



# innovate

## INTRODUCTION

### THE BTN GROUP INNOVATE 2014 THINK TANKS

The Innovate 2014 Conference for the Advancement of Business Travel offered business travel executives the opportunity to articulate priorities and recommendations about six of the biggest challenges facing corporate travel buyers and suppliers:

- Selecting and Implementing Air
- Selecting and Implementing Hotel
- Selecting and Implementing a Travel Management Company
- Travel Policy Development
- Building a Better Booking Tool
- Making the Most of Mobile Opportunities

The Innovate 2014 white papers document the results of these efforts.

In focus for this paper: **MAKING THE MOST OF MOBILE OPPORTUNITIES.**

The BTN Group worked first with its Advisory Board and then with a dedicated Steering Committee to identify the focus topics for 2014. *Business Travel News* editors then recruited a group of leading business travel buyers to participate in independent task forces that could identify specific concerns and posit new ideas for moving the practice, the tools and the objectives of business travel management into the future. Think tank sessions held during the *BTN Innovate 2014* Conference served to validate concerns and flesh out innovation concepts.



# MAKING THE MOST OF MOBILE OPPORTUNITIES

**Smartphones, tablets and other mobile devices widely have infiltrated the workplace, travel space and home, but many corporate travel managers, corporations and suppliers continue to struggle to determine the most effective ways to react to and embrace the evolution.**

## **TASK FORCE:** Making The Most Of Mobile Opportunities

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The BTN Group Innovate 2014 Mobile Opportunities Task Force quickly determined that there are far more questions than answers, and not many accepted best practices, in mobile travel management today. This white paper is designed to highlight some of those challenges and questions as well as the first steps that corporate travel professionals might take to explore opportunities mobile devices present.

If forecasts from travel suppliers, mobile technology companies and consulting firms are correct, 2015 could be a pivotal year for the technology as travelers learn how best to use the power of the nearly ubiquitous smartphones and tablets. Buyers and suppliers no longer can wait to develop their mobile game plans.

Plenty of studies point to the exponential growth of mobile. In the spring of 2014, the 9th annual SITA-Air Transport World Passenger IT Trends Survey of 6,277 travelers who represented 76 percent of worldwide passenger traffic found that:

- About 97 percent of passengers carried a phone, laptop or a tablet when they traveled
- About 18 percent of passengers traveled with all three devices
- More than four in five passengers have a smartphone
- About 76 percent of smartphone owners use airline apps

In a 2013 survey of 150 corporate travel and meeting managers conducted by *Business Travel News*, 20 percent of respondents said their companies had a mobile communications strategy for travel while 34 percent said they were developing one.

When it comes to mobile strategy—or more precisely, the lack thereof—the corporate travel industry appears to be in good company. In a recent study of more than 600 companies, the IBM Institute for Business Value found that “less than half of organizations have comprehensive strategies in place that encompass the spectrum of mobile efforts and address the broad

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challenges of implementation. Further, only a handful of mobile strategy leaders have put in place the needed building blocks to take full advantage of new mobile opportunities,” according to the report.

## State Of Mobile

Regarding travel management, “companies are at different levels of adoption on mobile,” task force co-chair Madia Sargent, senior manager of global travel services for Whirlpool Corp., told the Innovate mobile think tank.

organizations even had such a role.

Two participants said their organizations had company-approved app stores, and the travel department had requested approval for preferred supplier apps. Another opted not to request company app store review of her preferred TMC app, as the company culture is one of choice. Sargent warned managers to learn if the company had the capability to push apps to all employees or just selected individuals before venturing down any such road.

Still others remained stymied on where to begin to draft a mobile strategy for their travelers.

## Apps: Enhancing Service Or Circumventing The Program?

An overriding concern of many travel managers is how travel apps might be used to go around the travel program. Could an airline app be used to change a reservation? Would air, hotel and car apps be used to circumvent booking through the preferred online booking system or TMC?

Participants understood how apps could be used to provide key information to ease the travel experience. For example, an app could alert travelers that it was time to leave for the airport due to construction or delays en route, or that the flight was canceled, providing rebooking options along with the alert. On landing, apps also could remind travelers of ground transportation or meal options or simply remind them of policies on such matters.

