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Corporate Travel Manifesto

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Corporate Travel Manifesto

Introduction

Background

On January 18 and 19, 2012, a group of seasoned corporate travel managers assembled to discuss and define the future of managed corporate travel and the need for innovation and improved supply chain alignment. Representing a range of managed travel programs—from small to large—we are responsible for over \$500 million in annual travel spend and over 100,000 travelers across the globe.

Although we come from different industries and corporate cultures, and use disparate strategies to do our job, we all share common concerns regarding the current state of corporate travel technology. Our overriding common concern is that the innovation gap is growing wider between the services offered to leisure travelers and corporate travelers.

We see an urgent need for faster, more corporate-travel-centric innovation across all aspects of the travel supply chain and throughout the trip lifecycle. We also believe that corporate buyers must take a proactive, leadership role in the industry to ensure we have the proverbial “seat at the table” as we—in collaboration with our various suppliers and partners—adapt to a changing industry.

This Corporate Travel Manifesto is a statement of our shared thoughts, intents, and ideas that should serve as a high-level roadmap for the suppliers and technologists who we will need to partner with in the 21st century.

Our intent is to describe what we see as a clear need for new technology solutions and tools that address the needs of corporate travelers and travel managers. We do not endorse any particular methodology, technology, or business model as these will quite naturally vary across industry, company size, supplier options, and other factors.

It is our hope that this Manifesto will be a starting point for larger and further reaching conversations and, more importantly, innovation across the corporate travel community and industry at large. Technology providers, TMCs and other travel industry providers should take note as success in this market space will be the providers of the next generation of services. To become involved, share feedback, or ask questions, please visit www.corporatetravelforum.com

Executive Summary

Travel is a significant operating expense for companies, but it also is considered to be an important asset and investment. For the majority of mid- and large-sized companies, business travel is one of the largest variable costs, but is also vital to corporations' bottom line performances. Face-to-face interaction among colleagues, customers, and business partners is invaluable for building key relationships, closing deals, building revenues, side-by-side collaboration, and other activities that comprise the activity inherent in "doing business."

Like any prized asset, business travel must be managed effectively to realize its maximum value as defined uniquely by each corporation. This is the job, the goal, and the art of the corporate travel manager.

Strategic corporate travel management entails smart leveraging of supplier relationships, optimizing dollars spent, and, most important of all, taking care of the "walking assets"—travelers. Travelers must be kept safe and well equipped to do their jobs so that travel leaves them energized to wake up and do it all again tomorrow.

The tools of the travel manager must, as with any profession, evolve in response to changing conditions, technologies, and constituents. Historically, corporate travel managers have relied on their supply chain partners—Travel Management Companies, suppliers, software providers, and others—to achieve needed enhancements to technology and other processes in response to changing times and opportunities. A classic example was in the 1990s when the entire travel supply chain adapted to the Internet and online tools for corporate traveler self-booking emerged.

Unfortunately, in recent years the travel industry has not kept pace with the innovations required to effectively manage business travel. The universe of available information, tools, and technologies has widened far beyond what existing travel platforms—including corporate booking tools, GDSs, TMC systems, payment systems and more—can support.

Corporate travel managers are increasingly finding themselves challenged to meet the needs of socially networked, self-service road warriors, who increasingly reject traditional shopping and booking systems and are demanding modernized search tools. Even more challenging, those road warriors are finding new and valuable information, including opportunities to reduce costs that existing managed travel tools do not identify. Travel managers also find the continuing lack of data integrity a cause for concern, especially when making presentations to the C suites. This is all in parallel with the ongoing struggle to capture quality data across multiple systems and keep up with new supplier products and services that stand to boost traveler productivity and satisfaction.

To close the gap between the needs of corporate travel programs and the current solutions, it is essential to recognize that changes are required not only in terms of technological innovation, but also in the travel management process. The relationships among key players will need to evolve and realign to best support the realities and the opportunities afforded by strategies like personalized content offered by suppliers, unique views of data, “Big Data,” trip-centric reporting, portable profiles, and other aspects of 21st century corporate travel.

Innovation and modernization by all parties in the supply chain is desperately needed to address these challenges. The very definition of 'supplier' has changed, expanding beyond content providers (i.e. air, car, hotel, ground, etc.) and travel management companies, to incorporate new providers to handle demands of mobile, social media, data management and more.

The Corporate Travel Manifesto is comprised of seven key principles, or tenets, each of which is elaborated in the next section, along with related technology requirements.

About the Authors

The Corporate Travel Manifesto was produced by a group of corporate travel executives after attending a two-day Corporate Travel Forum event in Miami.

Contributors to the document include Dianne Bradley (Tokyo Electron), Valerie Fender (Blackboard, Inc), Steven Mandelbaum (The Advisory Board), David Smith (Amdocs), Jennifer Steinke (US Foods), as well as several other participants whose companies have not granted permission for their name to appear in the published product.

Seven Tenets of Corporate Travel Management

#1

There is a shift in traveler buying expectations driven by technological innovation and a growing comfort with self-servicing.

Adapting to this change is critical to improving travel management, intelligently applying travel policy, and increasing employee recruitment/retention.

