the hotels understand this. For example, hotels market to our stakeholders and they think they win that business, but the person isn't authorized to signing anything. They could do all the work and realize they just wasted their time. This is not a good use of anyone's resources. SMM helps mitigate this.

Q *Will commission become a negotiation?*

Pund: It already has. There are hotel owners and property managers saying they aren't going to lose an important piece of business over this and they will either go ahead and give the commission or find other ways to offset costs. I think there needs to be flexibility with this commissions question in order to win the business, not just hard and fast mandates. ■

What makes a buying experience exceptional?

“For us, it’s getting to the bottom of what drives success for our clients and activating IHG’s scale through custom solutions that serve your unique needs and help grow your influence.”



Erin
Sales Specialist

Marisol
Key Account Director

Nearly 5,400 hotels with meeting space in the most locations worldwide.
ihgb2b.com

Europe? We're all over it.

Our partnership offers you the best
on both sides of the pond.





Together, American Airlines, British Airways, Finnair and Iberia provide an extensive network and a seamless journey for your travelers with:

- 116 daily flights to 25 destinations from North America to Europe and smooth, easy connections to points beyond
- More nonstop flights between New York and Los Angeles to London than any other partnership with a true First class option on both routes
- A modern travel experience with lie-flat seats in First and Business, power outlets, hundreds of entertainment options and chef-inspired menus on nearly every route
- Ability to earn and redeem miles, lounge access and reciprocal elite status privileges, so travelers can enjoy maximum benefits across all carriers

To learn more, visit flytransatlantic.com

INNOVATORS

YOU SHOULD KNOW

BTN is revisiting the companies that since 2014 have won its Innovator of the Year and its People's Choice awards, bestowed at the BTN Group's annual Innovate conference. The goal: to see how these tech players have evolved, to learn how they've grown and to peek at where they're going.



TRIPBAM

2014 INNOVATOR OF THE YEAR

When Tripbam took home the trophy at BTN's inaugural Innovate conference in 2014, it did so as a two-year-old tech startup bent on reducing the prices corporates pay for their hotel programs. Tripbam's bread-and-butter offering, as founder and CEO Steve Reynolds calls it, was and still is its hotel shopping tool, which continuously queries rates at a single property or within a geographic cluster in order to capture any drops in prices leading up to a hotel stay. The company has by no means slipped into obscurity since then.

Tripbam leveraged its early partnerships with influential corporate clients—including Anthem's Cindy Heston, as well as smaller agencies like Hickory Global Partners and Dallas-based TravelSolutions by Campbell—to form larger agency deals and sign additional clients. Late in 2014, the company signed a reseller agreement with BCD Travel. Tripbam also piloted with its first 20 corporate accounts and implemented its first corporate direct client relationship that year.

In 2015, it struck reseller deals with American Express Global Business Travel and U.K.-based Business Travel Direct. That same year, Tripbam's hotel-shopping tool, geared at finding savings, found a new application, as procurement professionals used the large volume of data Tripbam generated during its frequent hotel shops to strengthen their positions during hotel rate

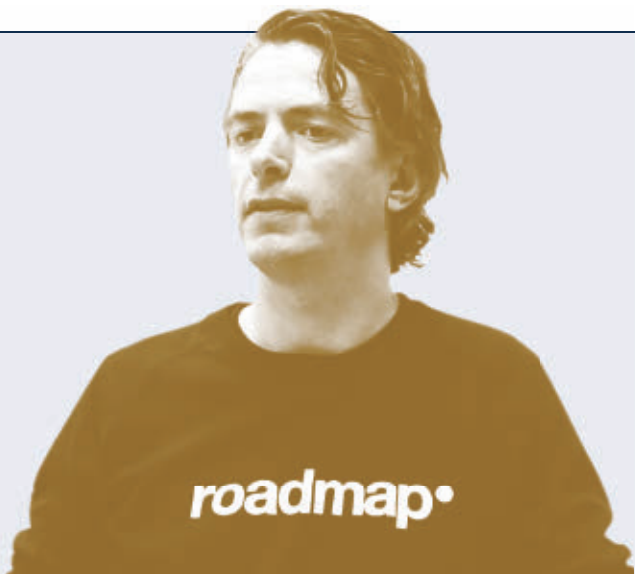
negotiations. The data also directly highlighted a previously unmeasurable issue in the hotel industry around last-room-availability agreements and hoteliers' frequent failures to honor them.

In 2016, Tripbam released its Tripbam Analytics suite of visual tools for travel managers, which built on its prior procurement applications to track additional metrics, such as the overall increase or decrease in commissions as different rate types are found and rebooked; the improvement in corporate hotel compliance; and which travelers cost or save the most money for the program. It also introduced multiple languages and currencies to support global accounts, integrated with email parsing and application programming interface tool Traxo to capture direct bookings and signed a referral agreement with Carlson Wagonlit Travel.

Last year, Tripbam opened a London office to serve EMEA, appointing travel industry vet Peter Grover to oversee it. The company also signed a reseller agreement with HRG, formed a partnership with guest feedback platform TrustYou to improve its hotel clusters and signed its 25th Fortune 100 corporate client.

Now, Tripbam is exploring partnerships with hotels to become to the industry what Prism is to airlines. However, no agreements have yet been made public.

—Julie Sickel



ROADMAP

2015 INNOVATOR OF THE YEAR & 2015 PEOPLE'S CHOICE

Roadmap demo'd the prototype of its "corporate travel companion" at the Innovate conference in September 2015. The idea was to simplify the travel experience for business travelers by building traveler-friendly apps customized and branded for each corporate client. "We initially thought that it would be easy to land with small-size, midsize companies that understand that

the employee experience is paramount," said CEO Jeroen van Velzen. "We found out actually that the bigger the company, the bigger the problem, and that's when we're needed."

Roadmap landed Tommy Hilfiger as a client in 2015 and finished the year with another client on the roster, as well. But larger companies took notice, too, and Roadmap signed a large



FREEBIRD 2016 PEOPLE'S CHOICE

Since being named the People's Choice winner in 2016, mobile flight rebooking app Freebird has significantly built up its clientele and partnerships in the corporate space. The app now has more than 150 corporate clients live across about 10 travel management companies, including Adelman, Omega World Travel and Travel Leaders Corporate, said CEO and co-founder Ethan Bernstein. In February, Freebird was among the nine launch partners announced for BCD Travel's third-party technology marketplace SolutionSource. In all, the app is on track to serve more than 250,000 travelers this year.

"We are growing phenomenally fast, and feedback is absolutely through the roof from our corporate travelers and from the travel managers who control the policy and programs," Bernstein said. "Our renewal rate is 100 percent at this point, and our client retention rate is around 98 or 99 percent." The gap owes to attrition from TMC resellers of Freebird.

