



Simplifying complex travel programs

How the global business travel platform is transforming corporate travel

By Alex Kaluzny,
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Introduction

Business travel is undergoing a major change. A survey of travel managers by *Phocuswright* revealed that while cost savings are still the highest priority, the percentage of travel managers who give it high importance dropped from 59 percent in 2015 to 47 percent in 2018.

Policy compliance, which was the second most important issue in 2015, is now in fifth place. The new number two issue for travel managers is improving traveler well-being and satisfaction, with 40 percent of travel managers believing it's very important. Additionally, influenced by consumer travel sites, business travelers now expect a frictionless online and mobile experience. *Phocuswright* also found that additional mobile and tablet functionality is a strategic priority for 49 percent of those managing travel programs.¹



40%
of travel managers believe
traveler well-being
and satisfaction
is important



58%
of executives said a strong
travel culture that uses a
travel management platform
is very important to their
business





These changes represent a major shift toward more engaged travelers. Travel managers want more control and policy compliance without negatively affecting their travelers' experiences. At the same time, companies with large travel budgets want to find savings and a way to economically process travel expenses. For large international organizations, the use of various separate travel management and booking tools can no longer support these needs and expectations. In response, the business travel industry is offering a new kind of travel management platform. As exemplified by the Egencia platform, the new generation of travel management platforms are unified and digital.

Our global business travel platform connects all the touch points in the business travel process. It spans every device used by the traveler, travel manager, and the corporate back end. It collects data from all touch points and makes it available for reporting and analysis. Algorithms enable

improvements in the overall travel process. With these features working in concert, the platform enables the simplification of complex travel systems in large, geographically diverse organizations.

Above all, a global business travel platform needs to deliver value to every stakeholder involved in corporate travel. The features we've built into our platform deliver a full-service model to our customers that creates value for organizations, travelers, travel managers, and supply partners.

Building a unified digital travel management platform is a challenging process. It's a never-ending process, too. Let's look at how we built our platform and how its innovative architecture works to improve travel management and travelers' experiences.

The modern travel platform is a comprehensive travel tool for travelers and travel managers that offers locally relevant travel choices in the context of global reach.





What is a travel management platform?

This may seem like an unnecessary question. Doesn't everyone know what a global business travel platform is supposed to do? The reality is that the definition and purpose of the corporate travel platform is changing. It used to be an interface (usually green-screen emulation, or near to it) for looking up flights and ordering tickets from preferred airlines, making car and hotel reservations, and so forth. This is still a major piece of travel platform functionality, but today's digital platforms do a lot more.

The modern travel management platform is a comprehensive travel tool for travelers and travel managers. It facilitates planning and approvals for entire trips, inclusive of airfare, hotel, cars and other services like airport transportation, insurance, and visa procurement. The platform offers travelers locally relevant travel choices, but does so in the context of global reach. The travel manager can set global and local policies on the platform and track compliance. The platform also offers rich reporting and data analysis capabilities for travel program review and future planning.

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Building a global business travel platform

Architecturally, the new travel management platform behaves like a single application that connects to multiple front-end devices and multiple travel suppliers. Our platform provides the traveler with continuous access to cohesive trip information across mobile devices (smartphones, tablets), desktop, and phone-based agent support. The travel manager has an additional interface to look at travel data in aggregate and manage the company's travel program. The platform also connects with expense management applications, general ledger software, and third parties like the global distribution system (GDS) or credit-card processing companies.

This all sounds good, but actually building such an architecture took substantial effort and a lot of planning. Our guiding principle in constructing the platform was to build it once for every customer in any location. Everyone who uses it starts out with the same experience. And each customer can customize it for their regional and overall organizational needs. As challenging as it was, we found this approach to platform design has paid off.

Advantages of a single platform approach to travel management

Our customers want scalability on a global and regional basis, as well as across business divisions. The companies that benefit from a global business travel platform are often dealing with complex logistics, multiple locations, materials sourcing, remote data centers, launches, and so forth. Simplifying travel systems in this kind of environment takes a single travel platform.

To understand the advantage of the single platform, it helps to see the deficiency of the status quo. In the absence of unified platforms, most companies relied on multiple travel management companies (TMCs). These often varied by territory, and even within a given region or business division. A multinational company could have half a dozen or more travel booking tools in use. Travelers might also use consumer booking tools or call hotels directly to arrange trips. This makes visibility on spend and optimization of global travel programs even harder.



