

# The impact of technology in the evolving role of the corporate travel manager

Author:  
Julie Moline

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### About the author

Julie Moline is a freelance writer based in New York. Formerly Editor-in-Chief of Corporate Travel and ACTE Business Journal, she has written about travel for The International Herald Tribune, Toronto Globe & Mail, London Daily Telegraph, Institutional Investor and Entrepreneur Magazine.

### About the paper

To find out more about the realities of corporate travel technology today and in the future, the Association of Corporate Travel Executives (ACTE), in cooperation with Amadeus, polled travel and procurement professionals to see how decisions about travel technology are made, how travel technology is purchased, and what role technology plays in the everyday life of travel managers.

### About ACTE

The Association of Corporate Travel Executives (ACTE) is a not-for-profit association established by business travel managers in 1988 to provide meaningful education and networking opportunities. ACTE recognizes the interdependence between corporate travel purchasers and corporate travel suppliers and accords both sectors equal membership. ACTE's membership spans all sectors of business travel, from corporate buyers to agencies to suppliers. ACTE currently serves more than 2,500 executives in over 49 countries.

This whitepaper has been developed in collaboration with ACTE.

## Foreword

For most multinational corporations, travel management has become an efficient business process. In large part, that efficiency has been gained by the adoption of a variety of travel technology tools that address various aspects of the travel procurement process. These tools streamline information gathering, bookings for air, hotel and car rental, expense reporting and data management. They also improve accuracy of data and efficiency of processes.

Most importantly, travel technology tools facilitate savings, both in hard costs (the price of airline tickets, hotel rooms, rental cars, travel agency transaction fees) and in soft costs associated with administration (accounting, reconciliation, reimbursement, reporting, auditing). Automation also greatly improves information collection, aggregation and integration of systems and business processes allowing travel, procurement and finance managers to closely monitor spend, identify new savings opportunities and facilitate contract compliance. Furthermore, the use of these tools continues to produce savings long after the initial investment is recouped. Any savings on travel procurement directly impact the bottom line, making business travel a particularly fruitful area for cost containment.

Clearly technology is a fundamental aspect of corporate travel programmes today for all of the reasons stated above. This white paper set out to study the relationship between the travel manager and the corporate IT department and to examine the impact of the growing use of technology on the role of the travel manager.

As the research we present below indicates, travel managers are clearly leading their organisations towards more effective procurement practices. They are proving admirably resourceful in their pursuit of appropriate tools and implementation strategies. They are leading change management efforts, forging creative collaborations with technology suppliers, and proving, time and again, how well they align the needs of travellers with the objectives of their organisations. Rather than make them obsolete, travel technology has enabled travel managers to move into more complex, strategic roles in their organisations, and build best-practices that other procurement professionals can emulate.

**Jerome Destors**  
Commercial Director  
Amadeus e-Travel

**Susan Gurley**  
Executive Director  
ACTE

## The travel manager's role develops in tandem with technology



Travel managers in today's cost-conscious, transparency-seeking organisations are faced with a complicated balancing act. They must be subject matter experts in a number of diverse areas: the travel industry, strategic sourcing, communication and negotiation skills. Then they must learn enough about travel technology tools to make sound decisions about their value for their company and its travel patterns, spend policy, procurement habits and budget for capital expenditure.

A study commissioned on a worldwide basis by ACTE and Amadeus was undertaken to investigate how travel managers deal with the complexities surrounding the purchase, integration and management of travel technology tools today, and what they imagine the future of their roles will be after technology has been integrated into their travel management programmes.

Two major assumptions were being tested in the survey:

- » First, in a procurement environment in which electronic solutions (B2B portals, online auctions, etc.) were becoming prevalent, would the IT department's involvement (and influence) over travel procurement grow?
- » Second, with most major functions fully automated, including online bookings, expense reporting and data management, would the travel manager's role evolve in response?

A total of 123 responses were recorded in October 2005 to a Web-based questionnaire released in September 2005. Half (50.8%) of respondents work in the United States; slightly more than one-quarter (27%) work in EMEA, 10.7% in Canada, 5.7% in Asia-Pacific, and less than 1% in Latin America. There was a nearly even split on the size of the respondent's company, as measured in annual sales; 32.7% reported annual sales of between US\$250 million and \$1 billion; 35.4% reported US\$1-10 billion in sales, and 31.9% \$10 billion or more.