While such applications might require customization, if not development, no think tank participants and few respondents to a

Air contracts generally require buyers to provide a certain level of market share to their airline partners, but the way these requirements often are measured can add additional burdens on buyers.

That quickly became apparent as two working groups of about 30 travel managers and suppliers talked about their mobile strategy struggles and approaches.

Some participants had started to query travelers about the applications they use on the road, not to vet the apps but to help the travel department identify trends and perhaps leverage supplier data.

Others had begun to poke around their organizations to learn if they had bring-your-own-device policies and the implications of such. Who, if anyone, owned an overall corporate mobile strategy? If there was such an owner, how should the travel department best work with him or her? While a handful of travel managers had reached out to mobile strategy process owners, other business travel managers had yet to determine if their

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recent BTN Group survey expressed any desire to build their own apps for travel. Instead, participants said they rely on their TMCs or online booking tools for such functionality.

Yet, some participants warned colleagues to carefully review such apps to ensure that they offer the features and functions travelers demand, particularly check-in. Without key functions, travelers will continue to look outside at any of thousands of apps offered in app stores or from suppliers.

## Duty Of Care

The ability to alert and communicate with travelers in times of crisis was of most interest for the think tank participants.

While some noted that travelers likely would push back on any global positioning system tracking via phone, others said it was critical that managers seek buy-in for those traveling to risky destinations.

Citing their own duty-of-care responsibilities, some companies are pushing back on travelers who complain about tracking, arguing that the employee has a responsibility to allow the company to know where they are and if they need assistance.

## Challenges In Financial Services

Specific to the financial services sectors, travel managers spoke of security rules that

prohibit employees from sending attachments from tablets or smartphones. Consequently, most business travelers carry two or more devices on the road—one for work-related emails and a second not monitored by corporate authorities. The complexity has made it difficult for managers in this sector to devise or consider deployment of a mobile travel strategy.

## Supplier Take On Mobile

While many suppliers several years ago first launched mobile applications, “only around 40 percent of airlines think mobile services are performing at least ‘as expected,’” according to SITA’s Airline IT Trends Survey of the top 200 passenger carriers worldwide. Mobile investment areas that had exceeded carrier expectations, according to respondents, included such self-service applications as check-in and boarding.

Mobile check-in availability and use have grown, but SITA reported a global average of 4.6 percent of passengers doing so in early 2014; the organization projected that figure by year-end 2014 to rise to 9.3 percent and 15 percent by 2017.

Regardless of adoption today, 81 percent of airlines surveyed said they planned to increase awareness of and add more functionality to their mobile services, and 95 percent planned to improve usability of their mobile apps. For example, the report projects that during the next three years:

- About 96 percent of carriers will offer light status notifications, with more than 90 percent offering check-in and boarding passes



It’s really important that airlines understand their customers well enough to know how they calculate savings,” one buyer said.



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- More than two-thirds of airlines will provide baggage notifications
- Almost three-quarters of airlines will offer recovery options in times of disruptions

Some carriers have announced plans to deliver onboard connectivity and entertainment—some at a cost—via customer devices. The move is likely to result in additional costs for business travelers who opt to connect and a wealth of new data about usage, downloads and preferences for which some travel managers have expressed interest in obtaining reporting.

No matter what their take on who should best provide apps to travelers, travel managers warned that they and other peers have to stay informed about emerging technology and “what that means to travelers and their experiences.”

A company might not like a supplier’s strategy or agree to promote it to travelers, but travel managers must remain diligent to learn the details and implications of changes, warned one think tank participant.

Suppliers said they urgently need travel buyer insights on mobile strategies so they can include wants and needs in new product releases. Data on priorities, policies, what travelers are using or want would all be beneficial, suppliers said.

## Key Findings: Where To Start

- Learn what travelers want or need, perhaps through a survey or focus group of top travelers
- Ask travelers what apps they often use
- Ask suppliers to detail their

mobile strategies

- Volunteer to work with the “best and brightest” of a preferred supplier on solutions that could benefit your travelers
- Ask suppliers for any data elements they can provide about your travelers’ mobile device access to their networks
- Stay informed of mobile app developments and how they could impact your program, the experience of your travelers or your next supplier negotiation ■

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