77%
said a single TMC
solution contributes
to a healthy travel
culture



This isn't an effective way to manage travel — at least not from the perspective of strategic cost control and policy compliance. After all, it's possible to drive costs lower if there's no concern about the impact of those cuts on the business. But when considered from a strategic viewpoint, travel is a driver of better customer relationships and business growth.

For example, [research from Harvard Business Review Analytic Services, in association with Egencia](#), found that 58 percent of executives surveyed felt a strong travel culture is very important to their organization's business performance. A further 50 percent of those who worked in organizations with a strong travel culture have seen significant improvements in customer loyalty and retention over the past year. Using multi-tool systems impedes these types of outcomes.

Covering every travel touch point

Traveler experience is paramount. Companies want their employees to focus on their work, not on travel details. They also want their people to have little stress when traveling so that they can arrive at their destination ready to do business. [Positive traveler experience also correlates with high policy compliance.](#)

Another report from Harvard Business Review Analytic Services, in association with Egencia, bolsters this notion: 77 percent of respondents who say their organization has a healthy travel culture have a single TMC solution in place.

We made having a positive travel experience a core objective of the platform development process. To us, this means creating what we call a connected experience. With an effective platform, the traveler is always connected,



regardless of location or device. Whether it's the mobile app, a web browser displaying the platform's interface, a laptop or a phone call to one of our customer service agents, the traveler is always connected to the platform.

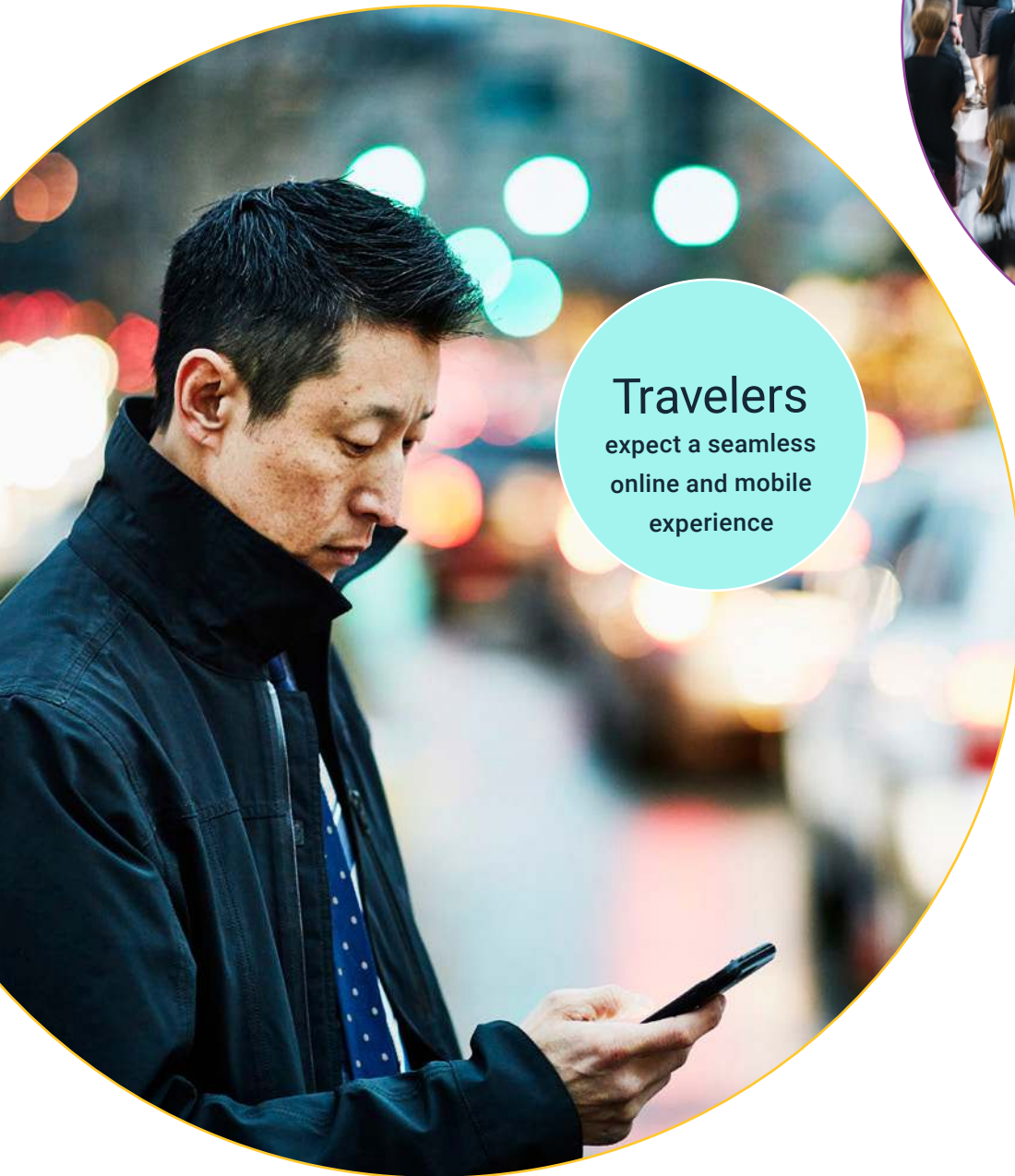
Our platform aggregates online and offline bookings. This means that our customer service team has access to the same information as your travelers, including the details of your corporate travel policy. Whether your travelers book online or with one of our travel agents, you can be sure they're adhering to policy. This facilitates the traveler experience while ensuring policy compliance. And since all the data that's generated by any type of booking is centralized, our single platform makes it easy to analyze traveler data.

