

# BTN

BUSINESS TRAVEL NEWS

# EUROPE

#001 | MARCH/APRIL 2020

POWERING EUROPE'S  
CORPORATE TRAVEL  
COMMUNITY

[BUSINESSSTRAVELNEWSEUROPE.COM](http://BUSINESSSTRAVELNEWSEUROPE.COM)



# MINDING YOUR BUSINESS

BTN Europe's inaugural issue delves into  
the minds of travel managers, who reveal  
challenges and opportunities ahead

## SHOW TIME!

Special report and highlights  
from the Business Travel Show

## BRUSSELS BULLETIN

Our new political columnist reports  
from inside the EU heartland

## #WINNING

Meet all the winners from the  
Business Travel Awards 2020



[LNER.co.uk/business](https://www.lner.co.uk/business)



# Flying through emails

Free Wi-Fi on all our trains.  
London to Edinburgh  
from **4hrs 20mins.**



THIS IS OUR  
**LNER**

LONDON NORTH EASTERN RAILWAY



GLOBAL  
BUSINESS  
TRAVEL

Rest Assured Solutions

Let's take your accommodations  
programme to the next level

we  
**meet or beat**

ONLINE HOTEL RATES

**97%** OF THE  
TIME<sup>1</sup>

And with our Hotel Rate Guarantee, you'll have  
greater confidence in our rates. There's no reason  
to search or book hotels anywhere else.

Learn how to bring value both to your accommodation programme and your travellers.

[www.amexglobalbusinesstravel.com/rest-assured](http://www.amexglobalbusinesstravel.com/rest-assured)

**DON'T** *do business* **WITHOUT IT** <sup>SM</sup>

<sup>1</sup> Benchmarking comparisons made on rates inclusive of all taxes and fees, on the top 500 global properties booked by American Express Global Business Travel clients based in EMEA. Weekly room pricing and availability analysis retrieved between March 2019 and October 2019 for check-in between 13 March 2019 and 30 October 2019, directly by RateGain Technologies from Amadeus and each OTA's public website. Findings are based on standard single-occupancy room for one night. Excludes prepaid and nonrefundable rates. Wednesday check-in dates booked one week to four weeks out from the date of the monthly audit.

American Express Global Business Travel (GBT) is a joint venture that is not wholly owned by American Express Company or any of its subsidiaries (American Express). "American Express Global Business Travel," "American Express," and the American Express logo are trademarks of American Express and are used under limited license.

# A different approach

Adapting to the shifts in the corporate travel world, *BBT* has rebranded to *BTN Europe* – with a new agenda, format and expanded coverage



BY ELIZABETH WEST,  
EDITORIAL DIRECTOR, BTN GROUP

It's been argued "all of humanity's problems stem from man's inability to sit quietly in a room alone", but I tend to disagree, and can happily report our roundtable invitees proved quite the opposite.

We gathered six vocal and articulate travel managers for a debate at the end of January (p52-56). What was on their mind? There was much we couldn't print – owing to pagination limit and a clear potential for libel action – in our coverage, but a lot of bases were covered as they picked each other's brains and shared tips, while collectively posing questions and mulling over industry-wide conundrums.

Which brings me neatly on to this launch issue of *Business Travel News Europe*: the idea of questioning *BTN Europe*, as we explain on p6-7, is the new vision for *Buying Business Travel*, as it joins forces with BTN Group. While there's a new look, there's still the same insight, passion and expertise covering the business travel industry, and you can count on us to carry on asking the questions you need answered.

Why Europe? It may seem paradoxical that as the UK is leaving the European Union we're expanding our horizons in Europe, but we recognise the world is changing and travel management will soon be subject to an even more complex set of rules and regulations.

We'll be sharpening our focus on the issues, debates, challenges and opportunities that

matter to you across Europe, and hopefully help you navigate those new landscapes.

What else has changed? More immediately, *BTN Europe* has an expanded team of journalists as it taps into the wider BTN Group (meet some of them in our new sector reports, p15-19), and sister publications, including *Business Travel News*, *The Beat* and *Travel Procurement*.

“

We'll be sharpening our focus on the issues, debates, challenges and opportunities that matter to you

Political columnist Jennifer Baker, meanwhile, will offer her take on what leaving the EU means for travel management in her new Brussels Bulletin – see p36.

As part of the transition to *BTN Europe*, we've relaunched our website, too. You can find us now at [businesstravelnewseurope.com](http://businesstravelnewseurope.com) – on top of the previous *BBT* online content, it also houses much of *Business Travel IQ*'s news, analysis and research.



We've got big plans for the coming year with an unveiling of more digital tools plus a series of new events, bringing buyers and suppliers closer together than ever before for networking, education and much more.

## Celebrating success

The people, teams and organisations that won awards at the Business Travel Awards 2020 are definitely not sitting quietly. We've profiled them on pages 42-51. Congratulations once again to them, in particular double-trophy winners LNER and Click Travel. Plans are already underway for 2021 and, like our new-look publication, expect a few twists and turns.

## Global challenge

As *BTN Europe* went to press, the dramatic spread of coronavirus was continuing to impact the travel industry. We've a snapshot of some of the effects in Databank (p28), while also hearing from buyers that attended last month's Business Travel Show (p20-26). It may well be some time before a clearer picture emerges, but online we'll be covering all the developments and continuing to delve into what it may mean for your business.

● As ever, we welcome your feedback – please email [ewest@thebtngroup.com](mailto:ewest@thebtngroup.com)

# CONTENTS

News delivered to your inbox – sign up to regular *BTN Europe* e-newsletters: [businesstravelnewseurope.com/newsletter](https://businesstravelnewseurope.com/newsletter)



## Regulars

### IN FOCUS

4SIGHT .....	09
Loud & Clear .....	10
Life on the Other Side .....	12

### INFORM

Transportation .....	15
Payment .....	16
Accommodation .....	19

### INTEL

Databank .....	28
----------------	----

### INSPIRE

Buyer's Guide .....	31
Travel Buyer Q&A .....	32

### OPINION

Westminster Watch .....	35
Brussels Bulletin .....	36
According to Amon .....	39
Comment: Diversity .....	40

### ANALYSIS

Global Insight .....	100
Guest Column .....	102

## Features

### 20 Business Travel Show

Highlights from across the busy show floor at the Business Travel Show at London's Olympia

### 42 A toast to excellence

The Business Travel Awards 25th anniversary party celebrated the very best – read what the judges said

### 52 Cover story Minding your business

Six travel managers discuss the opportunities and challenges in today's business travel industry

### 59 On the radar

An analysis of the trends expected to influence air travel throughout the rest of this year and beyond

### 64 Make the leap

Advancements in blockchain and NDC could pave the way for a new generation of 'leapfroggers'

### 69 The room boom

Sterling's weakness because of Brexit has stimulated investment in hotels across the UK

### 74 Tinder for TMCs

What's the secret of a flourishing partnership?

### 82 Running late

The Williams Review may have been delayed, but it's already influencing the rail sector

### 90 Safe and sound?

Just how close is the serviced apartment industry to a global safety standard?



p42

**Editorial Director** Elizabeth West  
**Editor** Matthew Parsons  
**Digital Editor** Molly Dyson  
**Art Director** Nick Watts  
**Designer** Amanda Scope  
**Sub Editor** Mary Cooch  
**Contributors** Donna Airoldi, Jennifer Baker, Michael Baker, Catherine Chetwynd, Amon Cohen, Nick Easen, Mark Frary, Rob Gill, Melissa Hobson, Andy Neilson, Gary Noakes, Adam Perrotta  
**Head of Events** Emma Gordon  
**Marketing Director** Rochelle Jayawardena  
**Production Director** Richard Corser  
**Advertising Production** Amanda Ludman  
**Publisher** Chris Mihalop  
**Group Publisher** Louis Magliaro  
**UK Portfolio Director** David Chapple

**Website** [businesstravelnewseurope.com](https://businesstravelnewseurope.com)  
**Front cover image:** Getty

*BTN Europe* is published by Northstar Travel Group, Spaces, The Epworth, 25 City Road, Shoreditch, London EC1Y 1AA



Copyright © 2020 Northstar Travel Group and/or its subsidiaries and licensors. Corporate offices: 100 Lighting Way Secaucus, NJ US. All rights reserved.

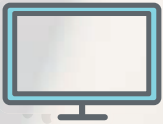
The magazine is entirely independent of all commercial interests within the travel industry. Unsolicited manuscripts will not be accepted for publication. The opinions expressed by contributors are not necessarily those of the publishers who cannot accept responsibility for any errors or omissions.





**DIRECT ATPI**  
GLOBAL TRAVEL

# Delivering what really matters™



Technology  
that works



Compliance and  
cost savings



Traveller safety  
and security

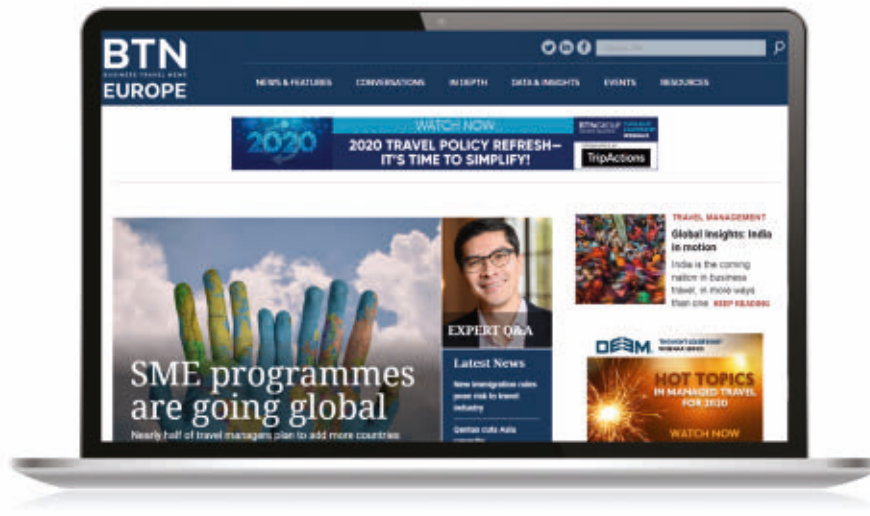


Consistent  
service worldwide

Direct ATPI combines the power of leading travel management specialists to create a scalable solution for multinational organisations. We offer access to the influence and consistency of a steadfast global brand alongside the local knowledge and sector-specific expertise of an on-the-ground travel management company.

Find out more [atpi.com](https://atpi.com)





# A NEW MEDIA BRAND FOR EUROPE

*BTN Europe* is set to serve a wider market and audience with expanded content, more analysis and new digital products

**B**uying Business Travel has rebranded to *Business Travel News Europe (BTN Europe)*. The new look follows Northstar Travel Group’s acquisition of *Buying Business Travel* and the Business Travel Awards from Panacea Media at the end of last year.

*BTN Europe* will continue to be a bi-monthly magazine, and will complement other titles within Northstar’s BTN Group, including *Business Travel News*, *Travel Procurement* and *The Beat*, as well as newly acquired UK events, The Business Travel Show, Travel Technology Europe and The Meetings Show.

*BTN Europe* will serve both the UK and European corporate travel market, and later this year unveil a new series of networking and educational events.

A new website, [businesstravelnewseurope.com](http://businesstravelnewseurope.com), has also launched, incorporating *BBT*’s online content ([buyingbusinesstravel.com](http://buyingbusinesstravel.com)), as well as content from *Business Travel IQ* ([businesstravel-iq.com](http://businesstravel-iq.com), which BTN acquired along with The Business Travel Show). Following integration into the new combined platform, both of these websites will no longer be available.

“*BTN Europe* will continue to be a bi-monthly magazine, and will complement other titles within Northstar’s BTN Group

Elizabeth West, BTN Group’s editorial director, said: “*Business Travel News* is excited to merge two of the most respected content sources in the UK market and to lean into the opportunity to expand their scope. Geographically, there is an open field to engage with our Belgian, Dutch, French, German, Italian and Spanish colleagues – and beyond. But our team is also looking at how we can diversify our editorial and conference products in Europe and tailor them to fit your specific needs. If we do our job right, we can help you do your job right – sharing market intelligence, industry engagement and leading-edge innovation in travel management.

“BTN’s growth also lends scope to our North America operation, and I look forward to offering more nuanced and sophisticated content to that long-standing audience.”

Molly Dyson, *BTN Europe* digital editor, added: “I’m really excited about what the future holds now that we’re part of the BTN Group. We have so much planned – more in-depth analysis of the latest industry

Check out **BTN Europe's** new social media channels

**Twitter:** @BTNEurope

**LinkedIn:** linkedin.com/groups/3209937

**Facebook:** facebook.com/BTNEurope



issues and topics, a broadened remit to cover the entire European market and a number of other digital initiatives we'll be revealing in the coming months.

"A lot of work has gone into blending the best parts of *BBT*, *BTiQ* and *BTN* to develop a website that truly reflects how different the European market is to the US. With unique challenges facing travel managers across the continent, we wanted to ensure their voice was still represented while we transformed more in line with the *BTN* brand.

"I'm looking forward to developing the *BTN Europe* offering and working with our industry colleagues to connect the community."

*BTN Europe* officially launched at the Business Travel Show at the end of February.

Northstar Travel Group is the leading B2B information and marketing solutions company serving all segments of the travel industry including leisure/retail, corporate/business travel, corporate and sports meetings, incentives, hospitality, and travel technology. It is the owner of brands including *Business Travel News*, *Travel Procurement*, *The Beat*, *Travel Weekly*, *TravelAge West*, *Travel Weekly China*, *Successful Meetings*, *Meetings & Conventions*, *Incentive*, *M&C China*, *Travel42*, *Axus Travel App*, and *Web in Travel*.

Its events include the Phocuswright Conference, the American Lodging Investment Summit, The Business Travel Show – the largest corporate travel event in Europe, The Meetings Show – the largest meetings industry event in the UK, *Web in Travel*, *CruiseWorld*, *Global Travel Marketplace*, and *TEAMS*, the leading sports travel event.

Northstar also owns Phocuswright, a research, business intelligence, and event producer serving the travel technology industry.

Sign up for **BTN Europe's** twice-weekly newsletters at

**businesstravelnewseurope.com/newsletters**

*BTN Europe* can be accessed via web, mobile and tablet versions



“

We have so much planned – more in-depth analysis of the latest industry issues and topics, a broadened remit to cover the entire European market



*BTN Europe* incorporates online content from *Buying Business Travel*



Your Travel Payment Company

AirPlus

INTERNATIONAL

# Taking care of payment

Our business is your business travel payment. As a multi-award winning business travel payment specialist, we are the experts. Our customised products and solutions save time and money for over 50,000 companies worldwide. We focus on payment so that you can focus on the journey of your traveller.

01

## BEFORE TRAVEL SOLUTIONS

- Lodge Account
- A.I.D.A Virtual Cards
- Multiple GDS integration
- Worldwide acceptance
- Category blocking

02

## DURING TRAVEL SOLUTIONS

- Multi-award winning Corporate Card available in multiple currencies
- Real-time changes to limits and cash access
- 24/7 customer support

03

## AFTER TRAVEL SOLUTIONS

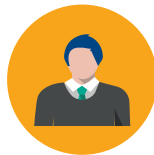
- Direct integration with the leading expense management solutions and accountings systems
- Unique data capture with unrivaled matching capabilities

## 30 years in business travel



**TRAVEL AGENTS**  
that we work with

400+



**STAFF MEMBERS**  
that we employ globally

1,300+



**TRANSACTIONS**  
processed in 2017

182m+



**CUSTOMERS**  
we have worldwide

50,000+



**COUNTRIES**  
with country-specific  
AirPlus solutions

60



+44 (0) 20 8994 4725  
London@AirPlus.com

AirPlus.com



# 4 SIGHT

## PLATFORM DEVELOPER

### Tim Rogers

head of airline partnerships,  
Duffel



Subscription-based models are booming in many sectors, so it's no surprise airlines are jumping onboard. Corporate buyers expect to get something in return for their loyalty to an airline. TravelPass gives them a fresh way to show commitment to their chosen airline by booking trips in bulk, which is a new lever they can use in negotiations.

However, there's a big question mark over how something like

TravelPass fits into existing long-term contracts between airlines and corporates. It's also unclear whether it meshes with the traditional booking process via a TMC – so far, the Etihad scheme is only available via its website.

The beauty of NDC technology, which powers Duffel, is airlines will be able to offer new products to corporates via TMCs, rather than waiting for GDSs to catch up. TravelPass is a first step.

## THE CONSULTANT

### Jo Lloyd

Partner,  
Nina & Pinta



At first glance TravelPass looks like an innovative solution. The ability to “pay as you go” means a corporate customer does not have the budget issues that can present when you need to pay in advance for a number of tickets. Free changes are a welcome benefit.

On the face of it, this looks like a great proposition. However, the devil is in the detail, which I would be keen to see. For example, are the fares guaranteed

at the time of securing the TravelPass? What upfront commitment is the customer expected to make even in light of the pay-as-you-go option? I would suggest there is a commitment involved, otherwise simply put, what would be the point?

The booking channel is key. It would seem this is only available through Etihad direct channels – a significant challenge in a managed air programme.

Will Etihad's new subscription service TravelPass, developed by Norway's Braathens IT, gain traction in the corporate travel sector and see take-up by more airlines? Compiled by **Matthew Parsons**

## TRAVELPASS CREATOR

### Svein Therkelsen

chief executive,  
Braathens IT



Managing frequent travel tends to be tedious and inefficient. However, with subscriptions, repeat travellers can skip most of this. TravelPass enables airlines to offer prepaid trips, unlimited trips and pay-as-you-fly to their frequent customers. Travellers experience outstanding flexibility and corporate buyers enjoy cost-efficient travel management. Subscription products help airlines maximise high-yield

revenues and allow them to compete on other than just price.

Etihad is the fourth airline using our solution. It's used by very different airlines; different target groups, but the underlying technology is the same.

TravelPass's mission is to “turn ticket buyers into travel subscribers”. We built TravelPass from scratch and we're integrated with both Amadeus and Sabre, blending into any airline's system.

## THE AIRLINE EXEC

### Robin Kamark

Chief commercial officer,  
Etihad Aviation Group



TravelPass offers a revolutionary booking experience for corporate and frequent clients who will also be enrolled into our award-winning Etihad Guest frequent flyer programme.

By simplifying the travel process to just a few clicks, our guests have a seamless transaction through a platform that holds all their details in one place, and gives them the flexibility to make changes to their bookings without

extra fees and also gives them the choice to pay later.

We know our corporate clients are time-poor and believe this innovative addition to our digital offering will improve the travel journey for subscribers.

The platform is a logical extension of our digital strategy which reengineers the booking process for frequent flyers, improving their experience and loyalty.

# LOUD & CLEAR

Nicola Morris, chief corporate development officer at Wex, talks to **Adam Perrotta** about the payment solutions provider's US\$1.7 billion acquisition of Optal and eNett, and why she anticipates strong virtual payment growth

## Rapid growth on the cards

“

We have a long-term acquisition roadmap that we **constantly nurture** and keep front and centre and discuss with our board. We can be ready if the time is right and an asset becomes available, and we would want to deploy capital [to acquire it]. Optal and eNett have been on that list going back **several years**.

In our M&A strategy, we have three priorities: one is to buy into high-growth businesses; two is diversification from broad macroeconomic forces, including fuel prices, which are a big part of [our fuel card business]; and the third is around geographic expansion. Sometimes a deal only accomplishes one or two of those, but these transactions **meet all three**.

With all the capabilities **virtual cards** offer around efficiency, security and reconciliation, and because there's still relatively low penetration, we see a tremendous amount of growth opportunity there.

”



# EXPERIENCE THE DIFFERENCE WITH SINGAPORE AIRLINES

Offering a space designed around you



**Best Long Haul Airline**  
Telegraph Travel Awards (UK) 2019

**Best Airline in the World**  
Condé Nast Traveller Readers' Choice Awards (UK & US) 2019

**Highest Consumer Rating**  
Which? Airline Survey (UK) 2020

 **WORLD'S BEST  
CABIN STAFF**

 **BEST AIRLINE  
IN THE WORLD**

# LIFE on the other SIDE

**Melissa Hobson** talks to professional surfer Chris Frolich about what it's like to travel internationally for competitions... with a surfboard in tow

## Surf's up

I got into surfing through my dad. He first taught me to stand on a bodyboard then eventually a longboard and it all kicked off from there. Watching a lot of surfing movies also made me fall in love with the sport. I became pro in 2015 when I started competing in the World Qualifying series. The Agnes Water Surfing Festival, which was also in Australia, was the first international event I won.



I surf every single day. I do have a full-time job selling cars, but I surf in the morning and after work and, obviously, on the weekend. I train every day, too. I do a lot of core training, cardio, light muscle work and weights.

## Now board-ing

Transporting surf equipment internationally is a minefield, due to airlines having different

restrictions for the weight of the boards, and how many you're allowed, and to which destination. Some travel spots, such as Bali, only allow you to take three boards on the plane.

The way to resolve this is to have your partner come with you to transport the extra boards with their check-in allowance! I bubble-wrap the boards, and keep them each in a board sock in the board bag. This helps to keep the nose and the tail of the boards from being smashed. I have to pack accessories too, such as fins, wax and leashes; these go in my backpack.

## Exchange issues

The biggest downside of professional surfing is that only a handful of surfers make it. As a South African, the biggest downside is our currency. The Rand is a nightmare when travelling abroad for surf competitions. We should have more than one surfer in the World Championship Tour – it shouldn't be just Jordy [Smith]. There are so many guys that could make it. We have so much talent that's gone to waste because of money and sponsorships.

## Every man for himself

Professional surfing is super competitive – it's literally every man for himself. There's a lot of talented surfers out there and everyone wants to do well: there's only one winner and everyone wants to be the best.



## Safety first

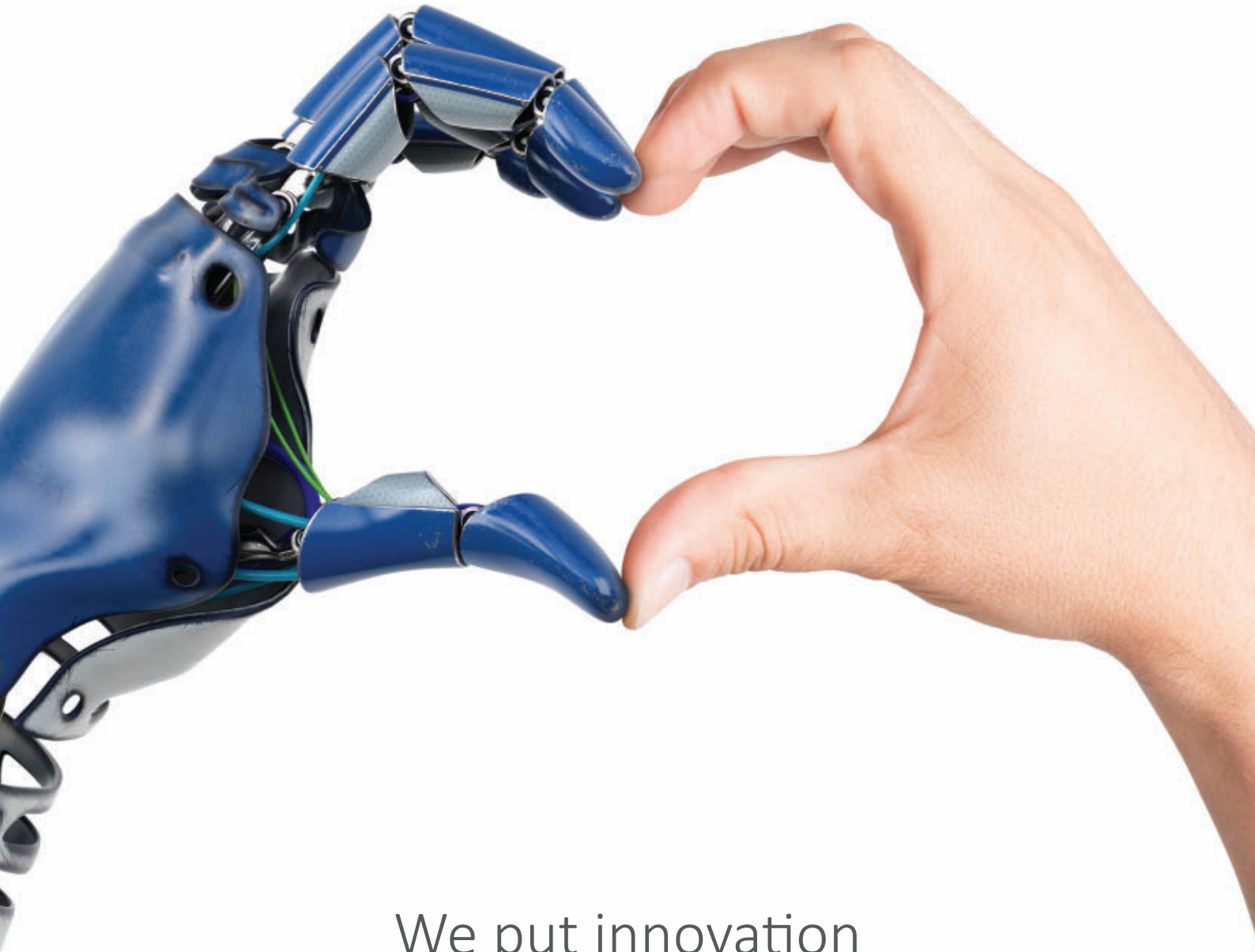
Luckily enough, the only incident I've ever had is an ankle sprain (I thought I'd broken my ankle). But I haven't had any hectic situations in surfing yet, touch wood. The biggest wipeout I've ever had was on a huge swell – like a cyclone swell – at New Pier, Durban. I took off, went over the falls and got sorted out properly!