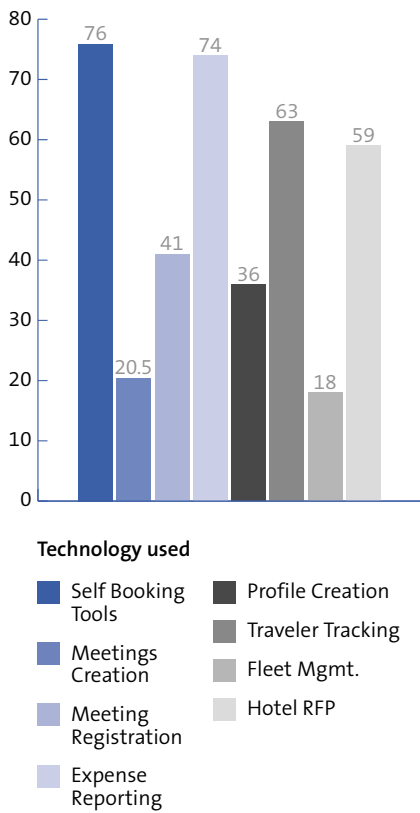
Follow-up interviews were conducted in January and February of 2006 and determined the following:

### 1. The use of travel technology tools among respondents is fairly widespread (fig. 1).

No matter what the size of the company, its industry or its location, three-quarters (75.9%) of respondents said their companies use self-booking tools; another three-quarters (74.1%) use electronic expense report solutions, and two-thirds (63.4%) use electronic means for traveller tracking. More than half (58.9%) have automated the hotel RFP process.

There are some interesting regional variations in the use of travel technology tools. Self-booking systems are nearly universal in the United States, with more than 9 out of 10 companies using them; in Canada, however, fewer than 4 in 10 companies (38.5%) do. The US and EMEA lead the way in electronic RFPs, with 63.2% and 62.1%

Figure 1



of travel managers reporting their use; Asia-Pacific, while demonstrating healthy penetration rates for self-booking software (83.3%) and electronic hotel RFPs (66.7%), only 16.7% of companies said they use automated profile updates.

The size of company also dictates the degree of travel technology adoption. The larger the company, the data show, the more likely it is using technology solutions in every category, from self-bookings to electronic hotel RFPs. The one category where large and small companies have similar levels of automation is in expense report software; 78.8% of companies with more than \$10 billion in sales automate expense reports, while 66.7% of companies with \$250 million – \$1 billion do as well.

Technology tools are also being used for meeting registration (41.1%) and one-fifth (20.5%) use technology tools for meetings creation, a category that includes electronic RFPs, event-specific intranet portals and automated procurement tools. More than one-third (36.6%) of respondents link traveller profiles to online HR databases, largely for profile management. Nearly one in five (17.9%) use automation for fleet management.

Other technology tools mentioned by respondents include online applications for T&E cards; pre-booking travel approvals and traveller profile creation.

2. The IT departments that do get involved in travel technology initiatives typically take an advisory role, rather than drive the effort from start (funding, product research and vendor selection) to finish (installation, integration, maintenance).

Slightly less than half (41%) of travel managers claimed that discussions and decisions about travel technology are always initiated by the travel department.

3. Rather than feel overshadowed by the IT department, many travel managers wanted more IT involvement than they were getting.

Integration, in particular, is an area where travel managers say they need the most assistance from internal IT specialists.

Integration is worrisome, they explain, because:

- » Few travel technology tools are meant to be standalone products. Most are designed to link into other systems, including ERP systems and HR. For companies using multiple legacy systems – a situation not uncommon for multinationals, and companies that have recently undergone a merger or acquisition – ease of integration is of primary importance when determining which tool to buy.
- » Integration is further complicated when different regions use different travel agencies and/or different booking, expense management and reporting tools. However, the new generation of web-based tools for expense and meetings management, which do not require lengthy or complex installations, and which link to ERP systems through open platforms, are lessening concerns about integration.

As important as it is for travel managers to understand what the best technology options are out there to help them in their role, it is important that suppliers understand what needs companies have now and how they will evolve in the future. This clear view is obtained through customer boards where this type of input is essential to build our future development plans.

Marcos Isaac, Director, Corporate and Distribution channels, Amadeus.

