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# Travel Manager 2020

Foundational Shifts in the Role of the Travel Manager

July 2015

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## OVERVIEW

This whitepaper presents the results of a survey conducted by the GBTA Foundation in partnership with Sabre. It is a continuation of the topic explored in a study conducted in 2014, which was to understand the value that Travel Managers bring to their organizations by providing rich insights about the day-to-day tasks performed by Travel Managers and what they do to benefit their company both in financial and non-financial ways. The current study is based on a survey of Travel Managers in the United States and Canada who have some level of responsibility in at least one of seven business travel categories, and it primarily focuses on the future role of Travel Managers and how they expect their role will change in the future.

The goals of this study include but are not limited to:

- Determine the importance of and time spent on tasks performed by Travel Managers, and the expected future changes in priority and time allocation for these tasks.
- Investigate how technology has changed the role of Travel Managers and is expected to change their role in the future.
- Explore metrics / KPIs and the ways in which Travel Managers use data to measure the success of their corporate travel programs.

This whitepaper also includes research on travel data which was conducted in Asia-Pacific and Europe. Relevant results are presented throughout the whitepaper when applicable.

## METHODOLOGY

The fielding of the survey took place between March 13 and 27, 2015. An email invitation was sent to 7,068 Travel Buyers (GBTA members and non-members) in the United States and Canada. A total of 281 Travel Managers answered at least one question in the survey, for a response rate of 4.0%. Of these, 84.3% qualified to take the survey for a total of 237 responses.

Of the 237 respondents, nearly all say they have some level of responsibility with hotels (96%), airlines (93%), and Travel Management Companies (TMCs) or Agencies (92%). Many also have responsibilities with ground transportation (88%) and travel technology (86%), while relatively fewer have responsibilities with meetings and events (59%) and payment solutions (48%). Those with no level of responsibility in any of these categories of business travel were excluded from the study.

## INTRODUCTION

Travel Management is an evolving process which shares characteristics with and is influenced by procurement and finance, but retains its own unique challenges and characteristics.<sup>1</sup> Procurement generalists have a tendency to view travel as commodity purchases, which may be valid, but can result in glossing over the industry-specific nuances, like shifts in the travel value chain, and therefore may be less effective. Meanwhile, those with a finance perspective see expense control as the best way to improve company performance in general, making travel a category they want to control and manage closely. They may be more likely to focus on compliance with travel policy and in many organizations the finance department has direct input to the creation of travel policies. By incorporating and balancing both of these perspectives, a more effective and satisfactory travel program can be created.

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<sup>1</sup> Rose, Norman, L. *The Changing Role of Travel Management*. PhoCusWright, GetThere, Sabre, July 2008.

The Travel Manager role involves a wide range of responsibilities and abilities. For example, they may have responsibilities with developing travel program policies, managing contracts with suppliers, and monitoring travel budgets. Successful Travel Managers tend to have a high level of familiarity and experience with travel concepts, practices, and procedures, and ability to maximize savings and minimize costs in order to operate within company budget. This is done in part by building relationships and negotiating with vendors to get the best possible rates for travel. It also necessitates excellent communication and networking skills with all internal stakeholders, as well as embracing the role of facilitator and contact for external organizations.<sup>2</sup>

Technology is a large driver of change both in general and in travel specifically, so Travel Managers tend to continually look for new technological solutions to accommodate their travelers, such as mobile technology, as well as solutions to support the travel program, such as travel data analysis or expense management. These solutions are also useful in tracking key metrics, which can serve as concrete evidence of the value of the Travel Managers' role to show company executives who may not otherwise understand the importance of the travel program.<sup>3</sup> It is also important for Travel Managers to track their program's performance and leverage data so that they can make informed, strategic decisions with their program's resources. This involves identifying the key data to measure so that Travel Managers can recognize when the travel program is being managed successfully and when adjustments need to be made.