For example, a traveler might start booking a trip on our app, which is part of the platform. They could then resume booking the trip on their laptop because the same booking details are presented in the browser since they were carried over from the app. The same policies are also always in place regardless of the booking touch point.

A single digital travel platform can – and should – facilitate personalized travel booking.

The platform's connection to every touch point should be consistent across an organization's entire geographic spread. [Zeb](#), an international consulting firm that uses our platform, has an end-to-end process for managing business travel. It's the same in every country where they operate, even when the travel involves multinational teams.





Travelers

expect a seamless
online and mobile
experience



“They all use the same tool,” Dr. Christian Spieker, head of corporate services, said. “They all have the same experience, so it’s the same for everybody and it’s a great thing.”

Touch points might be outside of the platform, but they should still ideally connect with travelers and traveler managers’ experiences. [Starbucks](#), for example, likes the integration between our platform and their employees’ work calendars because their travelers are able to manage travel from their calendars and can filter and sort in-policy travel options.

Collecting all travel data

Given the importance of data in travel management, having a single source for all relevant travel data is a major advantage. A study from IDC underscores this point. It showed that more than 80 percent of business leaders surveyed from sales, HR, procurement and other departments agreed that issues arise because companies are equipped with different internal systems and applications that don’t interface with each other.





Forty-three percent of the surveyed staff said they often have to copy and paste or re-enter information, which wastes time and hinders productivity.²

The data collection capabilities in our platform make it possible for travel managers to know how their programs and policies are performing in all their markets. They can stay on top of policy compliance and look for savings opportunities.

Adam Massigeh, category manager at [Egmont](#), a Nordic multinational media group, said the centralization of the company's travel data was extremely valuable to them.

"For us, it's really important that we have the data somewhere central in the company and then we decentralize it out to all the employees. When I call one of the travel managers, it's very important for me that

they know everything about their company and also all of their travelers' travel patterns.

"Once a year, or twice a year, I look up how the spend has been the last year or six months," he added. "Then I look into are there any vendors or potential hotels that we have a high spend on, but we don't really have any deals or contracts with."

Data aggregation in the platform also gives us insights into new features and algorithms to build to improve the travel experience and save our customers time and money. From a back-end integration perspective, having a single source of travel data keeps things simple. It's no longer necessary to connect expense management and general ledger systems to multiple travel tools.





Aligning corporate travel with business needs

Deploying a travel management platform on a worldwide basis presents a tension between universality and customization. Universally, the platform must provide the same connected experience for every touch point worldwide. Egmont takes advantage of this capability.

The company manages more than 100 subsidiary entities and Massigeh said his travelers “see the same platform and the same layout” wherever they work. To Egmont, this is important because they have people moving between their subsidiary companies and our platform helps them to be much more flexible in their operations.