4. Getting the IT department’s support for travel technology purchasing is a continuing challenge.

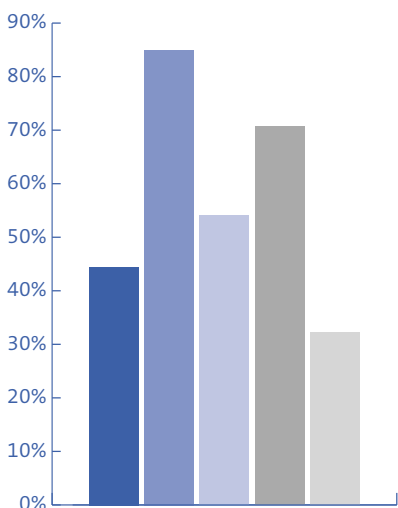
Even though travel remains a capital-intensive function, and even though IT solutions substantially reduce travel spend, at most companies, when IT departments are involved in travel department initiatives, it is less often in the pre-purchase process and more often after the fact, when it is time for implementation and maintenance.

“We have a lot of trouble getting on the IT department’s radar,” one travel manager explained. For whatever reason – lack of time, lack of interest, lack of visibility – almost half (49.6%) said the IT department was completely uninvolved or only marginally involved in strategic sourcing for travel technology – a task that includes developing comprehensive needs analyses, RFP evaluations and other purchasing decisions.

“It seems that the IT department has a lot on its plate, and most of the focus is on strategic objectives,” said one travel manager. “Travel is seen as a supporting, not a core business function. The IT department is interested in projects and tools with a larger return on investment of time.”

“The ultimate decision is made in the home department (i.e. HR tools decisions are made in the HR division, mobile phone and laptop decisions are made in the IT division, travel and expense management decisions are made in the travel division),” explained another respondent. “But input and advice is sought from the other divisions on interface and integration issues, and input is sought from the end user on functionality requirements.”

Figure 2



Sources for Technology Info

- IT Department
- Vendors
- Colleagues
- ACTE & other associations
- Consultants

5. If the IT department, for whatever reason, takes a back seat in travel technology matters, travel managers are clearly taking over decision-making. Finding appropriate tools, evaluating them, selecting a vendor and supervising the post-purchasing processes, including communications, training and evaluation.

The study suggests that respondents believe it is up to the travel manager to be proactive if the IT department is not. Only slightly more than a third (36.7%) said that attention to travel technology matters should automatically come from the IT department.

6. If internal resources aren’t available, travel managers look outside of the company in their quest for information, guidance and support (fig. 2).

» More than half (54.4%) go to colleagues for referrals and advice.

Networking with local companies of similar size and budgets is one way travel managers find direction. Colleagues share best practices and discuss details as much as possible without violating the confidentiality of agreements.

**User conferences are particularly useful because they give us the opportunity to talk with peers about performance, customer support, ease of use, and adoption. It's particularly important to know how tools work in the real world, not just in a presentation or demonstration.**



» **One-third (32.5%) of companies hire consultants to help with travel technology decisions.**

Consultants are often brought in to advise on vendor selection for key components of the travel programme, so it is not unusual that their services would be sought for technology-related initiatives as well. Those that have comprehensive familiarity of travel technology products are highly valued, especially since their experience usually straddles the supplier and buyer side. *“Consultants know what’s out there, what works for companies of our size and travel patterns, what would work best with our legacy systems and agency,”* said one travel manager. *“That helps us make meaningful comparisons. They also know what’s about to be released – something we would have a hard time finding out about on our own.”*

Consultants also know which solutions work best with particular legacy systems, spend patterns and travel agency partners. Additionally, travel managers report that the quantification of potential savings opportunities provides the kind of metrics-driven information they need to bolster their business case for funding and allocation of human resources.

*“One of the best functions our consultant performed was creating what-if scenarios for us, so we could see early in the decision-making process what kind of tool could generate what kind of savings in what amount of time,”* said one respondent. *“We could look at regional trends, too, and make projections we felt confident about.”*

» **The vast majority of respondents – 85.1% – said they look to vendors, including travel management companies (TMCs) and other technology providers, for ideas and insights.**

Many travel managers rely on their travel management company to either provide the technology tools they require – most commonly, for self-booking systems and reporting programmes – or to advise them on third-party offerings. Other travel managers, however, prefer to go directly to the source. They attend technology workshops and trade shows and/or invite vendors to their offices for product demonstrations. Others go to user conferences, where they network with colleagues at peer companies.

