# TRAVEL AND TRANSPORT DATA THAT MATTERS

Critical travel management decisions depend on accurate and timely data from a variety of sources for true business intelligence.

D ata drives decisions. It should be the foundation of virtually every managed travel activity: creating and monitoring annual travel budgets, designing intelligent and usable policy, tracking compliance, informing supplier negotiations, and managing those relationships over time. Indeed, data touches every point in the lifecycle of corporate travel management.

Given that, the importance of quality data cannot be overstated. To gauge travel manager satisfaction with current data streams, as well as the uses of such data, the BTN Group and Travel and Transport partnered to survey 107 corporate travel managers in the spring of 2012.

Represented in the survey were a range of travel programs and approaches to travel management, with a fairly equal distribution of annual travel spend volume ranging from less than $1 million to more than $50 million. Among respondents, 62 percent said their travel program is mandated while 38 percent said there is no mandate.

This white paper will explore the current state of data acquisition for corporate travel programs, including sources of data, uses of data and satisfaction levels with data, as well as current and projected future trends in managing data for corporate travel.

## > ACQUIRING DATA

When asked from which sources they analyzed data, the majority of travel managers responded with a mix of sources. TMC reporting was the frontrunner, used by 80 percent of the respondents, followed by expense reports, credit card reporting and supplier reporting, all used by slightly less than two-thirds of the respondents.

It makes sense that corporations use data from multiple sources as each data stream can provide different kinds of business intelligence—which together form a complete picture of a travel program through all stages of the travel cycle.

For a closer look at some of the different ways in which data is used, Travel and Transport spoke with Shawn Geraghty, director of corporate travel for Cerner Corporation, an international healthcare information technology company with about

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## DATA TRENDS

Travel and Transport, the fifth largest travel management company in the United States, specializes in corporate travel management along with group and meeting travel services. A leader in online travel technology, Travel and Transport provides companies with innovative data solutions and reporting tools, including web-based pre- and post-trip reporting and mobile access to data. Mike Kubasik, senior vice president and chief information officer, discusses trends in data.

***What kinds of reporting can corporations access with Travel and Transport?***

In addition to web-based pre-trip reporting with our propietary eTTek Preview reporting options, we have 4,000 reports in our standard library available in eTTek Review, our post-trip, web-based reporting functionality. Plus, there's ad hoc reporting functionality so the more savvy users can go in and slice and dice in any way they want. But in about 75 percent of the cases, it's the Travel and Transport account managers who do the reporting for corporate customers.

***How else does Travel and Transport help corporations better manage their data?***

We do a lot of consultative services such as sharing best practices about data based on our 66 years in the industry and a big-picture view of what companies are doing—we can advise which reports are best for monitoring compliance or negotiations, for example. And we're using a lot of score cards—that's similar to benchmarking, but it's the next level, allowing corporations to set score goals and measure their performance.

***What's new in data delivery?***

Travel managers want the ability to view all of their data on mobile devices. Travel and Transport is on the cutting edge of mobility and we already have a lot of reports that can be delivered via mobile. We also have a lot of mobile initiatives in the works and all future development is geared toward mobile platforms.

4,000 frequent travelers out of a total of some 12,000 associates, all of whom travel to some degree. Geraghty manages a global program, although the majority of travel is domestic for the U.S.-based program.

"There are several purposes of the data we collect," he said. "One is for safety and security so that we know where our travelers are at any given time in the event of any kind of emergency, whether that's a natural disaster or political crisis. We also use it for overall travel management, especially in the areas of cost control and negotiations with suppliers."

Geraghty's top uses of data echo those of the survey respondents, who ranked traveler safety and security, travel spend and supplier sourcing/negotiations as the most important uses of data in the BTN Group/Travel and Transport survey. Right behind those top

## Sources of Data

| | |
|---|---|
| TMC reporting | 80.4% |
| Expense reports | 64.7% |
| Credit card reporting | 63.7% |
| Supplier reporting (e.g., air, car, hotel) | 61.8% |
| Third party data consolidator | 10.8% |
| Other | 4.9% |

Source: BTN Group/Travel and Transport Data Survey, April 2012

three were communications with management and monitoring traveler compliance. Less important to the survey respondents, though still well above a 3 on a scale of 1 (least important) to 5 (most important), was ongoing supplier management, demand management and strategic corporate initiatives such as reducing $CO_2$ emissions. An understanding of which kinds of data yield which kinds of business intelligence is key to managing data efficiently. Best practice is to maximize the use of both pre-trip and post-trip data, alone and in concert depending on specific need.

## > PRE-TRIP DATA

TMC pre-trip data is acknowledged as one of the best sources of information for traveler safety and security. This data shows what a traveler has booked and where that traveler presumably is at any given moment. In addition to standard reporting, Geraghty, for example, uses a mapping function provided by Travel and Transport that shows him in real time where all of his travelers are located at any given moment, providing a quick visual overview of the corporation's travel from a big-picture perspective and is invaluable in the event of an emergency. Such data can also be supplemented by the increasing practice of using mobile location-based tracking, enhancing the number of travelers on the corporation's radar.

Pre-trip data is also key from a compliance perspective, showing in real time bookings that are not compliant with policy. An online booking tool, for example, can be configured to prohibit non-compliant bookings or automatically alert the traveler, traveler manager and/or traveler supervisor in the event of a non-compliant booking, while reporting can show compliant versus non-compliant bookings.

