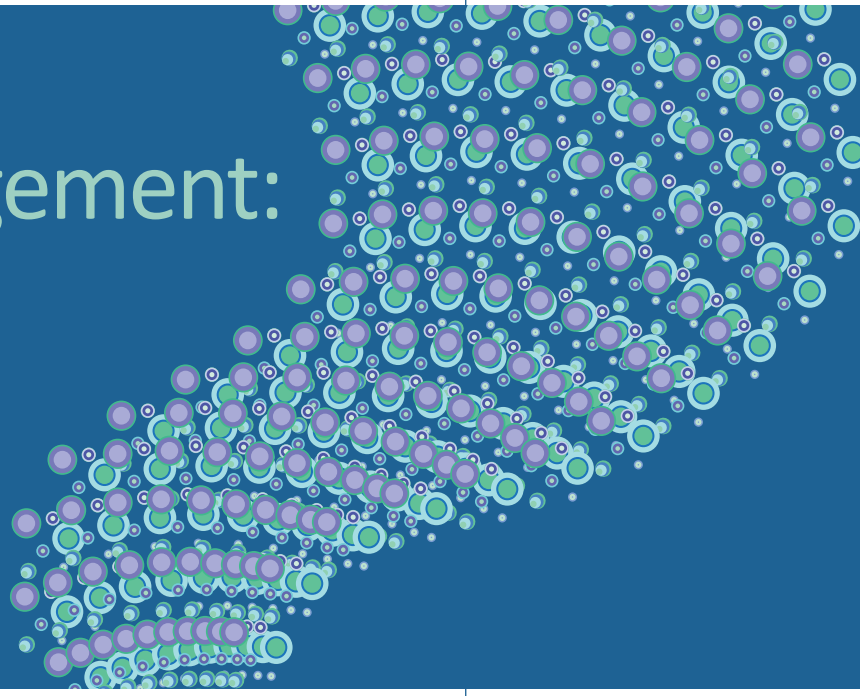


Travel Risk Management: WHAT'S NEXT FOR TMCs?



As business travel becomes increasingly global, the focus on travel risk management continues to grow. There are perhaps four influential factors driving this growth:

- Increased travel to developing markets (some high risk)
- Increased media coverage and awareness of global emergencies and geopolitical crises
- Evolving legislation around corporate liability for duty of care negligence
- Emerging technologies that can impact effectiveness of traveler safety and travel risk management

These influences are changing the dynamic between travel management companies and their clients. On a broad level, the vast majority of travel managers are asking about baseline traveler safety and security support at the TMC level. At the same time, approximately 10 percent to 15 percent of corporate clients are looking for full risk management support and may be looking to their TMC partners to work seamlessly with a security firm as part of a comprehensive program.

The latter group continues to require direct involvement of a travel security firm to serve the most robust solutions. There is a clear opportunity,

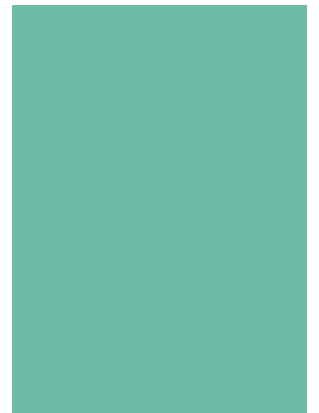
however, for TMCs to respond to the demand in the marketplace for a wide range of intermediate solutions – either in partnership with a security firm or with third-party technology partners, or both.

GETTING PROACTIVE

“We see about 10 percent of our client base looking at end-to-end solutions,” said Ivan Imana, chief information officer of Adelman Travel Group. “100 percent of our clients are asking about basic capabilities, but where we see the opportunity and the need in the marketplace is with the 70 percent of our existing clients and prospects who are inquiring about solutions that are in between the basic coverage but stopping short of an end-to-end program.”

In the past, this type of intermediate program would primarily concentrate on traveler tracking technologies, which many TMCs already provide via a traveler tracking tool or through a security firm—or both. Among the security community and TMCs, however, there is a new focus on guiding clients toward more preventative solutions.