The vendor-client relationship is often a close partnership. Many travel managers collaborate with suppliers in beta-testing new products, participate in advisory boards and invite key supplier partners to internal strategy sessions. In one example, a global pharmaceutical invited its corporate card provider to attend ‘idealised design’ sessions, which brought together travellers, their administrative assistants and procurement professionals to fine-tune a travel management programme.

Close collaboration does raise concerns about objectivity. One travel procurement specialist insists that product demonstrations be made by the product developers, rather than a sales team; he invites his company’s IT professionals to the demonstrations *“so engineers can talk to engineers, rather than salespeople, and we can get immediate answers to our questions.”*



## 7. Taking responsibility for travel technology has had a profound effect on the role travel managers play in their organisations.

Most travel managers consider technology literacy to be an essential element of their skill set. Most also believe that their strategic value to their companies has actually strengthened as a result of their close involvement in the procurement of technology tools.

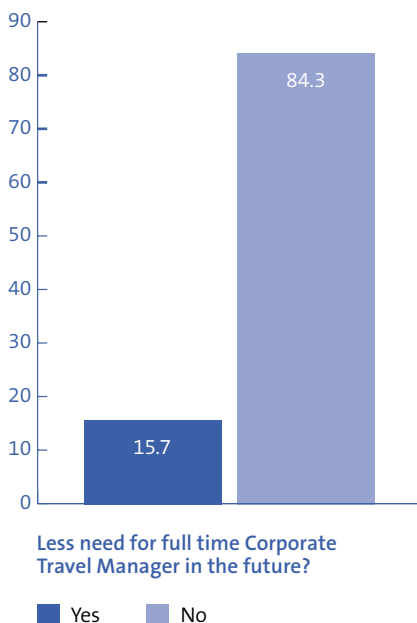
Travel managers unequivocally agree that it is essential for them to be part of the travel technology decision-making process going forward. When asked what the 'ideal level of involvement' in travel technology needs assessment, RFPs, purchasing decisions and implementation should be in the future, more than three-quarters of respondents (80.2%) said they wanted the same responsibility as they currently have. Nearly one-fifth (18%) wanted more responsibility. Only 1.8% wanted to be less involved.

## 8. Even with the continued commoditisation of travel, which coincides with the trend toward strategic sourcing, travel managers still seem confident that their job function is safe.

Most – 84.3% – claimed that even with travel technology, there still will be a need for full-time travel managers (fig. 3).

Travel managers argue that although automation has streamlined the end-to-end travel procurement process these functions have always been geared toward the end-user. What travel managers bring to their organisation, they say, is strategy, particularly aligning the goals of the company .

Figure 3



*“When bookings can be made by travellers, it may seem intuitive that there would be less need for someone to supervise the process,” explained one European travel manager. “But that doesn’t mean the entire travel manager’s role has been replaced by a self-booking system, because reservations are really only a small portion of what travel management is about. Fundamentally, it’s about strategy – what to do with the information that comes from bookings. The process begins with devising a way to capture information, then putting the tools in place to make that information relevant, through aggregation and analysis. The next step is to revise strategy accordingly. Ultimately what this all means is that automation has allowed travel managers to be less tactical and more strategic,” he added.*

Some travel managers add that while online bookings are transaction-oriented, their bigger contribution to their organisations is management-based. *“Bookings are really only a small part of the travel programme,” another European manager explained. “What’s also involved is contract management and people management – ensuring safety of travellers, ensuring their privacy, helping them stay productive when they’re on the road.”*

9. The growing use of technology for bookings, expense reports, reporting, etc. is simply changing what or whom they manage, not the prevailing need for a manager to oversee travel.



In other words, technology makes travel processes more efficient, but it does not, and cannot, replace the need for a travel manager. There is still a need to manage the relationships with the vendors, supervise purchasing, and act as a traveller advocate.

Travel managers even argued that automation – and the complexity it brings – makes their expertise more vital than ever. *“Travel bookings have always been outsourced,”* said one. *“First they were outsourced to an agency; now they’re outsourced to an inanimate but intelligent tool. But bookings don’t get outsourced by themselves, and there are still strategic decisions that have to be made by professionals who understand the travel industry, understand the internal dynamics of their companies, are well versed in procurement techniques and can still handle the human resources aspect of travel – the travellers themselves – their comfort, safety, productivity.”*

The most compelling need for a travel manager boils down, very simply, to money.