## KEY FINDINGS

- Travel Managers consider all nine activities to be highly important to the success of a travel manager, and in the next 3-5 years all of them are expected to be just as or more important. In general, Travel Managers from companies with high travel spend (\$30 million or more) and those with high corporate travel management industry experience (20 or more years) are more likely to rate most activities as "very important," compared to companies with low travel spend (less than \$10 million) and those with low industry experience (less than 10 years).
- When asked about their top-three most time-consuming activities, Travel Managers most frequently mention building and maintaining travel supplier relations and contracts (61%), which is also the activity Travel Managers most often deem as "very important" now (79%). Additionally, in the near future, the vast majority expect to spend the same amount of time or more time on all listed activities. These findings indicate that it is critical for successful Travel Managers to be skilled in time-management and prioritization. In the future it will likely be even more crucial for Travel Managers to prioritize, as 84% expect their role will become more strategic in the next 3-5 years; particularly among Travel Managers from companies with a global reach (presence in all regions of the world) (92%).
- Travel Managers have a variety of future career aspirations, with the most common being advancement to a higher role in travel (44%). Meanwhile, 29% want to stay in their current role in travel, especially those with 20 or more years of experience in the industry (38%).
- Sixty-one percent of Travel Managers currently think that evaluating and applying technology solutions is "very important" to the role of Travel Managers and 75% expect it to be "very important" in the near future. It is also the top activity expected to take up more time (than less or the same) in the future (60%). However, one-third of Travel Managers find it challenging to keep up with new technology, and unfortunately only 39% believe business and technology are in alignment in their organization. These data indicate that this is an important area of travel programs that may need improvement; companies should plan for additional time and resources to be devoted to keeping current and identifying technology

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<sup>2</sup> *Travel Managers: Broader Influence, Higher Visibility*, GBTA, 2012.

<sup>3</sup> *From Numbers to Action: Improving Travel Program Management through Strategic KPS and Meaningful Savings Measurements*, Advito, 2010.

solutions that meet their business needs. Technology suppliers can fill this area of need by advising and educating Travel Managers on new solutions.

- When asked about what specific ways technology has changed their role, Travel Managers mostly discuss the positive aspects of technology. They report improvements like more accurate, real-time data, and the ability to track traveler location and behavior to aid with ensuring duty of care and enforcing compliance. Some of the examples mentioned have had a mixed impact. For instance, automated processes are more efficient for travelers, but reduce face-to-face time. Others report a negative impact on compliance when travelers go outside of policy and find “better” deals, and additional time spent teaching travelers how to use new technology and supporting them when the solution doesn’t work correctly.
- Leveraging travel data in order to track travel program performance and support decision making processes is also “very important” to Travel Managers (71%) and will become more so in the near future (82%). It is currently a fairly time-consuming activity – 57% say it takes up the most amount of their time – and Travel Managers expect this activity to take up more time (than less or the same) in the next 3-5 years (58%). Travel Managers most often use data in negotiating contracts with suppliers, identifying hard-dollar savings, and monitoring compliance.
- Travel Managers are moderately adept in their understanding of the Key Performance Indicators (KPIs) that their organization’s senior leadership most value (64%), which generally center on the cost and savings of the travel program. Travel Managers’ experiences with travel data vary – some are successful, while others struggle with the data they receive. Just over half say that they face challenges from multiple sources and formats of data, while just under half spend too much time manually processing, cleaning, and reconciling inaccurate data. They are somewhat divided between agreement (35%), neutrality (28%), and disagreement (36%) on whether they are satisfied with the travel tools and reporting capabilities available to them.

