

Off-Channel Bookings: **SUPPORTING, SERVICING, WINNING.**



It is widely acknowledged that a certain percentage of managed travel itineraries are lost to off-channel bookings, but perspectives vary widely on how to address the issue. For some corporates, clawing back data through credit card and expense reports remains palatable. A growing number of corporations, however, are looking at alternative solutions to help them capture off-channel bookings on the front end, putting them in a stronger position to support travelers with comprehensive itinerary management and better duty of care services.

Travel management companies that establish technologies and build strategic models around innovative services will be better positioned to capture corporate business that is looking for pragmatic solutions.

THE CASE STUDY

Kathleen Kaden, global travel manager for consulting firm Cognizant, is one of these pragmatic thinkers. With 97 percent of Cognizant's air and car rental volume booked through the firm's preferred TMC, her travelers are engaged with the program. As a consulting firm, however, Cognizant has a significant issue when it comes to visibility in the hotel category.

Speaking on a recent BTN Group webinar, Kaden outlined the issue: "If a consultant is traveling to a city and visiting a customer, we may not have a large presence there, but the customer may have a very

large presence. Part of being a good consultant and a good steward is to book rates that are lower, and often times the lower rates are the client rates."

Still, said Kaden, it leaves a gap in data when it comes to negotiating with partners. Perhaps more important, it leaves an information gap when it comes to duty of care obligations. "So we started looking at alternative solutions," she explained.

Using email parsing technologies through Concur's TripLink, Cognizant has implemented a targeted test program to capture hotel data booked outside preferred channels. Travelers register their email addresses in the tool. Once registered, they forward hotel confirmations they receive at that email address to the tool. The technology matches the hotel reservation to a current air reservation at Cognizant's preferred TMC and returns a full itinerary to the traveler.

"We are excited about ultimately mandating this," said Kaden. "We want to set it up that our associates make their reservations (air and car) and we want them to get a hotel in that reservation. We don't care how—whether through the TMC or through TripLink. We are really looking to broaden the definition of what is 'in policy' to being 'what is in the PNR'. With that broader definition, we want to see similar [compliance] numbers to 97 percent with our hotel program as well."

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TECHNOLOGY DEVELOPMENT

One reason that both corporates and TMCs are taking a serious look at off-channel bookings is that the technology is now available to capture and utilize this data. A handful of email parsing technologies—known better in the travel industry as online itinerary managers—have been in the market for several years. Seeing the promise of merging parsed off-channel data with TMC data, technology companies and mega-TMCs were quick to acquire these tech startups and get to work on a larger industry play—offering enhanced data reporting that includes details about off-channel bookings, and looking deeper at the potential to service bookings that are made outside the preferred channel.

Concur has reached farther than any other technology company into the potential for corporations to broaden their views on what types of bookings might be considered “in-policy” for a managed travel program. The technology firm continues to develop tools within its TripLink solution that look to broaden the practical universe of bookings that can be reported on and serviced by TMCs.

The most ambitious piece of TripLink technology is Concur’s supplier-direct strategy that will ultimately encompass hotel, air, car and a host of longer-tail travel expense categories. Once registered as TripLink users, it will allow travelers to go directly to member supplier sites to book travel, with the supplier able to identify the traveler, associate him or her with the correct corporation and automatically pass data from that booking through Concur to the preferred TMC for reporting. Concur continues to solicit members to join its cloud and has set its sights on a long-term vision for this product.

INTEGRATION GETTING EASIER

For both suppliers and TMCs, the technology development and integrations required to capture and relay off-channel travel data securely and accurately have been a sticking point. There is a significant investment required for the TMC before a company can successfully integrate off-channel data into reporting and processes, but the potential to extend services and enhance business intelligence for clients is critical to staying competitive.

Mike Cameron, CEO of Christopherson Business Travel, which is one of TripLink’s first fully integrated TMC partners spoke candidly about that develop-

ment. “In our case, we had to get the information from TripLink into our own proprietary technology,” he said. “And we had to go to Concur to have our tech certified compatible with TripLink so we could import the data into our technology and have it visible on our side.” Cameron added that several progressive clients are getting on board for new services and enhanced data that is powered by their technology development and integration.

Certainly, corporations like Cognizant are looking for TMCs that are willing to make this type of resource investment the future. “We’ve been really lucky to have a TMC that is willing to work on this solution with us,” said Kaden. “Of course, we are all looking at the ROI, as well, but ultimately we see this as an opportunity for us and an opportunity for the TMC to extend their value proposition. Still, there are questions that we all have to answer.”

Concur is working to answer some of these questions for TMCs on the front end—making it easier for them to access and service off-channel data without heavy investment at the outset. “As a result of Concur’s recent acquisitions, we are introducing a set of tools and products that will immediately address integration complexities for the TMC,” said Brian Hace, vice president of product and TMC services for Concur. “We will be able to do more of the heavy lifting on our end, so the TMC can get integrated more easily and start to innovate around customized services models more quickly.”

MOVING FORWARD

“I think it is the TMC’s obligation to provide as deep and rich a data set for transactions as possible,” said Dee Runyan, executive vice president of client and consulting services for World Travel, Inc. “I do think [off-channel booking] technologies support this obligation, plus a lot of other initiatives—including getting a better understanding of why folks are not going down the preferred channels that are being provided to them. It’s in all of our best interest to discover what is driving them, and then providing enhanced services and tools going forward.”

Indeed, the ability to innovate and better service corporate clients is at the heart of this technology suite, said Hace. “We are seeing TMCs start to provide services they’ve never had before, getting more proactive, and building better relationships. Only then can they build new revenue streams.”

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.

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