I wouldn't say surfing is dangerous. But, if there's huge swell, it can be, especially if you're surfing by yourself. If you black out or hit your head against the sand, no-one can help you; you'll literally drown. Always surf with a friend.

## Believe in yourself

The best way to get into the right mindset for a competition is being confident in your surfing: believing in yourself, believing in your equipment. Overthinking doesn't help at all. A lot of surfers overthink their plan and what sort of kit they're going to use. I just have fun; just surf. Back in the day I used to overthink everything and try to go too big with manoeuvres but now I just go with the flow, believe in myself and that I'll achieve my best.





We put innovation  
at the heart of your programme.





TBR Global Chauffeuring, a world leader in ground transportation and ground logistics management, offers clients a turn-key solution to meetings and events transportation, consistently delivering a fully managed end-to-end service, flexible to bespoke requirements, no matter the scale.



Global reach,  
local expertise



Expert  
global teams



Innovative booking  
solutions



Access to a range of  
exclusive vehicles



Proven  
capabilities  
globally

Offices in Glasgow | London | Manchester | Boston | Shanghai | Hong Kong | Singapore | Dubai

## AVIATION NEWS

# Air Italy's liquidation may prove a lifeline for its rival

It struggled to find its place in the market and the B737 Max grounding sealed its fate, but Air Italy's demise will make the government think twice about abandoning Alitalia

**AIR ITALY EXECUTIVES** boasted bold plans of the airline becoming Italy's top carrier just a few years ago but on 25 February it became the latest failed European airline.

The carrier, rebranded from Meridiana in 2018, had seen heavy losses over the past few years, including a €200 million loss in 2019. While investor Qatar Airways, which had a 49 per cent stake in Air Italy, by all accounts would have liked to have kept the carrier flying, its majority investor, the Aga Khan, who founded Meridiana in 1963, had enough of the losses. As such, Air Italy entered liquidation in early February.

Air Italy faced tough challenges from the start. Low-cost carriers easyJet and Ryanair dominate shorter-haul services to and from Italy, so as a full-service carrier, Air Italy focused on longer-haul flights from Milan to North America and Africa. But it faced competition on most of those routes, according to analysis by CAPA – Centre for Aviation. The grounding of the Boeing 737 Max in its fleet forced it to lease aircraft to maintain capacity, which compounded its losses last year.

It also faced political pressure from US carriers, which alleged that Qatar's investment violated an agreement that Qatar would not establish "fifth-freedom" routes to the United States, those whose origin and destination each fall outside of a carrier's home country.

Air Italy's demise will have little immediate impact on the European aviation market. In terms of number of



BY MICHAEL BAKER

seats, it was only Italy's 11th largest carrier, representing just 1.5 per cent of the total seat share in and out of the country and just 0.2 per cent of seats of flights within, to and from Europe, according to CAPA. The impact will be a bit more pronounced on Italy's domestic market, where it had a 6 per cent share, and the market between Italy and North America, where its share was about 7 per cent.

The bigger impact, however, could be an improvement in the chances of survival for Italy's flag carrier, Alitalia, which, as CAPA pointed out, has been in administration for longer than Air Italy as a brand was in existence. Shortly after its inauguration, Andrea Andorno, Air Italy's chief commercial officer, told *BTN* that its launch "became a huge opportunity because of Alitalia's weakness".

## Another chance

Alitalia, meanwhile, has struggled to find an investor to take it out of bankruptcy and help reverse more than a decade of losses. Delta and Lufthansa had both emerged from a pool of potential investors, but a solid agreement from either of them is yet to come to fruition. The Italian government had previously announced that its most recent funding would be the last intervention, but the loss of Air Italy could make the Italian government a little more squeamish about letting Alitalia collapse as well, should a firm investment plan not materialise within its preferred timeline.

Alitalia had reported revenue improvement year over year for the first 11 months of 2019, and in recent weeks, it has been taking further cost-cutting measures, including getting rid of some aircraft and cutting out money-losing routes to Seoul and Santiago. Even though Alitalia now faces a new challenge of plummeting demand, with Italy facing Europe's largest coronavirus outbreak, its recent performance improvement combined with losing a competitor in Air Italy could be enough to bring in an investor with a viable plan to save it from Air Italy's fate.

● Michael Baker is *BTN's* senior editor, transportation. He has been with the *BTN* Group since 2006, and cut his journalistic teeth in the newspaper industry



Air Italy took delivery of 737 Max aircraft from Boeing in May 2018

“

The loss of Air Italy could make the Italian government a little more squeamish about letting Alitalia collapse as well

## PAYMENT &amp; TECHNOLOGY NEWS

# Why TMCs are banking on new partnerships

The TripActions-Visa tie-up is the latest step in agencies collaborating with card providers to provide frictionless travel and expense payment methods

**THE RECENTLY ANNOUNCED** TripActions Liquid corporate travel payment tool represents a convergence of three ongoing trends in the corporate travel sector: the rise of in-house payment services being offered by corporate travel service providers; the steady penetration of virtual cards into the market; and the continued growth of the Silicon Valley-based travel management firm, which has expanded its services and landed nearly half a billion dollars in funding over the past two years.

Visa-branded TripActions Liquid is designed to work with the company's existing travel management platform, funding corporate travel bookings and expenses occurred in-trip. Travellers get an easy method to pay for expenses without having to keep paper receipts, while managers benefit from trip budgeting, fine-tuned spending controls and direct tracking of expenses, according to TripActions.

With Liquid, TripActions has added its name to the growing list of corporate travel and expense providers that have rolled out companion payment products over the past several months – a roster that includes Expensify, Emburse (the recently rebranded expense conglomerate including Chrome River and Certify), the just-launched Center and BCD Travel, which late last year became the first TMC to issue UATP payment accounts.

Long siloed as a separate service provided by a card-issuing bank, corporate cards are a natural fit with a larger T&E services suite, according to advocates of that



BY ADAM PERROTTA

unified model. Along with the client benefits of improved data capture, tighter spending controls and simplified reporting and reconciliation, there are spoils to be had for providers as well; by capturing a cut of the transaction fees merchants pay for card purchases, those providers gain access to a new source of ongoing revenue.

## One app to rule them all

TripActions Liquid also includes a virtual card for pay-ahead purchases, such as flights and hotels. And because the virtual card exists within the TripActions app, travellers can present it for booking at hotel check-in, helping solve the long-running issue of front desk friction.

By storing virtual cards within mobile wallets, the cards can simply be presented during check-in and scanned with an NFC reader, eliminating the faxes-and-friction model. While virtual card specialists such as Conferma have launched standalone apps to create mobile-based virtual cards, TripActions Liquid leverages the company's existing travel management app to produce the card, which can be stored in a mobile wallet such as Apple Pay.

TripActions Liquid is the latest step in the expansion of the company itself. Founded in 2015 to provide travel management to SMEs, the firm has steadily scaled up to serve larger enterprises – and has racked up plenty of investment dollars to support that growth. Liquid's launch brings yet more funding, in the form of a debt financing facility of up to US\$500 million – money TripActions will float as credit to clients using Liquid.

While Liquid is a solution for SMEs, TripActions is also positioning the product as an alternative to established card suppliers, hoping to win over large clients with the promise of more control and visibility for managers, and an improved experience for travellers.

While time will tell if TripActions Liquid can wrest any significant turf from legacy corporate card programmes, the company isn't shy about its ambitions, which is no surprise given the compelling reasons for that confidence.

● Adam joined BTN in 2018 – a native New Yorker, he has been based in Los Angeles for a decade

“

**TripActions Liquid leverages the company's existing travel management app to produce the card, which can be stored in a mobile wallet**



TripActions Liquid pays for flights and hotels, and tracks expenses

# BECAUSE GOOD CONNECTIONS ALWAYS HELP

On the move worldwide with the Lufthansa Group airlines



The Lufthansa Group airlines are Austrian Airlines, Lufthansa, SWISS, Brussels Airlines and Eurowings. Via the Brussels, Frankfurt, Munich, Vienna and Zurich hubs, and with numerous direct connections, they offer their passengers more than 10,000 flights a week to more than 260 business and holiday destinations

worldwide. Passengers therefore benefit from a large choice of destinations and many combination options. The Lufthansa Group airlines stand for high-quality products and services. With more than 700 aircraft, they have one of the largest and, above all, most modern fleets in the world.

2019/2020 winter timetable, as at: 09/2019, subject to changes.



# Beyond Booking

Blue Cube introduces actionable data analytics to help corporates tackle traveller wellbeing and sustainability

**I**t's been an impressive start to the year for Blue Cube Travel, which won Best Travel Management Company (less than £50m UK annual sales) at the Business Travel Awards in January. But Blue Cube is not about to rest on its laurels.

Managing director Bex Deadman says 2020 will be a year when TMCs need to justify their value to corporates like never before due to disruptors in the market, new distribution challenges and different demographics of travellers and bookers. It's also a year when the industry will see a shift – turning discussions around trending topics of wellbeing and sustainability into measurable action.

“We were thrilled to win at the Business Travel Awards,” says Deadman, “as this is such a strong endorsement of everything we are doing to push the boundaries in business travel, especially for a TMC of our size, with our NDC offering and global servicing solutions, while also focusing on our staff and clients’ wellbeing.”

“But at Blue Cube, we are always looking at ways to demonstrate our value. TMCs offer so much more than just booking a flight or a hotel. But we need to constantly get that message across, particularly to the next generation of travellers who go off piste because they don't understand why their company needs to use a TMC.”

Wellbeing and sustainability are two

key areas where Blue Cube is aiming to demonstrate its value over and above booking travel and generating cost savings.

“It's a real positive that everyone is talking about wellbeing and sustainability, but TMCs and corporates now need to work together to ensure practical measures are put in place. Some larger corporates



are leading the way with wellbeing programmes, but a lot of organisations, particularly SMEs, don't know what they need to do to address these issues. There is an opportunity for TMCs to guide clients and provide support,” says Deadman.

Blue Cube is seizing that opportunity with the launch of “Beyond Booking”, a

transformational approach to its reporting and analytics giving clients actionable data to tackle wellbeing and sustainability at company and traveller level.

This progressive new reporting standard includes deep-dive, colour-coded data per traveller to measure whether their “travel health” is positive, potentially vulnerable or at risk of burn-out. Scorecards benchmark what “good” wellbeing looks like and highlight travellers who may be feeling the physical or mental effects of frequent travel. The reports also help corporates address sustainability by measuring an individual traveller's CO2 emissions and calculating the costs to offset.

“As a TMC, we provide so much more than a transaction, but we need to encourage corporates to understand everything that we do after that booking is made in terms of support and duty-of-care,” explains Deadman. “With ‘Beyond Booking’ we are giving our clients the tools, tips and constructive action points to open up conversations with travellers about their wellbeing and their personal CO2 footprint.”

- [bluecubetravel.co.uk](http://bluecubetravel.co.uk)
- [sales@bluecubetravel.co.uk](mailto:sales@bluecubetravel.co.uk)
- 0208 948 8188



## ACCOMMODATION NEWS

# The stakes are rising in the pursuit of traveller loyalty

Big hotel brands are revamping their loyalty programmes and going to greater lengths as they compete to woo business travellers and travel buyers

IT'S BEEN A LITTLE MORE than a year since Marriott International launched its loyalty programme, Bonvoy, which replaced the prior Marriott Rewards, Starwood Preferred Guest and the Ritz-Carlton Rewards programmes. The company regards Bonvoy as a separate brand, and on its fourth quarter earnings call in February, announced ongoing changes to it. Marriott launched an Eat Around Town offering where Bonvoy members earn points by dining at more than 11,000 restaurants in the US, and it's piloting a programme in select international markets that lets local members earn and redeem points dining at the company's hotel restaurants.

Marriott has somewhat raised the stakes for other loyalty programmes, and Accor, which is the only hotel company to have more brands than Marriott, is the latest to offer a revamped rewards programme. It rolled out Accor Live Limitless or ALL in mid-January after piloting it for about two months. The company acquired several brands over the past few years, so the impetus was to bring all its brands and loyalty schemes together under one new comprehensive programme.

"You need to have a compelling and engaging loyalty programme in today's travel world," said Jeff Doane, Accor's senior vice-president of sales and marketing for North and Central America, who was part of the team that developed the new programme. "To me, it's table stakes whether or not you're a competitor with a big



BY DONNA AIROLDI

brand, especially with Hilton and Marriott. We wanted to launch something even bigger than that. We went a long way to make sure we were honouring previous status and bridging any gaps that may exist."

ALL offers more tiers than Accor's prior programme, as well as a best price guarantee if guests book on its website, with a refund of 25 per cent if they find a lower rate elsewhere. Members can earn and use points for food and beverage experiences even if not staying at the company's hotels, which is new. Accor has more than 70 rewards partners who can offer experiences and discounts for ALL members. These include pre-Tony Awards Show dinner in New York City, seats at Paris St Germain football matches, and tickets and private suites, via AEG Presents, in Latin America, Asia and Europe, including backstage passes at the Hamburg Arena and access to Sziget, one of Europe's largest music and cultural festivals.

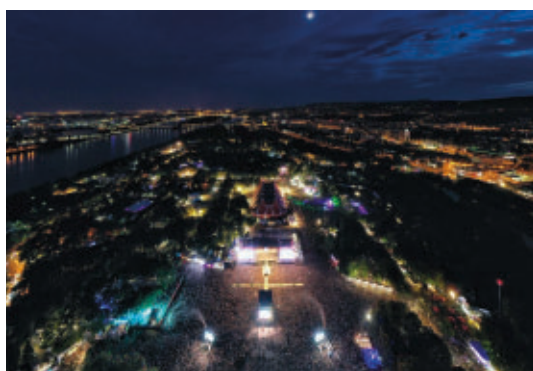
About 4,200 hotels of Accor's 5,500 global properties currently participate in the programme. Of the 1,300 not included, some were recently acquired, such as SBE, and have not yet been rolled in.

ALL ended 2019 with around 50 million members. In the first two months since its launch, it's grown by 20 per cent, to 60 million. Loyalty-related bookings account for 35 per cent of North American business, with the rate slightly higher for overseas markets, Doane said.

It's always tricky with business travellers wanting their points and corporate travel buyers wanting their travellers to stay in their hotel policy. "We have entire business travel sales teams that work with the customers," Doane said. "Because everyone has different ins and outs, and rules on how that works, each of our customers need to figure out how to comply. For a lot of them, so long as they are in the programme, it's fine to earn points. Then it's a matter of us making sure they're aware of the programme to begin with and why it might be meaningful to them. Naturally, B2B customers are a big source of our membership base."

● Donna Airolodi joined BTN in April 2019. She has a master's degree in journalism and was awarded the Reuters Fellowship by the Overseas Press Club Foundation in 2017.

“  
It's always tricky with business travellers wanting their points and corporate travel buyers wanting their travellers to stay in their hotel policy



Accor Live Limitless includes access to Europe's Sziget festival

# BUSINESS TRAVEL SHOW SPECIAL REPORT

This year's event, held at London's Olympia on February 26-27, hosted some 450 travel buyers, with supplier product launches and emerging trends discussed across the show floor

## Covid 19 muddies travel forecasts

Concerns about Covid-19 are casting doubt on the corporate travel outlook for this year, industry experts said in a panel discussion, "Forecasting Forum 2020: The travel price and risk outlook for the next 12 months".

Richard Johnson, CWT Solutions Group leader for the EMEA, said projections ranged from an "apocalyptic view", which includes a drop in passenger traffic and cost restructuring by the airlines, to a more moderate view that the virus passes in a few months, and air traffic levels return to normal. Corporate buyers could see lower fares to affected areas as demand begins to build back, he said.

However, hotels in affected areas are unlikely to cut rates, said Simon Antoniou, director and head of consulting sales for EMEA and Asia/Pacific at American Express Global Business Consulting. "If hotels were to reduce their rates, that's not necessarily going to increase demand because people are not travelling there," he said. "It's far easier for hotels to close down floors or hotels themselves and take a loss, because it would take them years to get rates back if they lower them," he said.

In a spot poll of buyers in the session, most said their companies have restricted travel to regions affected, but few said this included a full stop of travel.

A majority of buyers in the room named cost controls as their top priority in travel management for 2020.

“

It's easier for hotels to close down floors and take a loss, because it would take them years to get rates back if they lower them

## Travelogix launches GDS data tracker

Corporate travel data provider Travelogix officially launched Farecast at Travel Technology Europe, sister exhibition to the Business Travel Show.

Farecast is an airline incentive management platform developed to enable TMCs and consortia to track the performance of their airline overrides and commercial contracts. Data is collected from any GDS in real-time as soon as a ticket is issued, amended, or exchanged, which enables travel companies to optimise revenue from override and commission agreements, helping to drive negotiations with airlines.

Chris Lewis, chief executive and founder of Travelogix, said: "The system has been designed to work at scale, no matter how large your agency or agency group, with data presented in a clean intuitive interface that is easy to use and simple to navigate."

## Corporate Traveller shows off Seeqa Lite

Specialist TMC Corporate Traveller has showcased an alternate version of its Seeqa online booking tool.

Seeqa Lite enables users to search and book flights, hotels, rail and car hire in a single platform, including low-cost airlines and properties available through Booking.com. Traveller preferences, such as dietary requirements, frequent flyer numbers and passport details, are automatically transferred to bookings, while the solution also forwards itineraries for manager approval and a single invoice is produced every month.

Seeqa Lite is intended to be quicker than the original and can be used without customisation. Meanwhile, the full version of the tool has been renamed Seeqa Pro.





## CARNIVAL TIME!

Hosted buyers at this year's Business Travel Show were treated to a Rio Carnival after the first day, courtesy of Egencia. Taking place at The Prince in Hammersmith,

London, more than 300 travel professionals partied into the night, alongside sponsors Delta, Virgin Atlantic, Sixt and Emirates, with dancing and street food included. The

Business Travel Show's hosted buyer programme attracts hundreds of national, EMEA and global travel managers and procurement, purchasing and sourcing category experts.

## Reed & Mackay's tax and immigration focus

As the UK prepares to leave the EU, Reed & Mackay used the Business Travel Show to launch a tool to help navigate the new legislation landscape.

In particular, the TMC is preparing for greater scrutiny of business travel in relation to the Posted Workers Directive. It has teamed up with Deloitte to create an automated risk assessment solution to help clients identify immigration and regulatory obligations.

Reed & Mackay claims it is the first in the market to provide a travel assessment at the point of sale rather than retrospectively, allowing clients to evaluate their risk before completing their booking. Its clients will receive information on any relevant immigration requirements at the time of booking and immediately request immigration services.

The solution integrates Reed & Mackay's R&M/iQ tool with Deloitte's logic engine to provide an assessment in real time. This integrated solution will ensure companies' HR or mobility teams are notified of any Posted Worker Directive, tax, or social security obligations resulting from the booking.

Fred Stratford, chief executive of Reed & Mackay, said: "We are excited to be working with Deloitte on this innovative solution to help our clients manage complex requirements around immigration and tax liabilities."

“  
In a spot poll of buyers in one session, most said their companies have restricted travel to regions affected by the coronavirus

## Fello joins forces with CAP Worldwide

TMC Fello announced a new partnership with CAP Worldwide at the Business Travel Show, which will see it provide a white-label solution offering serviced apartments

Simone Buckley, chief executive of Fello, said: "The demand for long-stay accommodation is a growing trend and offers more spacious and flexible accommodation for travellers looking for extended stays.

"Our ambition is to work together to transform extended stay programmes through innovative solutions and superior service, to offer consistent, cost-effective, secure and sustainable global programmes to make business travel better for businesses and travellers alike," added Jo Layton, chief executive, CAP Worldwide.

Last month, CAP Worldwide also announced a tie-up with Corporate Travel Management (CTM) for its extended stay, serviced apartments, corporate housing and alternative accommodation segments.

● *CAP Worldwide tackles safety standards, p90-97*

## How to master modern meetings

Providing increasingly immersive experiences in corporate meetings and events is an ongoing trend, as is using alternative venues, such as a temple, as one buyer noted in the session, "Talking about a meetings revolution: Event formats are changing – how must procurement change too?".

But going to a temple or more likely a library or coffee shop to have a meeting leaves the field wide open for value interpretation. "As a procurement person, how do I calculate that cost? Do I get any savings from it?" asked Bobbi Djordjevic, Dentsply Sirona's global category manager for global procurement, who moderated the discussion. "How do I compare it to anything I've paid for before?"





Planners are turning to alternative venues because they have to "juggle the request of impact and experience, and it lends itself to having to look at a variety of options", said Rebecca Carter, SOS Venue Finding's commercial director.

Another concern voiced was related to "festivalisation" or experiential events with festival elements. These types of high-impact meetings also tend to come with higher costs.

Finally, ROI has to be identified and it doesn't always have to be monetary. Survey the target audience and find out whether the relevant target audience objective was met. "Only then can the total cost of ownership come to the other side of the scale once you compare one with the other and find some kind of ROI," Djordjevic said.

# Zero. Ziltch. Nada.

That's what it will cost you to implement our travel and meetings management solution. Get more out of business travel.

-  Market-leading discounted rates on hotels, rail and flights.
-  Hassle-free bookings with our dedicated booking tool.
-  Insight into spend and monthly reporting.
-  And much more.

Get in touch with a member of our team for everything you need to know.

-  [capitatravevents.co.uk](http://capitatravevents.co.uk)
-  [travevents@capita.co.uk](mailto:travevents@capita.co.uk)
-  0330 390 0340



# Solving the hotel rates problem

It's "crazy" that the business travel industry allows hotels to load false rates into the GDSs and that more corporates are not auditing their suppliers to ensure they're getting their negotiated rates.

This was the sentiment of Jason Long, senior vice-president global business development and partnerships at HRS, during a panel titled "Hotels: How to solve corporate travel's problem category", to which he received applause from a member of the audience.

Long pointed out that around 20 per cent of negotiated rates in the GDS are wrong and are on average 14 per cent higher than they should be. "You wouldn't tolerate that in any other sector, so why do we let it happen in accommodation?"

Fiona Williams, account director, worldwide sales at Four Seasons Hotels and Resorts, said it's important to remember there is a difference between rate visibility and rate availability, because sometimes a property is very busy and can't offer preferred rates.

Gavin Harvey, senior group buyer supply management at Sodexo, said his company does an annual hotel audit of about 500 properties in the programme with its agency, and another one in the summer to check for changes. It's a very manual process, but it works for us."

Cristina Chimenti, global travel manager for Sky UK, said she performs similar audits to ensure the hotels are loading her negotiated rates. "During the year I also do some secret shopping to try and find the rates myself. I know what the rates should look like, so I'm probably the best person to perform these spot checks."

Long added that agencies can use the rate audits they perform on behalf of clients as leverage when it comes to negotiating with hotels.

But some of the panellists were quick to point out that some programmes should not depend on negotiated rates alone. Chimenti said using a mix of negotiated and dynamic rates allows employees to continue booking the hotels they want and still get a discount even if the flat rate isn't available.

RFPs divided opinion among the panel. Chimenti said she is trying two-year negotiations rather than going through the process annually, but Harvey said he believes the process is a necessity but that it "depends on the size of your programme".

"In cities where we don't use negotiated rates it's because that is external travel rather than internal, so the travellers aren't needing to stay near our offices. But in the cities where we do have the volume, I believe there's great value in having preferred rates," he said.



## MAKING A STAND: BTN EUROPE MAKES DEBUT AT SHOW

Stand B709 at this year's show was home to the newly launched BTN Europe brand.

During both days, a dedicated studio played host to the industry's movers

and shakers, with leaders interviewed by BTN's editorial team – and live-streamed on displays throughout Olympia.

Next year, BTN Studio will return with more live

interviews, as well as panel debates. Exhibition-goers also had the chance to hear about the show's move to ExCeL London in 2021 (see p25 for more details).

## Small steps key to wellbeing success

Travel managers wanting to embed wellbeing into their policy and programme are advised to start slowly.

That was according to the panel speaking at the "Make traveller wellbeing a reality in your business" session.

Katie Virtue, consultant at Festive Road, said: "A lot of travel managers have an opportunity to look at data, metrics, policy, productivity and retention. To do that is a hard task. You need support from the top. But if you start with smaller things, like sending surveys to employees to find out what they want, once you engage travellers some become advocates, and you'll get buy-in."

Beth Sarmiento, manager, global travel at Global Payments, meanwhile urged managers to begin with "cost-free elements". "If an organisation doesn't have an understanding [of wellbeing], get information that you can send out. It doesn't cost anything," she said.

Moderator Matthew Parsons, editor of *BTN Europe*, asked the panel: "Who's doing it well?" Dr Lucy Rattrie, psychologist and researcher, said travel managers could look to the humanitarian sector for good examples.

However, Jonti Dalal-Small, head of behavioural science at Capita Travel and Events, told the audience he believed companies should not be pigeon-holed. "From a TMC perspective, every company is different, they have different groups of travellers, with different needs."

“  
From a TMC perspective, every company is different, they have different groups of travellers, with different [wellbeing] needs

SAP Concur 

# Corporate travel is about more than getting **from A to B**

Capture every transaction and give business travellers a simple travel experience with SAP Concur solutions.

Learn more at [concur.co.uk](https://concur.co.uk) or call us  
on 01628 645100

THE BEST RUN

SAP<sup>®</sup>



## Egencia rolls out eco-suite in full

Egencia announced at the show it will begin offering a new service to help all clients build more sustainable travel programmes.

The service will be offered by Egencia Consulting and includes a programme based on the key areas of sustainability – planet, people, profit and performance. The service has been available since 2016, but the new programme is now being offered to all customers. It adds to the TMC's existing portfolio of sustainability products, including the Carbon Emissions Workspace in the Egencia Analytics Studio.

Talking to *BTN Europe* at the show, Rob Greyber, president of Egencia (pictured), said: "At Egencia, sustainability is not an important topic of the moment; it's been an important topic for years. At Expedia Group, we've offset all the carbon impact of our business travel at a company level for years. It's not something we started to do because we saw the headlines."