The high satisfaction levels are impressive,

Bernstein said, when taking into account that Freebird users are, by design, stressed or angry when putting the app into action. Freebird's predictive analytics and airline-agnostic, in-app rebooking capability ends what Bernstein calls the "doom cycle" when delays or cancellations seem imminent. By using the app, travelers do not have to constantly hit refresh on their phones, obsessively check weather reports or watch over their shoulders for quickly forming lines. Instead, they can get work done, grab a bite to eat, use the restroom or do the other tasks they would do during normal travel situations, he said.

Having operated in corporate channels for about 10 months at this point, Bernstein said his favorite corporate client success stories are those in which use of the app saved a major deal. For example, one client in New York needed to travel to Arkansas in January, when Winter Storm Inga prompted the traveler's flight to be canceled. The app found a nonstop flight that got the traveler to Arkansas in time for the meeting, while the airline's offer arrived four hours later and included a layover. "Their ability to move quickly and switch airlines onto a nonstop flight saved their meeting and the multimillion-dollar deal they were working on," Bernstein said. The travel manager came back to us and said, "Our entire program was paid for on this one trip."

Next up, Freebird is eyeing expansion into international flights. That's the most frequent request Bernstein fields, and it's tentatively penciled in for next year, he said. "We're continuing to focus on the U.S. domestic market to grow our penetration and continue to perfect the offering, but going forward, we're going to look beyond our borders," Bernstein said. "We're starting to think about how to do that responsibly and in a way that preserves duty of care and is proving beneficial to travelers and travel programs."

—Michael B. Baker

pharmaceutical company, KPMG, Microsoft and another tech company in 2016. The next year brought five more clients. According to a story in BTN sister publication The Beat, seven of those 11 clients are Fortune 500 companies. Van Velzen said 2018 growth has been significant, as well. The company became cash-flow positive in January 2018, and in May, it landed 4 million euros in Series A funding.

Roadmap's relationship with Microsoft, in particular, is notable. Even before landing the tech company as a client, Roadmap built its platform on Microsoft's Azure cloud platform. As Roadmap uses its funding both to chase down the rest of the enterprise market and

to delve into predictive tech, it also intends to make its tech open source. Because much of the corporate world similarly is built on Azure, Roadmap will meld easily with corporates' infrastructure. "It should be really simple for IT departments to basically flip that switch and become the owner of your own data and make that travel and travel profile data more portable and use all of the insights with your own infrastructure and the infrastructure of your travel suppliers," van Velzen said. "We configure the system using our logic and our intelligence and predictive capabilities, but it's on their database, it's on their data lake."

—Amanda Metcalf



CONICHI 2016 INNOVATOR OF THE YEAR

Conichi wowed Innovate attendees with the end-to-end solution it promised to bring to hotels, including mobile check-in and check-out, mobile key, beacon messaging and virtual card payment via integration with hotel property management systems and a mobile app for travelers. Prior to its victory, the German startup already had support from investor HRS, which used Conichi tech at its "smart hotels."

Since then, however, the company has shifted from hotels and the unstructured, leisure market. "The potential in business travel is just huge," said co-founder and CEO Maximilian Waldmann. "We've only understood this the more and more we started digging into this space."

Conichi in 2017 turned its full attention to the corporate travel market and established firmer North American footing, opening an office in San Francisco. With the change in direction, the company has also walked back some of what Waldmann calls the "sexy" tech with which it first launched. Mobile apps, beacons and digital keys are fantastic, he said, "but at the end of the day, if no one uses the applications, it's all useless." Instead, Conichi is leaning into the major pain points of corporate travelers: check-in and check-out and the expense process. There's still a future for "sexy innovation," Waldmann said. "I just don't think the time is right at this point."

Because Conichi found that adoption of mobile apps among corporate travelers is low, the company now pushes information via email, where 40 to 50 percent of travelers act on it, and hosts a mobile-responsive Web app. Twenty-four hours before a traveler checks in, he or she receives an email with his or her company's look and feel. It provides the traveler with booking information, the ability to check-in and the ability to share payment information in advance, either via a typical payment card or a virtual card. A similar protocol is followed for check-out, allowing guests to split hotel charges between two payment methods and push the expense information to the corporate tool.

Conichi can provide corporates raw Level 3 data for on-property spend, providing a glimpse into what traditionally has been a "black box" for programs, according to Waldmann. The company continues to work with HRS, offering up its data to improve the sourcing process for corporate clients and developing new payment capabilities. It also formed relationships with Carlson Wagonlit Travel and Amadeus Cytric. But Waldmann said Conichi "works with everyone" as a bridge between corporates and hotels.

—Julie Sickel



5TH ANNUAL

innovate

for the advancement of business travel

[OCTOBER 29-30, 2018]

NEW YORK HILTON MIDTOWN, NEW YORK CITY

Join *Business Travel News* and *Travel Procurement* for the only industry event that combines...

- * Cutting-edge buyer education
- * Technology innovators and influencers
- * Networking with 500 of your business travel peers

MASTER CLASSES

Education sessions presented by senior BTN Group executives and panels of experts assembled to explain cutting-edge topics that savvy business travel buyers are not yet well-versed on, but ought to be.

- Block Chain and Smart Contracts
- Airline Revenue Management
- Driving Corporate Travel Innovation

THINK TANKS

Tackle four tough industry issues via small group workshops and in-depth discussions that activate industry progress.

- Where Travel Management Meets Human Resources
- Bringing New Distribution Capability into Travel Management
- Empowering Traveler Data Security
- Conquering Visa & Passport Complexity

PRESENTED BY

BTNGROUP
CONFERENCES

PUBLISHERS OF

BTN
BUSINESS TRAVEL NEWS

Travel Procurement

the
beat

AIRFRANCE / **KLM**

amadeus

American Airlines



AMERICAN EXPRESS GLOBAL BUSINESS TRAVEL

DELTA

enterprise **National**

Hilton

HRS
Global Hotel Solutions

cvent

roadmap

Sabre

Southwest
Corporate Travel

TRAVEL LEADERS
CORPORATE

tramada
smart.simple.seamless

BUSINESS TRAVEL INNOVATOR LAB

When Innovators compete, the industry wins

See new technologies poised to change the business travel industry. Top executives present cutting-edge products, technologies and services that are critiqued, judged and voted on by both a panel of expert judges and those in attendance.



