

HOW TO STAY ON THE FRONT BURNER

with Corporate Travel



BY JOHN GREENE

As someone who has played for over 30 years in the chauffeured ground transportation arena, it's hard not to fully understand the impact that corporate travel managers have on our industry, or how the battle to stay on their radar has changed—even as their own world has changed.

Just so we are on the same page about who the players are, the Global Business Travel Association (GBTA) is the world's premier business travel and meetings organization. Collectively, GBTA's 5,000-plus members manage over \$340 billion of global business travel and meetings expenditures annually. GBTA boasts a network of 17,000 business and government travel and meetings managers.

The economic downturn has allowed travel managers to take a front-and-center role within their companies and has made travel management, as a profession, an important part of every top executive's strategic planning. In many cases, corporate travel managers (CTM) have been asked to lead companywide efforts to cut travel costs, track those savings, and report them back to senior management.

CTMs still works under two basic itineraries: getting their traveler from point A to point B with maximum cost control while collecting as much helpful data along the way, and making sure the actual travel experience—e.g., ease of booking and expense reporting—is handled seamlessly.

According to a report put forth by the publishers of *Business Travel News*, the following issues are among the travel manager's most urgent challenges in a post-recessionary business travel environment:

Content fragmentation. The disaggregation of travel content across multiple distribution platforms is testing travel managers' abilities to provide the most relevant, policy-compliant travel choices and services to their travelers at the best possible rates.

Pricing complexity. Changing pricing and/or business models, including dynamic pricing and "best available rate" methods in the hotel sector and ancillary fees in the airline sector, are contributing to additional complexity and a lack of spend transparency for travel managers.

Ubiquity of information. Travel managers and travel management companies no longer corner the market on access to travel information. The Internet leveled the playing field years ago, but the rise of the smartphone—and the aggressive adoption of these devices by business travelers—has put access to vast stores of travel content and related information in the palms of their hands.

Rising traveler service expectations. Precipitated by technology advances in the consumer travel space around just-in-time travel services and instant access to trusted advisors (e.g., via social networks), business travelers are demanding more from their travel programs. Generation Y, a demographic that has redefined the concept of the "me-oriented" worker, has not only contributed its own voice to a rising call for better managed travel technology and services, but has also pushed its influence up through the organization, magnifying the effect.

Business traveler behavior changes. In the post-recessionary environment, business traveler adoption of Web 2.0 and 3.0 technologies has fundamentally altered both workplace habits and personal habits. Business travelers are constantly connected to their social networks and stay current with personal and business interests via real-time information channels. Travel managers must determine how to mold their communications, content, and services to fit within these new behavior patterns, as travelers no longer have an appetite for enterprise rules and tools that hamper their tech-powered lives.

The report goes on to say that thanks to the recession, many corporations have leaner—and some would argue, better managed—travel programs



than ever before, especially when measured against a traditional procurement yardstick. Realizing the dramatic effect tight travel management can have on the corporate bottom line, senior managers are looking for more. A recent survey of travel buyers conducted by AirPlus International revealed that 50 percent of respondents cited “finding additional savings” as the greatest pressure exerted on them from senior management.

But in light of these changes, the person responsible for booking corporate travel has shifted over the years from the C-suite (the company president or his executive assistant) to the procurement department and, in some cases, human resources. This means the person who now selects and books ground transportation is probably also tasked with ordering those plastic mats that go under office chairs or supplies for the copier.

But as our industry lives and dies on keeping our wheels rolling, it is irrelevant who makes the decision for the major companies out there. It's only important to know what they want and how to deliver it. But it's not often easy, as we no longer have to just adapt to changes to our business, but also to changes in theirs.

As I talk with the travel decision makers at large companies, an underlying (and recurring) theme in choosing a transportation provider to move their employees is its ability to work with a company as a team, because understanding what we do has a direct effect on how they are perceived by senior management.

“As a CTM for a major corporation, it is all about the personalized treatment that the [transportation provider] gives to FM Global as a whole, as well as the individual employee's experience,” explains Karen Marie Razee, GTP, corporate travel manager for FM Global in Johnston, R.I. “We prefer to work as a team with companies, as we have found this makes all the difference in the world. For instance, when we work with a ground transportation company we work closely with them on all aspects of the job and how it impacts our groups, from chauffeur training to its on-time history. If it's a true partnership in every sense of the word, we all benefit.”