Another example is [Kaspersky Lab](#), a global cybersecurity company. Their travel managers also oversee a corporate travel program of significant scope – the Moscow-based international company supports more than 400 million users with 270,000 corporate clients. Like Egmont’s travelers, Kaspersky travelers have the same booking experience wherever they’re located, regardless of destination.

Starbucks likes the integration of our platform with their travelers work calendars to let them manage their travel.



“This is important, not just for the booking experience, it’s important for the whole travel experience,” Irina Kostyukova, head of business travel, said. At the same time, the platform must be able to adapt to any number of local nuances and client configuration preferences. For example, a customer may need to make regional airline routes available in certain countries. There may be regional hotel chains with special rates for certain countries, but not others. Rail service might be preferable to air travel in some locations, and so forth. Our platform [supports](#) these kinds of location-specific travel options and our customer support is available to travelers in more than 30 languages, further supporting a universal platform with local applicability.

Personalized business travel experience

No matter how big an organization may be, what matters to the business traveler is their personal experience. This insight aligns with an Accenture study on personalization that found 91 percent of consumers prefer brands that make personalized offers or recommendations. Almost three-quarters of consumers are willing to actively share data in exchange for personalized experiences.³

We wanted to build our platform once for every customer in any location so that everyone using it has the same experience. This approach has paid off.





With this in mind, a business travel platform can and should facilitate personalization of travel choices that are available to travel managers and travelers in the booking experience. For example, our platform can personalize the experience more than consumer travel sites because we know who the traveler is when they log in to the platform. Even if the traveler is booking travel for the first time, we know the travel patterns of their co-workers, which allows us to provide them the best options.

Our platform delivers personalized sort with Smart Mix to further benefit travelers and travel managers. For instance, in the third quarter of 2019, 90 percent of hotels selected were in the top 10 search result positions. Search results are sorted by preferred hotel, reducing the need for additional searches or time spent scrolling through results.

If travel options are personalized, people can make bookings more quickly and efficiently. With our platform, it typically takes travelers less than five minutes, or 17 percent faster, to book air and less than four minutes, or 34 percent faster, to book hotel or rail than other business travel booking tools. You save time

because our platform has a machine learning algorithm that looks at travelers' booking histories and the travel history of their co-workers, in addition to the best deals, highest-rated hotels, and a multitude of other factors.

We know firsthand how well this works. Our headquarters relocated from Bellevue, Washington, to Seattle and is a perfect example. Before the move, employees flying into Seattle for meetings would see hotel options in Bellevue. After we moved to Seattle, our travelers are seeing hotel options near our new headquarters. They didn't have to update their settings or email a travel manager for help. Our platform quickly detected the change in our headquarters address to deliver the most relevant hotel options available to our employees.

Platform-driven savings

Use of a business travel platform should lead to overall savings in terms of time and travel spend. [Nasdaq's](#) global head of procurement said, "with Egencia we've been able to create a multifaceted view into our travel spend, allowing us to identify and act on cost savings opportunities in real time."





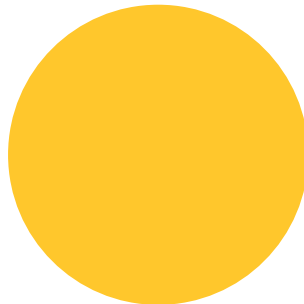
Our Fare Savings Finder offers an example of how our platform delivers savings. With this feature, we're able to monitor the price of certain flights booked by our travelers. If our platform finds an identical flight (route, seat, amenities, booking class, airline), the platform rebooks the traveler at the cheaper rate, sends an email to the traveler, and the business saves money from the lower fare. Over a six-month period in 2019, our customers saved between an average of \$145 and €595 per ticket.

The platform's ability to drive cost savings has helped Starbucks. Travel managers at Starbucks regularly review travel spend data and analyze savings opportunities. Through this process, they're able to analyze metrics like average ticket price and nightly hotel rates for their employees who travel. They can monitor adherence to policies like booking within an advanced purchase window.

Starbucks leverages the platform for savings even further, setting up an informal competition between business units to see who's the smartest at managing travel spend. The Starbucks travel team is then able to identify cost spikes or areas of improvement for each unit and business units in each country and use historical travel data to develop a yearly plan based on their unique travel needs and performance.