It’s not unusual for a large global corporation to spend \$250 million a year on travel. If using automation to help keep costs in check at the front end (in the form of negotiated fares and hotel rooms) and at the back end (in streamlined reconciliation, data management) can save even 5% annually, that adds up to \$12.5 million per year.

Five percent, in fact, turns out to be a rather conservative estimate. Several studies have shown that by shifting bookings online companies are enjoying double-digit savings in the form of lower prices for airline tickets and hotel rooms. Why? Travellers tend to be surprisingly cost-conscious when they book a trip themselves instead of having one booked for them by a travel agent. Travel professionals call this phenomenon ‘visual guilt avoidance’. It is proof, they point out, that when travellers are shown a wide variety of travel options they will select the ones that put the smallest dent in their departmental budgets. They would feel guilty otherwise.<sup>1</sup>

Even greater savings come from reduced transaction fees. In 2005, offline fees to book tickets and hotel rooms averaged \$30-\$75, depending on the complexity of the reservation<sup>2</sup>. By contrast, online fees average \$15-22.50 per transaction. To put the numbers in perspective, a multinational corporation with 23,000 travellers and \$40 million in annual air billings and a mandated online booking tool can save up to 50% in transaction fees. That, plus the \$2.5 million it saves when travellers book cheaper choices, could lead to \$4 million in savings per year on air travel alone.

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<sup>1</sup> “Visual guilt” was discussed in a March 20, 2006 article in Business Travel News

<sup>2</sup> PhoCusWright, Inc., Sherman, Connecticut, USA.

**A well-run travel programme managed by a skilled travel professional helps companies save millions of dollars, predictably and consistently, year after year. And it is the travel manager who continues to look ahead to uncover the next wave of savings opportunities.**

”

Another area of savings opportunity, travel managers point out, is the reduction of back-end costs. The 2003 European Expense Management Survey, conducted by American Express and A. T. Kearney, found that for the average large-sized European firm (defined as a company with 5,000 travellers) process costs can run as high as 23% of the total direct T&E spend (airline tickets, hotel rooms, rental cars and restaurant tabs).

The average processing time of a paper expense report, factoring in the involvement of the traveller, the approver an auditor, and accounting personnel, is about one hour and 20 minutes, costing on average \$25-\$75 per reconciled expense report according to industry estimates. By contrast, an expense report filed electronically costs \$5-15 to process.

Clearly, best-in-class travel management has a profound effect on a corporation's bottom line.



## 10 Best practices in travel technology purchasing

### 1. See travel technology as an evolving process, rather than a one-off event.

The technology component of travel management is an ongoing venture that requires continuous supervision. It's not just a question of choosing a technology vendor and implementing a tool. Even firms with well-functioning systems and a strong adoption rate will still have technology-related issues to handle even if it's only basic supplier management. There are new vendors and tools to consider, and there are always new kinds of information required from a reporting tool.

For global and multinational companies, travel technology management likely involves a steady stream of communications, roll-outs in new markets and evaluations. Roll-outs are complicated by the need to perform implementations on a country-by-country basis since each market may present unique language, systems, policy and vendor requirements. For companies with multiple countries in a travel programme, implementations may take time. That may mean that by the time the last adopters are plugged in, the early adopters are already working on updates and the cycle begins again.

### 2. Stay up to date with new developments, but stay focused on immediate issues.

Best practice companies keep an eye as firmly on the present – frequently monitoring how tools are used, whether they're meeting the needs of the travellers, and satisfying the objectives of the travel department – as on the medium- and long-term. They keep a dialogue going with vendors who are developing enhancements – or entirely new solutions – that may be of interest to their organisations. Many companies are interested in developments in artificial intelligence that would get travellers (and their organisations) the precise information they need, when they need it. For example, if a traveller searched in a city information site for ways to get from the airport to downtown, they would only pull up directions from the airport to the hotel they had booked. Another example: new traveller tracking systems use charge card swipes to pinpoint an employee's whereabouts. The card swipe information is more current, and accurate, than reservation data.

### 3. Follow macro trends in the travel industry.

Part of the ongoing immersion in travel technology matters involves keeping up to speed on macro trends, not just placing a micro focus on specific tools. Best practice companies closely follow what's happening in the travel industry in general, involving buyers, sellers and intermediaries, regulatory issues, distribution channels, etc. Macro trends obviously have implications for macro decisions – the choice of travel agency and booking system, data aggregation and globalisation.