## Travel and Transport unveils wellbeing tool

Travel and Transport has launched a new service to drive practical, trip-specific wellbeing recommendations directly to its customers' travellers at the show.

The company integrates wellbeing advice and tips into pre-trip communication with travellers, such as the trip summary email they receive 24 hours before a journey, and within Dash Mobile, Travel and Transport's app.

Recommendations include healthy restaurant options, fitness facilities and tips to combat jet lag.

"Melinda Miller, travel services manager at Eastman, said: "Wellbeing is becoming a core responsibility of good corporate citizenship."

“

Wellbeing is becoming a core responsibility of good corporate citizenship

## Amex GBT partners with Mint House

Apartment accommodation provider Mint House has partnered with American Express Global Business Travel.

The company is currently located in 13 cities in the US, including Denver, Miami and Philadelphia, and is looking to double its footprint domestically to locations including Chicago, New York, San Francisco and Seattle, as well as expanding globally. In addition to London, Mint House is also looking at Paris and Toronto.

It will collaborate with Amex GBT on building the "guest experience of the future" based on what Amex GBT's client travellers want from the guest experience and have it delivered through technology, said Shane Berry, chief customer officer at Mint House.

Mint House will participate in Amex GBT's Business Extras programme and the Rest Assured Solutions programme, and work one-on-one with the TMC and its clients, Berry told *BTN Europe*.

Amex GBT research has shown that 74 per cent of millennial business travellers have stayed in a vacation rental for work, while fewer than 10 per cent of travel managers include them in policy.



### A NEW HOME FOR THE BUSINESS TRAVEL SHOW IN 2021

In 2021, the Business Travel Show will be relocating to ExCeL London.

Northstar Travel Group, organisers of the annual event, said it was attracted by the venue's accessibility and flexibility, as well as its potential to attract European buyers thanks to its proximity to London City airport.

David Chapple, Northstar Travel Group UK managing director, said: "The move allows us to be more creative with our visitor and exhibitor propositions. Larger, more flexible space and sponsorship options will let our exhibitors realise their commercial vision.

"We can improve traffic flow and visitor navigation, bring

Travel Technology Europe onto the same level and introduce a larger crossover, keynote theatre with a significantly increased capacity.

"Having everything in one place means there will be more time to network."

● The Business Travel Show takes place 24-25 February 2021. [businesstravelshow.com](https://www.businesstravelshow.com)

# BUSINESS TRAVEL SHOW INNOVATION FACEOFF

The Innovation Faceoff made its debut at the show this year with Bizly scooping the judges' award and Tripbam taking the popular vote. By **Elizabeth West**

## Bizly wins best Innovator prize

Bizly stood tall among the eight Innovation Faceoff competitors at the Business Travel Show in February, displaying a user-centric design and clear focus on collaboration to address small, simple, self-service meetings management. The technology streamlines the venue sourcing process and uses smart templates to merge data from sourcing, attendee management, programming and communication efforts in a way that supports these tasks simultaneously.

Ron Shah, chief executive of Bizly, said interoperability within the meetings space is just the beginning for the company. "It's about a system that gets smarter over time, and that can live with the existing systems you are using today – CRM technology and marketing automation," he said. "Our vision is that it should be interoperable so the everyday employee can leverage all the data across everything they are doing at work today."

Bizly has plans to cross data paths with travel management. That point captured the imagination of the Innovation Faceoff judges.

Steve Clagg, Microsoft travel technology manager, who served as lead judge, said: "We were excited by smart templates, procurement



David Meyer (right), executive director, conference content and strategy, BTN Group, presents the award to Bizly's Ron Shah

automation, intelligent reporting and how Bizly empowered meeting and event owners and companies to do more."

Shah said companies have realised that small, simple, self-service meetings may have more affinity with managed travel than they do with meetings management.

"The holy grail for many travel managers is to have one unified solution for travel and events. We feel that, with our approach, we can start to fulfill that vision."

*Molly Dyson contributed to this report*

### THE PEOPLE'S CHOICE: TRIPBAM

The hotel reshopping tool Tripbam, which won BTN's 2014 Innovation Faceoff in the US, now offers a way to source hotel deals with a few clicks.

The sourcing feature operates at the property level, by identifying high-performing hotel candidates according to Tripbam's grading scale and targeting them for the buyer. The travel manager loads their room nights and volume, Tripbam calculates the target rate for the market and sends an email to the hotel with an "accept" or "reject" option. If accepted, rates automatically load. Tripbam continues to audit and track hotel performance against availability and rate.

While the judges gave Tripbam an honorable mention, travel managers gave it top marks as the People's Choice.

### THE JUDGES

**Steve Clagg**, travel technology manager, Microsoft

**Johnny Thorsen**, vice-president, Strategy & Innovation, American Express Digital Labs

**Katharina Navarro**, global category manager, travel & meetings, Capgemini

**Ami Goldenberg**, co-founder and chief technology officer, Fairfly

## Who competed... and what the judges said

● **FREELANE** – Great value proposition solving disruption for travellers and calculating the costs to drive home its ROI. Judges said they needed specifics on how costs were calculated.

● **HRS INVISIBLE PAY** – Excellent offering on top of an established

technology stack. Judges wished that Invisible Pay's frictionless proposition could be separate from HRS to pay for any hotel.

● **MINT HOUSE** – The best of the sharing economy combined with the best of classic hotels, customised for the business

traveller and digitalised end-to-end. Geo-footprint limited.

● **RYDOO** – Working to eliminate the expense report. Judges wanted to understand more about exactly what was automated.

● **SIXT** – Judges gave an honorable mention for Sixt's open mobility

platform that connects with local best-in-class content. Deeper attention to a carpooling feature to drive more eco-initiatives needed.

● **VISELIO** – A digitalised travel visa application process, integrated at POS. Judges lauded its efficiency but wanted more work on security.



# GroundScope

A global ground transportation service specially designed for the business traveller



GroundScope's global car service is designed to make your business trip as stress free as possible so you can focus on your important work tasks. Our service is easy to book online or via our mobile app and we take full responsibility for providing a service which is safe, reliable and cost effective with a Customer Service team who are on hand 24/7 should you need us.



To find out more about our service and how GroundScope can support your global ground transportation operation please contact us to set up a meeting

✉ [sales@groundscope.co.uk](mailto:sales@groundscope.co.uk)

[www.groundscope.co.uk](http://www.groundscope.co.uk)

# Braced for impact

BTN Europe gathers some facts and figures about the outbreak of novel coronavirus, now officially known as Covid-19



Source: OAG Schedules Analyser, as of 10 February

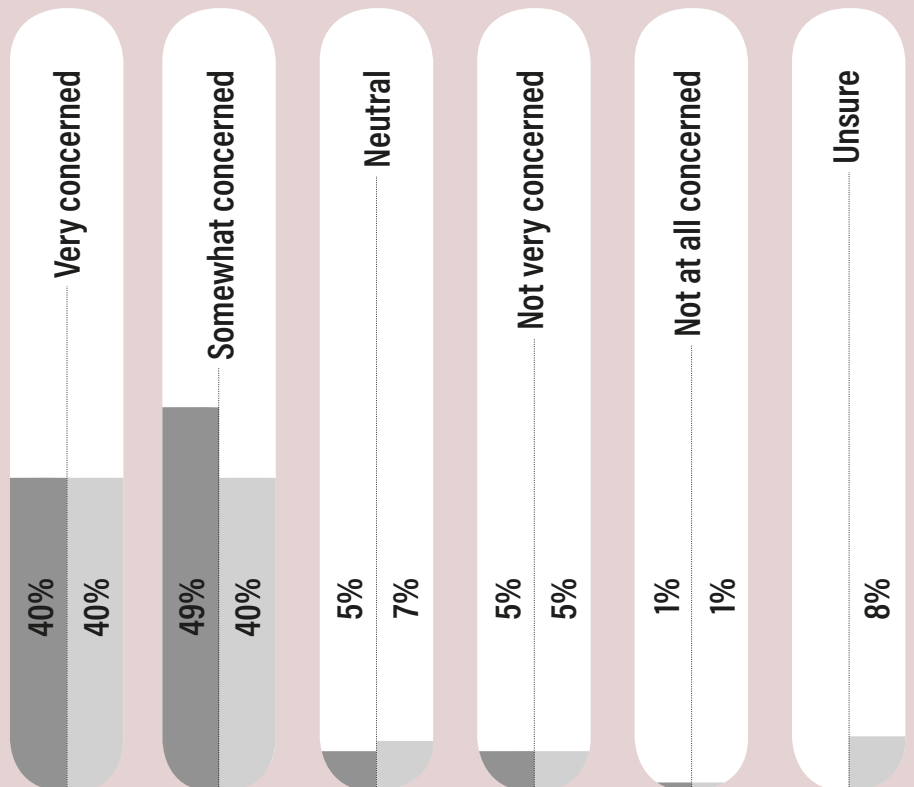


Source: GBTA coronavirus poll, 247 GBTA members (Total may not add to 100% due to rounding)

## Growing concern

Both travel buyers and their company's executives are worried about the spread of the virus and how it might impact their employees

Buyers   
Executives



Source: GBTA coronavirus poll  
247 GBTA members (Total may not add to 100% due to rounding)



US\$  
30  
BILLION

The expected loss in revenue for global airlines due to slowing demand and cancellations caused by Covid-19

Source: IATA

US\$  
10  
BILLION

global aviation losses from the 2003 outbreak of SARS

Source: Anadolu Agency

## Change of plans



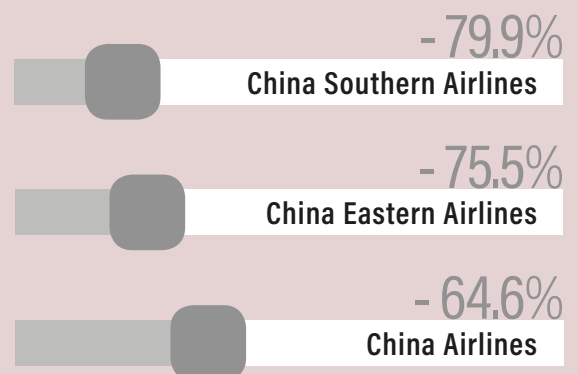
Buyers believe their travellers will be rearranging business trips in the coming weeks to avoid flying due to Covid-19



Source: GBTA coronavirus poll

## Big three hit

China's big three airlines have all cut international capacity by two-thirds or more since the outbreak began



Source: OAG Schedules Analyser, as of 10 February

## Dip in demand

Air transactions into and out of the Chinese market have seen a dramatic drop year-over-year



For the week of 17-24 February

32%  
Sales down

1%  
Exchanges up

244%  
Refunds up

Source: Direct Data Solutions/ARC and IATA



global airlines have cancelled flights or reduced capacity on Chinese routes

Source: Reuters

# GET CLOSER TO BUSINESS



**We've got London covered**

With up to 600 flights per week<sup>1</sup> in and out of four London airports to over 15 destinations. Including Edinburgh, Belfast City and Aberdeen.

**More choice to London Southend**

This summer sees new services from Belfast City, Edinburgh, Glasgow, Isle of Man and more to not just London's but the UK's fastest-growing commercial airport<sup>2</sup>.

**flybe.**  
Close to you

# BUYER'S GUIDE

I'VE BEEN IN THE TRAVEL INDUSTRY for 30 years, and have seen wellbeing, mental health, safety and security grow from being of lesser significance to top priorities today. Security tracking and incident management planning ensure individuals feel reassured and protected, enabling them to work to their best ability. I joined Maiden Voyage so I can deliver safety education that is unapologetic about focusing on minority groups. It is naive to treat all travellers the same, given the breadth of legal and cultural differences that exist globally, as well as the ongoing epidemic of sexual harassment.

The size of the travel spend or industry sector is not relevant. For example, if people in the oil and gas industry are travelling to a perceived difficult area, the brief will be different from financial sector employees travelling to a more established destination.

Support for more diverse travellers is key; specific understanding of the increased risk for lone women or the LGBTQ community when travelling to certain areas should not be a difficult subject. Companies must take duty-of-care seriously, ask questions to ascertain details about accessible rooms, fire escapes, and so on. If someone is part of the LGBTQ community and has not told their company, which they have a right not to do, that potentially stands in the way of their employer protecting them.

Surveys and good communication are essential, so employers know which groups feel vulnerable and where. Conversely, those groups know what their company can and will do to support them.



“  
Surveys  
and good  
communication  
are essential, so  
employers know  
which groups  
feel vulnerable

Following roles at KLM, HRG and two energy firms, Lynn Bennett has joined Maiden Voyage as a travel risk management consultant. She shares best practice tips with **Catherine Chetwynd**

Office forums and groups also contribute to greater communication. Ensure that all employees know what the groups are and where they can be contacted – online, email, telephone number; many invite experts into the office to talk to members.

Organisations need to make reporting of incidents easier and understand the potential reluctance or cultural differences, which may need a more personal and sympathetic approach. Whether online or to a manager, the options should be well publicised and easy to use and be collaborative with other internal stakeholders such as Security, HR, Diversity & Inclusion and Corporate Communications to create a more holistic approach and buy-in.

Do not overlook the larger majority of male travellers. Even in locations where they are not vulnerable, they should not feel they are being ignored. Communicate as much with them as the rest of the workforce; they should feel as supported as any other traveller and they should also be made aware of other travellers' risks.

It is important for us to put ourselves in the shoes and geographic location of our travellers rather than taking a subjective view, based on our own experience and circumstances. For example, for women working in many areas of the Middle East, while their company should have a relevant policy for female travellers, women's status in those countries is not equal and it is important they have an understanding of the culture of those countries.

● Guest comment: *Learning to fly*, p102

# TRAVEL BUYER Q&A

**Catherine Chetwynd** quizzes Jafles Pacheco, global head of indirect materials at high-tech industrial group Oerlikon on how he stays on top of his game

## How long have you worked at Oerlikon?

I joined as global travel manager 11 years ago from Nestlé, where I was European travel manager. Based in Switzerland, I'm now responsible for the company's entire indirect material spend, which includes travel. I travel long-haul at least once a month to China, the US or India to consult with our teams in those regions.

## Do you consult your travellers and is your policy mandated?

From our 14,000 employees, we survey 2,000 travellers every year. We are consultative in that we listen to what they are saying, definitely. In Swiss culture we want to involve people and get their buy-in. We like to consult users and stakeholders before creating a mandate.

## What are the main demands and delights of your job?

I dislike industry consolidation. It threatens the free market and competition. Where we were able to negotiate with two carriers and get a better proposal from one or the other, now they are part of a joint venture and we can only negotiate with one carrier, which reduces our purchasing power.

The fast pace of technology is a challenge, though it's also fun. As a travel manager, I like to stay on top of it. I enjoy using apps and new things, and love to see these types of solution adopted by our travellers. However, data privacy is an issue – it is a necessary evil but it stops us from being more agile and dynamic in addressing the needs and demands of our travellers.

## How do you measure compliance?

We have challenges in measuring compliance. One of our difficulties is that we work with different enterprise resource planning systems, which makes it hard to

compare what we can see in the systems as travel data and what are transactions from the agency. At least once a year we run a comparison analysis of the two spends, and when it comes to 80 per cent, I am happy. There are many good reasons why they don't marry up; for example, it could be that the company has acquired a business and that has not been implemented with the agency. Also, technology can make it more difficult to measure compliance. We still have a huge gap in compliance to hotel policy, with people booking through hotel websites. So we have made two hotel chains compliant so when anyone books a hotel, they can go to our agency or to the hotel website and use our recovery codes.

## What is your greatest achievement at Oerlikon?

Our greatest achievement has been to consolidate from a fragmented agency landscape to implementing the TMC network Radius, and getting clarity and transparency of travel data globally. The first wave has been completed; doing that worldwide was a daunting task and involved change management, communicating why we are doing it. We were well consolidated with BCD Travel and the first wave was to transfer everything into Radius. Now, with a second and third wave of implementation, we are going for further consolidation by engaging small-spend countries with Radius, which in the past was not easy because a global TMC is not interested in a £50,000 or £100,000 spend.

## What do you do to relax and do you get enough time to do it?

Yes, I get enough time. I enjoy winding down with a nice glass of red wine and watching movies. I also run half-marathons, which is a great way to wind down and focus on other priorities, like my health, family and friends.



“

Data privacy is an issue – it is a necessary evil but it stops us from being more agile and dynamic



Skytrax 5-Star Airline  
12 consecutive years  
(2007 - Present)



# ASIANA 350

## To Seoul and beyond

*Experience brand new features on Asiana A350  
with certified 5-star airline ratings on Skytrax for 12 consecutive years.*



### Economy Smartium

£120 (London-Seoul/One way)  
Extra Leg room & Priority Boarding



### Inflight WIFI & Roaming Service



Full LED Mood Lighting



### Comfortable Cabin

[improved circulation/pressure/humidity]



### More space for Economy Seats



195 Cm relaxing full flat beds in Business



GAIN THE TOOLS YOU NEED TO MEET YOUR BUSINESS OBJECTIVES.

Diners Club® offers a comprehensive suite of robust, flexible corporate products and services designed to help you manage your travel and spending.



**Corporate / Purchasing Card:**

- Visibility of consolidated spend; travel, expense or procurement
- Strengthen supplier negotiations through visibility of spend
- May improve travel policy compliance, increase control and reduce travel cost

**Corporate Travel Account:**

- A “ghost” or “lodge” card designed to simplify and centralize management of travel expenses
- Receive a single monthly consolidated bill for all travel charges made through the account
- May reduce need for reimbursement to employees personal cards

**Virtual Card Number:**

- A single-use cardless number that is generated at the point-of-sale
- Creates more secure “aliases” that work like traditional credit cards
- Can provide added security, improved reporting and reconciliation capability, along with a full set of credit limit management features

**FOR MORE INFORMATION REGARDING DINERS CLUB COMMERCIAL PRODUCTS AND SOLUTIONS:**

Visit [DinersClub.com](https://DinersClub.com) or send an email to [DCIVCN@Discover.com](mailto:DCIVCN@Discover.com).

# A private affair

Boris Johnson is quietly trying to put a stop to Heathrow's expansion with the onus now on the airport to find the funding, which is unsurprising after Crossrail and HS2



BY GARETH MORGAN

Even after the Court of Appeal ruled Heathrow expansion unlawful on environmental grounds, the airport consortium wants to go ahead, citing the issues as “imminently fixable”. However, there are rumours in Westminster that the Johnson administration is looking for ways to scupper the expansion project.

A lot of people (me included) tend to make fun of Boris Johnson on this issue. The MP for Uxbridge, a constituency in Heathrow's shadow, who created “Boris Island” as an alternative scheme and who promised in 2015 to lie down in front of the bulldozers to thwart the project... was “abroad on business” when the crucial Parliamentary vote came and stayed in post when other committed opponents left government over the issue.

His local supporters will surely have hoped that this man, now a prime minister with a stonking majority, would stop at nothing to quash the plans. But there appears to be no such commitment as yet.

However, the Westminster rumour mill is suggesting that instead of stomping on the project, he may just choke it off and let it wither on the vine.

## No public funding

We should look at the Conservative manifesto for some clues. The only mention of the airport was this: “Parliament has voted in principle to support a third runway at

Heathrow, but it is a private sector project. It is for Heathrow to demonstrate that it can meet its air quality and noise obligations, that the project can be financed and built and that the business case is realistic. The scheme will receive no new public money.”

To surmise – nothing to do with us, still has to pass air/noise hurdle and won't be getting any government cash.

The question then is whether Heathrow can be delivered in this context? Well, there are more judicial reviews of the project coming up that may deal further blows. The JRs will deal with a range of issues, including noise and air quality, but if they are lost then there will be serious problems.

## Picking up the tab

The estimated bill moves about a lot but could require £14 billion to complete – that sounds steep but remember this is a megaproject that involves building a new section of the M25 motorway 150 metres west and will also need upgrades to train and road access.

“

The Westminster rumour mill is suggesting that instead of stomping on the project, Boris may just choke it off



If the government refuses to pay for this then the only option is raising the money from shareholders, passengers and airlines.

Some of Heathrow airport's owners have deep pockets (look at the sovereign wealth funds), but other owners, such as infrastructure operator Ferrovial, are apparently reluctant to be lumbered with their share.

Will the airlines pick up the tab or pass it on to passengers? Not if you take ex-chief executive of IAG Willie Walsh as an example. He has been vocally opposed to the expansion for a number of years now and recently called on Johnson to launch an independent probe into the estimated costs of the project – a request that might hold more weight following the escalation of costs with Crossrail and HS2.

These are big challenges but not completely insurmountable if the owners, airlines and government were united. But that isn't the case currently and it doesn't look like it will change.

So, we can mock Johnson all we like but by sitting on his hands he may have the last laugh. Speak to Conservatives opposed to the project and that is certainly what they think.

● Gareth Morgan is a political lobbyist and director at Cavendish Communications

# Ifs, buts and maybes

Ease of movement will likely be sacrificed on the altar of Brexit, and travellers from the EU wanting to visit the UK are concerned



BY JENNIFER BAKER

Recently Twitter went nuts about a tweet from a self-avowed Brexiteer complaining that he'd been in the immigration queue at Schiphol airport in The Netherlands for 55 minutes, adding, "This isn't the Brexit I voted for."

Some 30,000 retweets and thousands of responses informed him that this was exactly what he had voted for, and that ease of travel between the European Union and the UK will be sacrificed on the altar of Brexit.

However, our hapless traveller's problems are unlikely to have stemmed from Brexit. Until the end of December 2020, a transition period is in place and travel between the two blocs is no different than before. However after 31 December 2020, all bets are off.

Brexit is still a big unknown. The EU has no plans to change its own laws on travel, but post-Brexit the UK is now a third country and unless special arrangements are made, that means immigration, visas and other restrictions will apply to British travellers in the same way they do to South Koreans or Moroccans.

Travellers from the EU wanting to visit the UK are also concerned. Belgium is giving advice in the frequently asked questions section of its government website under the heading: What will be the impact of Brexit if I wish to go to the UK for a short stay?

Currently, an EU resident can stay in the UK for a maximum of three months, with no other condition than being in possession of a valid

identity card or passport. And that will remain the situation up until 31 December 2020 – "longer if the transition period is extended", adds the website.

"Thereafter: your access to British territory will depend on the content of the future agreements between the EU and the United Kingdom regarding future relations. At this stage, it is not possible to specify exactly what this means. European institutions and the Belgian authorities wish to maintain close links with the British authorities in the future."

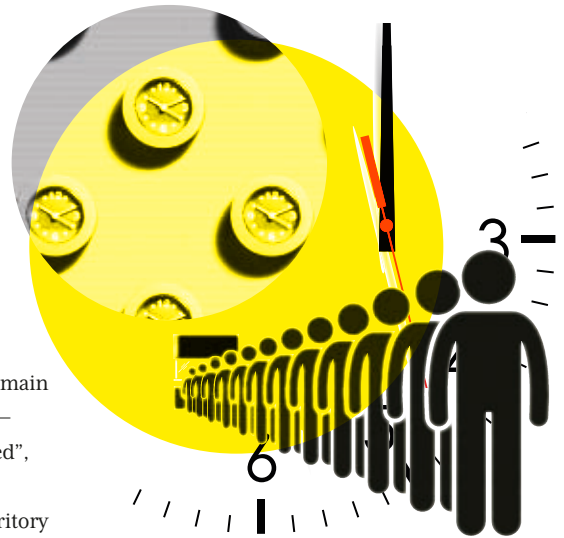
That's a LOT of "ifs", "buts", "maybes" and "it depends" for such a straightforward question, culminating in: "We don't really know." Such uncertainty will doubtless deter travellers.

While it is difficult to properly assess the full impact of Brexit, all scenarios entail a degree of disruption and divergence.

On 24 September 2018, the UK government issued 25 technical notices outlining guidance for people and businesses – including travel – in the event of a so-called "no-deal" Brexit. Although negotiations on the "future relationship" were due to start on 3 March, no

“

The EU has no plans to change its own laws on travel, but post-Brexit the UK is now a third country



deal is still certainly a possibility, particularly if Boris Johnson continues to insist that he will not extend the transition period.

## Welcome to the ETIAS

Unrelated to Brexit, the EU plans to introduce a US-style, visa-waiver scheme in 2021. The European Travel Information and Authorisation System – ETIAS – will apply to third-country travellers to the EU from countries that do not need a visa for the EU Schengen area (except those in the EEA/EFTA system, which maintain free movement within the EU).

Travellers will have to fill out an online application form detailing their travel itinerary and other personal information, which will be checked against EU police and Interpol databases. The visa-waiver will cost €7 (£6.30) and will be valid for three years or until the applicant's passport expires.

Airlines and ferries will be required to check that third-country travellers – which by then will likely include the UK – hold an ETIAS visa-waiver.

● Jennifer Baker is a journalist based in Brussels, specialising in EU policy and legislation



**Business is  
challenging.  
Managing  
business travel  
shouldn't be.**

## **Expect more in 2020**

We're passionate about improving business travel. We believe in providing ease and convenience, because arranging and managing travel should be simple. SmartMix, Savings Finder and Co2 reporting in Analytics Studio are just a few of the features available with Egencia.

**To find out more  
Call 0161 233 5500**

 **EGENCIA**<sup>®</sup>  
business travel by **expedia group**<sup>™</sup>



# NON-STOP FLIGHTS FROM LONDON HEATHROW TO NUR-SULTAN

Savour Air Astana's award winning service on the only non-stop flight between the United Kingdom and Kazakhstan.  
To book, visit [www.airastana.com](http://www.airastana.com)

 **air astana**

# Double standards?

The travel industry's reaction to Covid-19 reveals discrepancies in the approach businesses take towards managing risk for their travellers



BY AMON COHEN

I'm no medical expert, but my daughter is. She's a nurse specialising in travel health. We agree the response to Covid-19 has thrown up some striking inconsistencies in how companies manage the health of their travelling employees: reacting swiftly to some threats, yet almost completely ignoring others.