‘ With Egencia, we've been able to create a multifaceted view into our travel spend, allowing us to identify and act on cost savings opportunities. ’

— Global head of procurement, Nasdaq



Our [dynamic reporting interface](#) gives travel managers insights into who is traveling the most, where they're going, and what they're spending. Being able to identify the top spending travelers and the most common destinations can help with travel policy development. For instance, if the top traveler in the company is not someone who should be traveling so much, that's an opening for new policies to limit such seemingly wasteful behavior. Alternatively, managers can use reports to see if the top travelers are compliant.

Accurate, comprehensive reporting should also highlight opportunities to strike better deals with suppliers on a global basis. An international company can leverage our platform to realize deals and savings if they can show their global buying power in reports to a supplier. For example, if platform data reveals that London is the company's number one destination, then the company is in a position to negotiate the best possible preferred rates with hotels and airlines serving London.

Savings through a better approval process

Nasdaq has realized savings by introducing a pre-trip approval process on the platform. This marked a major cultural shift at the company. Nasdaq travel managers credit our platform's flexibility and automated approval processes with a smooth transition to a new way of booking travel. The platform-based approvals enabled Nasdaq to save \$500,000 in travel in six months. This marked a 32 percent reduction in travel spend.

Online adoption also jumped. The platform launched at Nasdaq in the US in 2010, but the company had only reached a 30 percent rate of online adoption by 2016. The new approval process led online adoption to climb to 61 percent during this same six-month period and by 2018, adoption rose to 85 percent. The amount of time required to manage the travel program also fell by 50 hours per week.



Platform-based approvals let Nasdaq **save \$500,00 in 6 months**



Savings on the back end

Our platform simplifies back-end integration with accounting and expense management systems. Integrating applications comes with a cost, mostly borne by the IT department. While this expense may not register with travel managers, corporate leadership is aware of it. Reducing the number of connections between financial systems and the platform saves money.

Simplifying the back-end integration process also leads to more potential workflow automation spanning travel and financial teams. The simpler and more complete the integration is, the easier it is to build automated workflows for travel expense reconciliation, posting travel to the general ledger, and so forth. Automating previously manual approaches to these processes also [saves time and money](#) for the business.

Awareness of travel activity

Managing travel through a single global platform gives travel managers, and other interested stakeholders, up-to-date information on travel activity. This can be relevant for practical and safety-related concerns. For example, if there is an incident that potentially threatens traveler safety, the platform can verify where

travelers are located so they can be notified and travel managers can take action accordingly.

[Informa](#) has put this aspect of our platform to work. They've configured their travel program on our platform to provide up-to-date travel intelligence and alert communications. They've set up an interactive traveler tracking tool directly through their customized online booking suite on our platform. Informa's travel manager has immediate access to in-progress reports that tell her which employees are scheduled for travel and when. It lists their flights, hotel, and car bookings. A dynamic map shows travelers' locations. This way, if there is an emergency, she can notify travelers in the field to keep people safe.

This capability proved its value during an attack on the London Bridge. Informa's travel manager recalled that "it was around 10 p.m. when the news broke about an attack at London Bridge. I was able to pull the details of all our travelers in the area from the platform and confirmed to our CEO that everyone was safe that same night. The Egencia system has a traveler tracking map showing where everyone is scheduled to be traveling to, which makes it really easy to identify the employees we need to contact in the event of an emergency."