## DETAILED FINDINGS

### DEMOGRAPHICS

- A large majority of Travel Managers in this study are based in the United States (88%), while the remainder are based in Canada, and overall, they have worked in the corporate travel management industry for an average of about 13 years.
- According to Travel Managers, their travel department most often reports to their company's procurement department (33%), while about one quarter report to the finance department. Another 16% of travel departments report to administrative services and about one in 10 (12%) report to Human Resources.
- Seven in 10 companies have travel policy guidelines, meaning there are guidelines employees should observe when they travel but exceptions can be made. The remainder have mandated policies, in which there are policies and rules that employees are required to follow as a condition of employment or they are not reimbursed for their expenses.
- When asked about the scope of their company's reach, 38% each say global (presence in all countries) and multi-national (presence in all countries that do not represent all regions of the world), and the remaining one-quarter of companies have a national presence (in only one country). Of those companies whose reach extends beyond one country, a majority (62%) have a globally-managed travel program, where one travel manager or team manages all regions.
- Travel Managers' report an average company travel spend of \$73 million in 2014.

### ROLE OF THE TRAVEL MANAGER

#### Activity Prioritization

Travel Managers have a wide range of responsibilities and in order to use their time most efficiently, it is beneficial for them to have a sense of which responsibilities are important, and ideally be able to focus their time on the activities they deem most important. This study found that most Travel Managers consider all the listed activities<sup>4</sup> to be valuable to the current success of a Travel Manager with at least three quarters saying each activity is "important" or "very important." Although they perceive all of the activities as highly important, the following analysis focuses on the "very important" ratings as a more meaningful measure of the top-ranking activities. Another general trend was for Travel Managers with more experience in the corporate travel industry (20 or more years), as well as Travel Managers from companies with high travel spend (\$30 million or more), to rate the listed activities as more important than their counterparts. Concerning the future importance of the same activities in the next 3-5 years, Travel Managers expect all activities' importance level to either remain the same or increase in the next 3-5 years.

When comparing the mean importance rating of all listed activities currently to the expected mean importance in 3-5 years, nearly all activities are expected to be significantly more important.<sup>5</sup> The one activity which does not follow this trend is building and maintaining contracts and relationships with travel suppliers; Travel Managers' expectation of importance remain the same for this activity in the near future. As with many of the listed activities, among the differences, Travel Managers with 20 or more years of experience in the travel industry are more likely to say this activity is "very important" than are those with 10 to less than 20 years of experience both now (89% and 72%, respectively) and in the near future (91% and 78%, respectively).

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<sup>4</sup> See Appendix for full description of all Travel Manager Activities.

<sup>5</sup> A comparison of activities' mean importance now and in the next 3-5 years was made using a dependent t-test. Significance found at  $p < 0.01$ .