### 4. Do not automatically reject a vendor because it doesn't offer a feature or features you want or need now.

A new tool may be in development, or a partnership may be close to fruition. Frank discussions about a vendor's R&D pipeline may lead to good results.



**We look at city pairs and compare ticket prices among airlines, then run some calculations to show the various business units how much shifting to a particular carrier could benefit them. If we do change a preferred supplier, we measure prices again after 90 days.**



## 5. If necessary, bring an expert into the process.

For travel managers who are initiating a large deployment or simply evaluating whether or not to upgrade, a travel IT specialist – an outside consultant, a travel technology provider or an internal expert – can be a highly worthwhile investment. Travel managers acknowledge that technology is not one of their core competencies and make the case to senior management that it's in everyone's best interest to bring in a specialist. This is especially true if senior management is aware that travel managers are not getting the help they need from internal technology experts.

Consultants do not necessarily need to be engaged for a lengthy period of time. They can be hired for specific functions, such as a needs analysis or a bid process, or something even simpler: a brainstorming session to keep travel managers, procurement experts and senior management up-to-date on new travel technology offerings and how they may work within an overall travel management programme.

Consultants, like any provider, should be judged by performance.

## 6. Check references with real users.

Take the time to check references for booking tools whether they are for transient travel or, increasingly, for meetings management. Whenever possible, go to see the tool or product in action.

Best-practice companies seek out their peers matched by industry and/or size and ask them the hard questions: what the travel manager wished he or she knew before choosing or installing that tool; what the users think about functionality; what is particularly useful about the tool and what is missing or not up to standard.

One way to find out about travel technology in action is to attend the technology workshops offered by industry associations. Travel managers attend not only to see what's new, but to network. They ask vendors for client referrals, then seek these people out. Conversations aren't strictly about a tool's literal functionality. For a self-booking system, for example, discussions should relate to how it works with legal requirements, data security and privacy initiatives.

## 7. Solicit end-users' input before, during and after an implementation.

Travel managers have learned from experience that involving users – travellers and travel arrangers – in any technology decision leads to optimal results. When travellers are involved in the decision-making process, it often boosts compliance. Soliciting feedback from end-users helps refine a tool or fine-tune whatever training is needed to learn to use the tool. Travel managers could encourage end-users to attend technology workshops and product demonstrations, participate in bid reviews and offer feedback, either through questionnaires or a more informal mechanism, such as a review section on the corporate travel intranet site.

## 8. Change management is an essential part of the adoption process.

Travel managers claim that some of their biggest challenges regarding technology has less to do with hardware and software and more to do with people skills. Overcoming a reluctance to change – even if it's a change for the better – often involves several rounds of communication, an incentive and/or a tough mandate. Putting a change management plan in place before making a technology product selection is essential.

When changing vendors – either a direct technology provider or an intermediary like a travel agency – travel managers also consider all the consequences involved with the transition.