As the Chinese government tries to contain the virus, airlines suspended flights both to and within the country, while companies ordered employees not to travel to or from there.

These are very sensible precautions but, as my daughter points out, influenza is also highly contagious and – to date – a consistent, far bigger killer. According to the *Journal of Global Health*, an average 389,000 people worldwide die of flu annually.

At time of writing, flu has already killed 10,000 people this winter in the US alone. There are differences, of course. We have vaccines for flu but not yet for Covid-19, which is so new that we know worryingly little about it.

But how many of those businesses that have brought travel to a screeching halt because of the Covid-19 ensure their regular travellers receive an annual flu jab, something my daughter recommends very strongly? The Federation of International Employers (FedEE) says China's isolation will indeed save lives; mainly by preventing carriers of the flu virus from travelling rather than carriers of the Covid-19. Perhaps companies should ground employees who haven't been vaccinated for flu.

This isn't the only shortcoming in corporate travel risk management regimes. My daughter observes regularly how companies fail to manage business traveller health. Record-keeping of which employees have had which inoculations is patchy; travellers are often unsure whether their employer will pay for jobs or they have to foot the bill themselves, potentially causing them not to go ahead.

“

**China's isolation will indeed save lives; mainly by preventing carriers of the flu virus from travelling**

Covid-19 raises wider health considerations, too. FedEE speculates that it could prove particularly fatal in China because heavy pollution in its cities and higher rates of cigarette smoking make its population more susceptible to respiratory diseases. I've looked up the data and indeed China experienced 120 smoking-related deaths per 100,000 of population in 2017, compared with 70 in the UK (one of the highest in Western Europe).

Companies wanting to look after their travellers could therefore think about helping them quit smoking. And, reflecting on the link between air pollution and respiratory diseases, is there a duty-of-care exposure when



dispatching employees to cities with bad smog? There are many Asian cities in which I wouldn't want my children to spend more than a couple of days. If you wouldn't send your kids there, should you be sending business travellers?

The more one looks at it, the more complex traveller risk management becomes – certainly more complicated than simply switching off the travel tap every time an infectious disease, or indeed terror incident, hits the headlines.

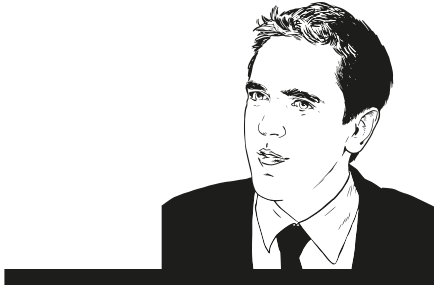
Even so, the latest scare is a periodic reminder that travel management is not just about sourcing. As ITM chief executive Scott Davies noted in the last issue of this publication, his members rank traveller safety as their number one priority every year.

Perhaps we need a deeper think about what “traveller safety” really means. Physical hygiene is part of that remit, while another increasingly pressing issue travel managers should start considering is social media hygiene – how what employees write about on Facebook and elsewhere could land them in deep trouble when they visit other countries. I'll return to that in a future column.

● Amon Cohen is a specialist business travel writer, conference moderator and media trainer

# A difficult conversation

Travel programmes today need to take gender identity and sexual orientation into account – but how? **Nick Easen** hears from a Stonewall Top 100 employer



BY NICK EASEN

**W**e live in an age when diversity and inclusion are being codified into society, and business practices worldwide. However, many still regard it as a box-ticking exercise, paying lip-service in travel policies and documents, with fewer organisations living and breathing the issue.

However, international law firm Pinsent Masons has been a high performer in the Stonewall Top 100 Employers List over the last ten years, and was named the most inclusive employer in the UK by the lesbian, gay, bi and transgender equality charity in 2019.

So, what's its secret? "Keeping the issue alive and kicking, as well as at the forefront of travellers' minds is crucial; you have to do this on a daily basis," explains Rosie Mohammad, head of travel at Pinsent Masons.

## Top-down influence

Buy-in from senior management is where it starts. If top executives play a visible role in, say, the firm's LGBT+ initiatives, this filters down to all facets of the business – travel management, procurement and delivery are all included.

"If it hadn't been for some fairly bold work by two senior partners 12 years ago, we simply wouldn't have achieved our current Stonewall ranking and recognition of our inclusivity," adds Kate Fergusson, the firm's head of responsible business.

Second, travelling staff have access to extensive resources to help them address any

issues they may have, whether that is around cultural or legal differences in a country's approach to orientation, gender equality or faith. This includes support from the International Lesbian, Gay, Bisexual, Trans and Intersex Association, a worldwide federation of 1,653 member organisations from 162 countries. The law firm also works closely with medical and travel security services specialist International SOS.

Travellers also won't be disadvantaged if they decide not to take up a secondment or business travel opportunity because of concerns around their sexual orientation or gender identity.

## Talking together

"Initiating the conversation is always the biggest issue. Staff aren't always keen to come forward; it is a sensitive area. Employees need to be given the opportunity and know we are sensitised to these issues. Constantly reminding staff through educational seminars, roadshows,



webinars and bringing in external speakers to talk about diversity and inclusion definitely helps," says Mohammad.

The company has a buddy system so staff can talk to others who have experience of travelling to a particular country. It also has five active global networks, including LGBT+ and Allies, Faith Race, Ethnicity and Equality (FREE), as well as one focused on disability and wellbeing.

"Roughly 30 per cent of our workforce are members of at least one group. They are an invaluable source of information and support. Our advice would be to make sure your networks have the resources, both in terms of finance and time for volunteering within work hours," says Fergusson.

Members of these networks support procurement teams to look at how Pinsent Masons can ensure inclusion is considered in its supply chain. "It's a lot of hard work, but putting the effort in does pay off in the long-term," concludes Mohammad.

● *Nick Easen is an award-winning freelance journalist, broadcaster and consultant with more than 16 years' experience in television, print and online*

“

**If it hadn't been for some fairly bold work by two senior partners 12 years ago, we simply wouldn't have achieved our current Stonewall ranking**



Your most trusted provider  
of **serviced accommodation**  
for 20 years

[silverdoorapartments.com](http://silverdoorapartments.com)



*20 Years of*  
**Business.**  
**Accommodated.**



# A toast to excellence

Winners of the Business Travel Awards celebrated in style during the special anniversary Park Lane event

On the evening of 20 January, more than 1,200 leading lights of the industry came together to celebrate the Business Travel Awards 2020 in the Great Room at London's JW Marriott Grosvenor House.

Following a champagne reception and energetic performance from The Percussion Theatre Marching Band, guests readied themselves for a night of rewarding excellence, with high standards displayed across all entries in the 22 categories.

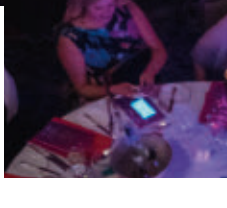
In between each service of a three-course gastronomic feast, the host for the evening, *Mock The Week* presenter Dara Ó Briain, took to the stage to offer his hilarious take on the industry. Occasionally the comedian teased the shortlisted companies, joking he hadn't a clue what some of them did – but the rest of the room certainly knew and finalists across all the categories were cheered.

The 25th anniversary of the awards proved to be an extra special occasion for London North Eastern Railway and Click Travel who took home two trophies each; Click hit the double with gongs for Best Self-Booking Tool and Best TMC (More than £200 million UK annual sales), while LNER scooped both Best Corporate Social Responsibility Programme and Best Sales Account Management Team.

Natalie Gardner, global travel manager at Electronic Arts, also received a standing ovation as she picked up the coveted Travel Buyer of the Year award, while Capita Travel and Events' Margarita Berga was applauded as she was crowned the Rising Star of the Year.

■ For more pictures from the night, visit [businesstravelawards.com](http://businesstravelawards.com)







# And the winners are...

ORGANISED BY

**BTNGROUP**

HEADLINE SPONSOR



SPONSORED BY



ASSOCIATED ORGANISATIONS



## BEST BUDGET HOTEL BRAND **PREMIER INN**

Premier Inn is the UK's largest hotel chain, with more than 800 hotels across the UK, Ireland and Germany. Its hotels are renowned for comfort and consistency at great value, and for its restaurants at every site offering delicious meals. Premier Inn always offers a great place to stay for business or pleasure, and has been recognised as one of TripAdvisor's "Most Excellent" Global Hotel Chains in 2018.

*The judges said Premier Inn embodies the budget concept perfectly. It always listens to its customers and responds quickly to the needs of the marketplace. It does exactly what it says on the tin.*

**Finalists:** Point A Hotels; Travelodge Hotels



## BEST UPSCALE HOTEL BRAND **PULLMAN HOTELS & RESORTS**

Pullman Hotels & Resorts delivers an experience that is upscale, upbeat and perfectly in tempo with the global zeitgeist. It helps guests conduct business, explore the locale, workout and make connections. Established 150 years ago, today it has more than 135 properties across 35 countries. Pullman now is part of AccorHotels, a world-leading travel and lifestyle group.

*Judges were wowed by Pullman's entry. It has a unique value proposition that makes it stand out, they said, adding that its creative thinking was making business travel easier.*

**Finalists:** Jumeirah Hotels and Resorts; Radisson Blu; Shangri-La Hotels and Resorts



## BEST MIDSCALE HOTEL BRAND **YOTEL**

Yotel takes the essential elements of upscale hotels into smaller smart spaces, giving guests "everything you need and nothing you don't". It delivers extraordinary value and its dedicated areas for co-working and social gatherings foster a sense of community. Yotel operates seven airport and five city-centre hotels, and is undertaking new projects globally.

*The judges said Yotel was an innovative brand offering unique experiences, good locations and affordable accommodation for business travellers on the go.*

**Finalists:** GINGER - An IHCL brand; Jurys Inn & Leonardo Hotels UK & Ireland; Novotel; Rotana Hotels and Resorts; Sorell Hotels Switzerland



## BEST SERVICED APARTMENT PROVIDER **BRIDGESTREET**

BridgeStreet is a leading global provider of accommodation solutions to enterprise clients for their extended stay needs for business travel, employee relocation or other projects. Through its award-winning innovative product line, Six Ways to Stay, BridgeStreet unlocks a global network of serviced apartments, furnished homes, design-led hostels and branded hotels.

*The judges liked BridgeStreet's forward thinking, the flexibility and choice offered, and its satisfaction guarantee. They praised its comprehensive CSR programme.*

**Finalists:** AKA Hotel Residences; Oakwood; SilverDoor Apartments; Synergy Global Housing



# Premier Inn

## Your award-winning business partner



### Location, Location, Location

With over 800 hotels across the UK, Ireland and now in Germany, we're everywhere you need to be.



### Booking and payment made easy

Easily book your trip with Business Booker and get exclusive access to our Business Flex rates. Plus, with Business Account, simplify managing your payments and expenses.



### Great food wherever you stay

All our hotels have a restaurant on site or close by, where you can enjoy our tasty breakfast and great value meals.



Contact our Business Sales team  
to find out more.

T: 01582 314588

E: [b2bsupport@premierinn.com](mailto:b2bsupport@premierinn.com)





**BEST CORPORATE SOCIAL RESPONSIBILITY PROGRAMME**

**LNER**

London North Eastern Railway (LNER) is on a mission to transform rail travel for its customers and the communities it serves. Its new modern Azuma fleet of trains continues the LNER tradition of setting new, higher standards in comfort, reliability and customer experience. LNER calls at 53 stations along the East Coast route, totalling 936 miles, between London, the East Midlands, Yorkshire, North East England and Scotland.

*The judges said LNER takes a holistic approach to CSR with a wide range of initiatives. It embodies good CSR, right down to the beehives at York station.*

**Finalists:** BCD Travel; CWT; Delta Air Lines; KLM; Lufthansa Group



**BEST GROUND TRANSPORTATION COMPANY  
BRUNEL, A EUROPCAR COMPANY**

Brunel has been at the forefront of the ground transportation industry for more than 36 years. Brunel has an impressive reputation within the industry of successfully managing global ground transport requirements that are complex, high intensity, demanding and exacting. In an ever-changing world the company continues to invest in people, technology and mobility solutions.

*The judges said Brunel was forward-thinking and has identified developments that stand to revolutionise the sector. It demonstrates a willingness to change with the demands of the market. Full marks, too, for quality, safety and sustainability.*

**Finalists:** Addison Lee Group; Blacklane; Driven Worldwide; GroundScope; TBR Global Chauffeuring



**BEST CAR RENTAL COMPANY  
ENTERPRISE/NATIONAL**

With a global branch network of 10,000 locations across 100 countries, Enterprise/National has the technologies, vehicle range, locations and expert team to deliver the exceptional rental experience that business travellers need when they are working at home and abroad. Enterprise/National uses the latest technology to streamline the driver's experience while ensuring rigorous compliance and control.

*With the emphasis on both the traveller and the corporate, the judges said this was a very well thought-out and well-presented entry, highlighting the company's sizeable investment in technology and innovation, with some clear differentiators from the competition. A worthy winner.*

**Finalists:** Avis Budget Group; Sixt Rent a Car



**BEST CORPORATE PAYMENT PROVIDER  
AIRPLUS INTERNATIONAL**

Entering its 30th year and supporting more than 50,000 corporate clients worldwide, AirPlus International lives and breathes corporate travel payments. Its products include AirPlus Company Account, the most successful centrally billed account based on UATP, European AirPlus Corporate Card and the trail-blazing AirPlus Virtual Cards. AirPlus is renowned for its exceptionally high level of specialist travel payment knowledge.

*AirPlus's award submission impressed the judges who liked the "on the go" solution for non-employees, digital onboarding of clients and declared it a payment provider that makes the lives of travel managers easier.*

**Finalists:** American Express Go; Barclaycard Commercial Payments; Voxel Group



**BEST RAIL OPERATOR  
TRANSPENNINE EXPRESS**

TransPennine Express is an intercity rail provider with a vision to "Take the North Further". It plans to deliver an investment of around £500 million over the next year that will transform travel and customer experience across the North and into Scotland. By the end of 2020, it plans to introduce 220 new state-of-the-art carriages, provide new routes and services, and increase capacity by over 80 per cent.

*The judges were impressed by the high level of customer satisfaction – unusual for a rail operator – and a raft of technology-driven features, including automated delay repay, a WhatsApp service to support customers, fare flexibility and an excellent scheme offering drivers tips on fuel efficiency.*

**Finalists:** Heathrow Express; LNER



**BEST SHORT-HAUL AIRLINE  
EASYJET**

easyJet is Europe's leading airline offering a unique combination of the best route network connecting Europe's primary airports with great value fares and friendly service. easyJet flies on more of Europe's most popular routes than any other airline and carries more than 90 million passengers annually – around 15 million of whom are travelling on business. More than 300 million Europeans live within one hour's drive of an easyJet airport.

*The judges felt the winner symbolised the traveller's view of a 21st century airline. Excellent corporate offering for a low-cost carrier, 70 new routes added in 2019 with a focus on more key business destinations and one of the best digital apps on the market.*

**Finalists:** British Airways; Finnair; Flybe

# SET OFF HAVING OFFSET

We now offset the carbon emissions from the fuel used on all our flights at no extra cost to you, making us the perfect airline for the responsible business traveller.

TRAVEL BETTER  
FLY NET ZERO

**easyJet**

# RELAX AND RECHARGE.

Delta Premium Select provides an upgraded experience with plenty of perks including more room to stretch out and wider seats with deeper recline, adjustable leg and foot rests, high-resolution 13.3" seat-back screens, delicious fine dining and more.



KEEP CLIMBING





### BEST LONG-HAUL AIRLINE DELTA AIR LINES

Delta has invested billions of dollars to enhance the customer experience, while ensuring a more sustainable future. With a global network spanning 324 destinations in 57 countries, it is committed to being a good steward of the environment and a positive force for change. Delta looks after its employees and customers alike.

*The judges were impressed by Delta's product upgrade and fuel efficiency programme, an outstanding performance record and its focus on environmental issues and people. They also liked the fact it is keen to work with corporates that embrace CSR, diversity and Women in Leadership programmes.*

**FINALISTS:** American Airlines; ANA (All Nippon Airways); British Airways; Japan Airlines; Singapore Airlines



### BUSINESS AIRLINE OF THE YEAR ALL NIPPON AIRWAYS

ANA – All Nippon Airways – is Japan's largest airline by revenues and passenger numbers. Founded in 1952, Japan's first 5-star airline has been a Star Alliance member since 1999 and serves 82 international routes to 45 cities. The ANA group has a fleet of 268 aircraft and is the biggest Boeing 787 Dreamliner operator. In financial year 2018/19, ANA carried 50 million passengers and generated revenues of ¥2.06 trillion (£15 billion).

*ANA offers exceptional customer service, said the judges, both in the air and on the ground. It fosters innovation in terms of technology and has a strong eco-friendly policy. Its Travel Wellness programme was also rated.*

**FINALISTS:** Delta Air Lines; easyJet; Finnair; Japan Airlines; Singapore Airlines



### BEST SPECIALIST BUSINESS TRAVEL SERVICE YAPTA AUTOMATED RE-BOOKING SERVICES

Yapta is the leading provider of airfare and hotel price tracking technology services. It dynamically monitors booked airfares and hotel rooms, and automatically re-books when prices drop. Yapta's corporate travel solutions, FareIQ, RoomIQ, and TravelAI, enable companies to extend their T&E budgets and boost traveller compliance.

*Just what every travel buyer wants, said our judges. It saves money and delivers significant benefits. An impressive solution.*

**HIGHLY COMMENDED:** VDash Digital Visa Platform  
**FINALISTS:** CMAC Business Continuity Transport and Accommodation Solutions; Drum Cussac PeopleMonitor; FCM Travel Solutions Medical Repatriation Team; NGS Travel Assistance and Support Services



### BEST NEW TRAVEL TECHNOLOGY PRODUCT SIXT SIXTONE APP

Based in Germany, Sixt is a leading international provider of high-quality mobility services. With its products Sixt rent, Sixt share and Sixt ride, the company offers a unique, integrated range of mobility services in the area of car rental, car sharing and ride services. These can be booked via a single app.

*Sixt sent in a great submission, according to our judging team, that demonstrated innovation and all-round growth. One judge said they were a "super brand" with the SixtOne app showing it is leading the way. The judges said the brand is only going to get bigger and stronger.*

**HIGHLY COMMENDED:** PredictX The Story  
**FINALISTS:** CWT myCWT Messaging; Nina & Pinta Air Data Dashboard; Yapta Travel AI Hotel V2.0



### BEST SALES ACCOUNT MANAGEMENT TEAM LNER

London North Eastern Railway (LNER) is on a mission to transform rail travel for its customers and the communities it serves. Its new modern Azuma fleet of trains continues the LNER tradition of setting new, higher standards in comfort, reliability and customer experience. LNER calls at 53 stations along the East Coast route, totalling 936 miles, between London, the East Midlands, Yorkshire, North East England and Scotland.

*There was unanimous praise for the growth in sales, client retention and the focus on corporate needs. As one judge said: "Passion comes through and the team love what they do, regardless of the industry challenges."*

**FINALISTS:** Capita Travel and Events; Click Travel; Gray Dawes Group



### BEST TRAVEL MANAGEMENT COMPANY (Less than £50m UK annual sales)

#### BLUE CUBE TRAVEL

Blue Cube is a leading independent TMC. Its philosophy is, "We must deliver exceptional service and value in everything we do." It offers best-in-class technology to complement its exceptional personal offline service. Over the last 12 months, Blue Cube has pushed the boundaries in business travel, including pioneering NDC booking capabilities, innovative global servicing solutions and initiatives to support staff and clients.

*In a tough category, the judges were impressed with Blue Cube's NDC offering. Staff also "lived for their work" – and so deserved to be the clear winner.*

**FINALISTS:** Access Bookings; Aervio; Eton Travel Group; Fello

# Travel smooth

With our all in one platform for booking and managing trains, flights, hotels and car hire, with 24/7 customer support, business travel has never been smoother.

**BEST Travel Management Company**

**BEST Self-Booking Tool**

Business Travel Awards 2020



Find out more | Book a demo | Sign up free

[clicktravel.com](https://clicktravel.com)

 **ClickTravel**

Simply booked. Smoothly travelled.



**BEST TRAVEL MANAGEMENT COMPANY**  
(£50-£200m UK annual sales)

### WINGS TRAVEL MANAGEMENT

Wings is a leading independent global TMC with wholly owned and managed operations in UK/Europe, Africa, Asia, Middle East, US and South America. Wings provides bespoke online and offline services to corporates operating in various sectors, including finance, security, construction, energy and marine. Wings' staff handle complex travel that prioritises traveller safety.

*The judges said Wings' knowledge in a specialised area delivers excellent customer service in challenging markets and has resulted in impressive client retention.*

**FINALISTS:** Business Travel Direct; Diversity Travel; Gray Dawes Group; Selective Travel Management; Travel Counsellors for Business



**BEST TRAVEL MANAGEMENT COMPANY**  
(More than £200m UK annual sales)

### CLICK TRAVEL

Click Travel is a TMC like no other. By combining cutting-edge technology and outstanding customer service, it provides an unmatched service for organisations of every size to book and manage business travel, ranging from self-service to full travel management. Its online platform draws content from multiple distribution networks, making booking fast and simple.

*The judges liked the culture of this tech-focused TMC, which provides a seamless and flexible service for large corporates and SMEs alike. Its 98 per cent customer retention and 20 per cent growth in sales impressed them.*

**FINALISTS:** BCD Travel; Capita Travel and Events; Corporate Travel Management (w) Europe; CWT; FCM Travel Solutions



**BEST SELF-BOOKING TOOL**

### CLICK TRAVEL PLATFORM

Click Travel listens to client needs, values innovation and solves problems with brilliant simplicity. Its corporate travel management platform is all that's needed to book, manage and report on all travel requirements. It combines complete control with maximum choice of price and suppliers, helping to ensure smooth and seamless business travel.

*The judges agreed that this was a great submission with lots of detail. They particularly liked the in-app online chat function and thought the platform successfully combines GDS & direct/NDC content seamlessly in search results.*

**FINALISTS:** Corporate Travel Management (CTM) Europe Lightning; Taptrip; TripActions



**RISING STAR OF THE YEAR**  
**MARGARITA BERGA**

*Strategic account manager, Capita Travel and Events*

Margarita joined Capita Travel and Events in 2016. She worked her way up from receptionist to strategic account management within three years. She has worked on a number of initiatives, including the ambitious Smarter working programme, which has delivered significant travel category savings for a large customer.

*Having progressed so rapidly, judges agreed Margarita was the definition of a rising star.*

**FINALISTS:** Noreen Aslam, UK head of local sales, Sixt; Cally Davenport, head of product and project management office, CTM Europe; Charitha Hettiarachchi, regional director of sales, UK & Europe, GHS Global Hospitality; Jenni Mack, events manager, TBR Global Chauffeuring; James Mulholland, procurement officer, Buzz Group



**TRAVEL BUYER OF THE YEAR**  
**NATALIE GARDNER**

*Global travel manager, Electronic Arts*

Natalie became the global travel manager at Electronic Arts in 2015 and is responsible for all things travel, including vendor relationships and sourcing, global travel strategy and policy, traveller safety and initiatives to improve traveller experience.

*In a hotly contended category, judges named Natalie because she single-handedly made an impact and was also highly personable.*

**HIGHLY COMMENDED:** Claire Marsden, principal global category manager, Vodafone Procurement Company

**FINALISTS:** Cristina Chimenti, global travel manager, Sky; Celia Gullen, global travel procurement manager, BT; Sammit Khandeparkar, global travel head, Springer Nature; Jack Whitehead, buyer - professional services, J Sainsbury



**TRAVEL TEAM OF THE YEAR**  
**RSA INSURANCE AND FCM TRAVEL SOLUTIONS**

The RSA/FCM team successfully rejuvenated the UK, Ireland and group corporate centre's travel programme. The team introduced unprecedented consistency, professionalism, efficiencies and innovative technology to deliver a much-needed personalised service. They provided cost savings and better online adoption, stemmed leakage and reduced the workload of RSA's procurement team.

*The judges said the FCM team showed a holistic approach and a good understanding of their client - leading to excellent results.*

**FINALISTS:** Amey/Clarity; Bloomberg/BCD Travel; Macquarie Travel Team EMEA/CWT; Kimberly-Clark/TEM; Ministry of Defence 'Defence Travel Team'/American Express GBT

# MINDING THEIR BUSINESS

Six experienced travel managers; no agenda. *BTN Europe* delved into their minds to understand programme goals, what stands in the way and how they'll scale challenges in 2020. **Matthew Parsons** reports

**S**ustainability, traveller safety, content fragmentation, data, employee mobility, Brexit and, of course, the risks posed by hazards, such as the coronavirus – these were common thought pathways coursing through *BTN Europe's* conversation with six expert travel managers. The most pressing concern, however, was elevating awareness of the travel programme and engaging the traveller with better technology, benefits and services. Those priorities don't always include the option to travel. Mind blown?

## Staying in the traveller's headspace

These days, engaging travellers means meeting them where they are – on mobile devices and within technology systems they want to use. The problem with online booking tools, according to *BTN Europe's* roundtable participants, is that traditional travel tech isn't keeping up with employee expectations. Enter the third-party technology market.

"We've got quite a mature travel programme, and we've got an OBT globally," said Ian Blackie, Bloomberg EMEA travel manager. "But we want to engage in a better way with our travellers and look at how we can add value for them." The company is working with a third party to support engagement through the platform.

In addition to branding, Blackie is looking to overlay customised banners and messaging in an otherwise standard-issue OBT. But his engagement efforts don't stop with the booking tool; he's also looking at his travel suppliers.