### Top “Very Important” Ratings:

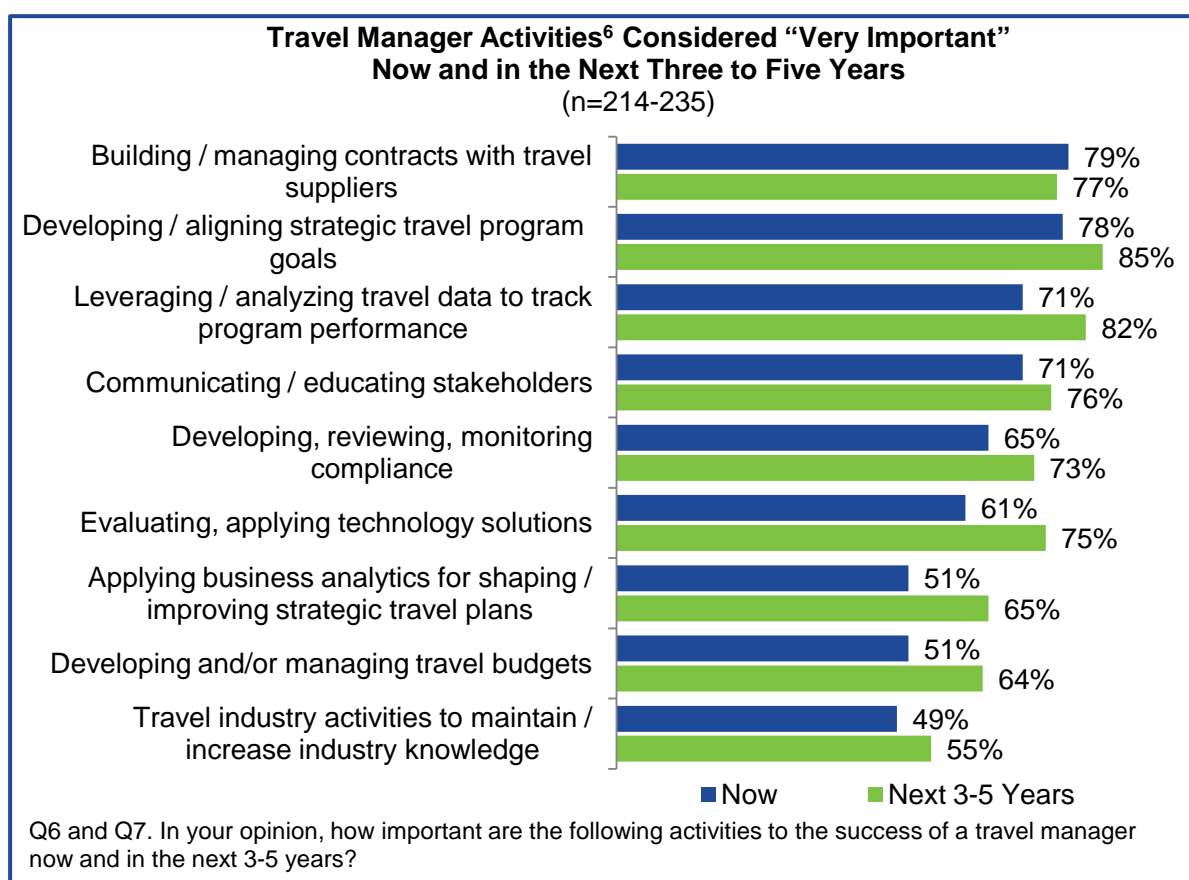
Roughly eight out of 10 Travel Managers each consider building and managing contracts and relationships with travel suppliers to be “very important” now and in the next 3-5 years. Currently, developing and aligning strategic travel program goals is “very important” to 78% of Travel Managers, while 85% expect it to be “very important” in the near future.

Additionally, seven out of 10 currently consider leveraging and analyzing travel data/reports to track travel program performance and support decision making processes to be “very important”. There is also a notable increase in the number of Travel Managers saying that leveraging and analyzing the travel data will be “very important” in the future (82%). Following the general trend, this activity is significantly more likely to be “very important” to companies with high travel spend than companies with low travel spend both at present (86% versus 56%) and in the next 3-5 years (91% versus 71%).

### Bottom “Very Important” Ratings:

While all activities are considered important, Travel Managers are least likely to say developing and applying business analytics are “very important” to the success of the Travel Manager role at present (51%), although Travel Manager industry experience and company travel spend plays an important role. More specifically, a higher percentage of the most experienced Travel Managers (59%) and companies with high spend (63%) view applying business analytics “very important” compared to those with little experience (40%) and companies with low travel spend (36%). The same trend is found in predictions of future importance as well.

Similarly, about half each rate developing and managing travel budgets (51%) and participating in travel industry activities (49%) as “very important” now. These activities will be relatively more important in the future, particularly managing travel budgets (64%).