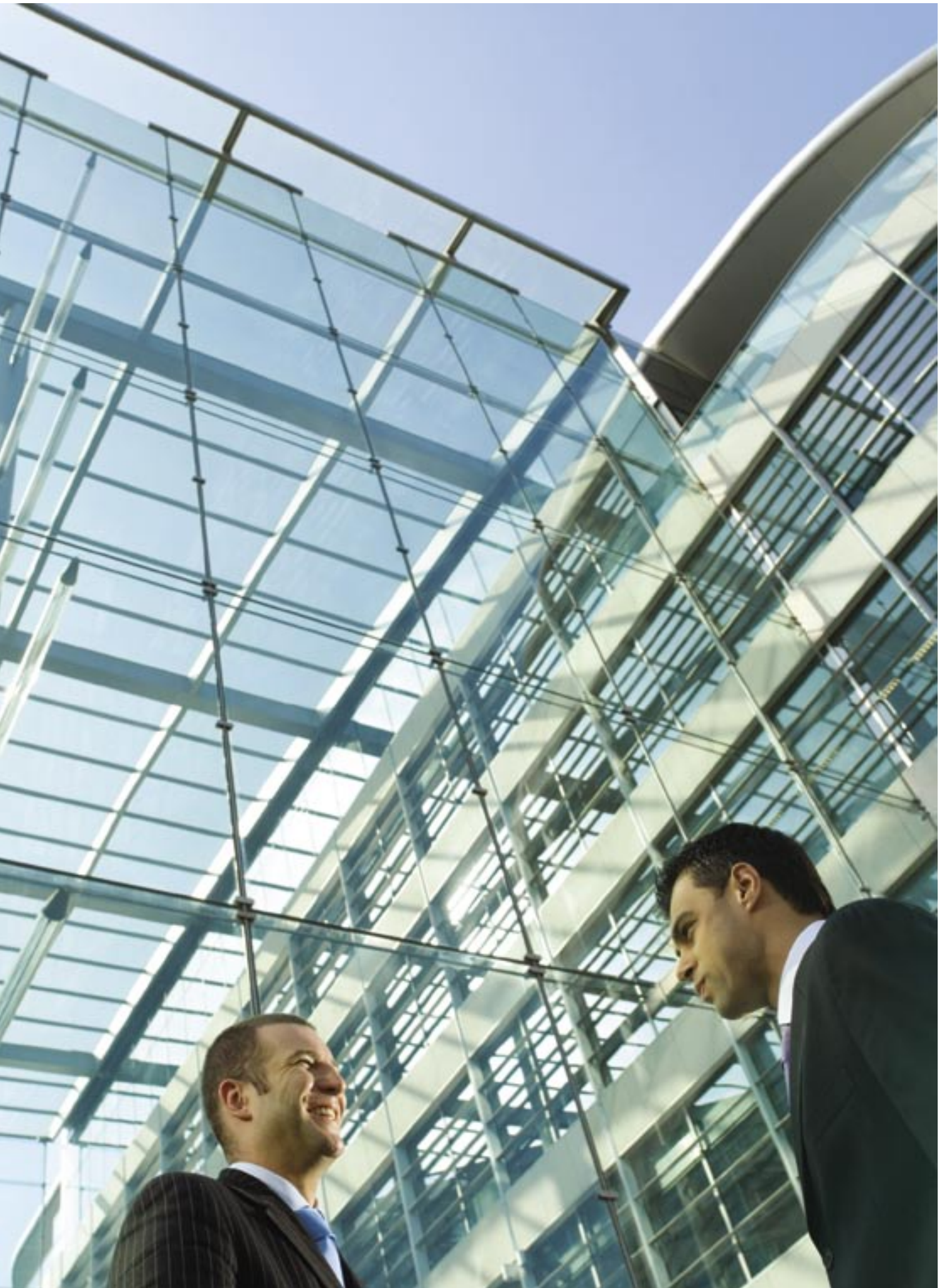
## 9. If it's not available, build it.

Unique requirements may necessitate unique solutions, either custom-built from the ground up, or significantly modified from an off-the-shelf module. For example, IT specialists can integrate corporate jet fleet management into a self-booking tool or design a mileage reimbursement system that reflects most adequately the true cost of using a vehicle for a business trip.

## 10. Perform regular audits.

Audits not only act as a deterrent for potential maverick spenders, they also help travel managers evaluate the ROI of a tool. Best-practice companies calculate time- and cost savings, prove the value of improved accuracy, and measure lost savings opportunities. Demonstrating the ROI of any technology solution will also prove the travel manager's value to the organisation. By quantifying savings delivered via automation, these savings will also underscore the value a managed travel programme brings to an organisation.

Regularly auditing travel spend can identify rogue spending as well as provide companies with the ability to respond quickly to savings opportunities.



## Suggestions from the study

In 20 years travel technology tools have come a long way and they have quickly become a permanent element of corporate procurement. But after 20 years, their potential is still far from being fully realised. Travel managers, their senior management and technology vendors are still adjusting to the realities that technology is bringing to the travel management function.

### For travel managers:

Leveraging the potential of technology tools can prove the value of travel managers to the organisation.

Technology literacy is a skill that is as important in their repertoire as a fundamental understanding of accounting and contracts.

They must be able to **be persuasive advocates for the value technology tools can bring to the enterprise**. They must make the case, well supported by metrics, to get the financial and human resources they need to put the appropriate technology solutions in place. Many organisations are attempting to make procurement a board-level agenda. Travel managers, who oversee a significant corporate cost centre, have an opportunity to demonstrate how technology – whether applied to travel procurement, the management of travel budgets, or the management of travellers, has far-reaching, positive consequences.