“When you first start to look at TRM, the most immediate concern is the ability to find and locate travelers in the event of an incident, and to communicate or take whatever action is required. That’s really good place to start,” said Theresa Thomas, vice president of partnerships and indirect channel de-



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velopment for iJET International. “Where we need to move the conversation is not so much in how to react when things happen but to consider how we can proactively mitigate risk in advance.”

For Adelman Travel Group that meant partnering with a third-party technology provider to implement a proactive mobile communication platform: Concur TMC & Risk Messaging. Built on the conTgo platform that Concur acquired in 2013, the TMC Messaging product is used to locate and communicate with travelers. In addition, Adelman is offering Risk Messaging, a solution that addresses growing risk management needs. The tool is unique in that it can support corporate clients in three areas of risk mitigation and management.

PRE-TRIP – As a mobile messaging tool, Concur Risk Messaging integrates with traveler alert systems, traveler profiles and booked itineraries to automatically send SMS or email messages to travelers before the trip occurs, alerting the traveler and the corporation to events taking place in the destination or about suppliers that might be affected by travel disruptions. As a pre-trip service, the TMC might also look to follow up re-accommodation advice to the traveler.

ON TRIP – conTgo made a name for itself as a tool that reaches into the lifecycle of a trip enabling TMCs and corporations to remind travelers about policy specifics at the time of decision. Concur Risk Messaging helps TMCs take basic traveler safety and duty of care policies to the next level by communicating the right actions for travelers to take while on a business trip. If, for example, it is company policy to hire a car service after a long haul flight rather than taking a taxi or renting a car, an SMS message upon arrival can remind the traveler to do so. Interest in this type of tool precipitates conversations at the TMC level about how companies should be “baking in” traveler safety fundamentals in their travel policy as part of their duty of care obligations.

DURING/POST-EVENT – Concur Risk Messaging can also contribute to a more conventional “locate and response” capability. SMS messaging can be configured to send out emergency response messages to any travelers who may be in the vicinity of a crisis event as well as crisis notifications to internal colleagues so they can respond. A quick “OK” response from the traveler allows the TMC and the

corporation to move onto other individuals who might be affected – whether that means something as minor as re-accommodation or as serious as medical care or evacuation as part of full risk response.

BALANCING RISK & COST

Concur Risk Messaging brings technology to corporate clients with intermediate risk management needs and desire the flexibility to add the services and providers they choose.

That’s a large swath of the market, with travel managers constantly under pressure to provide more traveler support while containing costs, said Craig Banikowski, senior manager, travel, meetings and fleet for biotechnology firm Amgen. “Balancing the corporation’s risk factors against the cost of implementing a risk program is challenging,” he said. “We are constantly working to contain costs so that the company can provide internal funding for research, development and what is really our core competency—I think that is very common among corporations.”

For Adelman, Concur TMC and Risk Messaging was the right solution to provide value for the corporate client both within the rubric of traveler safety, but also from a compliance and policy communication standpoint. “The ability to leverage risk and policy management within one package offers a great ROI for our client base,” said Imana. “But if we are going to extend the tool into the traveler security arena, we know we have to get it right—timing of messages, applying intelligence to every transmission and the correct integration with travel policy and expense. Concur Risk Messaging allows us to do that, and do it effectively.”

“Our role in travel risk management is to provide technology expertise that enables TMCs to strengthen their value proposition when it comes to traveler safety and security,” says Brian Hace, vice president of products for Concur.

“Concur doesn’t have in-market medical personnel standing by or provide evacuation services. But our products allow TMCs to innovate with a preferred security firm to integrate technology with on-the-ground services and provide unique solutions to their clients. We want to help TMCs affect what they can with technology and give them an avenue for becoming more proactive with risk management,” says Hace.

ABOUT CONCUR

Concur is a leading provider of integrated travel and expense management solutions. Concur’s easy-to-use Web-based and mobile solutions help companies control costs, save time and protect employees. Concur’s open platform enables the entire travel and expense ecosystem to access and extend Concur’s T&E cloud. Concur’s systems adapt to individual corporate and employee preferences, and scale to meet the needs of companies from small to large.

Learn more at www.concur.com