

Data Is Key To Omnichannel Managed Travel Vision



ZS ASSOCIATES AT-A-GLANCE

ZS is a professional services firm that works side-by-side with companies to help develop and deliver products that drive customer value and company results.

HQ:
Evanston, Illinois

Headcount:
7,000 in 27 offices worldwide

2019 Travel Volume:
\$56 million estimated,
up from \$44 million in 2018



Data is the key to consulting firm ZS Associates' bold experiment to shift its managed travel program to an omnichannel approach that allows travelers the choice to book directly with their preferred airline supplier, wherever they can find the best hotel rates, or through the company's designated travel management company.

Instead of the more traditional managed travel model in which travel managers strive to funnel all bookings through one designated TMC or one Global Distribution System, ZS looks at travel differently. A consulting firm, ZS touts that it “likes solving problems—taking things apart, seeing how they work and putting them back together better.” That is precisely what the company’s travel team, led by travel operations manager Suzanne Boyan, is doing by rearchitecting the managed travel experience to focus on booking flexibility without sacrificing the critical data needed to support travelers and company objectives. “We provide our travelers with the opportunity to choose their booking path (either traditional or direct) for every trip. With either channel, our travelers can take advantage of our negotiated rates and benefits, but also take into consideration their own benefits provided by status. As long as I get the data, it doesn’t matter to me if it comes from the TMC or Traxo,” Boyan said.

How it Works

As of January, more than 500 ZS Associates travelers have signed up to book business trips directly on supplier sites integrated with Traxo DIRECT, such as United Airlines. Employees may book hotels through any channel, provided they send email confirmations to their company email address. Doing so allows the ZS travel team to track those bookings using Traxo FILTER, which applies auto-forwarding rules in the company’s email servers to route a copy of travel-related emails to the Traxo system for processing. To help ZS service travelers, Traxo automatically routes booking details to one or more microservice providers that ZS has contracted: Freebird for domestic flight disruption management and rebooking; International SOS for duty of care; Chrome River for expense management; and even its own ZS travel dashboard to verify that costs are within averages. This ensures travelers booking outside the TMC channel get the same service, support, and duty of care coverage that TMC bookings receive.

Traxo’s technology captures “any airline, hotel or car rental booking” sent to an employee’s company email address, according to Boyan. Since ZS already receives direct data feeds from contracts with rideshare providers and its designated TMC Luxe Travel Management, it set up rules on its own email servers to exclude such emails from those Traxo receives to parse, normalize and report. “Traxo has the technology that says line 4, word 6 is a passenger’s last name, and put

it in the correct column to then feed it into our dashboard. We also have the ability to set up API (Application Programming Interface) connections to a whole host of other sources,” she added. For hotel bookings, details such as the individual’s name, email address, hotel name, chain, location city, state and even longitude and latitude, price, currency, check in and check out date, along with the booking source are parsed, normalized and sent to the ZS travel dashboard as well as to International SOS for safety tracking, Boyan said.

“We see everything from Booking.com to big chains,” Boyan said of hotel bookings fed into ZS’ travel dashboard. “We even have other TMC data because occasionally our employees must stay at client contracted properties” and book through the client’s designated booking channels.

Reducing Leakage

Travel managers often lament that bookings made outside the TMC channel challenge the integrity of their programs in loss of data, duty of care and missed savings from negotiated rates. Most track leakage and attempt to reduce it through traveler education. Prior to starting the new program, Boyan said airline leakage was about 16%, while hotel leakage was 70%. “Both leakage metrics have declined significantly,” she noted, as Traxo has helped identify bookings and rates. “We utilize a lot of client rates for hotel. Most employees go to a brand.com site and put in a booking code. We can’t load all those client codes into our booking system, so they have to go outside.” Even so, ZS negotiates rates with the top 10 hotel chains and asks travelers to use those codes when they book on supplier sites so the company can leverage the data in negotiations. With Traxo in place to capture the booking details for these supplier-direct transactions, ZS gets the best of both worlds: earning either its own or client negotiated rates while giving employees the booking flexibility they want.

“Direct booking is embraced across levels, across generations within our company. There is no ‘right formula’ for who this can apply to.”

Suzanne Boyan, ZS Associates

Travel Dashboard Takes It In

Without the data that Traxo provides, Boyan acknowledges that ZS wouldn’t be able to allow travelers to book direct. “It is imperative that Traxo capture this information. Even on United bookings, they can tell us who books via the Traxo DIRECT API connection using our negotiated rates.” Bookings captured via Traxo FILTER include the booking source, itinerary details, and rate breakdown. Armed with the data, Boyan said, her team can educate travelers to “use our system to capture the business travel booking” to ensure they stay within budget. “Trust but verify.”

While the reporting from Traxo has been very good from the start, Boyan said, “it has just gotten better and better.” ZS shared with Traxo key areas that any travel manager would want to see.

ZS built its own reporting tool, JetBridge, to take in reporting from Traxo, TMCs Luxe, Radius and Frosch, corporate card, rideshare providers and others, Boyan said. “Having this information at our fingertips via the cloud, is proof our industry is moving in the right direction. What would

have taken hours to pull reports together, I can pull up on JetBridge. Instantly, I know where our people are and how to help or educate them.”

Results So Far

ZS began to implement the new program in March 2019 and gradually signed up 300 travelers to book direct by midyear, with 500 as of January. “Since we rolled out nationally, we’ve seen bookings through the TMC decline and bookings shown in Traxo increase. About 30% to 40% of bookings are going direct through United versus through the TMC channel. I anticipated that we would start at 20% and increase to 30%, 40% or 50% by midyear 2020. To already be at 30% to 40% and we haven’t even gone to Europe or even Toronto is a testament that people are really wanting this type of system,” Boyan said.

“Direct booking is embraced across levels, across generations within our company. There is no right formula for who this can apply to,” Boyan added. “For simple round trips, people generally are going direct. For more complicated or international trips, that’s when travelers might lean on the TMC a little more. When prices are really high for one routing or another, they tend to gut check it with the online booking tool or TMC.”

Rollout of direct booking capabilities to European employees has been slower than Boyan expected, but is expected this year. She expects to have 1,000 employees signed up for direct bookings by yearend “and think that will be very easy once we roll out to Europe.”

Traveler Satisfaction Studies Underway

What do employees think of the new travel program? “Anecdotally, people love it—they absolutely love it,” Boyan said. “They’ve been begging to get Delta, American, British Airways and Lufthansa on board—along with United, those are our big 5 carriers. I tell them I can’t make the industry move any quicker. It’s not me; those airlines are the ones who have to make these decisions.”

For a more granular view of what employees think of the new travel program and how the company benefits, Boyan has enlisted GoldSpring Consulting to conduct a study this spring and compare the metrics to its broader TMC database.

Growing the Program

In addition to growing its direct booking users, volume and perhaps applicable carriers, Boyan this year also plans to offer travelers outside the United States options for travel disruption and rebooking services through its new TMC, Luxe. “In 2020, that is what we’re working towards. Luxe has identified a technology solution to help, but we haven’t flipped the switch yet.”

Data Is Key

Given that the ZS travel reporting tool integrates all corporate card, expense and travel data, Boyan said, eventually she can identify any bookings outside the ecosystem. “We use it to educate our people on why we have a managed travel program, why we have this framework in place so they can make good choices. We don’t want to be heavy handed, but at the same time, we want to know where they are and be able to utilize their spend in our program. Overall, this is working out better than anticipated.”

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