They must also **acknowledge that their brief not only covers service functions for the traveller** (handling problems, channelling complaints, managing information flow) but service functions for business units as well. In other words, technology tools enable them to make recommendations to senior management that affect financial outcomes. Travel managers are also in a position to advise on traveller safety and security, business process efficiencies and overall employee productivity.

Travel managers must **broaden their influence outside their immediate realm**. As travel management becomes more interdisciplinary, new cooperation and coordination with other functional areas – IT, human resources, corporate risk management and finance – is essential.

A familiarity with **local and regional travel programme variations** is necessary as well. Different markets may have unique programme requirements that demand unique solution sets. Different regulatory environments, supplier bases and technology platforms complicate efforts to standardise travel purchasing on a global scale.

A continuing **dialogue with suppliers** is an important way for travel managers to stay up-to-date on technology tools and their potential advantages for their firms.

Continuing **education is a must** as well. Travel managers are well advised to attend technology workshops, travel management conferences, travel technology trade shows and to share the high-level view with their organisation.

Technology performs processes that allow the travel manager evolve into a strategic role that has more value for the corporation by aligning the travel programme with the business goals.



### For c-level executives:

An efficient travel programme means a positive impact on the company's bottom line.

As business travel volume continues to surge along with the average cost per trip, **cost-control measures** are more critical than ever. It is essential to be more involved in your organisation's travel management efforts.

Senior management must recognise that travel technology tools enable cost control far beyond the cost of direct goods and services. Benefits may be realised through reductions in back-office full time employee requirements, in increased accuracy, in streamlined processes and in improved float management.

The growing sophistication of travel technology tools is enabling greater **sophistication of travel management** techniques. Many companies, for example, are moving toward employing dynamic pricing in their agreements using complex modelling tools to refine airline and hotel programmes.

**Technology will never eliminate the need for a travel manager.** The growing use of automation for bookings, expense reports, reporting, etc. is simply changing what or whom they manage, not the prevailing need to oversee travel processes. The title may change, the reporting structures may change, and the function may even be outsourced altogether. Still, a manager with the professional skill sets to create and monitor policy, negotiate contracts and employ strategic sourcing practices, will always be necessary to an organisation.

There is considerable room for improvement in **aligning the goals** of the travel department with the overall objectives, financial and otherwise, of the organisation. A heightened focus on security (of data and of people), and the ability to track travellers in the case of an emergency (a natural disaster, terrorist attack or service disruption from strikes) must be considered.

Senior level attention is required to **allocate internal resources** toward travel technology procurement, implementation and usage. Business travel is such a significant cost category that ignoring the advantages that travel technology provides could have a negative effect on the bottom line.

Ongoing investment in travel technology is necessary, as new tools emerge and more regions automate their programmes.

Support for cost containment must come from the top. The companies with clear senior level support enjoy the greatest success.

It is important to look at the travel management process in a holistic, end-to-end manner. While bookings is a major focus, travel procurement also involves a card payment system, the expense claim process and data management. When well integrated, these functions deliver improved service, operational efficiencies and enhanced spend control.



### For suppliers:

A significant opportunity exists to provide guidance to corporations seeking information and support.

Whether purveyors of technology, travel management companies or consultants, it is clear that enormous opportunity exists to provide the information, advice and support that travel managers are seeking.

Travel managers, busy with day-to-day responsibilities, are **looking to vendors to be visionaries**. In other words, travel managers are looking for guidance not just about specific tools, but about how to make decisions that make their overall travel management programmes stronger. They are **looking for creative solutions**, and are willing to engage in formal and informal partnerships with technology providers and developers to arrive at these solutions. Rather than look at vendors as potential adversaries, travel managers look to suppliers as partners with whom to collaborate.

If travel managers do not get what they need from their current suppliers, they are not reluctant to go out and get the tools, information or partnerships they need from new players.

Travel managers are reliant upon accurate and timely spend data. It is the foundation upon which they negotiate supplier agreements and make other strategic decisions about the spend management. Asked to evaluate a wide array of technologies, 71% of respondents indicated that data mining is currently important to their organisation, followed by data warehousing (63%) according to a New York University/PhoCusWright Inc. joint research study The Effects of Emerging Technologies on the Travel, Tourism and Hospitality Marketplace.



For details of the ACTE survey analysis, go to  
[www.amadeus.com/travel\\_technology](http://www.amadeus.com/travel_technology)

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