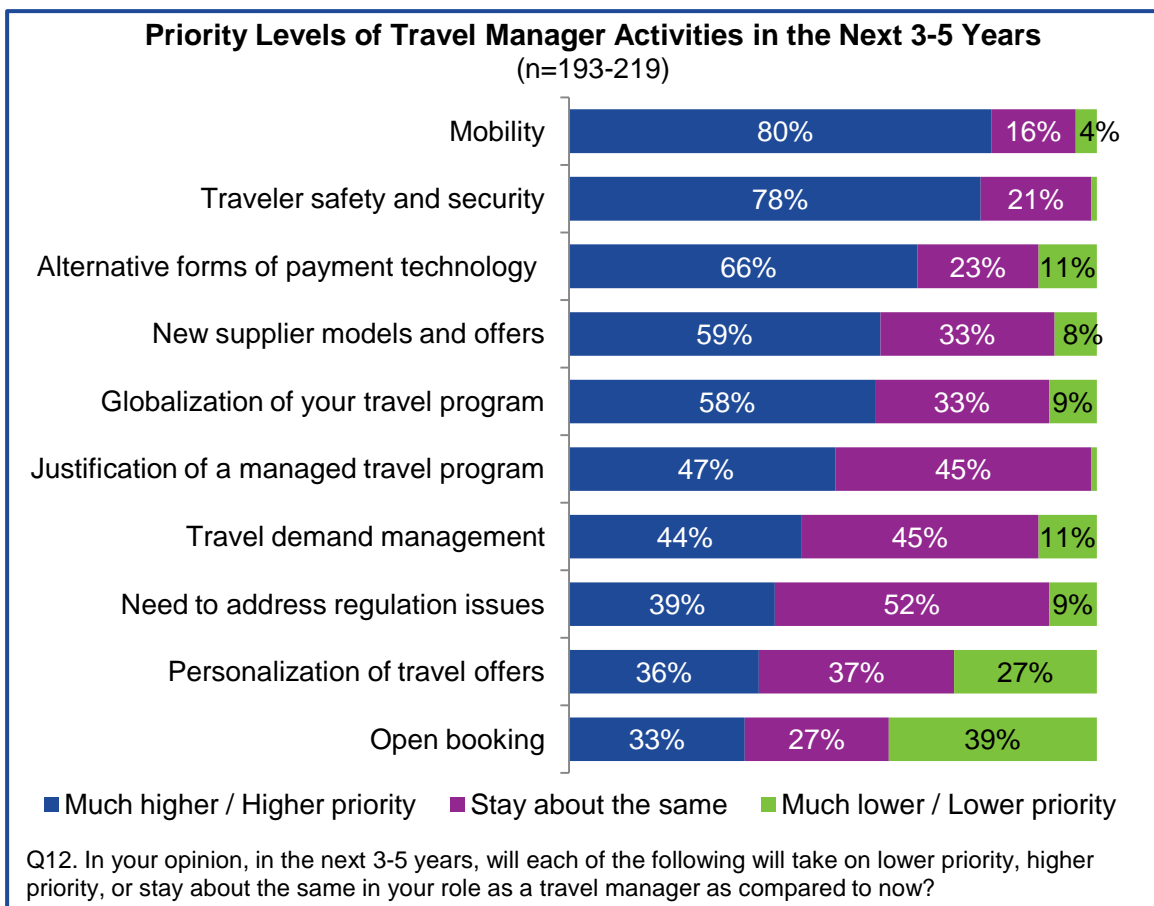
<sup>6</sup> Ibid. 4, p.6

**Priorities:**

Travel Managers were also asked to think about several other areas and what level of priority they would have for their role the next three to five years. Among the findings, most Travel Managers expect mobility, such as mobile booking and itinerary management (80%) and traveler safety and security (78%) to become a “higher” or “much higher” priority in the next 3-5 years. This corroborates other findings from the study about Travel Managers’ future expectations, and it is likely that mobile integration will become more the norm for corporate travel in the near future.

Travel Managers’ responses indicate mixed opinions about the priority that travel demand management and justification of a managed travel program will have in their role the near future; About half each expect it to stay the same or to take on higher priority in the next 3-5 years.

The areas where Travel Managers expect to see the greatest decrease in priority in the next 3-5 years include open booking (39%) and personalization of travel offers (27%). This larger percentage of Travel Managers expecting open booking and travel personalization to be a lower priority can be expected. Travel Managers may expect personalization of travel offers to become less prioritized could be because some feel that they already have systems in place that offer sufficient personalization for their travelers, and thus do not need to prioritize this area because it has been incorporated into their program already. With regard to open booking, many Travel Managers have tended to dislike this option despite its popularity among some travelers, so the decrease in expected priority likely stems from those who are disinclined to implement it. Additionally, because open-booking solutions have been on the market for a while, those Travel Managers willing to implement them, have had time to do so, and thus would consider it a lower priority as well.

