



MANAGED TRAVELER LOYALTY: It's Time To Engage!

Engagement and loyalty programs are no longer trinkets and cash. Today, it's a question of understanding travelers through data and offering meaningful recognition and rewards to elicit expected behaviors. It's time for organizations to master managed travel engagement and this white paper, sponsored by Amadeus, highlights successful strategies, as well as cautions from early adopters.

Carrots and sticks used to be the only tools in many corporate toolboxes to manage traveler behavior. But an increasing number of corporations are finding, for a variety of reasons, the need to greatly expand their toolsets not only to communicate with their travelers but encourage behaviors key to the success of their managed travel programs and budgets.

As never before, managed travel programs increasingly include multi-generations of travelers. Policy handbooks and guidebooks, manuals and even online policy sites have given way to new communication approaches and compliance initiatives.

The Lessons Of Games

Standings, leaderboards, badges and other such designations provide travelers with instant feedback on how they're complying with policies. Consider that a typical American by age 21 has spent 2,000 to 3,000 hours reading books and more than three times as much

PRODUCED BY

BTNGROUP

Mary Ann McNulty
Director, Content Solutions
mmcnulty@thebtngroup.com

Elizabeth West
Executive Editor, Content Solutions
ewest@thebtngroup.com

Jessica Robbins
Graphic Designer

Louis Magliaro
Group Publisher
lmagliaro@thebtngroup.com

Anthony Carnevale
Associate Publisher
acarnevale@thebtngroup.com

SPONSORED BY

AMADEUS



MANAGED TRAVELER LOYALTY: It's Time To Engage!

State Of The Global Workforce

13% Engaged Employees

- Work with passion, feel profound connection
- Drive innovation, move organization forward

63% Not Engaged

- Checked out
- Sleepwalking through day

24% Actively Disengaged

- Not just unhappy, busy acting out unhappiness
- Undermine what engaged coworkers accomplish

Source: "State Of The Global Workplace 2013: Employee Engagement Insights For Business Leaders," Gallup study based on responses of 73,752 workers in 141 countries and 151,335 U.S. respondents, published fall 2013

playing computer and video games, according to a Carnegie Mellon study. More than a half a billion people worldwide and 183 million in the United States play computer and video games at least an hour a day, game developer and author Jane McGonigal told a Ted audience in 2011. They've learned much about collecting points, leveling up, unlocking treasures, leaderboards and status. Many have come to expect such tools inside and outside of game play.

Suppliers for decades have been experts in engagement and gaming techniques baked into loyalty programs—and they continue to attract travelers with sophisticated loyalty and communications strategies even as they partner with corporate customers on rates and services.

Workforce Morale Troubling

Couple those trends with insights from Gallup's latest "State of the Global Workforce Report" about employee morale overall and it's no wonder why balancing corporate policies with engagement, long a delicate act, is one a growing number of companies are finding even harder to perfect.

Just one in eight workers are psychologically committed to their jobs and likely to be making positive contributions to their organizations, Gallup found. The vast majority are not engaged and 24 percent are "activity disengaged." The results were based on a worldwide survey that included responses from 151,335 workers in the United States and 73,752 workers in 141 other countries. The results are similar to those in other recent surveys.

For example, in a survey last fall of more than 4,754 business professionals worldwide analyst firm Horses for Sources found that "one in three workers worldwide was disengaged in their jobs half the time or more." Traditional full-time workers, about 75 percent of all respondents, were the least engaged versus the outsourced service providers and both independent and agency contractors. HfS specifically asked about the need to change "flexibility in travel booking and travel service selection" to engage and empower respondents. Twelve percent of respondents said there was a "huge need," 23 percent noted a "considerable need" and 32 percent cited "some need" while the remaining 33 percent said "no need" to adjust travel.

Scales Harder To Balance

Business travel has long been a balancing act: cost versus service, time versus efficiencies, expenses versus potential sales or return on investment and policy compliance versus not. But pressures on travel managers to prove the value of their programs have intensified with overall trends noted, combined with the lures of mobile, consumer and supplier initiatives.