Laura Lage, operations manager in the Meetings & Incentives Department for Atlas Travel in Milford, Mass., agrees. “As our clients plan to attend their meetings and/or conferences, we want their

transportation to be seamless and stress free. [This means] having a transportation company be on time, be visible to the clients that are being picked up, and be able to make last-minute changes. This makes the client happy and both of us look good.”

As CTMs concentrate more and more on cost savings and ROI, a major change to the industry—and a by-product of the online explosion—has been the introduction of online bids for services (RFPs). This has accomplished two things: it gives the CTM the ability to comparison shop at the touch of a mouse, and it has extracted the personal element out of the process, which 25 years ago meant meeting over drinks in a hotel bar as a way of securing a deal.

Taking the first part of that equation into consideration, when you place a bid for services make sure it is 100 percent complete and accurate, and that the pricing is in line with industry standards (trust me, the client will also be doing his homework). Giving a quote is like walking a tightrope: lean a little to the left and you could under price yourself, a little to the right and you'll price yourself out of the running. But most importantly, make sure you can handle what you are proposing, and that you can deliver on your promise. Clients are taking a leap of faith should they choose your company. You have to imagine your company as a giant bungee cord tied to that client's trust. Make sure you can do what you say you will do.

“When I am out to bid for a new ground transportation company, the things I look for are an excellent safety record and references from existing clients regarding such details as professionalism of the chauffeurs, cleanliness of vehicles, and how long it has been in business,” says Sue O'Connell, global travel and expense manager for Cabot Corp. in Boston, Mass. “Other factors may include establishing a competitive set price based on frequent trips, and its network of companies in other locations.” Affiliates and price matter, too.

As business travel stages a post-recession comeback, we are also witnessing the increasing sophistication of business intelligence via mobile devices and social networking, not only among the CTMs booking the trips, but the business travelers themselves. For CTMs, this has been significantly impacted by the advent of the global distribution system (GDS), a worldwide computerized reservation network used as a single point of access for reserving airline seats, hotel rooms, rental cars, and other travel-related items by travel agents, online reservation sites, and large corporations.

For the business traveler, particularly the cyber-savvy traveler who grew up on smartphones and social networking such as open systems like Twitter or closed like Chatter or Yammer, the ability to communi-

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cate through these networks is key. An Association of Corporate Travel Executives study conducted just after the Iceland volcano eruption in 2010 showed that mobile phones were the most useful communications tool for travel managers dealing with a crisis, citing the ability to send text messages and reach travelers

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regardless of their location. Explains one senior director of travel and expense: “We are dealing with an average employee age of about 27 years old, so we’ve got a lot of employees falling into that Generation Y demographic.” The definition of the demographic varies, but know that if you’re dealing with someone under 35, even under 40, they are not only comfortable online, they prefer it.

Which means that if we, as an industry, are going to lament about the absence of that “personal touch” with CTMs, and an increase in social networking as their primary tool, then we must also use the

cyber world they have so fully embraced to stay firmly on their front burner. I won’t call it fighting fire with fire, but it’s darn close.

For our company we use a technique called inbound marketing. This has been a virtual GPS in navigating from marketing to sales, and a tool we feel is the best opportunity to stay within reaching distance of corporate travel managers. Each month we do two blogs and one e-blast that are generated through our website and social media such as Facebook, LinkedIn, Twitter, YouTube, etc. Then members of our sales team, each of whom belong to at least 50 social media groups (e.g., corporate travel planners, travel associations, etc.), send it to his contacts, and so on and so on. Since we implemented this inbound marketing, we have already seen the number of contacts who entered our company website through LinkedIn alone jump 35 percent.

Finally, be sure to follow up with the corporate travel managers you reach out to. Make sure to be persevering without being a stalker. In the words of that immortal songwriter, Ringo Starr, “It don’t come easy.” But when it comes, you’ll see it was well worth the wait and one that will pay off in loyalty. Only then will you be able to build an alligator-filled moat around that prized CTM, one your competition will never be able to cross. **[CD]**

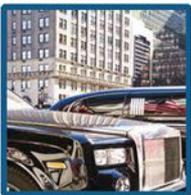


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