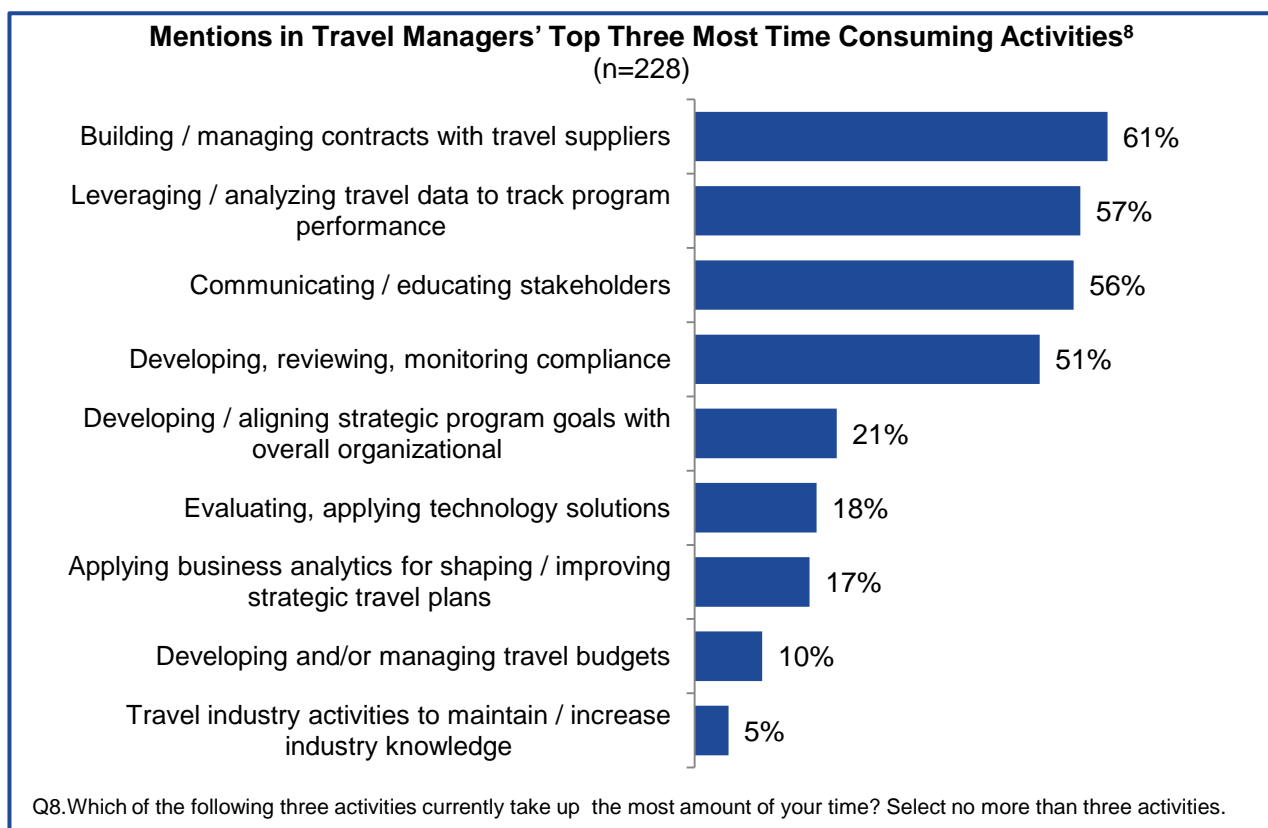




## Time Allocation for Activities

Travel Managers were asked to indicate from a list of activities<sup>7</sup> which three activities currently take up the largest portion of their time. Overall, six out of 10 Travel Managers say building and managing contracts with travel suppliers is one of their top-three time consuming activities. Considering this activity is also deemed highly important, this is likely a good return on time investment for Travel Managers. Other areas in which Travel Managers spend a lot of time include leveraging and analyzing travel data (57%) and communicating and educating stakeholders about travel-related plans, policies, procedures, and tools (56%), and each which are rated as “very important” now by seven out of 10 Travel Managers as well.

