

Hidden Business Travel Savings in Big Data

How companies can use technology to predict future costs and increase savings



Introduction

Big Data. It's big. But it's not just for the biggest corporations anymore. In fact, any serious company that oversees the consistent business travel of its employees can, with the right technology, use big data to help them determine where their travel spend is going, predict future costs, and plan accordingly to increase their savings.

When it comes to making smart travel management decisions, more knowledge is power.

Still, it's all about quality over quantity and with the deluge of data available, it's important to have access to the right data. As a travel management professional, there are certain measurements and observations that you must stay on top of in order to best take advantage of the information at your disposal. This whitepaper, brought to you by Egencia® and AirPlus International, will present an overview of the Big Data that matters to companies like yours, focusing in particular on how the utilization of centralized billing and booking platforms will transform the way you manage your travelers and your travel program.

What is Big Data?

Over the years Big Data has been defined in many, many different ways. It's an all-encompassing phrase that some C-suite marketers like to throw about and there's no doubt it's been hyped up. But, for those of you who have buried your head in the sand, it's time to come up for air. We are officially in the era of Big Data and it's vital that everyone is on the same page. Simply put, Big Data is a collection of data that is both structured and unstructured from both traditional and digital sources from both outside and inside of your company. This data is analyzed to reveal patterns, trends and associations related to your consumers. Sounds unwieldy? It is. So let's break down what this really means.

Traditional and Digital Sources

When defining Big Data some people only consider digital inputs, like web behavior and social network interactions. However, it is important to include traditional data that is derived from seemingly old-school product transaction information. The information you may derive



from interaction channels such as a call center and point-of-sale is still Big Data—even if it is dwarfed by the volume of digital data that is now available to us.

Big Data and Business Travel

With the arrival of Big Data comes the promise of revolution in the world of corporate travel. Like many industry professionals, travel managers are keen to put to use the data from business transactions, travel expense reports, and more. While travel suppliers may be using this technology to enhance their services, travel managers really want to know how Big Data will solve some of their business challenges.

While the information that travel managers care about in the era of Big Data is the same as it always has been—airline costs and hidden fees, airline travel frequency, hotel costs, hotel stay frequency, price fluctuations, transportation costs, spend per department, agency fees, etc., etc.—there are two systems in particular that are must-haves for those who hope to truly capitalize on this stockpile of data now at your doorstep: AirPlus International and Egencia[®].

Control Spending with Centralized/Virtual Payment Solution

Until an organization can access and analyze all of the information available, no one can truly appreciate its value. A travel payment solution will connect and centralize data, allowing professionals in charge of managing travel the opportunity to predict the amount they can save—be it by streamlining entire business processes or working with preferred vendors.

For travel managers in particular, a centralized/virtual payment solution that understands the ever-changing

data flow within their organization provides real-time, immediate insight into both main travel costs and ancillary travel costs. It is the easiest way to leverage data on the front end. And, by translating data feeds from multiple networks and GDSs, travel managers now have access to more quality data than ever before—all in one place.

With the escalating adoption of mobile technology to bill expenses, travel management companies with a robust centralized/virtual payment solution will stay in control of spending, allowing for educated negotiation with vendors, and keeping compliant with your organization's travel policies. Here's how:

Automate and Analyze

By automating expense reporting, each and every employee - from road-warrior to department head - will save the company time and money. But getting rid of outdated manual expense processes is not the only benefit. A centralized/virtual payment solution will help managers easily identify new cost-saving opportunities, such as spending trends by mode of transport, by client, by country and/or by employee, which in turn minimizes out-of-policy spending.

The centralized/virtual payment solution offered by AirPlus International is the gold-standard solution that not only shines a light on your travel data, but also helps you to manage and analyze it. For example, stay on top of employee spending habits by importing all payment details into one report. This seamless ability to add additional accounting relevant data at time of booking provides you with a complete view of expenses incurred on a business trip, so you will know exactly where and when unexpected costs arise. In addition, this same expertise in data allows organizations to receive a fully reconciled, customizable invoice that integrates into a company's T&E and GL/ERP systems automatically.



allowing for a seamless, no-touch end-to-end solution.

For example, in the below report you will see the year over year change in the average cost per ticket by each department within this company. This is one way to drill down to see if there is opportunity to reduce costs based on purchase behaviors.

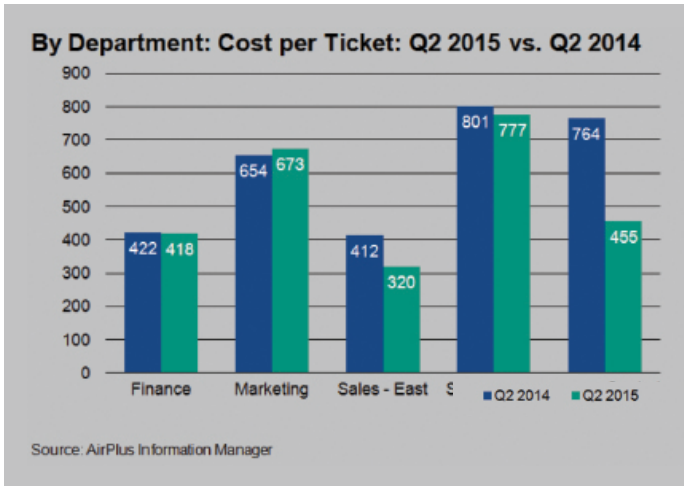


Figure 1

Missing data? AirPlus' system has a data-refining tool, which means that all transaction information, be it from an airline, hotel or a car rental company, is thoroughly checked for missing details and/or errors.