## > POST-TRIP DATA

Pre-trip data cannot, however, show what a traveler has actually done. That requires a combination of post-trip reporting sources.

• **TMC Reports:** Such reporting can be sliced and diced in literally thousands of ways, among them average ticket price, market share, city pairs, top destinations and more, from a holistic corporate view as well as by more defined parameters, such as by department or location. The reconciled and cleansed data is used for trending, negotiating, sourcing and more. However, like pre-trip TMC reporting, post-trip reporting can only show what was booked, not what was consumed. "TMC data is absolutely accurate for what is booked," said Mike Kubasik, senior vice president and chief information officer for Travel and Transport, "but what we can't govern is if someone books a hotel, for example, then changes their mind and goes elsewhere. Ultimately

the T&E data might be different, and that's were consolidation comes in."

• **Credit Card and Expense Reports:** These two sources show the travel that was actually consumed and what the corporation is paying in the end. Some credit card data is comprehensive; others less so—a card report might be able to show Level III hotel detail, but cannot break out most airline ancillary fees; the level of detail of expense reporting depends on the configuration of the tool. Timeliness is an issue with both forms of reporting as both occur well after the fact.

### Uses of Data

*Survey respondents rated the importance of data in managing the following aspects of a travel program, on a scale from 1 (least important) to 5 (most important)*

| | |
|---|---|
| **most** | |
| Traveler safety and security | 4.30 |
| Travel spend | 4.17 |
| Supplier sourcing/negotiations | 4.06 |
| Communications with upper management | 4.05 |
| Traveler compliance | 4.03 |
| Ongoing supplier management | 3.92 |
| Demand management | 3.45 |
| Strategic corporate initiatives | 3.21 |
| *(e.g., reducing CO2 emissions, overall cost containment)* | |
| **least** | |

Source: BTN Group/Travel and Transport Data Survey, April 2012

• **Supplier Reports:** Supplier reports, too, bring up timeliness concerns as most are quarterly at best. And not all suppliers are willing to provide reports to all corporations. Geraghty, for example, receives quarterly reviews from preferred airlines, reports from hotels in corporate headquarters Kansas City, and some reports from preferred hotels nationwide and car rental companies. "We use this kind of data for the big picture," he said. "It doesn't go to the associate level so it shows us what we're doing with these suppliers on the whole but not with detail."

Despite all the forms of available data, travel manager respondents to the survey were lackluster in their

endorsement of the reliability of the data they use. When asked to rate the reliability of a range of data sources, the travel managers rated credit card data as the most reliable, but even that only garnered an average rating of 3.35 out of a possible 5. Right behind was expense reporting at 3.33 and TMC reporting at 3.26. The respondents considered third-party data consolidators the least reliable at 2.77 and suppliers, such as air, hotel and car, slightly better at 3.05.

In fact, when asked in an open-ended question about what one aspect of their travel data they would most like to improve if they could, more than two-thirds of the respondents cited accuracy, completeness or more detail.

One way that many travel managers are capturing more accurate and complete data is by partnering with a best-in-class TMC to consolidate the TMC feed with credit card data. "We can match the autofeeds from a credit card company with our data to show a more complete picture of leakage and compliance," said Kubasik.

## > GOOD DATA, GOOD DECISIONS

The need for more detail also coincides with the current focus on "big data," defined by technology research company Gartner in a 2012 white paper as "high-volume, high-velocity, and/or high-variety information assets that require new forms of processing to enable enhanced decision making, insight discovery and process optimization."

Inherent in the concept of big data is the understanding of the massive growth of available transaction data, along with a need for technology capable of parsing such data and making it usable for business decisions. "There is no off-the-shelf solution to big data," said Kubasik. "It can be valuable when properly understood, but it must be used correctly. We work with companies individually on this because most companies still have work to do with managing everyday data issues before moving to big data."

To that end, Kubasik has also seen a move among larger companies to have a TMC work with the corporation's own business intelligence tools to incorporate travel data

into the corporation's enterprise resource planning (ERP). "The SME market doesn't have the bandwidth to do this yet in most cases, but such moves often start with larger companies before becoming a more widespread trend."

What is already widespread is the desire and ability to view data on mobile devices as travel managers increasingly turn to tablets for everyday communication needs.  Similarly widespread is benchmarking—but while traditional benchmarking remains a popular approach to gauging corporate travel program performance against other similar programs, Kubasik says he has seen a large increase in the desire to dive deeper by using score cards.

Essentially a more in-depth method of benchmarking, score cards allow corporations to set their own priorities, define a reasonable score and compare their performance to others. Score cards can also be used internally to compare departmental performance.

For both scorecarding and more traditional data analysis, Kubasik said he's seeing a continual improvement in dashboard reporting. "We've moved past the first generation of dashboards to more flexible dashboard development that allows travel managers to customize dashboards and drill down to the details they need to make intelligent business decisions."

And in the end, that remains the goal—intelligent business decisions about the corporate travel program.

"You can't make good decisions without having good data," said Geraghty. "But you also need to spend some time evaluating it to understand what it's telling you. Sometimes you'll see developments outside the control of your program—but sometimes what you see requires you to adjust your program to fit the trends you're seeing."

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For more information about how Travel and Transport can help customize and analyze travel data, go to www.tandt.com.