"We're proactively going to our corporate partners; we're there with pricing and rates, but thinking, 'What's in it for us?'" he said, ticking off examples, including airline fast-track and corporate recognition as well as upgrades, food and beverage discounts, and free laundry services with hotel partners. "So we can add further value for our travellers."



*BTN Europe's* cover story captures the views of expert travel managers from across the continent. *Additional reporting by Elizabeth West*

Mobile travel tools are key for Blackie who, again, has turned to third parties to boost stickiness with travellers. "Our take-up of our [agency-provided] mobile app is very low," Blackie said. "We want an agnostic tool to help us engage more with our travellers – one Bloomberg-branded app we can tell everyone to go to," so they feel part of a stronger programme instead of going to their own apps for support.

## Marketing mindset

"We're at the same step, looking at engagement," said Katharina Navarro, global travel manager at Capgemini. "We have the classic issues of cash expenses not going on the card or staff booking hotels out of policy."

To counter those challenges, Navarro described the development of a robust marketing and communication strategy, including technology-driven messaging. "You cannot just go and negotiate [rates] and leave it with travel managers, because they're not experts in communication. You need something else on top and that's what we're now seeing," she said.

Capgemini has internal consultants investigating whether to bring in outside resources or to tackle the project as an inside job. Either way, said Navarro, "[We need] training, onboarding, funky videos and banners," to meet travellers in their best technology channels – "because email is just dead."

Martin Stevens, travel procurement and card manager at RELX, agreed in principal with both Navarro and Blackie, but questioned the costs of engaging third parties.

Navarro countered. "If I can get 50 per cent more spend on card, or more hotels where I get rebates, it funds all of that," she said. "Let's bring [employees] in from the start and get them to believe in the programme."

“

**We need training, onboarding, funky videos and banners because email is just dead**



To that end, Navarro also said she is exploring enhanced information sources, including flight quality, on-time performance and disruption data, and wants to deliver it through better technology that gains traveller confidence. Again, the question is, “do we build that... or do we go outside?” she asked.

Buyers have done the research, and they dropped several third-party providers names: Traxo, PSNGRI, Roadmap, Lumo and Snowflake were intriguing to them as products that bypass or enhance traditional travel management models. But does such a reliance on external specialists raise data security concerns?

“Yes, but...” seemed to be the collective answer. Navarro summed it up: “Data is about looking out for the employee.” It may take some detailed explanation to information security types, but it can be done.

**From left, back row:**

Martin Stevens, RELX, and Andy Cassidy, AMC Networks

**From left, front row:**

Ian Blackie, Bloomberg; Katharina Navarro, Capgemini; Daniel Tallos. One UK-based buyer was required to remain anonymous and could not be pictured

**Content aggravation**

Fragmented content – and the corporate traveller’s perennial complaint that “they found it cheaper on the internet” – have pushed TMCs and travel managers to aggregate lodging content aggressively. Booking.com, Airbnb and a number of corporate apartment providers have surged into the space.

Still, accommodation programmes rankled with buyers, with content aggregation bringing its own set of aggravations. RELX’s Stevens highlighted the balancing act – on one hand, his travel programme requires a wide range of content yet, he said, some corporate travel aggregators were supplying rooms that were “almost Airbnb-like”, that do not meet RELX’s corporate lodging standards.

Capgemini’s Navarro said such issues discourage her from expanding the content in her programme. “How much content do I push out? We display a green flag so employees know it’s a preferred property; they know it’s 6pm cancellation, wifi, breakfast. They don’t have to spend time looking for this content trying to figure out the difference. ... You just want them to click and be done with it.”

Unfortunately, current supplier trends are making it more difficult. Stevens said some hotel groups were pushing the message that if travellers do not book direct, they could lose rewards. Navarro replied: “As part of

**EXPECT MORE FROM THE BUSINESS TRAVELLER**

The mega-buyer who attended the roundtable, but preferred to remain anonymous, said he’s all for better engagement via a better travel programme with his travellers, but from now on: no more begging for understanding. Travel managers must communicate expectations. “Travellers need to play ball with us, too,” he said.

His company tracks traveller bookings through robotics process automation to ensure staff stick to the programme, particularly for duty-of-care purposes. If they don’t book through proper channels, they get called out. “We tailor the message so they understand why,” he said, “but the expectation is crystal clear.”



negotiations, we ask chains to stop these types of communications. If [they] want to be a partner in our programme, don't do it."

**Stimulating sustainability**

Sweden's *flygskam*, or flight-shaming, concept has impacted business travel. Bloomberg reported last year that Germany's airline industry was following Sweden's lead, with domestic air passengers down 12 per cent in November over the prior year; meanwhile Deutsche Bahn railway reported surging demand. Sweden's rail operator SJ reported business travel demand rose 12 per cent in the first three months of 2019.

Travel managers across Europe are feeling the pressure. Netherlands-based travel manager Daniel Tallos said the "big push" around sustainability – from both public opinion and company leadership – has led to travel changes, and he expects more to come, including more decisions to stay put and conduct meetings virtually, if possible.

"There's a lot to talk about: take the train if it's four or five hours, and so on," Tallos said. He predicted KLM's "Fly responsibly" campaign, which launched in July, acknowledging air travel's effect on the environment and encouraging rail travel as an alternative, would "change things very quickly", at least locally.

Environmental issues are of concern throughout Europe. Paris-based Navarro said travel managers needed to take more action. "We [have] the possibility to push the industry," Navarro said of the role travel managers can play. "It needs to go all the way – the booking tools, GDSs, airlines," she said. "The data exists; it's a question of pulling it up."

Blackie pointed to lack of standardised metrics as a stumbling block. "There are so many variables... it's a moving target," he said. "Until there's industry standardisation, we can do our bit – but we're never going to get there."

Several managers are exploring adopting carbon budgets, noting TMCs can provide emissions data – yet Navarro complained more system integration was needed.

**Above:** A branded app is key for Bloomberg's Ian Blackie (left). Capgemini's Katherina Navarro (right) is concerned about the ongoing strikes in France

Tallos countered that the carbon budget concept was at least a way to raise awareness.

Andy Cassidy, AMC Networks corporate travel manager, agreed carbon budgets were worth looking into but noted his organisation's travel was declining and the trend was "heading in a good direction".

A UK-based mega-buyer cited biofuels and said his company was looking at how to green its supply chain. The company has talked to one airline flying out of Los Angeles that uses a blend of biofuel on all flights. "Do we shift all our [LA] bookings to that one airline? Perhaps it becomes a business decision where we change our travel policy," he said.

With hotels, he added, the company is making agreements that stipulate not changing the linen during stays connected to short conferences. This could conserve spend as well as water: "We'll challenge them and ask: how much efficiency is that for your staff?"

Blackie targeted ground transport, but noted, "You've got to be clear on the numbers... [and] carbon offsets is just dealing with the guilt."

The roundtable group agreed more scientific guidance was needed but most agreed the power was in their hands to do more. The right technology, policy and training would be key to solutions. Virtual meeting technology, they said, required "better enablement and infrastructure" – as well as training and integration into booking. "You also have to educate people... you can't just invest in the tools and wait for results," said Navarro.

Online booking tools were caught in the crossfire. "We need more actionable notifications, signage, icons," to indicate green choices, with dynamic data underpinning those placements. Yet buyers bemoaned the state of innovation. "There's clearly no short-term plan [by the OBTs] to develop things; it's static," they agreed. "As customer companies, we have to force them into that space," one said, with some agreement in the room.

The UK buyer, however, invoked a bigger, more controversial picture: "Why am I going to my OBT about sustainability? The way distribution is moving, we may not need an OBT."

**2020 GOALS**

What would the roundtable participants like to achieve in the next 12 months?

**Andy Cassidy:** Enhanced, standardised user experience for travellers globally.

**Ian Blackie:** To have a clear roadmap on sustainability.

**Katherina Navarro:** Sustainability – getting everybody onboard with the strategy and how we build the right programme.

**Martin Stevens:** The environment – this time next year, people will think, "Do I really need to travel to Amsterdam for the day, or could I pick up the phone?"

**UK mega-buyer:** Disruption for improvement of the experience, whether that's content, mobile booking

tools... Also policies, maybe making them different for an employee that takes 150 trips a year versus someone who takes one or two.

**Daniel Tallos:** Sustainability, better servicing our different traveller personas (consumer experience) and a traveller wellbeing dashboard.



# The perfect choice for **business travel**

With 150 direct destinations, 340 one-stop flights globally and over 30 airline partners serving from our central location, we are the perfect choice for your business travel. With our insight, we can assist with your corporate travel requirements and provide additional benefits when flying from Birmingham Airport.

To find out more and discuss your specific business travel requirements, contact **Samantha**, quoting “**BHXBusiness**”.

Get in touch

**Samantha.Bailey@birminghamairport.co.uk**  
**07773 075 927**



**Birmingham Airport  
Gurus**



**Evolutionary processes**

No conversation among European travel managers can pass without mentioning Brexit. While disruptions may be a risk, few of the managers’ travellers had sought advice. Bloomberg’s Blackie said just two employees had reached out: “I’m of the mindset that you shouldn’t give it too much oxygen,” he said. “To those two travellers, I said, ‘Carry on as usual. If anything changes, our reporting will identify you and we will take care of it.’”

The group noted one positive: with Brexit passed, uncertainty had gone. “Now it’s about the response, from a travel perspective. What are the issues in terms of visas, permits, intra-Europe, that may not have been considered before,” said the UK mega-buyer, adding it was vital to ensure messages from TMC partners were the same as from a travel management team.

**Left:** AMC Network’s Andy Cassidy is driving awareness of security. Daniel Tallos anticipates a “big push” around sustainability.

**Right:** RELX’s Martin Stevens says hotel content is a “balancing act.”

For Navarro, Brexit was likewise a case of aligning messaging with her TMC – yet in the short term the strikes in France were posing the real challenge. “They are impacting the economy. There’s a lot of frustration. We have a big spend on rail. SNCF being down is big for us.”

General travel disruption is affecting commuters and playing a part in the rising trend for remote working – a challenge for travel managers, including RELX’s Stevens: “You have scenarios where people are working from home. They should be in the UK, but they’re living in Portugal. It’s a different taxation regime. It’s something we haven’t been involved with before, but we are now.”

The UK buyer echoed Stevens on traveller mobility: “We are starting to match timesheets with expenses to get a clearer picture,” he said. The discussion also highlighted collaboration with human resources in terms of enabling more productivity and providing travel programmes that can be positioned as a benefit for employees.

For Tallos, one task is to design a dashboard that can display weighted metrics for profile groups, rather than individuals. “We want to quantify what is the actual risk or loss – especially leadership. When they’re not productive, that’s a lot of money,” he said, adding that while there was appetite to understand it, data needed to be “cleaned up”.

As travel managers get accustomed to their higher profile, our roundtable participants recognised suppliers also need time to adjust. “We’re not talking to suppliers about business as usual, compliance and contracts,” they agreed. “Now, it’s sustainability and customer experience. It takes them time to react to how we’re doing it.”

**TRAVEL IN THE SHADOW OF CORONAVIRUS**

“When I first started, nobody knew what International SOS was, or that we had it,” said Andy Cassidy, AMC Networks corporate travel manager, noting traveller safety and security had become a key part of the travel programme user experience. “During my first 12 months, I implemented traveller tracking and communicated it. But what does that really mean?”

Risk is a constant: terrorist attacks, strikes disrupting travel and, most recently, Covid-19. At the time of the roundtable, the discovery of the coronavirus had only just been announced yet was already one to watch.

Today, there is a heightened sense of risk across many borders. As a result, the travel managers agreed, traveller health, safety and security

required a fresh look. Safety isn’t all about location tracking, they agreed, companies need to make the call whether employees travel at all, and there’s a trend among many companies to link travel management more closely with security teams when making those “go, no-go” decisions.

At Bloomberg, travel department’s reporting line is directly into security, said Blackie. Navarro, meanwhile, continuously leverages Capgemini’s security resources as well as her own travel tools to ensure seamless information transfer to travellers. “When the Hong Kong protests took place, security told us they didn’t want anyone going there, so we issued a pop-up on our booking tool, and blocked travel. Anyone trying

to book it was unable to.”

That’s a strategy plenty of companies are now taking as the coronavirus outbreak bears down on the global consciousness. By mid-February, companies, including Amazon, Apple, Ericsson, LG and a host of others had heavily restricted – if not outright banned – travel to mainland China. By press time, Switzerland-based Nestle had told its 290,000 employees to cancel international travel altogether. Additionally, it had asked employees to avoid even domestic travel when possible, according to a report in the *Wall Street Journal*.

Travel managers flocking to the Business Travel Show in London in February said coronavirus had created urgency around their

companies’ health and wellness concerns. Speaking off the record, several buyers for large European and multinational companies revealed they could be on the verge of taking the same tack as Nestle, and restricting all international travel, at least for the near term.

The coronavirus epidemic, has hit the meetings and events industry hard. Big-name events, including Barcelona’s Mobile World Congress were scrapped after major exhibitors Ericsson and Sony pulled out. Managed travel events, including the UATP Air Distribution 2020 conference, which was scheduled in Bangkok and then moved to Rome, had to be scrapped after a sizeable Covid-19 outbreak in Milan.

As a precautionary move, the Swiss government on 28 February announced a local ban on all events of over 1,000 participants, in an effort to shut down the virus there. That ban is conservatively scheduled to last through 15 March, but Geneva has left the door open to extend it. The policy took down the Geneva Auto Show, which was expected to generate Swiss franc200-250 million (US\$207-258 million) worth of spending in the Geneva area.

While the outbreak continues to cause chaos for corporates, it may ultimately align travel managers even more closely with their security brethren, and it has surely prioritized traveller health, safety and security in the travel manager’s mind.

# GLOBAL AIR CHARTER EXPERTS

Whether you require a private jet for individuals, small groups or executive teams, or a commercial aircraft for large group direct flights, ACC Aviation delivers trusted, tailored air travel solutions anywhere, 24/7/365.



PRIVATE JET CHARTER • GROUP CHARTER • CORPORATE SHUTTLE • CARGO CHARTER

[ACCAVIATION.COM](https://accaviation.com)

T: +44 (0)1737 232 230

E: [charters@accaviation.com](mailto:charters@accaviation.com)



ACC  
AVIATION GROUP



THE  
Room

EXPERIENCE OUR NEW BUSINESS CLASS

**YOUR SANCTUARY  
ABOVE THE CLOUDS**

Designed by famed Japanese architect Kengo Kuma and British designers Acumen, we've doubled the width of our previous Business Class seats for unrivalled tranquillity. Created in harmony with ANA's award-winning service, each cabin is complete with personal door, 4K interactive screen, fully flat bed and specially crafted dining facilities for a journey that's just as inspiring as the destination.

For more information, visit [www.ana.co.uk](http://www.ana.co.uk)

**ANA** Inspiration of JAPAN

A STAR ALLIANCE MEMBER 



Available on London – Haneda, New York – Haneda, Frankfurt – Haneda routes as of February 2020. Flight schedules and operating aircraft are subject to change without notice.



# ON THE RADAR

**Gary Noakes** explores aviation trends for 2020, including the ongoing grounding of the Boeing 737 Max, the effects of Brexit on travel and taxes, improvements to premium cabin seating and the Heathrow expansion saga

**W**hether you're a buyer or a flyer or both, the start of 2020 has brought up some issues you need to be aware of. Some, such as the grounding of the Boeing 737 Max, should be resolved this year, while others – Heathrow's third runway, for example – definitely won't. New laws and changes to taxation are expected, along with more premium seating improvements.

#### **Boeing 737 Max: continued grounding**

The saga of the Max continues, with Boeing's image continuing to be battered and the return to service now delayed until "mid-2020", according to the manufacturer, likely meaning June or July at the

earliest, when it will have been grounded for well over 12 months. Earlier this year, one employee was said to have described the aircraft as "designed by clowns... supervised by monkeys", which may mean savvy passengers – including business travellers – will be reluctant to travel on it when it is given the all-clear.

Meanwhile, there are more than 420 grounded Max aircraft that should be in the air delivering airlines a 10-15 per cent fuel saving; instead operating costs are rising. Their removal also means airlines with big orders, such as Ryanair, have reined in expansion plans.

Most affected among mainline carriers are American Airlines, Air Canada, United, Norwegian, China Southern and Air China, all of which have between

14 and 24 aircraft grounded. Turkish Airlines has 12 and a firm order for 50.

There is no doubt the situation is affecting airlines' bottom lines; leisure carrier Tui Airways, which has 15 of the aircraft, predicts grounding costs will reach more than €500 million by the end of May if the Max is not given the all-clear. Turkish Airlines struck a reported US\$225 million compensation deal with Boeing in December, including an agreement for future spare parts for the aircraft, which is seen as a vote of confidence in it.

All airlines will eventually recoup costs from the manufacturer. Meanwhile, the effect on premium capacity is limited, according to airline data specialist Cirium, which says: "Airlines with strong premium markets are likely to find alternatives or lease where necessary to provide that capacity." It adds there has been little effect on ticket pricing. Perhaps the bigger issue once the Max returns to service is consumer confidence. Alternatives to flying on the Max are available – and many buyers might decide that, initially at least, it's best to offer them.

### Post-Brexit pricing

Buyers might find a few blips in premium air pricing in the immediate post-Brexit period, Steve McGrane, assistant vice-president of professional services specialist Genpact, believes.

McGrane says he expects any softening in corporate demand to prompt airlines to chase leisure sales through travel agencies. However, he adds, carriers could also temporarily lock out lower fare categories for corporate sales to increase yield – reversing the normal logic of dropping prices when demand falls.

"I think that will be short-lived if they try that because TMCs have got really sharp on this in understanding how availability is manipulated by suppliers. They will be very quick to react and put pressure on carriers," he says.

Data in the immediate aftermath of 31 January did not set alarm bells ringing, he adds. "From what I see in the forecasting, I don't think there's going to be a major impact on pricing." He says other risks, including trade wars and the continuity of oil supply from countries such as Iran, were more of an issue.

"Brexit may make demand a little soft, but I don't think it will be long term. You might see on large international routes maybe 1-2 per cent drops on business class pricing, but I don't think there will be significant changes," he says.

The UK Budget on 11 March provides an interesting conundrum for the government, which will want to be seen to be environmentally friendly, but also supportive of connectivity, particularly in the UK regions.



This year does not carry much promise in terms of new cabins being installed

Air Passenger Duty looks set to be adjusted in favour of airlines, such as Flybe, which protested loudly that the £13 one-way domestic fee was punitive and had contributed to its financial difficulties. Squaring this with the green lobby will be tricky.

Another issue is financial protection, with the recommendations of the Airline Insolvency Review likely to be enacted this year. The government says this will mean a levy of "less than 50p" per ticket which will be used to build up a pot to fund repatriation and refunds when a carrier collapses. Currently, scheduled airline and corporate travel sales are exempt from the government's ATOL protection scheme, but this is likely to change following the massive cost of the Thomas Cook collapse when all passengers were repatriated at taxpayers' expense, regardless of whether they had ATOL protection.

In the Noughties, a similar attempt was made to bring all scheduled flights leaving the UK under a consumer protection scheme funded by a £1 levy, but easyJet, British Airways and others argued against it, saying they were propping up the weak and simply too big to fail themselves. Following the Thomas Cook collapse, the argument that any big company – particularly a legacy airline – is too big to fail, won't wash any more.

“**Following the Thomas Cook collapse, the argument that any big company – particularly a legacy airline – is too big to fail won't wash any more**

### Premium push

If 2019 was about BA, Virgin Atlantic and the Airbus A350's new business class, this year does not carry as much promise in terms of new cabins.

In September, Air France took delivery of its first A350, which features a new business and premium economy cabin. Business is a semi-enclosed, nearly 79-inch, flat bed as used in United's Polaris class, while premium economy is a new recliner seat. The aircraft operates to Toronto, Seoul, Bamako and Abidjan. In



# Peace and quiet.

With a best-in-class experience from the time of booking to the final destination, guests travelling in WestJet's Business cabin arrive well-rested, relaxed and ready for the rest of their journey. Whether they're crossing that trip of a lifetime off their bucket list, or embarking on their third business trip this month, the new Dreamliner takes WestJet guests further.

Fly direct in our Business cabin to Toronto, Calgary and Vancouver from London (Gatwick).

**Book today.**

Named Best Airline in Canada by TripAdvisor.®



**WESTJET**   
Love Where You're Going

Schedule subject to change without notice.

January, Air France extended business class to its domestic network.

It was anticipated that Lufthansa's new business and premium economy cabins would enter service this year on the Boeing 777X, for which Lufthansa is the European launch customer. Both designs have been heavily previewed, but technical issues with the 777X have put off the launch, which is now more likely to be mid-2021.

Some rows in Lufthansa's new business cabin will be 1-1-1, meaning the middle seat resembles a throne. The carrier is considering selling this at a further premium, adding a first class-style service. If it is adopted, all Lufthansa Group airlines will eventually offer it.

Lufthansa is among many carriers to have learnt that premium economy is a high-yield sale. Data from Counterpoint Market Intelligence shows that in 2000, only 500 aircraft were fitted with the cabin prior to delivery, but in 2018, more than 4,000 had premium economy seating factory-fitted. Airlines' keenness is because per square foot of space, premium economy is more profitable than most business cabins.

US carriers were among the last to catch on to this and only last August, American Airlines became the first of them to complete installation of premium economy seats throughout its wide-body fleet. Delta now offers Premium Select on flights from Heathrow to Atlanta and JFK, and will offer it to Detroit, Portland and Minneapolis this summer. United debuted Premium Plus only last March and offers it on all Heathrow-Newark services, but has a big refit programme to undertake.

The big news in premium economy will be Emirates, which unveils its seat in late 2020. The design is widely assumed to be the shell-type HAECO Eclipse seat, which is being launched with an "unnamed" Middle East airline. The concept is a hybrid between the conventional premium economy and business seat, with Emirates stating it will have a 10-inch recline.

This year sees another key development in Asia, when Singapore Airlines' regional carrier Silk Air rebrands under its parent company's name. To bring it more into line with the Singapore Airlines brand, Silk Air's Boeing 737s will be refitted with flat beds in business class.

**Airbus A380: beginning of the end**

Airbus has officially said deliveries of its double decker will end "in 2021", but the final nine are currently under construction, with only four not yet assembled, so this could be the year production ceases, particularly as 12 were delivered in 2018.

Predictably, Emirates, whose orders have dominated the total production line of 251, will take the last A380. Emirates was pivotal in ensuring manufacturing of the



Deliveries of Airbus's double-decker A380 will end in 2021

aircraft continued but like other carriers, it struggles to fill the 600-plus seats. Consequently, it reduced an order for 162 down to 123 in favour of the smaller A330 and A350, sounding the death knell for the A380.

It will not just be Airbus affected by this decision, because long term it means reduced availability of cheaper premium seats. Emirates' A380s have 76 business class seats, but its Boeing 777s have only 42, and the switch to smaller aircraft can only mean a capacity reduction. Emirates' A380 fleet is likely to drop to below 100 by the mid-decade, but they will remain flying with the carrier until 2035.

This change will skew pricing, but another factor will have come into play by then. In December, Emirates will reveal its long-awaited premium economy cabin on one of its last A380s to leave the factory. Early indications from Emirates are that it will fit up to 56 seats on the A380. They will be installed at the expense of economy seating, so in terms of daytime flying to and from the Middle East, they should provide an attractive cheaper option for buyers.

**Heathrow's third runway**

Heathrow's expansion saga continues into 2020 and we have yet to hear what the prime minister's position is, despite Boris Johnson having previously threatened to lie down in front of the bulldozers.

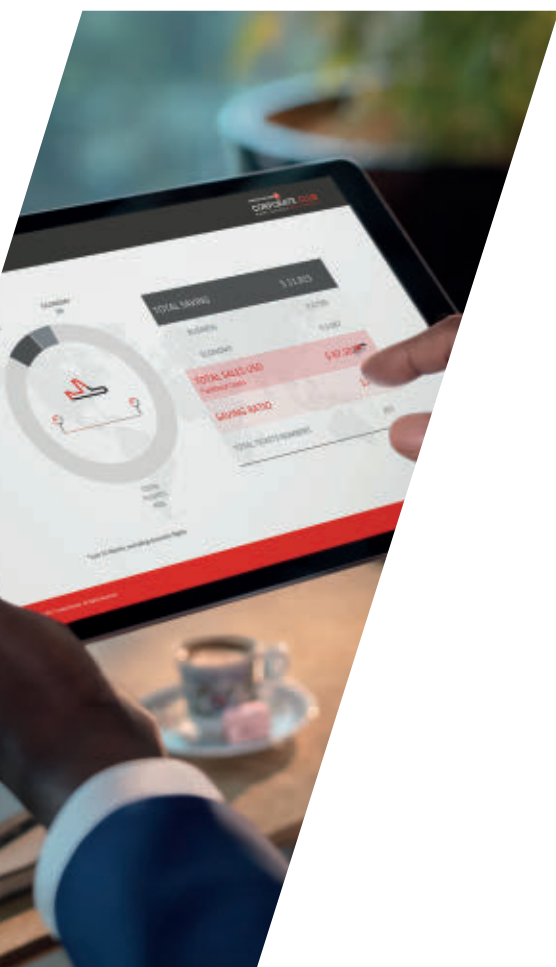
Getting permission to expand is looking increasingly unlikely. Environmental campaigners recently won their case in the Court of Appeal, where they argued the government's plans did not take its own environmental commitments into account.

Even if leave to go ahead is granted, construction will take longer than envisaged because spending has been capped. The Planning Inspectorate is expected to make a decision by the end of the year. Heathrow is now saying the third runway is expected to open between early 2028 and late 2029.



**Heathrow is now saying the third runway is expected to open between early 2028 and late 2029**

# Where Business Meets Benefits



Join the Turkish Airlines Corporate Club and receive exclusive member benefits.

