

Produced by:

Sponsored by:

BTNGROUP
CONTENT SOLUTIONS


Direct Travel



Your Business Travel Crisis Management Strategy: **Before, During and After**

Turbulent times have a ripple effect and nearly always impact business travel—whether the cause be a global pandemic like we are seeing today, natural disaster or terrorist attack—travel programs should always be prepared to ensure continuity of business. Otherwise, companies may find themselves caught in a crisis without a plan and scramble with a reactionary response. Even if you do have a plan, how can you best manage your program, even when it seems like priorities are changing daily?

There are three basic elements to effective crisis prep: the before, during and after.

This white paper is designed to help corporate travel managers and other stakeholders review their own plans and processes in each of those three areas. Most importantly, it provides comprehensive checklists of ways to improve existing procedures.

Produced by:

BTNGROUP
CONTENT SOLUTIONS

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

Jen Bankard
Director, Content Solutions
and Conferences
jbankard@thebtngroup.com

Louis Magliaro
Senior Vice President &
Group Publisher
lmagliaro@thebtngroup.com

Lindsay Straub
Associate Publisher
lstraub@thebtngroup.com

Mariza Moreira
Group Design Manager

Angelica Mundrick
Graphic Designer

About Direct Travel

Direct Travel, Inc. is a leading provider of corporate travel management services. The company has been providing travel management services for over 40 years, working with clients to develop highly customized travel programs. By leveraging both the expertise of its people and innovative solutions, Direct Travel enables clients to derive the greatest value from their travel program in terms of superior service, progressive technologies and significant cost savings. Direct Travel has offices in over 60 locations across North America and the U.K. and is currently ranked 9th on the Travel Weekly Power List. Direct Travel is also a prominent member of Virtuoso, the world's most prestigious luxury travel network. .

For more information about Direct Travel, please visit www.dt.com.



Before | Pre-Crisis Planning—Prepare People, Ensure Continuity

MAKE A CRISIS PLAN

The coronavirus pandemic of 2020 has tested travel managers' ability to steer through a crisis like no other. An almost total global shutdown of transportation has challenged every aspect of travel management, including employee safety and security, supplier relations, policy coordination and delivering on core strategic objectives.

A fast-moving emergency calls for travel managers to respond flexibly and decisively. But if your management of a crisis only started reactively when that crisis hit, you started too late. That's why it's important to have a crisis plan in order to maintain business continuity. A business' crisis plan should allow for essential travel and account for any changes to safety or security procedures for employees.

"Formulate your crisis plan with a people-centric approach," says Carey Pascoe, Senior Travel Manager of Corporate Procurement at Dolby Laboratories. "How are you communicating with your employees on the road? What are you doing to provide a consistent standard of care for all employees? How do you get employees where they need to be if airline routes have changed or preferred hotel partners are closed? These are the questions your plan should address." If you have a crisis plan in place, document now what's working today and what's not, so you can better prepare for the future.

BUILD RELATIONSHIPS

To prioritize the safety of employees and keep business moving, establish and assess both internal and external partnerships. Internally, companies should define clearly which individuals and departments will handle which roles in a crisis. Externally, an established relationship with a risk management provider is crucial for threat intelligence, employee tracking and potential extrication of travelers from critical situations.

Pair your risk management solution with the insights of a travel management company (TMC) for a 360-degree view of travel risks on a global level, broadening your scope beyond the limitations of proximity and the immediate now.

ESTABLISH COMMUNICATIONS

Setting up a strong framework for communication is always important and becomes even more crucial during a crisis. Have communication templates ready-to-go, with a clear chain of execution established. Employees also need to be educated about what behavior is, and isn't, allowed on the road. In a crisis like a pandemic, it is equally important to have a line of sight into personal travel pre- or post-trips. Without such visibility, a company may not realize that it actually has employees impacted by an outbreak in a region, even when traveler reports show all are in the clear.

PRE-CRISIS: Make Your Travel Program Ready to Respond

DUTY OF CARE

- Create crisis management and traveler health and wellness plans
- Test the plans
- Ensure you have accurate traveler tracking
- Line of sight into employee's leisure and personal travel
- Clarify internal assignment of roles in an emergency
- Develop strong relationships with your travel management company and insurance provider
- Audit crisis management capabilities of suppliers and service providers

BUSINESS CONTINUITY

- Ensure employees will still be able to travel if essential and possible
- Ensure employees have alternative ways to communicate/work if travel is impossible

TRAVEL POLICY

- Require employees to book through managed travel channels (TMC and Online Booking Tool)
- Maximize hotel attachment rates
- Outline steps for how travelers should return safely in a crisis

SUPPLIER RELATIONS

- Crisis-proof supplier relationships, for example, ensuring favorable cancellation policies
- Create contingency plans in case key suppliers collapse or are otherwise unable to provide service

COMMUNICATION

- Create communication templates
- Identify who should receive which communications in a crisis
- Train employees what to do in an emergency
- Maintain up-to-date emergency contact details
- Provide an emergency contact point for employees
- Ensure employees have alternative ways to communicate/work if travel is impossible



During | Adapt for the Long Haul

Even the best-laid plans cannot anticipate all eventualities. When a crisis breaks, duty of care takes priority, and businesses should take swift action to determine how to best assist and repatriate travelers. After taking steps to protect employees, the focus needs to shift to protection of the business and limiting travel-related financial exposure.