To understand how the scales have changed in recent years, Ruesink Consulting Group president Tom Ruesink said to look no further than the evolution of how



MANAGED TRAVELER LOYALTY: It's Time To Engage!

a supplier would engage with a managed traveler. “Access to the corporate travel used to be only through agent awareness,” Ruesink said on a recent BTN Group webinar, sponsored by Amadeus. “Then it was through biasing of preferred displays in booking systems and finally via engaging loyalty programs. Look at the type of things being done today to draw in travelers. There has been an overall shift in how the supplier communicates to the traveler.”

Suppliers Know More About Travelers

Unlike most managed travel programs today, suppliers know far more about traveler preferences and behaviors, Ruesink said. Suppliers are spending millions of dollars on big data projects to analyze not only business trips, but leisure, social media posts, complaints, compliments and every data bit to understand how to motivate each traveler individually.

Corporations, Ruesink noted, “are struggling to say ‘thank you’ in a meaningful way.” Whether they are considering managed travel or supplier loyalty programs, travelers are evaluating “how am I made to feel in your system? Do I have access to experiences that others don’t,” such as club access or boarding priority. “It’s much less about the free tickets and hotels as it is about the onboard experience today,” he emphasized.

Would Travelers Opt-In To Travel Program?

Travel managers should consider how their program would fare in such evaluations. “One question I ask travel managers is ‘would they sign up for the travel program if it was optional?’”

If the answer is “no,” Ruesink said, managers should carefully consider what they need to do to “make sure the value propo-

sition is explained to the traveler. “Next generation travelers want to be part of the story, they want to know what’s the narrative, the mission and how they are part of the story.” Communications, applications, reporting or travel systems should provide such immediate feedback.

Getting Personal

A number of corporations have tried to get creative and more personal with their travelers. Advisory Board Company recently introduced its own loyalty program that rewards compliance it values, said Steven Mandelbaum, vice president of information systems who manages travel. The company was in the midst of switching its corporate card program and found that new contenders didn’t offer rewards programs. “We wanted a way to replace that for our travelers,” he added.

Advisory Board also “wanted to break the cycle of spend a dollar, get a point,” commonly found in most card reward programs. “The only thing that does is reward spending and that is not the culture that we wanted to use.”

The inhouse program that the firm developed rewards employees for policy compliance of each trip by distance traveled and room nights, provided expense reports are submitted in a timely manner. Travelers who opt for connections earn more points. Non-compliant travel earns fewer points.

The solution required some programming as the firm aggregated data and matched transactions with feeds from its travel management firm, credit card and expense system. “We use that data to assign a point value. A statement of account and redemptions occur in our rewards store. If you’ve been to online shopping sites, ours looks very similar,” Mandelbaum told webinar participants.

Travelers may redeem points earned for gift cards, contributions to selected



MANAGED TRAVELER LOYALTY: It's Time To Engage!

charities or for travel upgrades by “breaking policy” on future trips, he added. As the program recently launched, Mandelbaum said, employees have yet to redeem points.

Badges, Standings And More

Other companies have tried badges and comparative datapoints. For example, to reinforce policy and reward good behavior, Accenture recently introduced badges that travelers can earn and display on their

““We’re focused on identifying innovative ways to use data to make travel more personal, easier or more fun. This has received so many accolades and rave reviews from our travelers.””

—Michelle DeCosta, Sapien Director of Global Travel and Workplace Experience

intranet portals. In the Smart Traveler recognition program, a traveler can earn a badge if during the quarter they take a least six trips and book those on average seven days in advance, according to Lisa Keller, global travel program manager for Accenture’s Global Travel & Events team.

As part of a traveler social networking concept, Accenture also introduced a Connected Traveler badge. Travelers who opt to share a trip itinerary with other employees on the Accenture portal can earn the badge for doing so. Keller said the travel team has heard many stories about the benefits of such shared trip itineraries as employees were able to schedule meetings with colleagues that they didn’t previously know would be in a specific destination.