- Socially networked, self-service travelers are demanding access within their corporate environment to the latest information they access in the self-service tools of their choosing.
- Personalized, Amazon-like experiences available across multiple devices (even iPhone's Siri) are the new normal, and the evolution continues to accelerate.
- Increasingly, new tools offer valuable information, capabilities, and a growing number of products and services (ancillaries, for instance) that are often not available to managed travelers in the current environment.
- As a result, in a growing number of corporate travel environments, there is an ever-widening and unsustainable innovation gap between consumer and corporate-oriented buying tools.
- Significant opportunities exist to leverage new tools and UIs to enhance the traveler experience and increase value for corporations.
 - Adaptation strategies will vary by:
 - Corporate Culture
 - Size and Industry
 - Business and Security Requirements

#2

Constant innovation in booking tools and interfaces make inflexible platforms unrealistic, resulting in two primary strategies for adapting shop/book.

Corporations will follow one of two primary strategies for adapting to the shop/book experience:

1. Modernize current tools;
2. Extend access to new channels and content.

Modernize the current model

- Book all content through a "single-managed" channel to ensure policy is enforced, supplier contracts applied, and management data captured.
- Requires investment to "modernize" and deliver a buying experience on par with popular travel tools, such as personalized offers for the company and the traveler, innovative views of available options, and other value-adds travelers expect. In other words, create a feeling of "traveler specialness."

Extend access to new channels and content

- Allow travelers to book through multiple channels, including TMC/GDS platforms, online corporate booking tools, vendor websites, third-party booking tools, and/or other sources (e.g. social networks).
- Allow travelers to use innovative new tools without sacrificing management capabilities.

REQUIREMENT!

Aggregation technology to manage fragmented content/multiple sources, including:

- Advising travelers about policies and preferred vendors across all websites ("Portable Digital Profile" concept)
- Applying policy/corporate/security-required filters on search.
- Integrated 'mid-office' functions (i.e. data QC, policy review, and pre-trip approval).
- Capturing all required data elements for internal and supplier reporting.



#3

Relationships between corporations and TMCs/Agencies must change to meet the unique needs of individual corporations.

- TMCs and all parties in the travel supply chain require technology that realizes these objectives.
- A growing number of corporations need the option to purchase “a la carte” services from TMCs or other providers even though individual service fees may increase.
- Increasingly, TMCs will require capabilities to service travelers no matter where bookings are made.
 - Bookings should follow travelers and not be owned by the entity that makes them.
 - Airlines already do this (service the booking regardless of how/where it was made).
- In support, the concept of TMC “specialization” of services will evolve.

REQUIREMENT!

Aggregation technology to manage fragmented content/multiple sources so TMCs can access and manage any PNR upon request.

#4

Corporations require effective comparison shopping regardless of channel, including ancillaries.

- Corporations need access to all supplier products and services, including ancillary services and negotiated bundles for air, hotel, and car.
 - Enabling travel managers to merchandize these options to their diverse set of travelers.
 - Demonstrating additional value of managed travel and improved traveler convenience.
- System must support personalization based on traveler/loyalty status and corporate relationship.

- Presentation and management support for range of models (a la carte, negotiated, bundles, etc.).

REQUIREMENT!

Strategies for shop/book/change (see Tenet #2), as well as data solutions (see Tenets #4 and 5), must incorporate and support this strategy.

#5

A corporate-driven ‘Big Data’ repository is essential.

- Big Data includes aggregated data from all sources related to all corporate trips and travelers.
 - Includes bookings, charge cards, and expense reporting systems, which must be easily available for analysis.
 - Includes detailed vendor data (airline ancillary fees, hotel and car rental folio, meals, mileage, etc.).
 - All elements and categories available for analysis by item, category, traveler, or enterprise.
 - Accurate data must be provided quickly without delays for “cleanup” or scrubbing.
 - Real-time access for QC, reporting, and analysis.
- Suppliers must give advance notice when they change reporting formats or process.
- Companies should be able to measure travel data and metrics against other enterprise financial systems.

#6

Relating all the data elements of individual trips is a best practice.

- Allow for comparison of full cost per trip across the full lifecycle.
- Unlimited data sources become normalized and useful for reporting and analytics.

- Integration of search-related data/results per trip will also enable more effective management of some supplier contracts (e.g. city-pair "lift" obligations can be more strategically analyzed by including data on search results including inventory/COS availability).

REQUIREMENT!

- Support for different approaches to a “trip identifier” concept that will vary by corporation (e.g. traveler identifier/email, trip number).
- Adaptation by key booking and supplier partners to recognize and automatically provide required data using the “trip identifier” that is defined differently per corporations and reflects the full transaction life cycle.

#7

Supplier post-booking/reservation processes (exchange, refund, discount, etc.) need to be decoupled from booking channels, simplified, and reallocated back to the corporation/traveler.

- Decoupling will allow travelers and companies to calculate and manage the overall spend across multiple channels.
 - Corporate rates should apply regardless of source.
 - Audit and reconcile supplier performance across channels.
- Simplification of refund/exchange process.
 - Centralized management of unused tickets regardless of booking channel.
 - Traveler initiated self-service change processing capabilities on corporate booking tools and mobile devices is essential.
- Travel managers require real-time access to all data corresponding to any post-booking/reservation process regardless of channel.

REQUIREMENT!

The technology to build and support this concept needs participation from key suppliers and partners.