Most notably, one of the biggest lessons to emerge during the COVID-19 pandemic has been canceled airline tickets. These tickets represent a large investment for companies and pose a financial loss if not tracked and applied properly. In cases where the airline has canceled the flight, it is obliged in most jurisdictions to issue a refund. If the traveler canceled their ticket voluntarily, then under a negotiated agreement, “you should be able to make name changes if the original traveler cannot rebook. If you aren’t, now is the time to do something about it,” says Garth Jopling, partner with the consultancy Nina and Partner Group. “Making changes has become much more expensive in recent years. Cancellation fees are normally non-negotiable, but at this time it is worth going back and asking carriers to reduce the fee.” Keep in mind when making changes that no airline will be able to tell you what its network will look like this time next year.

Christine Sikes, Executive Vice President of Customer Experience at Direct Travel, points to the recent volatility in airline ticketing change policies as a seemingly short-term priority that actually carries long-term ramifications. “Businesses need to work with TMCs to adapt their existing systems to handle the deviations in policy for the long haul. We will be seeing the impact of this on businesses for the next two years; it’s not going away.”

WHEN THE CRISIS HITS: Take Immediate Steps to Protect Your Travelers and Your Business

DUTY OF CARE

- Check instantly where employees are, and who is booked to travel where
- Maintain contact and require travelers to use a check-in feature to confirm their safety
- Assist sick or injured travelers
- Repatriate travelers who need to come home
- Assist stranded travelers, e.g. ensure they are safe and have adequate funds

BUSINESS CONTINUITY

- Understand from senior management what travel is required during the crisis, by whom and where
- Ensure alternatives to travel are working well
- Understand likely cost reduction requirements

TRAVEL POLICY

- Clarify what travel is/isn’t allowed and communicate to all
- Clarify conditions that must form part of the booking, e.g. refundable bookings only
- Make risk-assessment and pre-trip approval mandatory

SUPPLIER RELATIONS

- Monitor supplier changes, such as flight cancellations and hotel closures
- Re-negotiate terms and conditions with suppliers, e.g. name changes, voluntary cancellations, rebate targets
- Monitor unused tickets and develop new reporting, if necessary, to track these assets

COMMUNICATION

- Evaluate threats constantly and decide what information needs to be communicated, and how often
- Decide how you want to communicate (e-mail, SMS etc.)



After | Read the Landscape, Learn the Lessons

In the medium term, review how your travel program performed in the crisis, and what can be improved. To properly make this assessment, it's vital to first understand what the new normal looks like for corporate travel after a crisis has peaked.

DEMAND-SIDE CHANGES

Internally, how has your own business strategy changed? Cutting costs will likely outweigh all other considerations. Buyers will need to know future spend and be able to defend why travel will occur and where. "We had seen a real shift in recent years from a cost focus to a traveler experience focus, but with a crisis like this, all that goes out of the window," says Will Tate, a partner with GoldSpring Consulting. "Traveler experience becomes a First World problem. Now employers will be saying: 'this is what you are doing.'" Trading down airline cabins and hotel categories will be commonplace, he adds.

SUPPLY-SIDE CHANGES

Buyers also will need to be agile in their approach to supplier negotiations as supplier profiles will radically change. Hotels closed during a crisis may reopen on a staged approach, with some regions and offerings coming back online before others.

Best-on-day pricing will often look most attractive during a recovery, says Tate. However, travel suppliers and corporate buyers alike will be keen to reach agreements delivering generous discounts in return for greater share of wallet—promising to make a hotel one of only three preferred properties in a city instead of five, for example; or delivering meetings-based room nights as well as transient business. Suppliers may be instructed to not drop rates, but be prepared for individual operators to continue to price with demand.

Take the opportunity to review the much bigger picture too. Global crises change business travel, and coronavirus is expected to be unprecedented in the transformations it provokes. To give just one example, businesses will be asking whether insurers will provide cover for pandemics in the future. According to Jopling, "Employees won't want to travel if they can't be insured."

How suppliers have emerged from the crisis will also be critical. Support valued partners where you can, and audit them too. Inevitably, a crisis will force some suppliers to shift strategies, and companies should check-in to verify whether the partnership goals are still in alignment.

EMERGING FROM THE CRISIS: Re-Strategize for a New Environment

DUTY OF CARE

- Review how well crisis management and traveler health and wellness plans performed and make improvements based on lessons learned
- Adjust component of safety along the travel lifecycle, including how it's measured and monitored
- Review the effectiveness of traveler tracking processes
- Make all necessary health and safety changes to ensure you meet duty of care requirements
- Determine continuing precautions in a still-volatile environment

BUSINESS CONTINUITY

- Review travel strategy with senior management, e.g. anticipated travel demand, budget revisions, class of service or other changes
- Review all unused ticket reporting and tracking of assets going forward

TRAVEL POLICY

- Ensure cost-saving downgrades don't compromise duty of care
- Plug gaps that emerged in the crisis, e.g. clamping down on use of online travel agencies which provided no/limited assistance
- Evaluate changes to allowable expenses, e.g. reimbursing purchases of hand sanitizer and masks

SUPPLIER RELATIONS

- Audit the health of suppliers and service providers
- Support preferred suppliers, e.g. longer contracts, cargo deals for airlines, diverting meetings as well as transient stays to preferred hotels
- Make more use of dynamic rates and rebooking tools to secure best price on day

COMMUNICATION

- Survey travelers on what did, and didn't, work well, and what they expect in future
- Review and correct successes and failures in communications, e.g., too much or not enough?
- Consider changes to traveler training

OTHER

- Evaluate how the crisis has changed business travel generally and your travel program specifically
- Find new savings and eliminate existing inefficiencies at a time of cost-tightening, e.g. optimizing VAT recovery