HEAR WHAT PAST ATTENDEES HAVE SAID

“BTN Innovate never fails to deliver insightful content and best practices about what really matters in our industry.”
- Martha Ferguson, SVP, Global Travel Manager, Lazard Freres

“BTN Innovate 2017 provided a new lens to see the entire eco-system of corporate travel. Access to great minds with years of experience in one room = priceless. Worth every second of time of out of the office.”
- Ariel Crohn, Corporate Meeting & Travel Manager, Coverys

“BTN Innovate 2017 was simply fantastic! Great presenters and amazing new ideas/apps/innovations. Even better than the year prior! GREAT JOB BTN and THANK YOU!”
- Anna C. Bramante, Director Travel & Fleet, The Travelers Companies, inc.

REGISTER NOW!
www.btngroupconferences.com/innovate



INNOVATORS YOU SHOULD KNOW



DVI 2017 PEOPLE'S CHOICE

Association conference in August, DVI plans to launch the ability for travel managers to create interactive infographics. For example, a travel manager will be able to develop a one-page infographic showing how an individual or group benchmarked against a goal. Or a travel manager could create infographics to make a one-page business case for a new initiative. “Executives want to see a one-page summary, not drill into a 30-page report,” Beard said.

The company is creating different views of Vantage Point data for different viewers, such as executives, travel managers and procurement professionals. “It’s not necessarily doing anything new, but it’s rearranging the charts to make sense for different people,” Beard explained.

While DVI has expanded its natural language processing capabilities for its Priya chatbot, which can process 500 questions, Beard said it’s still not “ready for prime time.” It would need to be able to answer a minimum of 2,000 questions to be ready, and Beard said that could take another year. —*JoAnn DeLuna*

DVI has made promising strides since fall 2017’s Innovate conference, including increasing its customer base by more than 300 percent and adding more bells and whistles to its Vantage Point data analytics platform, according to DVI president and CEO Brian Beard. Among the improved capabilities, DVI now highlights savings opportunities for managers and tightens the data—reconciling vendor names, for example.

Additionally, Vantage Point, which can import and export data and insert visuals into PowerPoint presentations, now can transmit those visuals through email. At the upcoming Global Business Travel



SPOTHERO 2017 INNOVATOR OF THE YEAR

It’s been less than a year since SpotHero for Business, which helps business travelers reserve discounted garage parking spaces in more than 75 major U.S. cities and provides travel managers with visibility into their parking spend, won BTN Innovator of the Year. SpotHero for Business head Becca Rabinowitz said corporates are taking parking more seriously as a way to boost savings.

In January, it integrated with Google Assistant to allow users to book and pay via voice commands. SpotHero for Business also has added Chrome River to its list of expense management integrations for receipt transmission, which also includes Certify, Concur and Expensify. And the company has partnered with travel management company Direct Travel and car rental supplier Hertz. Rabinowitz said the next mission is to partner with corporate travel booking tools.

“The future is expanding strategic relationships—growing our team in terms of employees, clients and wherever we can—and opening up our product to the corporate travel community through our API,” said Rabinowitz.

—*Dawit Habtemariam*

BTNGROUP

Louis Magliaro, Senior Vice President & Group Publisher
973.769.0028 • lmagliaro@thebtngroup.com

EDITORIAL

Elizabeth West
Editor-in-Chief
732.494.1955 • ewest@thebtngroup.com

Jay Boehmer
Editor-in-Chief, The Beat
646.380.6249 • jboehmer@thebtngroup.com

Amanda Metcalf
Managing Editor
646.380.6248 • ametcalf@thebtngroup.com

Michael B. Baker
Senior Editor, Transportation
646.380.6250 • mbaker@thebtngroup.com

Julie Sickel
Editor, Lodging
646.380.6264 • jsickel@thebtngroup.com

JoAnn DeLuna
Associate Editor, Payment & Expense
646.380.6268 • jdeluna@thebtngroup.com

Dawit Habtemariam
Staff Writer & Assistant Editor
646.380.6267 • dhabtemariam@thebtngroup.com

James Jarnot
Art Director
646.380.6252 • jjarnot@thebtngroup.com

DIGITAL

Alexandra Mancini
Digital Product Manager
201.902.1984 • amancini@ntmlc.com

SALES

Anthony Carnevale
Publisher
201.902.1976 • acarnevale@thebtngroup.com

Eddie Garfinkle
Advertising Director
805.389.6836 • egarfinkle@thebtngroup.com

Lindsay Straub
Business Development Manager
646.380.6274 • lstraub@thebtngroup.com

Debbie Anderson, Hawaii
808.739.2200 • debbieanderson@dmhawaii.com

Michiko Kawano, Japan
+81-3-3661-6138 • kawano-pbi@gol.com

Lavender Tan, Singapore
(65) 9752 8613 • lavtan@singnet.com.sg

MARKETING

Max Bzdyk
Marketing & Promotions Associate
646.346.5676 • mbzdyk@thebtngroup.com

PRODUCTION

Michele Garth
Production Manager
201.902.1930 • mgarth@ntmlc.com

Lisa Gonzales, Gayle Graizzaro
Production Specialists
201.902.2000 • lgonzales@ntmlc.com
ggraizzaro@ntmlc.com

CONFERENCES

David Meyer
Executive Director of Conference
Content & Strategy
646.380.6246 • dmeyer@thebtngroup.com

Melissa Gain
Event Manager
917.626.6832 • mgain@thebtngroup.com

CONTENT SOLUTIONS

Mary Ann McNulty
Director of Content Solutions
630.519.4510 • mmculty@thebtngroup.com

Mariza Moreira
Group Design Manager
201.902.1965 • mmoreira@ntmlc.com

LIST RENTAL

Danielle Zaborski
MeritDirect
914.368.1090 • dzaborski@meritdirect.com

REPRINTS & COPYRIGHT PERMISSION

Robbie Ray
Wright’s Media
877.652.5295 • northstar@wrightsmedia.com

CIRCULATION

Kwafu Anoff
Director of Circulation
201.901.2103 • kanoff@ntmlc.com



Thomas L. Kemp
Chairman & Chief Executive Officer

Lisa Cohen
Chief Financial Officer

Robert G. Sullivan
President, Travel Group

Thomas Cintonino
Executive Vice President, Digital Media

David Blansfield
Executive Vice President & Group Publisher

Lori Cioffi
Senior Vice President & Editorial Director

Arnie Weissmann
Senior Vice President & Editorial Director

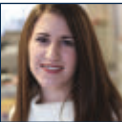
Janine L. Bavoso
Senior Vice President, Human Resources

Roberta Muller
Senior Vice President,
Product Development & Production

Sheila Rice
Vice President, Information Products Group

Richard Mastropietro
Vice President, IT Infrastructure
& Operations

Elizabeth Koesser
Vice President, Database Products



Facebook & Google, Not Airbnb, Keep Hotel Execs Up at Night

Watchers of the hotel industry have understood hoteliers to have two major modern foes: online travel agencies, whose commissions now stand at 15 to 25 percent, and Airbnb, which stands to steal market share. But at the NYU International Hospitality Conference in New York City in early June, the head executive for the largest hotel company in the world said the industry's real threat actually lies outside today's lodging players. "We are in an absolute war for who owns the customers," Marriott International president and CEO Arne Sorenson said during a panel discussion with fellow hotel executives from AccorHotels, Hilton and MGM Hotels & Resorts. "I think less about Airbnb, actually, than I do about Google and Facebook and all of these other digital empires who own all of us."