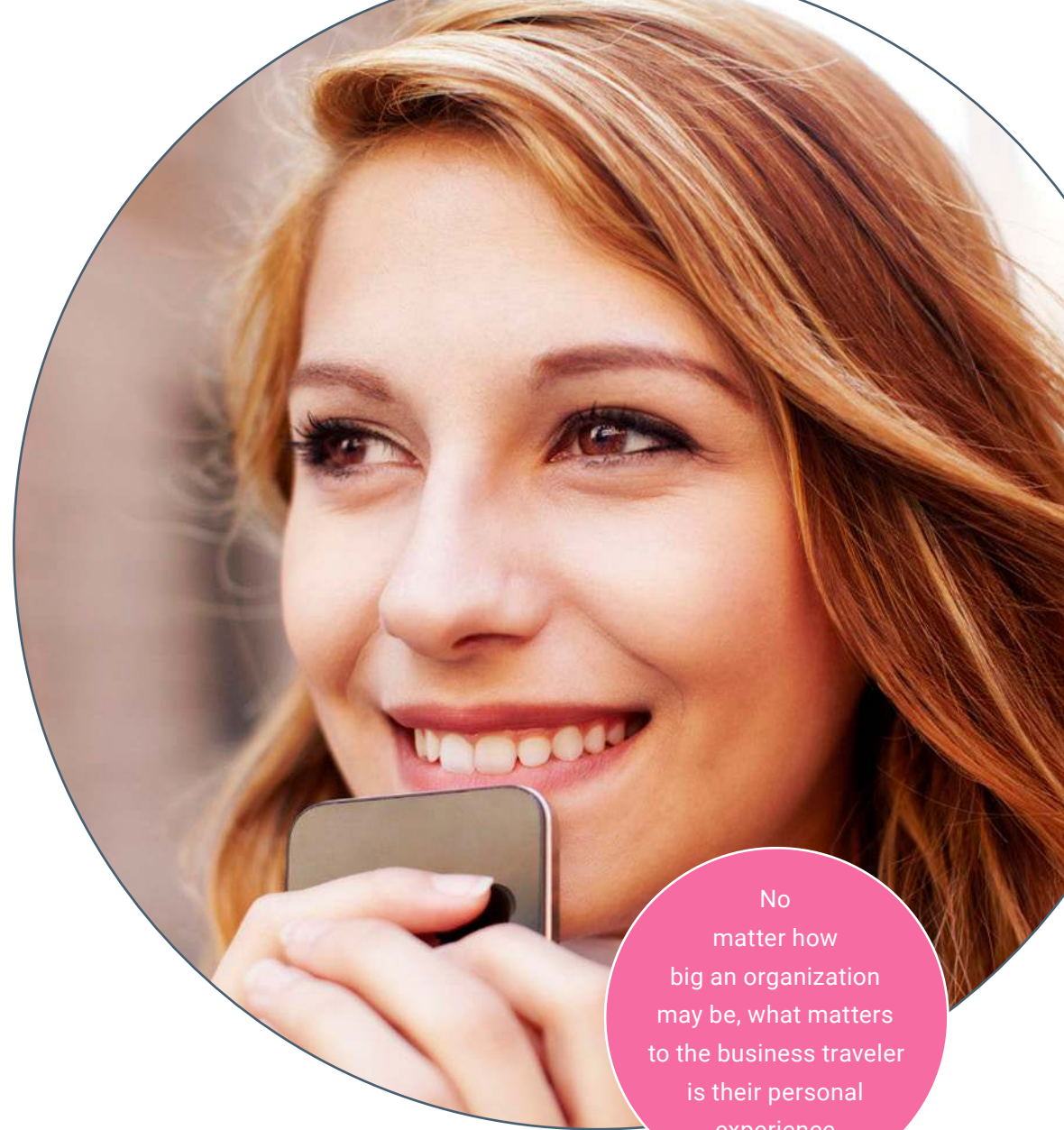


Conclusion

Simplifying complex travel systems is effectively impossible when travelers use multiple, separate travel management tools and consumer travel booking tools. This is particularly true for large, geographically distributed organizations. A single global business travel platform allows for the simplification of travel, no matter how complex the organizational and regional travel management requirements may be. And our platform delivers a full-service model to businesses to create value for anyone involved in the travel process – travelers, travel managers, and supply partners.

Designed for universal use, our platform provides extensive local customization. It works for the entire corporate entity as well as individual business units and their distinctive requirements. The platform enables optimal management of travel systems on a global scale by connecting all worldwide touch points in the business travel process. It uniformly reaches all devices used by the traveler, travel manager, and the corporate back end.

The platform also collects data from all touch points, making it available for reporting, analysis, and algorithms for features like personalization. As a result of these capabilities, the platform can help generate significant savings in terms of travel spend and time saved managing and booking travel. It streamlines the systemic connections on the back end as well. With reporting and analysis, travel managers can leverage travel data to determine savings opportunities, keep travelers happy, and look for travel policy improvements to drive their business forward.



No
matter how
big an organization
may be, what matters
to the business traveler
is their personal
experience



The challenges you face today are never the same ones you faced yesterday. That's why business travel should just be, well, easy. And that's why there's Egencia – the world's leading business travel technology service. We constantly re-imagine how to give you the convenience, support, care, and simplicity you need to make business travel as easy as it can be.

Want to know more?

CONTACT US

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