Business travel, meet perks. With Turkish Airlines Corporate Club membership, corporate travelers enrolled in the exclusive program receive special perks and benefits. And, there's nothing to pay and no commitments, making this a value-added program you should join today.

#### FRONT END DISCOUNTS

As a member of Turkish Airlines Corporate Club, you will receive exclusive front end discounts on fares for to/beyond Turkey travel. There's also the option to earn free tickets if you meet an annual flight quota and the opportunity to earn upgrades.

#### BAGGAGE ALLOWANCE

Ease worries about fitting all the necessities for your business trip as a Turkish Airlines Corporate Club member. Enjoy an enhanced baggage allowance on international flights.

#### FLEXIBILITY

As all corporate travelers know, changes happen. As a member, you will have the flexibility to change flight routes and

dates for all flights to/beyond Turkey.

There is also no penalty for cancellation or no-show for almost all booking classes.

#### TURKISH AIRLINES CORPORATE CLUB CARD

With your membership card, you can check-in through business-class counters and gain access to lounges even when flying in economy. Additionally, you still earn Miles in your Miles&Smiles frequent flyer account.

Don't hesitate. Find out more on how business meets benefits with the Turkish Airlines Corporate Club. Benefits vary by country. Apply today at:

[corporateclub.turkishairlines.com](http://corporateclub.turkishairlines.com)



# Make it count your OWN way

In 2018, the amount of fuel we saved could have flown 1,300 planes between London and Abu Dhabi. That's just one way we're moving our fleets in a more sustainable direction.

**Choose Well.**



[etihad.com](https://www.etihad.com)

الإتجاه  
**ETIHAD**  
AIRWAYS



# EXPERIENCE ICONIC HOSPITALITY

## DISCOVER LANDMARK DESTINATIONS WITH TAJ



Book direct on [www.tajhotels.com](http://www.tajhotels.com)

For business queries, please contact by Email: [sales.uk@tajhotels.com](mailto:sales.uk@tajhotels.com) or Telephone: +44 20 7963 8300

*Continued from page 64*

can give access to everyone who wants to sell our rooms,” says Lunden. “This will hopefully give our guests totally new ways to make reservations and new types of offers created by partners.”

Pedro Anderson, Winding Tree’s founder and chief operating officer, sees more potential for the Nordic region as a whole. “Complacency is absent there – you have all the conditions you need for innovation and disruption. Let’s move fast and break things!” he jokes.

“Nordic Choice is onboard with us and making its inventory available in a decentralised marketplace,” he adds. “They have start-ups saying: we want to sell your hotels. Before they had to say no, but now they can say yes. We have a lot of information standards in the US and Europe, but also with rapidly growing markets in Asia, there’s scope to skip stifling legacy baggage that’s hurting industry in the West.”

As an example, Anderson cites German airline Hahn Air, which last year struck a partnership with Winding Tree to list its inventory, manage reservation requests and receive payments on its blockchain-enabled platform.

## Deja vu

When discussing leapfrogging, Robin Smith, chief product engineer at Click Travel, argues the travel industry has form. When the low-cost carriers arrived in the mid-1990s, they used the internet to innovate. “Those airlines weren’t bound by decades-old technology the rest of the airlines were stuck with; they came up with a new process,” he says.

Gavin Smith, director of Element Travel Technology, casts his mind back to 2006 when the online booking tool first arrived. “The major TMCs took it on as corporates were driving change,” he says. He is doubtful that NDC will spearhead the next wave of transformation. “NDC remains more of an RFP tick box exercise. Airlines say ‘exponential’ growth, but if it’s off the back of ten bookings, they would say that.”

Click Travel’s Smith agrees: “IATA has its leaderboard of 20 airlines for NDC, but there are 280 airlines – the elephant in the room is commercial arrangements, and volumes are huge. But NDC technology doesn’t care about volumes – if anything, it should be more efficient. NDC adoption delays will also occur as we are harping back to old concepts, like interlining. Interlining is a problem, and to solve it we have to put bookings back into the GDS!”

Another barrier may be that travel is just too complex right now, reckons Flight Centre’s Morhous. He’s adamant some travel company start-ups will break through, but the industry is also heavily regulated due to the safety aspect. Even with NDC, he says, a leapfrog moment could be three to five years off “once some

“

**Complacency is absent in the Nordics – you have all the conditions you need for innovation and disruption**



Christian Lunden, Nordic Choice Hotels

underpinnings around travel, like distribution, are more democratised [they can] leapfrog the legacy entanglements”.

He adds: “We’ve just got Level 4 NDC accreditation from IATA, we’re not immune to a lot of work going on in the market. I’m pragmatic. A lot of start-ups tell you that they are the future, but behind the scenes they may be innovating on the experience side, or marketing differently, but they’re not leapfrogging.”

As in 2006, Element’s Smith thinks the future may once again be in the hands of corporates, and larger TMCs, citing software giant SAP with its “heavy investment” to become the first IT vendor to achieve One Order Certification for Order Management – One Order being another IATA initiative aimed at “modernising the order management process in the airline industry”. Meanwhile, larger TMCs, such as BCD Travel with its SAP-backed Profile Manager tool, will also steer the conversation, he adds.

## Cars might fly

It seems those retailers that put more power in the hands of the bookers or agents may also hold the key. “When we get to the completion of NDC, there will be more self-service bookings,” says Click Travel’s Smith. “It comes down to how we expose the end user to it. The evolution will come when we’ve got all the tools to change behaviours – there’s still some way to go.”

Disruption may be here to stay for a while longer, but it’s less about technical capabilities and more about overcoming barriers, from regulatory hurdles to commercial alignments. As Winding Tree’s Anderson quips: “The technology is out there, but it’s going to be a very long time before I get into a flying car from Uber.”



Pie in the sky? Uber’s Elevate Skyport



# THE ROOM BOOM

Gary Noakes explores how hotel developers have taken advantage of a Brexit-induced slump in sterling to build new properties in the UK at an unprecedented rate, and looks at the wider implications for travel programmes

**B**rits have long been used to having a powerful weapon in their wallets, but the Brexit-bashed pound is no longer a king among currencies. Despite its post-election uptick, it has continued its fall in value.

Sterling's 20 per cent fall since the 2016 referendum has noticeably affected leisure travel patterns and has been a factor in airline and tour operator collapses. In the corporate travel world, the battering sterling has taken has not had so dramatic an effect, but it has skewed demand for meetings and events, while Brexit uncertainty has put a dampener on the number of acquisitions taking place.

However, the hotel sector is experiencing a golden age and buyers and corporate travellers are benefitting from an expanded hotel development pipeline. Encouraged by a devalued sterling, investors have literally dug deep.

Figures from the former British Hospitality Association (now UK Hospitality) show that in the ten years from 2002 to 2011, an average of just 16.6 new hotel openings were recorded in the capital per annum. With the 2012 Olympics, 61 new properties opened, 34 of them classed as budget category.

Eight years later and development and investment are really on the upward curve. Law

firm Boodle Hatfield estimates there are 210 new hotels in the capital's pipeline, with 134 planned in the ten boroughs with the greatest number of developments. Westminster, with 48 planned, has by far the highest proportion, with 21 of these having already broken ground. The next hotspot is Hillingdon, where Heathrow sits, with 12 developments, four of which are underway. Neighbouring Hounslow has nine properties in the pipeline, while Tower Hamlets, which includes the Canary Wharf area, has ten.

Boodle Hatfield estimates Westminster alone will provide in excess of 6,800 new guest rooms and said the pipeline showed investors "remain

**Don't keep your  
head in the clouds.  
Offset flight emissions with TripActions.**



**The best experience in business travel.  
Unrivalled choice in inventory, powerful personalisation and  
proactive global travel agents that customers love.**



<https://tripactions.com/uk/carbon>

**TripActions®**

optimistic about the London market's potential for growth post-Brexit".

It added: "The UK's hotel market is one of the few sectors of the UK economy to have benefitted from the Brexit-related slump in sterling. The decrease in value of the pound has made it cheaper for international tourists to visit the UK."

London & Partners, an agency that promotes London, has a similarly bullish forecast. It predicts 65 new openings in the capital in 2020, with almost 8,000 new rooms, a record high for the city. When added to 2019's total, there are another 121 properties and almost 15,000 new rooms, making 2019-2020 a record two-year period. Reassuringly for travel managers, only 10 per cent of these new properties are five-star, with 31 per cent four-star and 26 per cent classed as budget.

Boodle Hatfield partner Rajeev Joshi says: "Investor appetite in the London hotel market is holding up. But investors will want to know that this new supply of hotels can be soaked up by increasing demand."

He may not need to worry; hotel data and analytics specialist STR puts London's average occupancy in the first ten months of 2019 at 83.6 per cent, a year-on-year increase of 0.3 per cent. This coupled with a 4 per cent rise in average daily rate to £153.86 show demand is running just ahead of supply. October's figures are also interesting, with rates reaching £162.07 and occupancy 87.6 per cent. Occupancy is actually down 1.9 per cent year-on-year and tellingly, on 31 October, the supposed Brexit day, occupancy showed the month's steepest decline, at minus 11.2 per cent.

Despite all the development, room rates are holding up – but surely London's building boom should have brought them down by the simple equation of increasing supply? Not according to Ian Cummings, CWT's vice-president, EMEA meetings and events. "I'm



The Londoner Leicester Square is expected to open in June, adding to the roster of luxury hotels in London

amazed at how many new openings there are and yet there is super-high occupancy," he says. "There's no end of major investment; investors must be sure that demand will continue.

"If you have 75-85 per cent occupancy even during Brexit and economic uncertainty, you have to say London will remain a top destination from Europe and further afield. It's been number one for us for the last three years."

65 new hotels are set to open in London, equivalent to

**8,000**  
rooms

**Changing travel plans**

Sterling's weakness may be making the UK and London a magnet for visitors from outside the UK, but it's also skewing outbound corporate travel patterns. Research published in September from extended stay specialist Homelike surveyed 2,000 business travellers, including 500 each from the UK, Spain, Germany and France. It found almost 38 per cent of UK business travellers said they travelled less because of sterling's depreciation.

Further reading of the research underlines it is the cost of travel, rather than Brexit, that is having an impact. The report's authors said: "While it is reassuring that the majority are unaffected by the volatile pound, we still need to take into consideration that over a third are travelling less frequently than before because of this."

The study found that while 20 per cent of UK business travellers said Brexit was impacting their travel plans, another 47 per cent said Brexit wasn't having an impact and 32 per cent said it had had a positive effect. This latter proportion was higher than any among those surveyed in France, Germany or Spain, perhaps indicating that even with the current cost considerations, Brexit has spurred some in UK industry to hit the road to find new markets or allay fears among existing contacts.



# SAVE while you SLEEP

With **5% off** stays with free **Travelodge Business** membership, you help your business every time you stay with us.

Sweet dreams.



Travelodge Standard Room



Travelodge PLUS  
Bar Café



Travelodge SuperRoom™

**5% OFF**

Flexible rate bookings



Dedicated support



Control hotel expenditure

6 WEEKS  
**0%**  
INTEREST

Optional business account

Find out why over 30,000 UK businesses choose to stay with us at [travelodge.co.uk/best](https://travelodge.co.uk/best)



[travelodge.co.uk](https://travelodge.co.uk)

CWT's Cummings believes sterling's weakness is affecting travel patterns, but says the impact has been most marked on domestic and inbound travel.

"Two to three years ago there was a lot of concern it was going to impact negatively on the UK, but I don't think we've seen that. I think the devaluation of sterling has helped a lot more organisations look more favourably on the UK and London – it could be as much as 20 per cent cheaper."

He outlined the effects on outbound travel: "There's more concern around budgets when travelling internationally – long haul is less favoured – there's definitely a preference to stay within Europe for short meetings. The only area not affected is high-end incentive trips."

Within the UK, the pattern seems to be that eurozone countries see London as a better value proposition, while UK companies are finding rates and facilities outside the capital more attractive.

A triple whammy of high rates in London, sterling's poor value abroad and perhaps the start of a move away from unnecessary flying, means many UK firms are heading for the regions to meet. Cummings believes sustainability issues mean "trains are back in vogue", which has added to the appeal of domestic meetings and events. "What we've seen is a real drive to look at secondary cities outside London, given the investment in hotels and stadia in places like Liverpool and Manchester," he added.

**M&A slowdown**

Brexit and economic uncertainty, rather than sterling's weakness, seem to be factors in the lack of consolidation in the TMC sector, which compared to leisure travel is much less amalgamated.

Many of the top 50 TMCs are up for grabs and jostling has already started with several dominant players starting to emerge. Gray Dawes leapt from 35th place to 16th in *BBT's* Leading 50 TMCs list with its acquisition of Giles Travel in November 2018. Since then, it has bought INC Travel Group and VIP Leisure in February 2019 and Amber Road Travel in September, its ninth purchase since 2015. Similarly, in July 2019, Reed & Mackay's purchase of Business Travel Direct brought together two brands with combined sales of £610 million.

However, the appetite for mergers and acquisitions has lessened, according to advisory firm BDO. In 2019, it recorded only four major corporate travel deals, the same as in 2018, compared with 15 in the leisure sector in 2018. Admittedly, the leisure travel sector is much larger and in 2019 there was a major slowdown in leisure acquisitions, but BDO believes the TMC market is "ripe for consolidation and economies of scale".

It adds: "Private equity has invested consistently over the last decade and will return strongly to the



UK firms are heading for the regions to meet, including Manchester, above

sector in the second half of 2020 following a "wait and see" year in 2019."

Richard Crisp, BDO's associate director, corporate finance, adds: "I think there's an opportunity because corporate travel businesses don't tend to make strong margins. Some do when they organise complicated group trips, but for simple business travel the margins are generally small, so the opportunity to make back-office savings or achieve volume discounts from suppliers makes consolidation attractive."

An added attraction for investors may be that demand for corporate travel is more inelastic compared with leisure – when that deal has to be sealed, you've gotta go regardless.

However, sterling's value may not be so much of an issue when it comes to the asking price of a company. "Based on what we have seen, there's a lot of internal (ie, domestic) investment, so I would not expect a strengthening of the pound to affect that," says Crisp. "From our experience, we've not seen lots of foreign investment into this sector."

He adds: "When private equity houses see others making healthy returns, it piques interest. There's definitely the capital to do more deals than we saw in 2019, but a lot will depend on the macro picture."

To borrow a Boris Johnson phrase, we may see the industry "unleash the potential" when it comes to consolidation, but then again, putting a December 2020 limit on transition may spark uncertainty and another decline in the pound. It's going to be an interesting year.

**32%**

of UK business travellers said Brexit had a positive effect on travel plans – higher than those surveyed in France, Germany or Spain



Studio Room, Iconic View, Park Plaza Westminster Bridge London



P A R K  
P L A Z A



UK LARGE HOTEL GROUP OF THE YEAR

Book a stay at one of the award-winning Park Plaza hotels and experience the authentic service, elegant design and vibrant atmosphere that you would expect from the AA's Large Hotel Group of the Year.

*Feel the authentic*

[parkplaza.com](http://parkplaza.com)



# TINDER FOR TMCs

When it comes to finding the perfect TMC, how do buyers know whether to swipe left or right? **Rob Gill** delves into the corporate travel dating game and looks at desirable qualities and characteristics

**C**hoosing a travel management company, particularly when looking for your first one or switching away from a long-term partner, can be a stressful and time-consuming experience for any travel buyer or manager.

How do you make sure you select the right TMC for your company or organisation? How do you find a TMC that fits in with your internal culture as well as helping to meet those strategic objectives that buyers will be judged on by their bosses?

Matching can be a minefield as most TMCs will claim to offer pretty much the same services. The vast majority can provide online booking tools (OBTs) of some

description these days, as well as making promises about supplying plentiful and meaningful data, ensuring duty-of-care to employees, plus a raft of other services.

Obviously some TMCs are better at delivering certain types of service than others – and several have strong a presence in industries that require specialist knowledge and capabilities to manage travel successfully (energy, marine and mining is a good example of a sector where travel arrangements are more complex).

So how do you make sure you find the perfect match? It depends on what your priorities are in selecting the new partner – is it cutting costs, getting the best technology, having access to a “high touch” personal service,

---

or forging a long-lasting relationship where you can tackle corporate goals proactively?

Realistically, all of these things are likely to be important (to varying degrees) in the search for a travel management partner. The key thing is to determine which are the top priorities before the selection process starts.

Here are some of the most common characteristics that buyers look for in their TMC:



### **Better experience**

Giving travellers a better booking experience and also access to the widest possible choice of travel content has been a priority of the business travel industry for years – and is a key requirement for many buyers searching for a new TMC.

Andy Cassidy, corporate travel manager for TV company AMC Networks International, selected a TMC that could help standardise and centralise the company’s “somewhat fragmented” global travel programme.

“We took the opportunity to elevate our travel programme through better user experience in terms of OBT and enhanced content, which was standardised across all business units globally,” he explains.

“We needed confidence in the ability to book the range of hotels needed – for example, rural guesthouses that are used for some of our TV production activities. But the TMC also had to understand that each business unit has its own local, legal, fiscal and cultural variations.”



### **Technology delivery**

The role of technology within business travel has never been more important, and having an effective and efficient online booking tool is a “must have” for any buyer looking for a TMC. This is not just because it’s something that travellers want, but it also reduces TMC fees, because straightforward bookings can be made with a couple of clicks and without having to talk to a human consultant.

James Mulholland, procurement officer at bingo club operator Buzz Bingo, which works with Click Travel, says: “We were looking for great technology and lower fees. We wanted a TMC with a world-class online booking system that could increase our online booking percentage.

“We wanted to make better buying decisions by having a wider range of visible hotel and travel rates to choose from,” he adds. “The main reason we chose Click was their online booking platform. It’s user-friendly and actively encourages colleagues to book travel and accommodation online. The account management team has a wealth of experience and are always on hand to help.”

The success of Click Travel’s platform is partly because the app provides an online chat function, so anyone needing help with a booking is only one tap away from a human advisor.

Being able to deliver this blend of online technology with effective offline support for travellers when needed (in an emergency situation or with a particularly tricky multi-centre itinerary, for example) has become something of a sweet spot that TMCs and their clients are trying to find.

One Scandinavian-based buyer says that when they were last looking for a TMC, they found that some of the TMCs pitching for their account “struggled when talking about technology”, which led them to choose a “more tech-savvy” partner.

Traditional TMCs are facing more intense competition on this front with the new breed of technology-orientated business travel specialists – including the likes of TravelPerk, TripActions and Lola – which are well-funded by investors and making inroads with clients searching for a more tech-orientated approach to travel management.



### **Understanding**

There’s no doubt that having a good understanding is vital in any successful partnership and this is even more true when an organisation is looking to make a fundamental shift in how it manages its travel programme and needs the TMC to be in step with its requirements.

Lindsay Cooper, category manager – indirects, for construction and infrastructure firm Kier, says: “Understanding how the TMC could support us when we were moving from an inhouse travel desk to a self-service booking platform, including the training provided – this was the most important quality for us.

“We needed a self-booking tool that would be easy to use for the traveller, and bookers alike. We continue to have a high online adoption, continuing to exceed that of our competitors within our industry.”

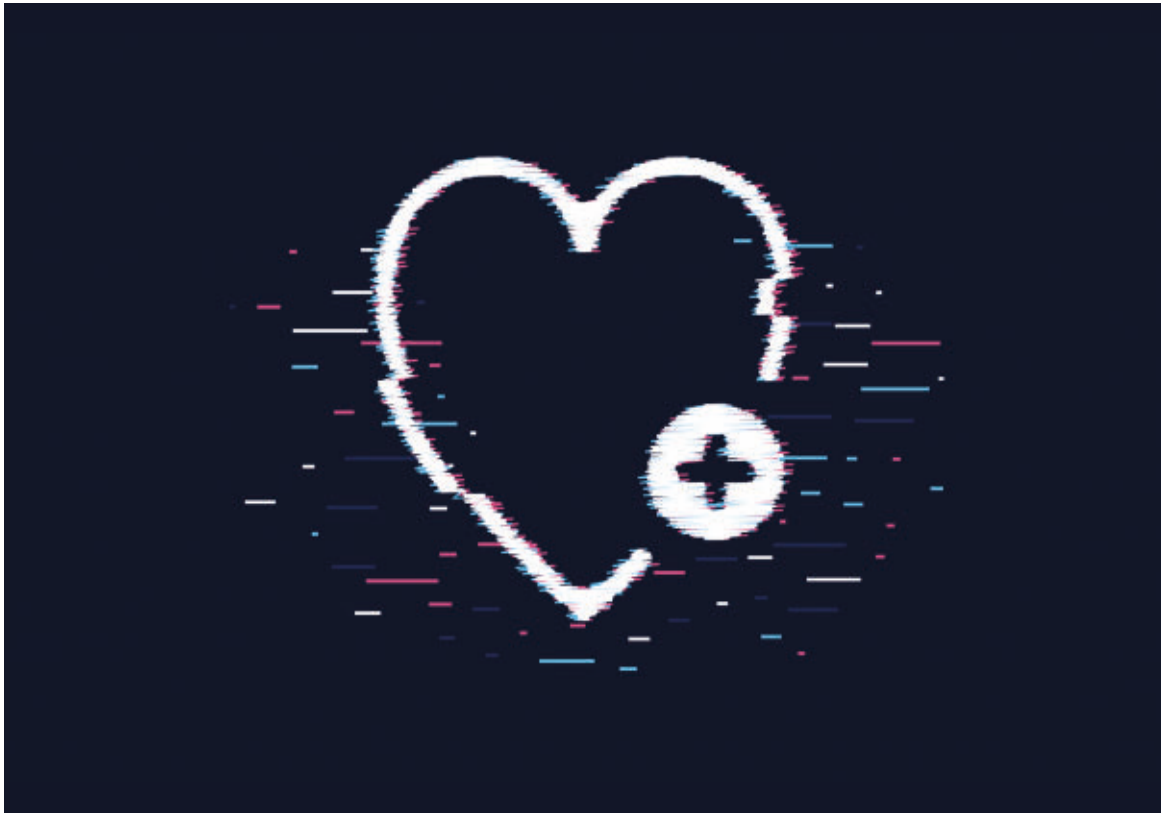


### **Value seekers**

There isn’t a travel buyer alive who isn’t going to be concerned about the costs involved in using a TMC. But this doesn’t mean they are always looking for the cheapest option, it’s about getting more value from that travel budget.



**Quality of service and duty-of-care continue to be important factors within a programme and are rarely sacrificed for cost**



Successful partnerships are based on a good understanding of the changing needs of an organisation

Cutting costs while maintaining quality is the biggest challenge facing travel buyers and managers in 2020, according to a survey carried out for the Business Travel Show – the fourth time in five years that this was the top challenge for organisations (the only exception was in 2019 when Brexit pushed cost-cutting into second place).

Interestingly, appointing a new TMC moved up to the fourth biggest challenge for buyers in 2020, up from eighth place in 2019 – perhaps suggesting that buyers are more open to changing their TMCs than in previous years.

While many buyers will cite getting lower transaction fees and other TMC costs as a priority in any tendering or RFP process, just getting the lowest rates is not always the best solution.

Jo Lloyd, partner at corporate travel and expense management consultancy Nina & Pinta, says: “Cost is always important, but it is more about cost-effectiveness as opposed to the cheapest option that customers are looking for today.

“Quality of service and duty-of-care continue to be important factors within a programme and are rarely sacrificed for cost. However, that does not mean that organisations are not cognisant of the cost of their TMC partner. They are – they just need to be able to balance the service they receive against the amount it costs.”

Pascal Jungfer, chief executive of Areka Consulting, agrees: “Value for money is a key factor – balancing the fees with the level of service and duty-of-care for travellers. The definition of value for money will vary from corporate to corporate.

“For the larger organisations, the account management and commercial teams hold more priority in ensuring they

“

**Understanding how the TMC could support us when we were moving from an inhouse travel desk to a self-service booking platform was the most important quality for us**

secure and deliver preferred airline and hotel programmes. The commercial model in these larger corporates is different and much more emphasis is put on the supplier relationships and the commercials between the corporate, supplier and TMC. Smaller organisations have to rely on the TMC sourcing the range of supplier content to add value.”

Getting value for money can depend on the size of travel programme and the ability to secure discounted negotiated rates. But a nimble TMC can also help smaller organisations to get better deals, as well as supplying them with their own TMC rates, which may often be more competitive than the prices the client can secure on their lonesome.



#### **Cultural fit**

Having an easy-to-use booking tool and app was one of the reasons US-based tech firm Flywheel chose Lola as its first TMC. The two companies were a good cultural fit as they were



# Selective

Travel Management

## Travel technology to fit your future.

Whatever the future may bring, you'll be in safe hands with our advanced portfolio of technology platforms.

Search  
**Selective Travel  
Management** today.



both tech-based start-ups. Flywheel has around 200 employees worldwide and its travel spend is quite modest.

“We considered a couple of vendors before deciding on Lola,” says Steve Isom, Flywheel’s vice-president of finance. “They were so open to feedback throughout the process and were absolutely responsive. They really fitted with our culture.

“After we launched with Lola, we were getting employees thanking us for rolling it out and saying it’s made my life so much easier. It’s really been a win-win.”

So while the old cliché goes that “opposites attract” in the dating game, in business travel it may be more about clients finding like-minded TMCs.

“Finding the right TMC partner is about finding a match of skills against requirements, so it makes sense that the more tech-focused the company, the more tech expectations they have for their TMC as it’s within their culture to consume that way,” adds Nina & Pinta’s Lloyd.

“While all TMCs can essentially do the same thing, they all do it differently. When a customer knows their requirements and what aspects of service delivery matters most to them as an organisation, they are much better equipped to be able to find the right fit in their TMC.”

Areka’s Jungfer believes that what differentiates TMCs from each other is the “culture of the organisation and their customer base and customer references”.

“If the client clearly identifies their travel requirements and cultural requirements, they have a much better chance of selecting the most appropriate TMC partner,” he adds.