These digital players, Sorenson said, have a profile for every individual in the hotel industry's customer base and are asking, "How do we use that in order to make sure that we are monetizing as much of that relationship as we possibly can?" He added: "Make no bones about it. They want to own our customers."

Sorenson's remarks come as major digital players like Google, Amazon and Facebook beef up their travel verticals. Google improved mobile booking capabilities for Google Flights and hotel searches, as well as its Google Trips planning platform. And Google's integrated web of products, such as Gmail and Google Calendar, has created an ecosystem that follows travelers pre-, during and post-trip.

Amazon is subtly making its way into the lodging ecosystem, too, as hotel companies like Marriott International and Best Western Hotels & Resorts pilot the Amazon Echo Dot as an in-room voice assistant. Amazon also looks poised to disrupt the travel industry, according to a March 2018 report from Morgan Stanley. Analyst Brian Nowak, who authored the report, believes the investment required by Amazon to enter the travel space wouldn't be large compared to other verticals. If Amazon could build an online hotel business just half the size of Expedia and with Booking.com's level of ad spend, Nowak wrote, it would add \$600 million to its annual operating profit.

Facebook also seems to be placing irons in the travel fire. Last year, it hired Expedia veteran Nikhilesh Ponde to lead global strategy for its travel vertical. The company also launched an ad product called trip considerations that allows travel advertisers to use Facebook's native platform, Instagram and Facebook Audience Network to try to hook in users who have decided to take a trip but have yet to decide where.

Accor chairman and CEO Sebastien Bazin agreed with Sorenson. "I probably spend less than 5 percent of my time worrying about Marriott and Hilton and InterCon; I'm spending at least 50 percent of my time trying to understand the [digital] ecosystem and who owns the customer."

Bazin evaluates the current competitive landscape by comparing the amount the largest hotel companies spent to achieve their current combined market cap versus the amount that digital players that didn't exist 20 years ago spent. The latter, he said, turn out to be more agile and more capital light and asset light than the hotel companies and have achieved approximately the same market cap.

Sorenson said: "We all do business with [digital platforms]. We do partnerships with them. They've got data which is relevant to us. They can bring customers to us. But we've got to figure out: When do we partner and when do we really try and build our own ecosystem that gives us this sort of power we need to have a real return?"

Hoteliers' Plan to Fight Back

Sorenson said the No. 1 thing to keep in mind when evaluating both digital disruptors and internal strategies is the value that's created for the consumer. "Why are we all members of Amazon Prime? Because it's the simplest way to buy in the world. It shows up instantly. It costs nothing. They know our preferences. Sometimes they get them

sort of off, but they deliver real convenience to us," Sorenson said. "Why do we use Google for search? Because they're a spectacular search engine. Right? They know everything about us."

What's the great value creator for hotels? According to the hotel executives, it's loyalty. That may come as no great surprise to those who have observed hotel companies bulking up their loyalty programs with new benefits. Recent initiatives targeted at loyalty members have helped hotel companies increase enrollment numbers in loyalty programs significantly. Hilton, as an example, grew its loyalty program enrollment by 18 percent year over year in 2017, adding 11 million members for a total of 71 million.

With increased loyalty comes better data—the type of data that may give hoteliers an edge over other players. "Google, Amazon, Airbnb has never, ever met the guest," Bazin said. "They have all the information on you and on me. They know me by heart. They've never met me." Hotel company employees, though, can interact with guests. "That moment we interface gives us very different data information, which is much more experiential and emotional."

But What About Airbnb?

Hilton president and CEO Christopher Nassetta said it used to be that hotel executives couldn't go into a meeting without Airbnb being brought up "once, twice, maybe even three times." Now, that's less the case. Nassetta posited it's because the playing field has leveled out, thanks to stricter regulations from states and municipalities around the globe and because "it's fundamentally a different business."

Accor and Marriott, meanwhile, have entered the home rental business. Accor acquired Onefinestay, TravelKeys and Squarebreak, and Marriott launched its own home rental pilot in London in April. Meanwhile, Airbnb earlier this year launched new property categories, similar to the brands or tiers used by hotel companies, as well as loyalty programs for hosts and for guests.

"I think [Airbnb], too, are looking at, 'How do we make sure we develop relationships with consumers?'" Sorenson said. "I think they spend a huge portion of their revenue on Google and other places to drive customers to their site. They've got the same question about, 'How do we build loyalty with our customers? How do we find all new customers?' And I think in many respects, their challenges are like our challenges." ■