Welcoming Gestures

At consulting firm Sapien, director of global travel and workplace experience Michelle

DeCosta over the past two years has focused on “how to use to data to make travel personal” and improve the experience for their 11,000 employees. For example, instead of a standard amenity at a preferred hotel for one of her executives, DeCosta asked the hotel to deliver a six-pack of a favorite low-cost beer and bag of pretzels. She received a text after every can.

To make travelers feel more welcome at larger offices she worked with receptionists and marketing to create, design and execute a “welcome home” campaign. The week before a trip, an incoming traveler receives a welcome message from the local office manager with insight on the office, their desk and a custom information guide with “everything you need to know to speak like a Chicagoan or Bostonian,” DeCosta recently said at BTN’s Tech Talk conference. No matter which of 31 global offices Sapien travelers may find themselves in, it’s always “bagel Wednesday.” For project teams working in hotels near client offices, DeCosta said she is working with the hotels to extend “bagel Wednesdays” at that work locale.

Other travel managers also noted how they have developed programs to communicate with travelers more frequently, whether that means a text message while the traveler is on the road, apps that feature one-push buttons to call the travel management company or portal sites with traveler insights, reviews and recommendations.

Packaged Options Also Emerge

Within the managed travel space, booking systems, travel management companies and even global distribution systems have announced products aimed at traveler engagement, according to Ruesink. American Express and Carlson Wagonlit Travel are “trailing badges and gamification. Concur is rolling out travel points. Runzheimer has smart trip.” And, noted Amadeus North America



MANAGED TRAVELER LOYALTY: It's Time To Engage!

head of corporate product and innovation Jay Richmond, Amadeus soon plans to introduce its own product after researching engagement.

All About The Traveler

After a “very focused research project at Amadeus,” with TMC partners, their customers, travel managers and travelers, Amadeus found that “it really was all about the traveler,” Richmond told webinar participants.

“The No. 1 priority coming out of the study was to start working on a gamification platform that was all about the traveler, creating ways to incentivize them and reward them to achieve the managed travel goals.”

While travel experiences, expectations and needs can vary widely from person to person and trip to trip, Richmond said the research found commonalities. The same person can have different goals based on each trip,” with variances by age, frequency of travel and the comfort level with technology.

“Underneath all this is a common anxiety around the uncertainty of their travel. The ability for third parties, suppliers or technology providers to address points of uncertainty will drive engagement and loyalty from the traveler, because the basic need or pain point is being resolved by someone other than the TMC or corporation,” Richmond said.

“Across every traveler, convenience trumps compliance! If you’re not finding a way to find that optimal point of convenience for the traveler and compliance with policy, you’ll lose more travelers to the convenient choice,” he warned.

At risk is the potential to lose the trust and compliance of travelers swayed by the more convenient, robust and engaging options. Instead, corporations must “align programs with traveler needs and expecta-

tions, partner with supplier programs for additional traveler benefits, listen and respond to traveler pain points, reward positive behavior with material benefits and communicate, communicate, communicate,” Richmond said.

How To Engage Your Travelers

- Communicate with travelers while they are on the road to ask if they need assistance or have any questions or comments about their experience
- Thank travelers at milestones such as after 30 days on the road or longer trips
- Identify custom benefits to make their travel more enjoyable or perhaps less expensive such as upgraded airline status to avoid baggage fees for those who frequently expense bag fees or specialized food items instead of standard amenities for VIPs
- Ask travelers what they want
- Acknowledge and reward good decisions

FROM THE SPONSOR **AMADEUS**

Amadeus is a leading provider of advanced technology solutions for the global travel industry. Customer groups include travel providers (e.g. airlines, hotels, rail and ferry operators, etc.), travel sellers (travel agencies and websites), and travel buyers (corporations and travel management companies).

The Amadeus group employs around 10,000 people worldwide, across central sites in Madrid (corporate headquarters), Nice (development) and Erding (operations), as well as 71 local Amadeus Commercial Organizations globally. The group operates a transaction-based business model.

To learn more about Amadeus please visit www.amadeus.com.