### Long-term partners

The ideal scenario for both buyers and TMCs is to forge a productive long-term relationship that allows travel management to prosper as a procurement function.

This certainly seems to be the case for AMC Networks’ Cassidy, who adds: “The ongoing partnership has allowed us to explore multiple scenarios as changes happen within our organisation and arrive at best-practice, cost-effective flexible solutions which match what the TMC can deliver with our own internal requirements and capabilities.”

The relationship between Kier and its TMC also seems to be progressing well. Category manager Lindsay Cooper adds: “We have just signed with them for a further three years. We continue to see technology development throughout the duration of our relationship.

“Improvements in technology are important to us. However, the suggestions they bring in for improving booking behaviour and access to better fares are more important.”

While all these traits and characteristics are desirable individually in the client-TMC relationship, the most crucial factor is finding the right blend of these qualities to enable the selection of the most appropriate TMC.

Finding the right match of skills against requirements is crucial to forging a happy relationship with a TMC

Matchmaking has always been a tricky enterprise – and the same goes for selecting a TMC. Perhaps the best advice is to establish at an early stage exactly what qualities you are looking for, in order of preference, before starting the selection process.



### Flexibility

Another often mentioned characteristic or trait that buyers look for in a TMC is the ability to be flexible to their organisation’s changing travel and technology requirements, which are being shaped by shifting corporate goals and priorities.

Jo Lloyd says many clients are now using third-party, non-TMC suppliers in areas such as technology, expenses,

“

After we launched with Lola, we were getting employees thanking us for rolling it out and saying it’s made my life so much easier. It’s really been a win-win



# CHOOSING A TRAVEL AGENT DOESN'T NEED TO BE A LEAP OF FAITH

WHETHER IT'S LAST MINUTE ROOMS OR POST-BREXIT ADVICE  
WE'RE ALWAYS AVAILABLE - 24/7 365 DAYS A YEAR

discover more at  
[accessbookings.com](https://accessbookings.com)  
accommodation events travel



hotel, mobility, security and data – and TMCs need to be able to deal with this trend from a technology standpoint.

“It is a prerequisite for any potential TMC partner to be able to integrate with these platforms,” she adds. “Depending on the nature of the programme and whatever blend of services may be the main focus, all customers are essentially looking for two key things – a strong service (be it offline or online) and cost efficiency. What this looks like will vary from company to company.”

“

The ongoing partnership has allowed us to explore multiple scenarios as changes happen within our organisation and arrive at best-practice, cost-effective flexible solutions



## KEEPING THE SPARK ALIVE

Making a major change to a travel programme doesn't have to mean changing your TMC, as the ongoing partnership between Inchcape and Blue Cube demonstrates.

The ideal scenario for both the buyer and their TMC is working in partnership to make travel management more effective. This should include being able to solve problems together as they arise.

Making a major change to a travel programme does not necessarily mean having to engage a new TMC. Automotive distribution company Inchcape and TMC Blue Cube had been working together for 16 years before undertaking a major technology project together to introduce an online booking tool (OBT).

London-based Inchcape, which has 18,700 employees across 1,100 distribution and retail locations in 32 international markets, had been booking its travel offline before the arrival of Duncan Edwards who took up the position of global head of demand and supply in January 2019.

“We needed to move from purely offline servicing to incorporating an online tool,” explains Edwards. “This enables us to consolidate all bookings via Blue Cube, close down leakage, drive better booking behaviour and optimise costs.”

### Every step of the way

To achieve this goal, Inchcape worked closely with Blue Cube to introduce the TMC's self-booking tool, BC Online, which enables travellers to book a full range of content, including air, hotel and rail from GDSs, third-party suppliers and also have access to new NDC (New Distribution Capability) fares from airlines.

Edwards says he has previously been “frustrated” by the functionality of most OBTs because many of them are trying to be “too clever and intuitive, sometimes at the expense of getting the basics right”. He found that some OBTs required having to use multiple booking tools across global operations which made it more difficult to consolidate and analyse travel data.

“This is not the case with Blue Cube's online solutions and I am pleased to see that BC Online has greater focus on content, including NDC, with a booking process that is straightforward,” he says.

BC Online is powered by Atrii's GSS (Global Shared Services) solution that allows the same tool to be used across all of Inchcape's markets with a single pricing structure alongside local travel content and billing.

Edwards adds that using a tool with GSS capabilities gives the company's worldwide offices the “visibility and technological capabilities they would otherwise not have had access to”.

Bex Deadman, Blue Cube's managing director, says the key to rolling out the OBT was to offer a “seamless” user experience, as well as comprehensive communications to inform Inchcape's employees about the new tool.

“We want to make the traveller's journey on the tool as seamless as possible,” she says. “They are expecting that consumer and leisure experience; they want that in the corporate world.”

As part of the rollout, Blue Cube selected a team within Inchcape's UK operation to trial the tool for three months, including regular travellers, bookers and approvers.

The communications and training programme included group calls, one-to-one training, follow-up questionnaires, feedback forms and a workshop. Blue Cube also gave presentations to keep key stakeholders updated and address any of their concerns as they arose.

“You have to tell people what you are doing every step of the way,” adds Deadman. “You have to explain why you're doing it, otherwise you will not get the buy-in you need to be successful. It's also important to explain why you are working with a TMC.”

The trial clearly went well with online adoption by users quickly reaching 80 per cent, while all Inchcape's travellers and bookers have been taking an eight-module training course to improve their travel knowledge and help them “feel more confident” about using BC Online.

**MEET THE  
WORLD'S  
LARGEST  
100%  
EMPLOYEE  
- OWNED  
GLOBAL TMC**



**TRAVEL &  
TRANSPORT**

[travelandtransport.com](http://travelandtransport.com)



# RUNNING LATE

Like many trains in the UK, the Williams Review has been delayed. However, many of its likely proposals are already being trialled, from ripping up the franchise rulebook to developing airline-style dynamic fares and corporate rail bundles. **Mark Frary** reports

**A** root and branch review of “the structure of the whole rail industry and the way passenger rail services are delivered” was ordered by Theresa May in September 2018.

The review – headed up by former British Airways chief executive Keith Williams – would “focus on reforms that will put passengers at the heart of the railway, provide value for taxpayers and deliver economic, social and environmental benefits across Britain”.

But the publication of Williams’ conclusions isn’t arriving on time. A white paper announcing the findings and recommendations of the review

was slated to appear in autumn 2019 and reform would start in 2020.

That was the plan until two “B” words got in the way – Brexit and Boris. The review hasn’t been conveniently forgotten. Following the General Election, in which the Conservatives romped home with a majority of 80, the Queen’s Speech revealed that the white paper would be published some time in 2020.

There were already some indications of Williams’ thinking in the “teaser” evidence he gave to the Transport Select Committee back in October. One of the key recommendations the

review is expected to make is the appointment of a new independent regulatory body for rail, perhaps similar to Transport for London (TfL), which oversees public transport in the capital.

Michael Clark, head of the Williams Review secretariat, told the Committee: “We want something new or different that is passenger focused; we want something that has a new culture and will be more collaborative than the current fragmented system... a system-wide body that can take a view across track and train as a network, and hold the levers and responsibility with which to do so.”



# London Paddington to Heathrow Central in just 15 minutes\*

Heathrow Express is the fastest and most convenient way to travel between London Paddington and Heathrow Central. With comfortable seats, plenty of luggage space and complimentary Wi-Fi, the non-stop journey takes 15 minutes\* to Terminals 2 & 3 with an extra 6 minutes to Terminal 5. There is a free transfer service to Terminal 4.

To book contact your usual travel provider.

\*Based on journey to Terminals 2 & 3.  
For terms and conditions visit [heathrowexpress.com](https://www.heathrowexpress.com)



**Heathrow  
Express**  
Get there sooner



On franchises, Williams said that the failures had “[eroded] public confidence in the network”. He added: “The revenue assumptions were not where they were, and, ultimately, we needed to move to a system where that was recognised and the revenue risk sits where it is best taken.”

Williams views the length of current franchises as “suboptimal” and told the Committee: “There is an opportunity to look at longer lives. That is in the interests of not only the passenger but the industry. When I look at fares and ticketing, which has needed reform for quite some time, the best opportunity is to do something with the revenue risk in the short term.”

### Modernising the model

“The franchising model needs modernising,” says Jason Geall, vice-president and regional general manager at American Express GBT, which manages US\$150 million of rail spend in Europe. The TMC is investing heavily in optimising the experience of booking rail and managing budgets.

“If you look at the way that the structure of the industry is underpinned,” he says, “those rules were built back in the 1990s. One of the rules is that the incoming franchisee is not allowed to talk to the incumbent until after the first day they go live – how crazy is that?”

*Continued on page 87*

The Williams Review said failures of franchises had eroded public confidence in the rail network



“**One of the rules is that the incoming franchisee is not allowed to talk to the incumbent until after the first day they go live – how crazy is that?**”

*Jason Geall*

### SMALL BUT BEAUTIFUL

*The high-speed rail link between Paddington and Heathrow may be one of the shortest routes in the country but it is also one of the most used by business travellers.*

Despite the many changes afoot, Heathrow Express is not resting on its laurels. It recently confirmed that its dedicated services will continue to operate until at least 2028, well after the delayed opening of Elizabeth line services to the airport.

The company believes its services will still be popular after the Elizabeth line opens and good customer service is part of that.

Karan Suri, head of pricing and technology at the company, says: “Heathrow Express is and will continue to be the fastest way between London Paddington and Heathrow Central.”

Great Western Railway (GWR) took over the operational aspects of the service in October, but responsibility for the marketing, ticketing, revenues and customer service elements of the service remain with Heathrow Express.

In November, the company announced it was extending its advance purchase offer to weekdays, cutting the cost of

the cheapest ticket from £12.50 to £5.50. It says around 5 million people travel on a weekday on the service every year.

This spring, as part of the GWR partnership, the company will introduce a specially converted fleet of Heathrow Express trains which will offer customers a dedicated airport express experience complete with onboard wifi, at-seat power, onboard TV, ample luggage space and the option of Business First.

Corporates will soon have better and faster access to Heathrow Express tickets thanks to an upgrade to the company’s API technology which helps it connect with other companies’ systems.

Suri says: “A new JSON REST API Developer Portal with a sandbox environment has been created which will allow partner developers to co-create and test their own integrated API system, ensuring Heathrow Express ticket sales work seamlessly alongside their own platforms before being launched to customers.”

It is also believed to be looking at deal with a ground transport company to offer seamless onward journeys in London.

---

---

# ARRIVE READY FOR BUSINESS

---

---



Wi-Fi terms and conditions apply. Power sockets available on selected rolling stock only. For full terms and conditions visit [GWR.com](https://www.gwr.com)

With free Wi-Fi and power at every seat,  
travel time needn't be wasted time.

Book at [GWR.com](https://www.gwr.com), on our app, or at a station.

**GWR** | Great  
Western  
Railway



The rail API trusted by leading brands



At Evolvi, we create better outcomes for our customers by providing real time access to rail fares and information to make travel easier and cheaper. Our web services team supports brands across business and leisure markets, driving value through the rapid co-development of platforms integrating the EvolviWS rail API.

As a partner for innovation, we power smarter rail solutions for travel management company portals, online booking tools, global distribution systems and expense packages. Our collaboration goes way beyond access to the widest range of fare types, providing customers with bespoke functionality that meets their vision...and creates a stand-out market proposition.

[www.evolvi.co.uk](http://www.evolvi.co.uk)

#### More information

To find out more about the EvolviWS API, email [evolviWS@evolvi.co.uk](mailto:evolviWS@evolvi.co.uk) or call 01732 598510.





*Continued from page 84*

On fares and ticketing, Williams said there has to be political will for fares and ticketing reform. It has been looked at several times in the past two decades with little change.

“What has happened, in the meantime, is that the market has started to bring out efficiencies. With applications on phones, a number of companies out there now will inform passengers of the best ticket for that journey. So it is happening anyway, and it is incumbent on the rail industry to acknowledge that,” he said.

Mark Plowright, head of sales and distribution at London North Eastern Railway (LNER), the government-owned body that has run the East Coast mainline since Virgin East Coast was stripped of the franchise in 2018, says the company has embarked on a trial of simpler fares, which started in January.

“We are replacing return fares with single tickets on three of our most popular routes, two of which are our most popular business routes – London to Leeds and Newcastle. This will create a smoother and simpler experience for travellers who are confused by a complex fare structure. It will be a good barometer to see if there is an appetite for an air-like model.”

One of the problems is that business travel is not recognised as a segment in the way that commuting or leisure travel are, says Amex GBT’s Geall, who worked for Eurostar earlier in his career. “You need clarity on customer segments,” he says. “If that happens you could imagine they would look with a more granular focus on business travel.”

Plowright has a small, dedicated sales team for larger corporates and works with SMEs through its relationship with TMCs. He says there is innovation in business travel-focused fares.

At the beginning of January, the company made its business packages available only through TMCs. “It is a real tick in the box for TMCs, enabling them to drive the rail agenda,” says Plowright. “Those types of fares could be anything from a bundle of fares plus parking plus London Underground or, where corporates have restrictions on the use of first class or cost-conscious travel policies, it might have a free upgrade on a Scotland journey.”

Geall believes there is a huge opportunity for third-party retailers to merchandise rail product in the same way as the air sector does. “One of the rules of distribution buried in the guidance given to franchises is that third-party retailers,

## TOO GOOD TO BE TRUE IN GERMANY?

*Being environmentally friendly just got easier (or at least cheaper) in Germany, thanks to a decision by the government to reduce VAT on intercity rail journeys longer than 50km from 19 per cent to 7 per cent from 1 January.*

Yet the reduction in VAT, which Deutsche Bahn is passing through to customers, may not have as great an impact in the business world as you might expect, says Ben Park, senior director procurement and travel at Parexel International.

He says: “For leisure travellers, the reduced VAT rate will result in reduced prices to use the train on long-distance routes, which will make rail more attractive over low-cost carriers which, I assume, is the real target.”

However, since most companies can reclaim 100 per cent of VAT on domestic travel, this will have little effect for corporates. In fact, corporate fares may be going up.

Park says: “At the same time, Deutsche Bahn changed the discount conditions for corporate customers, which will actually result in fare increases in many cases. This could mean business travellers use air travel more than rail going forward.”

In any case, German business travellers are not agitating for cheaper rail fares, he says. It’s not the price of rail that concerns them. “They want a better product, more reliability and more capacity.”

Some believe that the UK has a golden opportunity to

do something similar. Jason Geall, vice-president and regional general manager at American Express GBT, says: “If you think about the UK’s commitment to becoming carbon neutral by 2050, one of the levers the government has is the ability to get people off the roads and onto rail. One way to do that is to reduce the cost of travelling by rail.”

The TMC’s online booking tool, Neo, already allows bookers to display carbon emissions for both rail and air in a single set of results, helping with the modal shift towards the train.

Geall believes there is a real opportunity for rail in a post-Greta Thunberg world.

“Rail as a mode has obvious sustainability benefits over air. If you look at the Nordics, we definitely see an impact driven by flight-shaming and an appetite to embrace rail. It is definitely going to grow,” he says.

Mark Plowright, head of sales and distribution at LNER, which won Best Corporate and Social Responsibility Programme at the Business Travel Awards, says: “We try to drive modal shift with our own initiatives, such as package fares targeted at air travellers, but we are looking into how to drive rail’s sustainability credentials to new levels.

“People know rail is less CO<sub>2</sub>-producing, but how can we give the traveller options to make rail both credible and a value-for-money choice?”

As part of a simplified fare structure, business travel may be recognised as a separate consumer segment



“**Deutsche Bahn changed the discount conditions for corporate customers which actually results in a fare increase in many cases**”

*Ben Park*

# Hello Business Direct. Goodbye booking fees.

**Sign up to our Business Direct online portal** to find the lowest fares for any train journey in Great Britain and never pay a booking fee again.

Find out more about our Business Direct online portal for business travellers:

**Visit** [southwesternrailway.com/SME](http://southwesternrailway.com/SME)

**Call** 020 3872 2226

**Email** [business.travel@swrailway.com](mailto:business.travel@swrailway.com)

**South Western**  
 **Railway**



such as TMCs, are not allowed to suppress [the most expensive] anytime fares. As it stands there are certain things that go against retailers being able to suppress and help build structure and content around airlines," he says.

### An accessible network

Another issue highlighted by the Williams Review is accessibility to stations and trains. Williams told the Select Committee: "There probably needs to be more accessibility in the future as the demographics of the population change."

But Williams acknowledged the sheer scale of the problem – there are 2,500 stations on the network. "Clearly, you cannot fix all the issues on 2,500 stations," he said. "What we do know, however, is that about 60 per cent of passengers go through 85 stations. So there is something we can do there."

LNER is doing its bit on accessibility with its new fleet of Azuma trains. "Accessibility has been part of that robust procurement process. On the old fleet we had one wheelchair place in first class, we now have four," says Plowright.

Williams has recognised that revolution rather than evolution is necessary. With the white paper expected to be published this year, it would be a shame if decisions are kicked into the long grass once again. But the government may have more pressing issues to sort out this year.

The shift to greener modes of transport throughout Europe is likely to see increased demand for rail transport



“  
Business packages are a real tick in the box for TMCs, enabling them to drive the rail agenda

Mark Plowright

### PUSHING FOR PARTNERSHIPS IN EUROPE

*In September 2019, the boards of Eurostar and Thalys, the Franco-Belgian high-speed rail operator, announced they were looking again at ways in which the companies could merge in a project called Green Speed.*

They stated: "Combining resources, in particular fleets as well as information and distribution systems, would increase economic efficiency and provide the customer with an enhanced, sustainable commercial service, delivering on the ambition to increase the number of direct links between European cities in the future."

The proposed deal would see seamless travel on a single ticket and a combined loyalty programme. The companies believe they could increase their passenger numbers from a combined 18.5 million today to nearly 30 million by 2030.

Thalys has also recently joined forces with KLM and NS Dutch Railways to replace flights between Brussels and Amsterdam Schiphol.

It's not the only airline teaming up with rail. Qatar Airways has signed a codeshare with Deutsche

Bahn to provide passengers with connections to and from Stuttgart, Nuremberg, Hannover, Leipzig, Cologne, Dusseldorf, Munich and Hamburg via the airline's gateway in Frankfurt.

Meanwhile, business rail travel received a boost with the news that Eurostar services will be direct in both directions from Amsterdam, starting 30 April, and Rotterdam, starting 18 May.

Previously, travellers returning to London had to connect in Brussels to undergo passport and security checks – these will now take place in the Netherlands. The direct service is expected

to take four hours 9 minutes, a saving of an hour on the previous journey time. The company says the Netherlands services have been used by almost half-a-million travellers since launch in 2018.



# SAFE AND SOUND?

As the number of serviced apartments rises globally, is it time for a single global safety standard? **Mark Frary** investigates

**S**erviced apartments have now become a large component of many corporates' accommodation programmes and the number of companies using them, as well as the number of serviced apartments, are rocketing.

Some industry observers put the number of serviced apartments worldwide at more than 1.2 million, but the reality is no one really knows.

According to the *Global Serviced Apartments Industry Report* (GSAIR) from The Apartment Service (TAS), more than half of corporates now use serviced accommodation, and Europe, in particular, has a healthy development pipeline in place.

While continental Europe is also seeing serviced accommodation numbers rise (*see box, opposite*), there's plenty of interest in the UK, too, as evidenced in the plans of UK accommodation developers. In October last year, property consultants Lambert Smith Hampton said serviced apartments and aparthotels are the fastest growing sector of the UK's hospitality accommodation.

In the UK and Ireland, the sector currently accounts for around 25,000 units – about 3 per cent of the size of the conventional hotel market. Some 6,000 new units are scheduled to open by 2021 (*see p98 for updates*), making up around 13 per cent of the total active development pipeline.

London has become the major focus of serviced apartment expansion in the UK, with 39 per cent of the development pipeline in the UK capital. Despite the proliferation, another question repeatedly raised is: why isn't there a global standard for safety? It's this issue that puts off many corporates from using this type of accommodation more widely.

## The accreditation puzzle

There are a bewildering array of accreditation and quality schemes for individual serviced apartments and the companies that operate and book them. With so many apartments and a feeling that some elements are operating in the Wild West, there has never been greater need for accreditation schemes, particularly given the increased corporate focus on duty-of-care.

Even the term "serviced apartment" is used by people in different ways – typically it means a self-contained unit with all the facilities a guest needs to look after themselves, including a kitchen, usually with a washing machine, dishwasher and utilities included in the price. There will be a regular housekeeping service but not necessarily staff on site 24 hours a day. Yet aparthotels – which usually provide hotel-like services, including a reception and often facilities, such as gyms and pools – and corporate housing, properties for longer than 30 days, also often get called serviced apartments. No wonder corporate accommodation buyers sometimes get confused.

The International Serviced Apartments Accreditation Program (ISAAP) operates accreditation schemes for the Association of Serviced Apartment Providers (ASAP), the Corporate Housing Providers Association (CHPA) and the Global Alliance of Serviced Accommodation (GASA). It offers four types of accreditation: Compliance Assured and Quality Accredited for apartment providers, one award for accredited booking agents and one for individual buildings.

Global Secure Accreditation offers two levels of accreditation: Prestige, which includes an on-site, risk-based assessment undertaken by a GSA assessor



“Operators are continually going through the same criteria questions with every agent that books with them

Jo Layton



from the company's network of experienced former law enforcement or military professionals, or Standard, which is based on an online self-assessment. Properties are assessed against up to 180 criteria.

Quality in Tourism has been operating in the tourism sector for more than 15 years and assesses properties across the UK using a system of quality checks and mystery customer visits. The AA, well known for its hotel rating schemes, launched a scheme specifically for serviced accommodation in 2016. It operates at a property level and includes an anonymous visit by an AA inspector. Apartments are rated from three to five stars based on 11 different inspection categories.

There is a wide array of accreditation and quality schemes for the serviced apartment sector

**1.2  
million**

the estimated number of serviced apartments worldwide

## NOW TRENDING: EUROPEAN EXPANSION

Last summer, **Adagio** announced ambitious European expansion plans that will see its portfolio grow from 116 aparthotels at the end of 2019 to 220, including 170 in continental Europe, by 2023.

New Adagio apartments opened in Saclay, Montpellier, Place de la Nation, Paris, and Grand Place, Lille, during 2019 and in Bremen, Germany. The company also expanded into North Africa for the first time with the opening of an aparthotel in Casablanca.

**Edyn**, the new name for the SACO group, is taking its Locke brand to the Danish capital Copenhagen with a 236-room aparthotel which is planned to span two towers in the new mixed-use Postbyen development, set to open in 2023 or 2024.

**H-Hotels** – which has a portfolio of 60 hotels in Germany, Switzerland and Austria – has opened its first serviced apartment property, the H.Ome Serviced Apartments in the Munich suburb of Oberwiesefeld.

**Citadines** opens up its Eurometropole property in Strasbourg this year in the Espace European de l'Entreprise, one of Alsace's largest business and innovation hubs.

**Hyatt** is growing its eight-year-old Hyatt House extended-stay brand with new properties planned at Paris Charles de Gaulle, and Goetheplatz and Eschborn in Frankfurt

**Stacycity**, meanwhile, has announced the opening of one of its properties at the Gateway Gardens development at Frankfurt Airport in 2022.

In January, key players from the serviced apartment sector discussed safety and standards



**Setting standards**

Assigning a global accreditation system was the focus of a recent cross-industry forum – but can it work?

In January, key players from the serviced accommodation sector, including apartment providers, agents, industry associations, and quality and security accreditation bodies, met to try to “demystify the assessment and accreditation space” and “ensure the health, safety, security and wellbeing of our global travellers”.

According to organiser Jo Layton of serviced apartment booking agency CAP Worldwide, the new Serviced Apartment Forum for Assessment and Accreditation (SAFFAA) was “created as an open and agnostic vehicle to drive awareness and understanding of the current global landscape of assessment and accreditation in the extended stay arena”.

Layton says the forum has been set up to cut down on the verification required before any booking is made. “Operators are continually going through the same criteria questions with every agent that books with them. Ideally, there needs to be a minimum standard for all agents and preferably, these should be carried out by a fully trained and qualified independent assessor,” she says.

Krystal Taylor, head of global supply chain at Q Apartments, said: “We are looking for the minimum standard that would save time. If someone has the stamp from somebody then we don’t have to go over the same questions. People at the moment don’t respond as they are sick of answering the same questions.”



“**Star grading was once considered the leading light in helping people understand places to stay, but it’s becoming less relevant to younger buyers**

*Ben Davis*

Andrew Hopgood of CAP said: “We have a level of comfort making bookings into core locations where the quality of the inventory and experience of the providers is backed by recognisable accreditations and certifications from industry bodies, but these only account for a percentage of the estimated global stock available, which is increasing annually.”

Creating a global accreditation system may not be easy, since the individual assessors and accreditors all have their own revenue streams based on carrying out inspections for properties.

One of the attendees was Ben Davis, co-founder of Saxbury, which offers a complete agency service for serviced apartments and aparthotel transactions throughout the UK. He said there are challenges in setting up a common scheme: “Star grading was once considered the leading light in helping people understand places to stay, but it’s becoming less relevant to younger buyers whose choices are linked to different considerations, such as the connection between a brand and personal values, style, and current trends.

“Yet we know a vast number of serviced apartments operate from residential buildings without the correct planning permission for this type of use... The planning department in Westminster has a limited number of officers trying to enforce a 90-day rule upon thousands of illegal Airbnb-style lettings. If an operator is found to be carrying out very short lets in breach of planning, how does this look if the operator has an accreditation badge stating all is well and good?”

One apartment provider present at the meeting said: “It is almost a deal-breaker if you can’t provide duty-of-care. Yet there are some places where you have to bite the bullet. If you want to be in the middle of nowhere, you may have just one choice. In these locations, there are no brands.”