Hotel Industry's Biggest Enemies

**Online travel agencies
(15% to 25% commissions)**

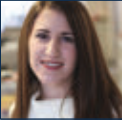


**Airbnb (competitor for
market share)**

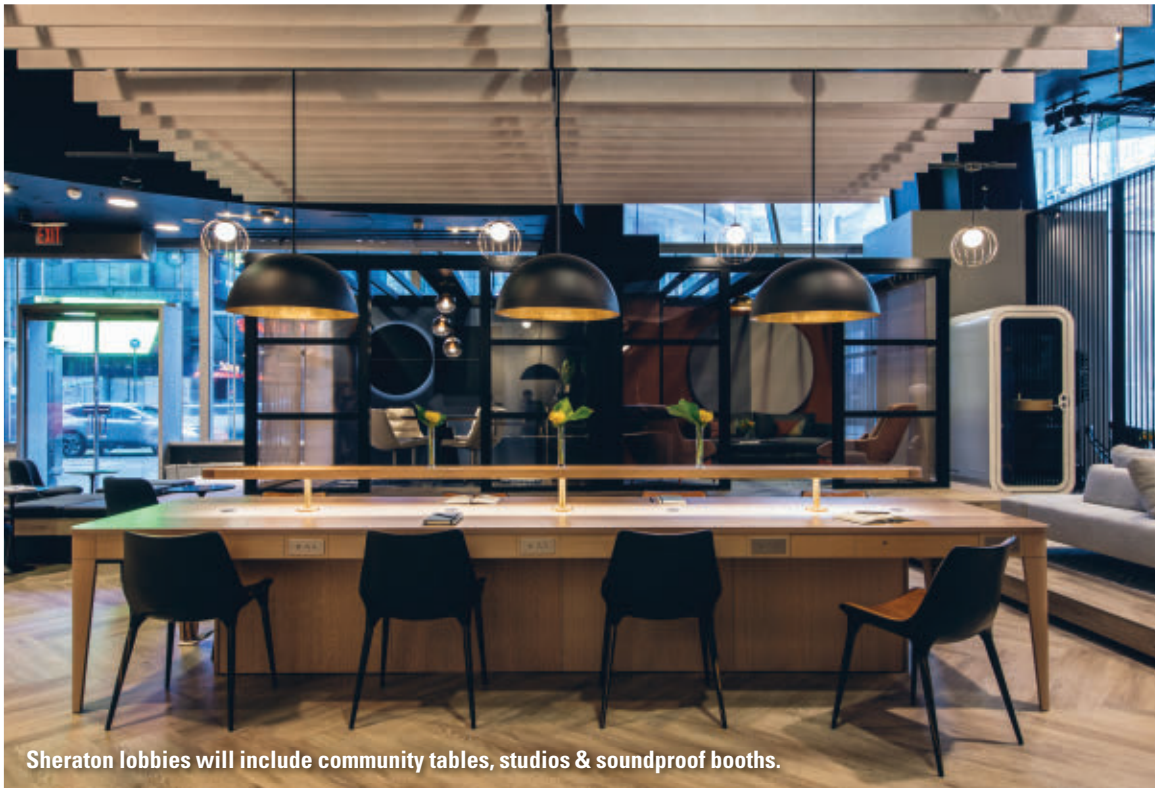


**Facebook, Amazon &
Google (loads of data
on travelers)**





Revamped Sheraton Brand Will Emphasize Gathering in Public Spaces



Sheraton lobbies will include community tables, studios & soundproof booths.

Community tables; lounge, booth and studio spaces; and a designated on-property “community manager” are some of the additions coming to the public spaces inside Sheraton Hotels as Marriott International works to improve the brand globally.

When Marriott International closed its acquisition of Starwood Hotels & Resorts in 2016, one of the first questions investors asked was “What will happen with Sheraton?” Not only did Sheraton constitute the largest brand for Starwood, but its poor reputation in North America was seen as a drag on Starwood’s system. Adding to the sting is that the brand had undergone two revitalization efforts within the past decade.

Since Marriott became the official parent of the Sheraton brand, it has exited 6,000 rooms and expects to exit another 2,000 by the end of the year. Marriott president and CEO Arne Sorenson in November 2017 described the aggressive downsizing as “a full-court press to

improve the Sheraton brand.” Yet, Marriott also has signed 5,000 new rooms to the brand since 2016.

But Sheraton Hotels VP and global brand leader Indy Adenaw said turning Sheraton around is about more than exiting underperforming products. “Our first six months was focused nearly entirely on understanding the business,” Adenaw told BTN. “We went around and talked to a bunch of owners and said, ‘Tell us the good, the bad and the ugly. Tell us everything.’” The next phase, he said, was to speak to consumers in 13 cities across the globe about why they do or do not use Sheraton and what those consumers were looking for in an experience.

From that legwork, Adenaw said, the team identified the Sheraton core traveler as “the team player.” The segment, he said, “fundamentally believes in the ‘we’ versus the ‘I.’ When you think about hotel brands, they have become very individualistic.” The team player, instead, enjoys public spaces where they can blend work and leisure and collaborate with others.

More on the Public Space Upgrades

During the NYU International Hospitality Industry Investment Conference in early June, Marriott set up a 4,200-square-foot mock lobby space to showcase some of the enhancements the brand would adopt to meet the needs of the target customer. The community table offers charging outlets, as well as wireless mobile charging, programmable lighting and lockable desk compartments. The lounge is a smaller flexible space off the main lobby area with power outlets at each seat, business lockers with programmable locks and partition screens to create private-public environments. The booths are individual, soundproof spaces with charging outlets that allow customers to speak in

IHG Launches Upscale Brand Voco

InterContinental Hotels Group has launched its new upscale brand, Voco. The company announced the brand in February, though it hadn’t released the name until now.

IHG said the name is inspired by the Latin word for “invite” or “come together.” The brand’s rollout will commence in IHG’s Europe, Middle East, Asia and Africa region and later extend to the Americas and Greater China. The company expects to open more than 200 Voco hotels in urban and leisure

locations during the next 10 years.

“We’ve talked about the significant growth opportunity we see for IHG in upscale, and Voco will help us deliver against this,” IHG CEO Keith Barr said. “We’ll work with owners of attractive properties who appreciate the power and expertise that a global business can bring to the table. Guests will be able to enjoy the appeal of a more individual hotel alongside the reassurance of a name above the door that they trust.”

Voco is primarily a conversion brand that will target unique properties and provide an experience “that is reliably different, brought to life through a bold, distinctive identity, informal service style and thoughtful touches along the guest journey,” according to the company. Brand standards will include a welcome with a local treat; quality bedding and bathroom amenities, plus aerated showers and smart TVs; and bars and lounges with offerings for both morning and evening.

The brand has signed the 388-room Watermark Hotel & Spa Gold Coast in Surfers Paradise, Australia, and it will open as a Voco this year. IHG also

privacy. The studios are open team working spaces furnished with technology and tools to allow for small meetings and collaboration.

Assisting guests in the space will be a dedicated community manager who will roam the lobby to assist with reservations for public spaces and food and beverage and other requests. “Imagine them being the host of the community space; they’re really focused on helping people gather,” Adenaw said. “In a lot of places, it will be much more specific around work. So if you need the ability to print, you need the ability to borrow a cable, this would be a person that would go get it for you.”

Additionally, Sheraton guests will be able to book public spaces, find events and order food and drink through a digital platform at each property. For food and beverage, Sheraton is focusing on elevated offerings inspired locally and is looking to redefine the hotel cafe experience with its Coffee Bar Bar, which transitions from a coffee bar to a cocktail bar from day to evening.

While Sheraton is focused on areas to meet in public spaces, Adenaw said the brand is not going down the same road of AccorHotels with its AccorLocal product, which provides on-property services to the entire community, not just hotel guests.

Marriott Wants This to Work

Sheraton currently constitutes the third largest brand in Marriott’s 30-brand portfolio. So far, owners at 25 percent of Sheraton hotels globally have committed to renovate their properties. Since undertaking the Sheraton revamp, Marriott has leaned heavily on its past track record of revitalizing brands, including Marriott, Fairfield Inn & Suites and Courtyard.