Negotiate! Negotiate! Negotiate!

Complete data is not only the only way a travel manager can truly target cost-cutting; it is also the basis for negotiations with vendors.

Airline vendors and specific flights are also ripe for negotiation. For example, imagine your company flies the Chicago-Dallas route with the highest frequency and you realize this spend is over three different airlines. With total annual spend data available at your fingertips (as seen in Figure 2), you are able to meet with all three airlines to negotiate discounted fares for this route.

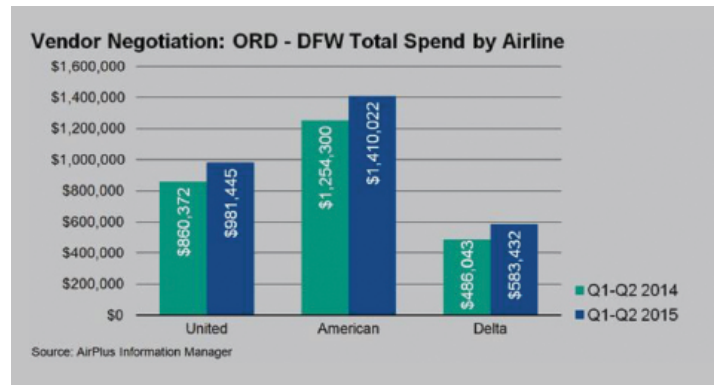


Figure 2

In Control and Compliant

While the promise of serious savings is an important enough reason to invest in a centralized billing system, the ability to stay in line with constantly evolving travel policies is another. In the below example, you will see that this company's employees are required to travel in economy class and should travel on either American or Southwest. This report illustrates both the class of service (where a number of travelers are out of compliance) and that two other airlines are being used in addition to the two preferred airlines. In one fell-swoop, this travel manager can take control.

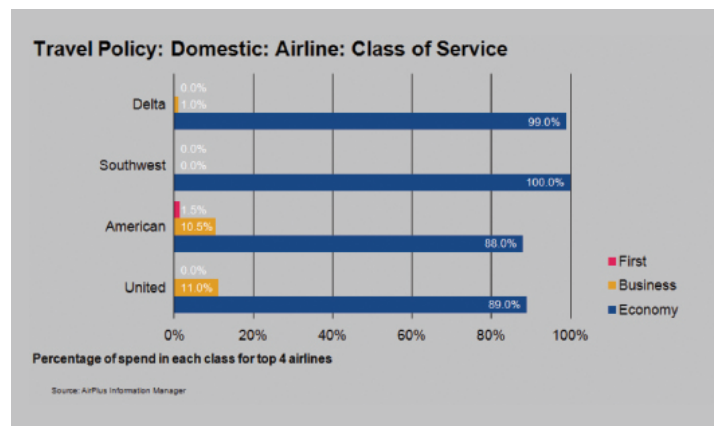


Figure 3



Streamline Costs with Centralized Booking Systems

Those companies with centralized booking rely on a mix of technology and customer service to help book flights, cars, trains, and accommodation for their employees on the road. The beauty of centralized booking is its flexibility and efficiency. Employees can self-book their own trips, or companies can choose to funnel everything through a travel arranger. According to Egencia® UK, where the centralized model is more prevalent than in North America, travel arrangers make seven times more bookings than self-bookers on average. These rock-star arrangers would have their work cut out for them if it weren't for a system that simplifies their often complex tasks; delivering greater efficiency with a single point of resolution.

Indeed, a unified solution such as the one offered by Egencia®, used for both online and offline bookings, offers agency support and technology that work in seamless tandem. Your company's travel program will benefit from not only cost savings, but faster service delivery, consistent policy enforcement for offline or online bookings, and relevant, real-time reporting that allows for immediate decision making and personalization. Let's dive a little deeper, shall we?

Cost Control

A centralized system that grants you immediate, easy to read access to your company's travel data allows you to keep track of your team's specific travel patterns. Are you constantly sending employees to the same locations? As in the example previously shown via an AirPlus case-study, are they flying the same air carrier or staying in the same hotels? If so, not only will you now have leverage to negotiate discounts with preferred suppliers based on your travel volume, you will better understand where

to allocate money, and where to increase or decrease inventory for future trips.

In 2013, when travel management at Newell Rubbermaid (the global marketer of iconic consumer and commercial brands such as Rubbermaid®, Sharpie®, Paper Mate®) was transitioned from HR to procurement, the new team was tasked with viewing the travel program through a different lens in order to understand spend at a very granular level and increase both cost-savings and traveler productivity. Egencia's Traveler Dashboard, reporting suite, and power tools provided them with this travel data in real-time, allowing managers to closely monitor spend and compliance, generate reports at a moment's notice, and continually fine-tune travel policy. (The addition of the TripNavigator mobile app on the phones of all new hires also helped them seamlessly manage travel changes on the go.)