He continued: “How many apartment providers would be able to afford to comply? Corporates will

**25k** The estimated number of serviced apartments in the UK and Ireland

Los Angeles  
Rio de Janeiro  
Mexico City  
Chicago

# Oakwood<sup>®</sup> Knows Dublin

Shanghai  
Dubai  
London  
Tokyo  
Berlin

## Peter A.

Prefers to be close to the office

Likes cooking, loves dishwashers

Enjoys jogging by the river

Desires a dining area fit for entertaining

Wants room for relatives with weekends to spare

No matter the journey, Oakwood<sup>®</sup> is always the perfect destination. Our global footprint, regional presence and local market knowledge gives us the flexibility to customise our serviced apartment solutions to best suit your business requirements, wherever your job may take you. That's how we ensure every road leads to Oakwood<sup>®</sup>.

**Call or visit us online to see how we can help you today.**

Oakwood.com +44 (0) 20 7749 4460

OakwoodUK@Oakwood.com



© Copyright 2018 Oakwood. All Rights Reserved

# Oakwood<sup>®</sup>

come to us and will compromise as they have set a budget that would price them out of an apartment that has full compliance.”

CAP’s Hopgood said: “The biggest challenge is that for many clients, expansion is frequently into developing markets, where safety and physical security are even more critical from a duty-of-care perspective, but where there is sometimes a lack of visibility of local standards achieved. This is where global accreditation standards and assessors would provide more certainty.”

When quizzed on whether they would back the SAFFAA initiative, one travel buyer, who wanted to remain anonymous, replied: “If it’s a consistent methodology for accrediting serviced apartments then it probably wouldn’t do any harm, but I’d have to ask if it’s truly necessary.

“We don’t have a single consistent way to accredit hotels, we rely on the major chains to do that in the course of their normal business. If an agent or an operator rents us an apartment that is not safe or secure and we find out then we have the ultimate sanction of removing them from our programme – not so easy with an agent, I agree – so I’d say it’s predominantly done on trust.”

**Emerging market growth**

Growth is certainly not restricted to Europe and the US, according to the latest *GSAIR*. TAS’s annual report has been going since 2008 and is based on a survey of corporate buyers, serviced apartment operators and agents, as well as interviews with various buyers, suppliers, consultants and trade association representatives.

It also includes regional reports from the major markets, and 100 charts and tables, featuring units and locations in key markets as well as achieved rates.

As a result, it is well placed to identify emerging trends and notes that the sector, which was heavily US-focused a decade ago, is now becoming truly global with Africa and Asia seeing significant upticks.

When TAS published its first edition of the report, it estimated that there were 6,772 serviced apartment locations and a total of 401,997 serviced apartments worldwide. The US contributed 74 per cent of the locations and 76 per cent of serviced apartment units in 2008.



Quest Liverpool City Centre is the firm’s first aparthotel to open outside Australasia

**CONCERNS OVER EASE OF BOOKING**

While the quest for a global safety standard continues, a more pressing issue for one travel buyer in the financial services sector is ease of booking. Serviced apartments are a key part of the company’s accommodation programme, as the travel policy dictates that those on longer stays must use serviced accommodation because it is more cost effective.

“Not being cooped up in a hotel, having your own cooking facilities, a comfortable lounge and other homely amenities is a far more enjoyable experience; many travellers prefer this set-up,” says the buyer.

The problem with offering the company’s travellers serviced accommodation more frequently relates to their bookability.

“The best way to include serviced apartments in an accommodation programme isn’t available yet – and that’s side by side with your hotel programme and giving people

the choice,” says the buyer. “The fact that apartments can’t display live availability on online booking tools is a huge block here. If someone could crack that, their business would grow exponentially. Most corporates use OBTs and don’t want to have two separate sources for accommodation booking.”

The buyer says the serviced accommodation market is evolving and getting more competitive, which is helping to raise standards in the sector, but feels there is much confusion in the market about all the different accreditation schemes.

“I don’t recognise half of them and I’ve no idea what each of them does,” says the buyer, who has to rely on the booking agent to know whether an apartment is going to meet the company’s strict duty-of-care requirements.

“We expect them to only book apartments that they are familiar and happy with from all aspects,” he said.

**170**

the number of aparthotels Adagio will operate in Europe by 2023



# YOUR PRIVATE SPACE IN THE CITY

Indulge in the space of your own apartment at Citadines while enjoying the conveniences of a hotel in key bustling cities globally.

Opening March 2020

Citadines Islington London

• 108 Studios & 1-Bedroom Apartments

**citadines**

A PART' HOTEL

[www.citadines.com](http://www.citadines.com) | +44 (0) 20 3119 3405



## At Adagio, we do everything to make you feel at home

---

Spacious apartments with equipped kitchens, common areas to share moments of conviviality, a team always at your service and very attentive: it is no coincidence that you very quickly feel at home in an Adagio aparthotel. Over 110 destinations in the heart of major cities in Europe and around the world.

Explore our UK aparthotels in **London, Liverpool, Birmingham, Edinburgh and now Leicester.**

Stay, live, enjoy .....  
[adagio-city.com](http://adagio-city.com)

 **adagio**  
APARTHOTEL

The 2020 report reveals the total number of serviced apartment locations has now grown to 15,464 and the number of apartments has increased to 1,174,012. The US has now dropped to represent a 50 per cent share of the market in locations and 51 per cent in serviced apartment units.

Since the last edition of GSAIR, Charles McCrow, TAS's chief executive, notes that the total number of locations worldwide has grown by 17.5 per cent and the total number of units has grown by 14.75 per cent. In the previous period the growth was 22 per cent and 23.7 per cent respectively

Increasingly, these apartments are concentrated in the hands of major players. The 2020 report shows that the top 15 suppliers cover around 50 per cent of all serviced apartment locations worldwide and 58 per cent of all units. This list includes the likes of the hotel groups Marriott, Hilton, IHG and Accor, as well as providers that are known primarily for their apartments, such as Ascott, Oakwood and Frasers.

Accor, which boasts the Adagio Aparthotels and the Novotel Suites brands in its portfolio, is growing fastest of all the providers. Its portfolio has grown by a whopping 48 per cent in the past two years, mainly through the acquisition of the Mantra Group in Australasia.

Serviced apartments are starting to become popular in Africa. The continent has seen a 36 per cent rise in the number of apartments available, mainly due to larger chains like Ascott and Frasers opening up larger properties in the region. The 2020 GSAIR also reports that the 33 per cent growth in Asia is largely due to the ongoing expansion of Ascott in the region

Ascott said has opened up the 108-suite No 1 Oxford Street and Kwarleyz Residence properties in Accra, Ghana recently and, at the end of 2019, said it had signed up 25 new properties across Africa and Asia; the new cities it is heading to include Vung Tau in Vietnam and Abidjan in the Ivory Coast.

Frasers Hospitality opened its first property in Africa in 2017, the 126-unit Fraser Suites Abuja in Nigeria and is looking at others. Asia is growing fast too. The company has 18 properties in the pipeline in China.

Singapore has seen particularly fast expansion. The city state is the home market for Ascott and the group opened four properties in 2019. The first was the



Adagio, a joint venture between Accorhotels and the Pierre & Vacances Center Parcs Group, is expanding its UK portfolio

279-apartment lyf Funan Singapore in September, the first property under Ascott's lyf co-living brand aimed at millennials and "the millennial-minded" and Asia's largest co-living property.

This was followed by the 166-unit Citadines Balestier Singapore, the Ji Hotel Orchard Singapore and the 320-apartment Citadines Rochor Singapore, the largest aparthotel in the city.

Ervin Yeo, Ascott's general manager for the region, says, "We are on a strong growth trajectory, with our presence in Singapore expanding by 60 per cent in the past two years. We have a record opening of four properties this year and another four are expected to open by 2021."

Meanwhile, the 115-unit Fraser Residence Orchard opened in Singapore in August last year, taking the group's tally to six in the city state.

### Europe strides ahead

Europe has seen a 25 per cent increase in the number of units available, due to expansions and new openings in especially the UK, Germany and France, the organisation reveals in this year's GSAIR.

The 2020 GSAIR claims the serviced apartment sector is buoyant, with continued growth in the teens of per cent. Even though this growth has been tempered since the previous edition of the report in 2018-2019, its research shows that both supply and demand are in good health.

But as the sector continues to expand, more questions will no doubt be raised over the best way to establish common ground when it comes to setting safety standards. And with so many stakeholders, the goal of a creating and agreeing standard global accreditation may still be some way off.



Download the *Global Service Apartments Industry Report* at [apartmentservice.com/gsair](http://apartmentservice.com/gsair)

# 48%

The percentage Accor has grown its portfolio in the past two years

# HERE TO STAY

The serviced apartment sector is set to see multiple openings in major cities across the UK. **Mark Frary** rounds them up

**T**he trend for serviced apartments with self-catering facilities and options to share working and social spaces continues to gain pace. This year it is gathering more momentum, with numerous developments and complexes adding to inventory in the UK.

At the end of 2019, **Marriott** opened one of its Residence Inn properties in Bermondsey Street as the Residence Inn London Tower Bridge; it becomes the third of the brand in central London, joining the brand's 319-apartment property in Kensington, its largest in Europe, and another near London Bridge.

**Edyn** is opening the Locke at Broken Wharf in the heart of the City of London. The 113-key aparthotel is close to St Paul's and a stroll over the Millennium Bridge from Tate Modern. It features a soft, neutral design with plenty of wood, pastel colours, white marble and brass.

The group has a healthy pipeline for the Locke brand for the next two years: it opens in Southwark (143 keys) and Ormond Quay, Dublin (160 keys), in May, North Docks, Dublin, in October (241 keys) as well as properties in Dalston, east London (124 keys), north-west Cambridge (330 keys) and Aldgate (103 keys) in Q2 2021.

**The Ascott group** is also busy. It has taken on part of the redevelopment of the Royal Mail sorting office in Islington, north London, for its Citadines Islington London property, with 108 studios and apartments, ranging from 25 to 53sqm. It will open in the first quarter this year.

Looking ahead, Ascott plans to open its seventh UK property in Wembley in 2021. Citadines Wembley London is part of a mixed-use development with student housing and commercial space, and will offer 300 studio apartments.

**Cheval Gloucester Park** in Kensington reopened in January following a multi-million pound refurbishment. It includes 98 one, two and three bedroom apartments, as well as three five-bedroom penthouses on the upper floors.

This summer, **Adagio** – a joint venture between Accor and Pierres et Vacances Center Parcs group – opens a property in Stratford, east London, close to Westfield shopping centre with 100 two-person studios, 36 flats, a private gym and The Circle, a shared public space, including kitchens and co-working spaces.

## Indie brands expand

The independent sector is also likely to grow substantially during the year ahead. A block of 34 studios and apartments with a strong music heritage will open up in Liverpool ONE in summer

2021. **Project Sound** – a partnership between Mantra Homes and Nomad Aparthotels – will open up under the Nomad brand in former recording studios and performance space used by music acts, including Echo and the Bunnymen.

**Staycity** opened a new Edinburgh outpost in late 2019. Operating under the company's Wilde brand – a premium concept inspired by the Irish playwright Oscar Wilde – the property in the city's Grassmarket offers 128 studio, one-bed and two-bed apartments, as well as a gym, guest lounge and Staycafe. Wilde is also gaining a foothold in Cambridge. Planning permission was granted to redevelop the Park Street car park in the city and the local council has pledged to invest up to £90 million in the scheme. It will feature a 277-room aparthotel at its heart. Property developer Regal London has also announced it has secured a £29.5 million loan to build a 156-key Wilde property on east London's Commercial Road.

In Glasgow, planning permission has been granted for the headquarters of whisky company Teacher's on St Enoch Square. In a first foray into the sector for property developer Big Top Productions, the £6 million+ project will involve the creation of 25 serviced apartments.

**Native**, formerly Go Native, opened its first aparthotel in Manchester in September. The company has 1,000 serviced apartments in London, Manchester and Glasgow, but has now debuted its first aparthotel. Previously known as The Place, the aparthotel is in a 19th-century cotton factory and has 166 apartments.

**Supercity**, the family-run apartments provider which started in 2009 and has properties in Earls Court, Clerkenwell and Chancery Lane in London and Manchester's Northern Quarter, is opening a new property on England's south coast. The six-storey Q Square aparthotel opens in Brighton this year on the site of the city's former ice rink and will have 61 apartments.

“

The independent sector is also likely to grow substantially during the year ahead



At **Synergy**...  
we do enjoy  
a good puzzle!



**Providing serviced apartment solutions  
around the world can be frustrating.  
Good job we've got all the pieces.**

- **Global Reach with Local Expertise**  
– Offices Around the World
- **Multi-Model Inventory**  
– Aparthotels to Alternative Accommodations
- **Tailor-Made Housing Solutions**
- **Experienced, Trusted Housing Partner**

**emea@synergyhousing.com**  
**+44 (0)208 158 3204**



**SYNERGY**<sup>®</sup>  
GLOBAL HOUSING

**[www.synergyhousing.com](http://www.synergyhousing.com)**

# MIXED MESSAGES

Forecasts for business travel in South America are cautiously optimistic, but travel managers need to do their homework before operating in the region. By **Michael Baker**

**A**fter a turbulent 2019, corporate travel demand to South America appears set to rebound this year. In its *2020 Industry Forecast*, BCD Travel projected that the economies of all the countries in the region, with the exception of Argentina and Venezuela, should improve this year, leading to a “small increase” in business travel volumes.

All three of the largest US airlines, meanwhile, named Latin America as their strongest performing region in terms of unit revenue growth, and carriers within the region are optimistic as well.

“Business travel demand usually grows between two and three times a country’s GDP growth,” says Paola Penarete, vice-president for North America, the Caribbean and Asia at Latam Airlines. “In countries such as Brazil, which has positive GDP growth, we are seeing healthy and growing corporate demand.”

Travel management in the region, meanwhile, is difficult to pinpoint thanks to the vast cultural and economic diversity spanning the continent. Even as South America sees increasing consolidation and growth among its travel management providers, buyers still largely need to tailor policy and supplier relations specific to the markets where they have business.

“The most important thing here is that you have to identify Latin America as several different regions,” says Maren Hanschke, director of FCM Travel Solutions’ Latin America Network. “Normally, corporations try to look for global deals with suppliers, which is not, from our perspective, the best strategy. Each region is different and unique, and development and maturity, in terms of travel management, are not the same.”

Travel managers who push for global programmes with a heavy hand in the region will likely meet resistance, says Manny Balian, regional sales director and partner management Latin America at BCD Travel.

“Latin America is hierarchical,” he says. “If multinationals try to push a programme on to Latin America, the managers in each country will have the mentality, ‘Why are you telling me how to do business in my country?’ You have to do a good job of convincing that country’s general manager.”

## VOLATILE VENEZUELA

Corporate travel to Venezuela has all but vanished due to the country’s ongoing economic and political crisis. Those few travel buyers tasked with managing travel to Venezuela face herculean tasks, including simply getting there.

US carriers have pulled out entirely from serving Venezuela, though some European and local carriers remain in service there. Domestic air services, meanwhile, are “infrequent and unreliable,” according to BCD Travel, and only some of the higher tier hotels have managed to maintain service standards.

Travellers need to pay for hotel rooms immediately upon confirmation, as high inflation means prices are constantly changing. Currency volatility in Venezuela has led to a growing reliance on cryptocurrencies, says Manny Balian, regional sales director and partner management for Latin America at BCD Travel.

That’s when such managers exist. It’s still not uncommon for travel management to be handled as a secondary job at South American companies, with the chief executive’s main secretary, for example, responsible for arranging executive travel, Hanschke says. “It’s still seen as a side job or a ‘fun’ job, though there’s nothing

fun about it when you have to deal with local carriers not being available in channels or being proactive about duty-of-care issues, like the coronavirus,” she says.

## Technology landscapes

Travellers in many South American markets are quite tech savvy and, as such, online adoption for travel booking is quite high, particularly in Brazil, according to Balian. Technology also reigns supreme in Argentina, as it is home to a high population of tech entrepreneurs so a high online adoption rate is “easily achievable” there, according to Hanschke.

On an overall basis, however, the majority of business bookings across the region are still made offline, says Jose Camarena, American Express Global Business Travel’s vice-president and general manager for Latin America and the Caribbean. As such, travel management suppliers tend to support omnichannel servicing tools that can also handle bookings made by phone and email.

“We love being face to face, and we love taking our time,” Hanschke says. “So, you still need to provide personalised service.”

In addition, offline bookings can actually be cheaper in some cases in South America, as online fees can be more expensive because of the cheap cost of labour, she says.

The availability of chat technology for servicing is becoming increasingly essential in the region, as WhatsApp and similar tools have become a preferred method of communication. This is especially the case in Brazil, where WhatsApp is established as a business model across industries, says Wellington Costa, director

for Latin America at TCG Consulting. It's not uncommon in Brazil, for example, for doctors to issue prescriptions via WhatsApp, he says.

That speaks to Brazil's incredibly high level of mobile adoption, where the total number of mobile devices averages 1.5 per person among the population of nearly 210 million people.

"There's no comparison to Brazil," Costa comments. "If you go into the mountains, everyone is still talking on their phones. You go to the beach, and they have wifi, and people are on the beach with their phones and iPads. It's amazing."

Even so, Brazil presents a particular challenge in online adoption among South American countries, as its two largest airlines, Gol and Azul, do not provide content through GDSs, which means travel managers and their TMCs need to establish a workaround. However, Camarena points out that in other South American countries, air content is largely available via GDSs.

Hotels are more of a mixed bag across the region in distribution terms, with the major chains available via the GDSs, but many of the local chains and independent hotels preferring to keep their content out of them, Balian says.

Certain industries have to do much of their hotel booking offline, such as mining companies that often are dealing with small guesthouses and properties in the remote locations in which they do business, Hanschke says.

The big hotel names are "expanding rapidly" in the region, led by Accor, as are local brands,

“

## Travel buyers sign RFPs with Avianca, Latam and Azul, and they've committed 120 percent of their share, which is totally nuts

according to BCD. However, the supply is fragmented, so discounts largely must be negotiated at the property level.

Still, overall hotel occupancy in Latin America is only in the range of 50 per cent to 60 per cent, and lower-priced hotels are opening continually, so average rates are falling, according to BCD. Rates usually include "a hearty breakfast" regardless of the country, Balian says.

Buyers in the region increasingly are seeking deals with aggregators, such as Expedia or Booking.com, to get greater coverage, Hanschke says. Airbnb also has had tremendous growth in the region and TMCs are helping to facilitate those bookings to add a duty-of-care element. Extended-stay hotel brands with kitchens and other home-like amenities are growing in popularity as a result as well, Costa says.

In terms of procurement decisions, cost largely is king in South America, Camarena says. "There are companies starting to ask about their sustainability footprint, and there are large

global corporations more concerned about the overall value of travel," he explains. "However, I'd say the majority of corporations in the region are still looking at the cheapest option available in the market."

### Up in the air

With airlines, because of the varieties in currencies across South American countries, none of which are as strong as the US dollar or euro, pricing can be a challenge, TCG Consulting's Costa says. Low-cost carriers generally "don't exist" in the region, according to Costa, because airlines that follow the low-cost model tend to be as expensive, or cost even more than the full-service carriers.

When negotiating, buyers often overcommit to the region's airlines, too. "Travel buyers sign RFPs with Avianca, Latam and Azul, and they've committed 120 percent of their share, which is totally nuts," he says. "The airlines often don't try to teach or educate the buyers about this, because they want to make as much as they can."

At the same time, the region's major carriers are tightening their bonds with US carriers, which will alter corporate contracting dynamics in the region, according to BCD Travel. After a failed attempt at a joint business agreement with American Airlines, Latam is forging a business agreement with Delta Air Lines, including a US\$1.9 billion investment from Delta.

American, meanwhile, is in the early stages of a new agreement with Brazil's Gol, and United is building an agreement with Avianca and Panama-based Copa, with Azul likely to be pulled in eventually as well.

Ground transportation policies also vary from country to country. While ride-hailing apps are growing, they are facing regulatory challenges, such as Colombia's ban on Uber late 2019. Car rental's growth rate has outpaced air travel growth rate in some countries, Camarena says.

"We thought that Uber was going to grow faster from a corporate travel standpoint, but travel managers are using car rental more," he says. "As different markets start regulating, it's an obstacle for the travel manager."

In Brazil, however, car rental is expensive, due to high insurance charges related to the high rate of car thefts, Costa says. Uber has become dominant in Brazil, particularly in Sao Paulo.

"Nobody uses cabs or even drives their own car," Costa adds. "Parking and traffic are a mess in all of South America's big cities."



Brazil: Tech adoption is high, but online booking tools are hampered by lack of airline content in the GDS

# Learning to fly

During my first business trip since a nervous breakdown two years ago, coping mechanisms helped me overcome some, but not all, of the anxiety



BY ANDY NEILSON

It has been nearly two years since my breakdown – an event that was only a surprise to me, it seems. There were a number of reasons, but being a business traveller was key.

Why? Because I didn't recognise there was an issue. I approached business travel in the wrong manner, with a degree of arrogance even, thinking I could handle so much pressure.

In the past two years I have changed just about everything you can work-wise, but the need for business travel will remain a constant.

My biggest fear since changing so much about my working life was international travel. The thought of travelling alone for business made me feel scared and nauseous, due to the lack of my support network – my family. There are also different pressures that come with business travel: you need to deliver, be on time everywhere and appreciate different cultures.

Having avoided international travel for two years, I could not avoid it forever if I wanted to grow my business. I decided to take the plunge and accept a business trip to Abu Dhabi.

## Time to acclimatise

I booked the flights, researched hotels, checked out the local taxis – I was prepared as best as I could be and fortunately could book travel to suit me, as there was no policy to follow. On the day of travel, it should have been easy, but there were butterflies, nausea and anxiety.

I was flying out of Heathrow on a Friday afternoon, giving myself time to “acclimatise”

in Abu Dhabi, but faced football ground-sized crowds at Terminal 5. I made my way through check-in and security, but anxiety levels rose due to a couple, also being fast tracked, who were disgusted when I did not offer to let them through ahead of me because “they were silver card holders”. I almost headed home.

Security and social ignorance navigated, I found the business class lounge busy with little

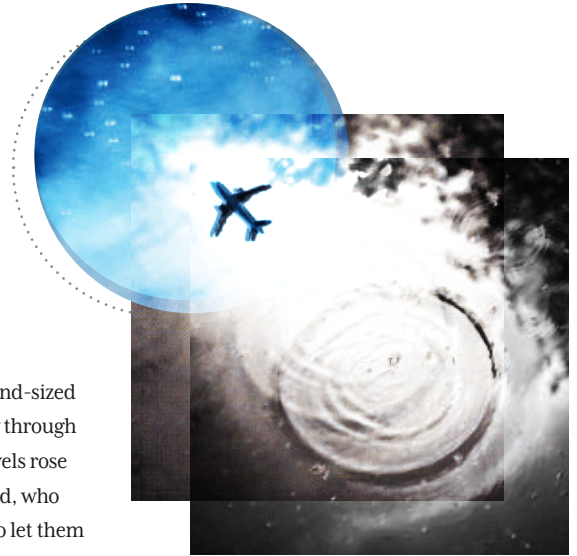
“

## It was great to see British Airways staff were all aware of the ‘hidden disabilities’ scheme

food and few functioning coffee machines. I survived just ten minutes before relocating to the gates. I wonder how many business travellers’ anxiety is triggered by a process that is ironically supposed to do the opposite?

The gates were quiet. At Starbucks I was able to sit down and regain my composure and, for once, I resisted rushing to board after the announcement. However, while waiting for take-off the pilot said: “Ladies and Gentlemen, we have a slight technical problem.” We disembarked, I returned to Starbucks and waited for seven hours for the new Boeing 777.

My anxiety levels stayed steady as I had factored in extra time before meetings, whereas



two years ago I wouldn't have had that luxury. I was grateful to the brilliant British Airways staff who made sure I was OK; it was great to see they were aware of the “hidden disabilities” scheme.

The flight was quiet. On arrival, customs and baggage retrieval went smoothly. Finding a taxi for the 45-minute trip to the city was painless.

## Safe strategy

Is travelling this time round different? Yes. Is it still challenging? More than I thought possible. But the preparation helped. I knew to expect dodgy moments – those flashes of “weakness”, as I would have called them before.

For anyone anxious, be prepared to have these moments and have coping mechanisms ready, even if it's just taking time to compose yourself. I also made sure I got out of my hotel room – another danger of business travel is working because we have “nothing else to do”.

Previously travel was a mixed bag of anxiety and pressure. I had to travel because somebody else told me I had to. Now I'm travelling to develop my own business. And so recently, I found myself planning my next business trip.

● Andy Neilson is the co-founder of procurement and training consultancy *Twisted Orange*

# Disruptive technology? Whatever next.

Travel technology moves fast. We keep ahead by embracing the very latest developments. So whether the future brings disruptive new tech, new data or new thinking, we'll plug it straight in and continue to evolve, Bring it on.



Happy to help manage your business travel.

+44 (0)20 7650 3106 | [fello.co.uk](http://fello.co.uk)

**FELLO**  
by your side on your side

# TRAVEL IS POWERFUL

---

At Reed & Mackay, we know this better than most.

We recognise the importance and impact of travel.

Understand the way it shapes our world.

Shapes our environment, our communities, our perspectives.

We understand that we need to harness the power of travel.

To have a positive impact.

Use our intelligence to deliver travel with care.

Take inspiration from our conscience.

Change the way we make decisions.

Do more than think about how we make profit.

Do the best for our clients and our world.

To take the extraordinary steps needed.

To improve and protect this extraordinary world.

To do a world of good.

[reedmackay.com](http://reedmackay.com)



**REED & MACKAY**  
EXTRAORDINARY TRAVEL MANAGEMENT