While the Sheraton team has created a new identity for the future of the brand, Adenaw said the lobby space set up at

the NYU conference is by no means a standard prototype. “We think at the full-service tier, the hotels have to adjust to their location and the clientele that they serve,” Adenaw said. Instead, the brand has created guiding ideas, such as how customers like to meet, and owners have some flexibility on how to execute that depending on their property size and location. “In a small, 200-room hotel you may have one community table that is purpose built around working; in a large convention hotel you may need four of them,” he said. ◀



At every Best Western® Hotels & Resorts, travelers will find people who are invested in their business needs. They will discover amenities to stay productive on the road, including free Wi-Fi and breakfast available at most locations.* With more than 4,200** hotels in more than 100 countries and territories worldwide, finding the right hotel for business is now easier than ever.

BEST WESTERN REWARDS® MEMBERS GET EVEN MORE!

<p>NO BLACKOUT DATES ON FREE ROOM NIGHTS</p>	<p>POINTS NEVER EXPIRE</p>	<p>LOWEST FREE NIGHT REDEMPTION THRESHOLD</p>	<p>Status Match NO CATCH. MATCH ELITE STATUS INSTANTLY</p>	<p>INSTANT REWARDS & INCENTIVES</p>
---	-----------------------------------	--	---	--

Rewards redemption options and details available on bestwestern.com



GDS code: BW | bestwestern.com | 1-800-WESTERN

*Some amenities not available at all locations. **Numbers are approximate, may fluctuate and include hotels currently in the development pipeline. Best Western and Best Western marks are service marks or registered service marks of Best Western International, Inc. ©2018 Best Western International, Inc. All rights reserved. Each Best Western® branded hotel is independently owned and operated.

intends to convert some of the 12 U.K. properties owned by Convivio, previously named Fonciere des Regions, to the Voco brand.

Voco’s launch is part of a company transformation underway since Barr took the helm in July 2017. IHG last year launched mid-scale brand Avid and in March agreed to acquire a 51 percent majority stake in Taiwan-based luxury brand Regent Hotels & Resorts. That deal is expected to close at the midpoint of this year. ◀



Turkish Ready for Switch to New Airport



TURKISH AIRLINES' BILAL EKSI

On Oct. 29, Turkey plans to open Istanbul New Airport, also known as Istanbul Grand Airport, unlocking the potential for significant capacity growth to and through the Turkish metropolis. Istanbul's current main airport, Ataturk, is limited to 70 million passengers each year. The new airport's five runways will be able to handle 200 million once expansions are

complete, Turkish Airlines deputy chairman and CEO Bilal Eksi said. At the carrier's Istanbul headquarters, he spoke with BTN transportation editor Michael B. Baker about the carrier's plans to transfer to the new airport, its subsequent growth plans and its recent investments in growing corporate business.

What will the new airport mean for Turkish Airlines?

It is three times more than the existing Ataturk airport, so it will bring us more capacity. The last five years, we are facing a capacity problem in Ataturk airport. It has limited Turkish Airlines from growing more quickly. And some legacy carriers want to come to Istanbul to start operations or increase frequency, but because of the slot congestion issue, they are not able to do it. Istanbul Grand Airport will motivate Turkish Airlines to grow fast, and many legacy carriers will start operation to Istanbul. We are happy for that. We are happy to have very fair competition.

What is your plan for the transfer to the new airport?

We have worked with a consulting company on this matter. Two days before transfer to that airport, we will decrease our capacity in Ataturk airport because we have to move some equipment to the new airport. When we start operation on the first day, our capacity will increase 10 percent, then 20 percent, and in 24 hours, we will reach 50 percent of our original capacity. And we will continue to do 50 percent for a further 12 hours, and then we will start full operations. In the initial phase, we can face some technical problems, etc., because it is normal for the initial period. We do not want to give any trouble to our customers. Maybe we will lose some money, but the money is not important. The important thing is the happiness of our passengers.

Will any capacity remain at Ataturk?

Ataturk will be closed, only kept open for charter operations and the cargo operations and the business jet operation. Our full cargo operation will continue from Ataturk Airport maybe six months or one year. All the other operations for passengers will transfer [in a] big bank, one-day transition to the new airport. Approximately 40 percent of passengers are the transit passengers. It is not easy to transfer to the new airport. It would give trouble to the transit passengers.

What will the new airport mean for connection times?

We have located in the central terminal. This means that the [areas] for Turkish Airlines and the boarding gates and domestic location are very close to each other, and the

transit duration for Turkish Airlines will be minimized. This terminal will give us more opportunity. For example, we are constructing 10,000-square-meter lounges. It is double [compared] to Ataturk Airport.

With the room to grow, what are your future capacity plans?

From 2003 to 2018, our average yearly growth is approximately 14 percent. Our expectation is we will catch similar growth in Istanbul New Airport. [Over] the following [six] years, from 2018, we have ordered and will [have delivered] 167 aircraft. Today, we have 328 aircraft. We will add 167, plus 50 widebody aircraft. This means that we are putting more capacity on the market, and we believe that we will catch more than the 10 percent passenger growth with the new airport. All the narrowbody aircraft will be refurbished with Wi-Fi. New [aircraft] is coming with Wi-Fi, and others in our fleet will be equipped with Wi-Fi. It will be our new standard product for Turkish Airlines.

Are there any particular markets that will be growth targets?

Each day, our marketing people are looking for the new destinations. Of course, some of them are in Europe or Africa, but our main market is India, the second is China and the third is Canada. And of course, South America. For South America, we have an aircraft problem because our range is not capable to reach some destinations, but India and China are very important markets for us and we are looking forward to some commercial cooperation with those countries' airlines. We hope that we can declare some very good cooperation with some Indian carriers, and we are in negotiations with the Chinese airlines. Also, we are looking for the traffic rights to India, China, Canada and we hope that we will get more traffic rights.

Will you establish other partnerships, as well?

[We have] the codeshare agreements. Now, we are flying direct to 121 countries, but we are flying to almost every country because we have the 50 codeshare agreements with the different airlines. We are reaching 97 percent of the world's population, via direct flight or a codeshare flight.

How was your performance last year?

2017 was a financial record for Turkish Airlines. We have declared operational revenue of more than \$1 billion. It is a last-10-years' record. We hope that we will get a new record for 2018. Generally, [through] May, the total passenger growth is more than 15 percent, which is a very good number, and our revenue is more than 17 percent.

How has the corporate business sector been performing for Turkish?