The project initiatives that were rolled out as a direct result of the data learned from Egencia's reporting tools returned 8% in travel savings for Newell Rubbermaid that first year, and an incremental 11% in 2014. They also realized an additional 10% in strategic meeting savings within a matter of months by leveraging Egencia's Meeting and Event services (but that's for another whitepaper!).

Corporate Travel and Duty of Care

You care about your travelers because you know that in looking out for them you are also looking out for your company. But this is more than risk management—promoting trust amongst your employees increases productivity and engagement, guaranteeing a nicer 9-5 for everybody.

Any form of business travel, but particularly international travel, is risky for everyone involved. It is imperative that travelers stay informed and connected when they



are on the road, and can seek easy-to-find solutions should something go wrong. An innovative, centralized technology platform is your best bet to ensure your employees are well cared for in a time of crisis. Not only do you know what hotel they're staying at and which flight they're on—you can also offer them easy access to travel information and up-to-date safety procedures.

Personalize with Smart Data (and a Smart System)

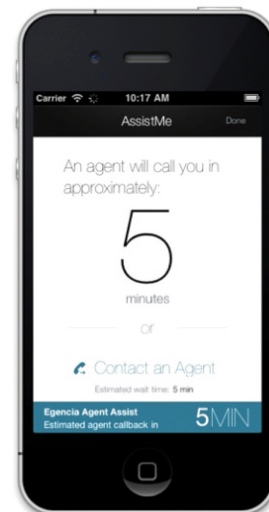
With the advent of Big Data, especially online, your employees and your clients are more transparent than ever—their wants, their preferences, their needs are all documented via various social media channels, surveys, and questionnaires. Giving them what they want not only keeps your travelers happy, it will make life easier for you as well by saving you precious resources and time.

Personalization is key when it comes to integrating your booking platform. Egencia's iPad app, for example, provides your team with a personalized homepage for each individual traveller.

By leveraging insights gained from previous trips, the app proactively proposes unique search options in the first step of the search process. Using adaptive search technology, a traveller can take advantage of Egencia's Similar Flights feature, specifying what they liked about a previous flight for more tailored results.

All of Egencia's apps also provide an AssistMe function where travelers can click to call an agent if they require

help, and the agent will call back within minutes, already armed with the traveler's name and itinerary number. This is not only convenient for your employee, it also ensures that they can make contact in an emergency, should they need immediate assistance.



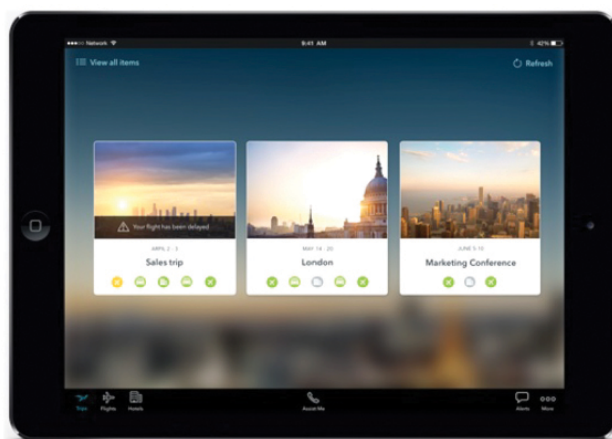
Conclusion

Making intelligent business decisions without the relevant data is difficult. But, with the advent of Big Data, we are all at risk of drowning in too much unnecessary information. Choosing the right system supplier to analyze your company data is crucial. Platforms such as those provided by AirPlus International and Egencia[®] are seamlessly integrated and ensure all booking and expense information is centralized. This will make life easier for your travel managers to report on a multitude

of performance indicators, provide critical insight into the ongoing refinement of travel and expense policies, as well as identify areas where better deals could be negotiated with suppliers.

Beyond the countless cost-saving opportunities available with such tools outlined in this whitepaper, your employees will find it exciting that their time will not only be saved due to the automation of

once-tedious processes (such as expense reporting), but also enjoyed, knowing that the tools they now have access to are personalized just for them—and can help protect them too, when on the road.





About AirPlus

AirPlus International Inc is a specialist in business travel payment solutions. Our solutions help businesses track, negotiate, monitor and auto-reconcile business travel services such as: air/rail, rental cars, hotels, etc. Our industry best AirPlus Company Account provides the highest data accuracy with the deepest level of travel data for our customers to use to leverage their travel spend to negotiate with travel providers and to ensure travel policy compliance all while reducing the risk of payment fraud. For more information regarding AirPlus International or their solutions please contact Jeff Derr at jderr@airplus.com or 703.894.2614.

About Egencia®

Egencia® is Expedia, Inc.'s leading business travel management company where technology and service meet. We make travel easy for the modern business traveler while helping companies drive cost savings in their travel programs. To learn more about our services and request a demo, please visit our website at www.egencia.com or call 1-866-328-0110.