We have a dedicated corporate segment and direct SVP. In 2017 and 2018, we are hiring some people outside of Turkey, in other destinations. They are totally involved in the corporate segment. For the first time, our business class load factor has reached—and I'm talking average—more than 55 percent, which is very good. We are giving call center service to the corporate segment. We are giving to the call center service 13 different languages. We opened the corporate call center in Turkey, but now we are looking to open to another destination, especially the United States. ■

“Each day, our marketing people are looking for the new destinations. Of course, some of them are in Europe or Africa, but our main market is India, the second is China and the third is Canada. And of course, South America.”



Mezi Ends Relationships with Travel Management Companies

BY ELIZABETH WEST

Artificial intelligence-powered travel concierge Mezi has pulled out of its travel management company relationships, cutting ties to the corporate travel space after being acquired in January by American Express. Mezi, which began as a generalized shopping assistant in 2015, pivoted to the travel space about 18 months in and courted corporate travel agencies aggressively in 2017 as an AI-enhanced, chat-based travel booking and communication platform that offered aggregated global distribution system and non-GDS content, as well as dining recommendations tailored to individual preferences and corporate policy. Last July, the company announced three TMC contracts: Adelman, Casto and WTMC, formerly W Travel.

Mezi co-founder and CEO Swapnil Shinde told BTN in January that the company would continue to support TMC partners and operate as an independent company with its own leadership even as it moved under the American Express umbrella. “When it comes to existing TMC clients, we will continue,” he said, noting, however, that the company would not take on any additional agency partners as Mezi concentrated on scaling AskAmex for the card company.

Six months later, those TMC partnerships are out. An American Express spokesperson attributed the following statement to Shinde: “We are no longer working with these travel management companies. We’ve decided to prioritize our work on integrating our technology into American Express products and services.”

In mid-June, WTMC CEO Sarosh Waghmar told BTN American Express had asked Mezi to wind down its agency relationships over the following two weeks. Asked how the loss would affect WTMC, Waghmar shrugged it off. “They were building a lot of things with us sharing with them how to do it,” he said, downplaying the AI enhancements and focusing on back-end content aggregation. “For us, the UI/UX at the front end is the easiest piece. The focus we have right now is on the pipes [and] plumbing: using the GDS [and] NDC as pipes and aggregating all of that and displaying that

After American Express acquired it in January, Mezi said it would continue supporting its travel management company clients. In June, Mezi and American Express announced they instead would be in an exclusive relationship.

to the right source. Fortunately, it won’t impact us at all.”

Casto, which launched the Marco travel assistant on the Mezi platform in September, saw the writing on the wall soon after Mezi was acquired. CEO Marc Casto said the two companies parted ways a couple months ago and Casto retooled Marco accordingly with Sabre. The new version launched last month.

Casto’s website no longer identifies Mezi as a technology provider, and the description of the tool no longer specifies travel booking capabilities. “The changes in service scope were done in conjunction with client feedback,” said Casto. “In large measure, the interest was for simple rebooking and information requests, less on itinerary creation.” Casto told BTN in September that, among launch clients then on the Mezi platform, only about 10 percent of bookings were initiated through the tool. He added, however, that some clients had also expressed concern about requiring travelers to download “yet another app,” which, he said, motivated Marco’s pivot to webchat and Facebook Messenger.

About Mezi’s defection from the corporate market to a consumer-side only strategy, Casto said, “I continue to have very high regard for everyone at the company. AskAmex is an excellent service for Amex card holders and a very smart addition to their product offering.”

BTN was unable to reach Adelman for comment. ■

Employee Services Firm Sodexo Launches Integrated T&E Solution Rydoo

BY JOANN DELUNA

After acquiring Belgian expense management company Xpenditure and business travel booking tool Maya last year, employee services firm Sodexo has integrated the tools into a T&E solution called Rydoo. When Xpenditure launched in the U.K. in March, Sodexo had told BTN it was planning to merge the two tools.

When a traveler books on Rydoo, the system creates an expense line item. Travelers also can create expense line items by using the Rydoo app to photograph receipts or by emailing receipt images to the system. Booking and expense are integrated on one desktop tool, but mobile use requires sepa-

rate apps, Rydoo Travel and Rydoo Expense. A spokesperson said they will merge into one app eventually.

Travelers can book legacy and low-cost carriers; 800,000 hotel properties, including chains and independent hotels; rail; and rental cars. Travel content comes from global distribution systems, aggregators, public websites, hotel chains and independent hotels. The tool soon will feature direct connections to airlines, the spokesperson said.

Rydoo can integrate corporate, lodge and virtual cards, but the spokesperson said it works best with central billing,

which Rydoo facilitates through its banking relationships. This provides travel managers with a monthly invoice of the all charges.

On the expense side, Rydoo uses artificial intelligence and predictive analytics to flag duplicate receipts and noncompliant charges for managers. On the booking side, AI learns travelers’ behaviors and preferences and meshes with their companies’ travel policies to produce search results. The company also is working on a chatbot that will help travelers answer simple questions like “Where is my voucher?” or “Do I have to pay at checkout?”

Pricing for Rydoo starts at 6 euros a month per active user, and the spokesperson said it targets customers of all sizes. It claims more than 500,000 users across 6,000 corporate customers, including Deloitte, Jaguar, PwC and Swiss International Air Lines. Some existing Maya and Xpenditure clients are using the platform as part of an early-adopter program, and “we also have new customers that have signed for the integrated solution and are currently being implemented,” the spokesperson said. ■

The Quantified Impact of Business Travel on a Person's Health

BY ANDREW RUNDLE

Research by my colleagues and me over the past several years shows that physical, behavioral and mental health issues cluster among employees who travel extensively for work. The health issues that appear in concentrated amounts among this group include:

- obesity
- poor self-rated health
- depression
- anxiety
- smoking
- lack of physical activity
- alcohol dependence
- sleep issues

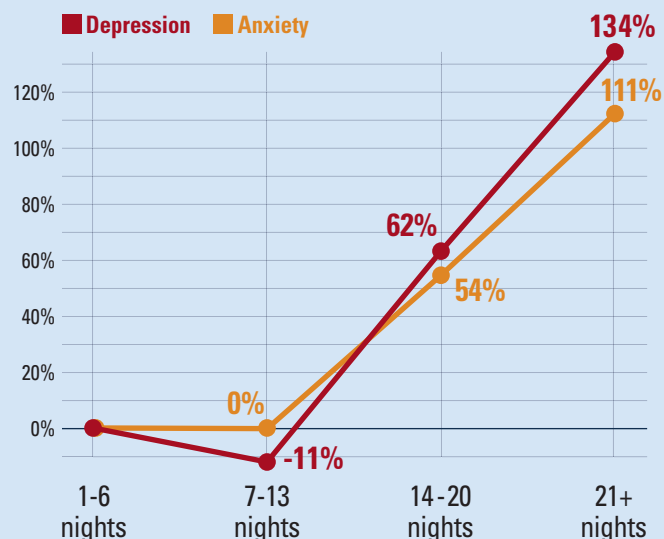
A World Bank study of medical claims made by its staff and consultants revealed similar findings.

We interpret this clustering of poor health to be the result of the chronic stress and wear and tear caused by frequent business travel. In the de-identified medical records we studied, only about 12 percent of business travelers were away from home for 14 or more nights per month, the cut point we use to define extensive travel. It is this group of employees, though, that is the face of a company to clients, customers and suppliers and at conferences.

In the U.S., travel is an important component of business activity; the Global Business Travel Association and American Express Global Business Travel report that U.S. travelers took more than 500 million domestic business

Difference in Depression & Anxiety Scores by Extent of Business Travel Per Month

This index uses the scores for 1 to 6 nights as the basis for comparison



Andrew Rundle, DrPH, is an associate professor of epidemiology at Columbia University. In December, he, Tracey Revenson, PhD, and Michael Friedman, PhD, published "Business Travel and Behavioral and Mental Health" in the *Journal of Occupational and Environmental Medicine*.

Business travel can predispose people to making decisions that, when repeated over the long run, can negatively affect their health.

trips in 2016 and were responsible for about 3 percent, or \$547 billion, of U.S. GDP in 2016. The potential health costs related to business travel—higher medical claims, reduced employee productivity and performance, employee turnover, absenteeism, presenteeism and short-term disability—are starting to register on employers' radars. The International Well Building Institute certifies that commercial buildings are designed to promote health and that the tenants have workplace policies that promote health. The Mind section of IWBI's Well Building Standard includes workplace policy for promoting healthy business travel, and at its annual meeting this year, the Society for Collegiate Travel and Expense Management will host a panel discussion on the business travel experience and health.

What Companies Can Do

I view healthy business travel as a shared responsibility between the employee and the employer. Educate employees that business travel predisposes them to making decisions that, when repeated over the long run, can negatively affect their health. Run education programs around healthy eating in restaurants and on the go. Let travelers know, for instance, that restaurant food contains more calories per serving, is higher in total fat and saturated fat per calorie and contains less dietary fiber than meals prepared at home. Employers also can reimburse travelers for subscriptions for mobile apps that track diet and those that provide workout routines for settings with limited space or equipment, i.e., hotel rooms.

Education and mobile apps can empower employees, but these interventions are useful only if the employee responds to them. Employers can further support a culture of health by adopting policies that mitigate the wear and tear of business travel and by providing their travelers with tools and training for handling stress while on the road.

To that end, ensure that accommodations have gyms or reimburse employees for memberships to gyms that have national presences. Support physical activity and exercise to reduce both the risk of weight gain and symptoms of anxiety and depression. The IWBI standard for business travel policies includes gym access for travelers and provides additional recommendations.

In addition, expand your company's health and wellness program to include stress management tools. Low-cost and relatively short training in mindfulness-based stress reduction has been shown to be useful for treating anxiety and depression and improving sleep. Research also suggests that mindfulness-based stress reduction can be used to prevent unhealthy eating. ■

Business Travel News (USPS 0728-870, ISSN 8750-3670) July 2, 2018 Issue 840 Vol. 35, No. 11. Business Travel News is published monthly except semi-monthly in March, April, May, June, September and October by Northstar Travel Media, LLC, 100 Lighting Way, Secaucus, NJ 07094 (201) 902-2000, and is distributed free of charge to qualified corporate travel buyers and travel agents specializing in business travel in the United States and Canada. The cost of a print subscription to non-qualified subscribers is \$129 in the U.S.; \$142 in Canada and Mexico; and \$210 in other foreign locations; the cost of a digital edition subscription is \$65; payable in advance in U.S. dollars. Registered for GST as Northstar Travel Media USA GST No. 264513185. Canadian GST #123397457. Periodicals postage paid at Newark, NJ, and additional mailing offices. Business Travel News is a trademark owned exclusively by Northstar Travel Media. Copyright © 2018 by Northstar Travel Media, LLC. Reproduction of this magazine, in whole or in part, is prohibited unless authorized by the publisher. Editorial and advertising offices: 100 Lighting Way, Secaucus, NJ 07094. For all circulation inquiries, including new subscriptions, renewals, cancellations, changes of address and problems with missed deliveries, contact customer service by mail at Business Travel News, P.O. Box 47655, Plymouth, MN 55447; by phone at (800) 869-6882; fax at (866) 658-6156; e-mail at btn@kmpsgroup.com; or www.businesstravelnews.com/subscribe. POSTMASTER: Send change of address to Business Travel News, P.O. Box 47655, Plymouth, MN 55447. Printed in the USA. BPA

11TH Annual the beat LIVE

October 3-5, 2018 / Atlanta
The Omni Hotel At The Battery Atlanta

Focusing on the most pressing issues in corporate travel management, distribution and technology, this two-day conference delivers candid commentary from industry leaders, thought-provoking speakers and the industry's best networking.

Join the smartest minds in business travel and go off-beat at The Beat Live.

"One of the best conferences I have attended! Engage with subject matter experts on today's trends and tomorrow's challenges in one place!"

- Omega World Travel VP **Nadim Hajje**

"The Beat Live is a high-energy, provocative event not to be missed if you want to stay current on this fast-paced industry. It is well worth the investment."

- Atlas Travel CEO **Elaine Osgood**



**JAY
BOEHMER**

*Editor-in-Chief
The Beat*



**ED
BASTIAN**

*CEO
Delta Air Lines*



**GREG
O'HARA**

*Chairman, American
Express Global Business
Travel & Founder
Certares*



**JOHN
SNYDER**

*President and CEO
BCD Travel*



**GORDON
WILSON**

*President and CEO
Travelport*

www.thebeatliveevent.com

**Register by
August 31 to
SAVE \$300**

AROUND THE CORNER. AROUND THE WORLD.

The Business Rental Program from Enterprise and National provides service in more than 90 countries and territories, with over 9,900 fully staffed locations worldwide.

Partnering with Enterprise and National ensures you always have rental options whenever you or your co-workers travel, wherever you go. Our fully staffed offices make sure you always have assistance when needed.

And when you join the award-winning Emerald Club from National, you'll experience elevated service in all corners of the globe.

Visit www.businessrentalprogram.com/btn
or call **1-877-439-4504** to learn more.