Conversely, the least common activities mentioned by Travel Managers are developing and managing travel budgets (10%) and participating in travel industry activities (5%), both of which rank lowest in importance. These findings show a positive trend of the activities considered most important lining up with the activities that take up the most time for Travel Managers, suggesting that they are able to focus on the responsibilities most essential to their role.

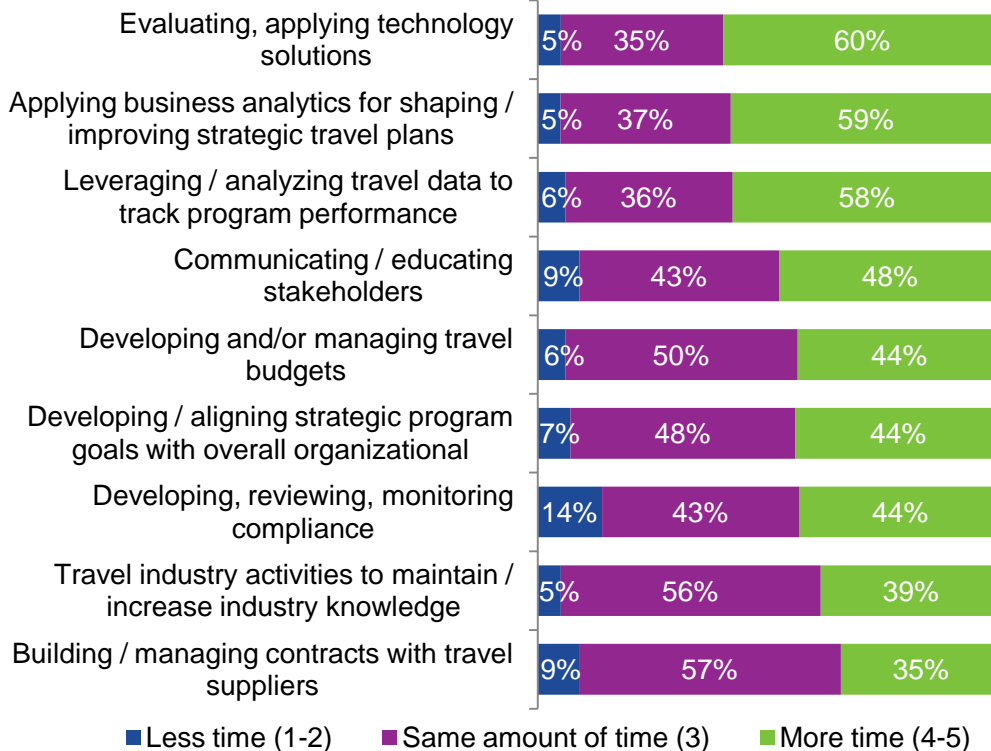


Travel Managers were also asked whether they expect to spend more, about the same, or less time on the activities in the next three to five years. Travel Managers are most likely to expect an increase in their time spent with evaluating and applying technology solutions (60%), applying business analytics (59%), and leveraging and analyzing travel data (58%). Among the activities where most Travel Managers expect to spend the same amount of time include participating in travel industry activities (56%) and building and managing contracts and relationships with travel vendors (57%). In the case of travel industry activities, it may be that Travel Managers are already spending sufficient time on this relatively low-importance task. However with the case of building and maintaining supplier relationships, it seems more likely that Travel Managers do not expect to spend more time because they already spend a fairly large amount of their time on this activity.

<sup>7</sup> Ibid. 4, p.6

<sup>8</sup> Ibid. 4, p.6

**Amount of Time Expected to be Spent on  
Travel Manager Activities<sup>9</sup> in the Next Three to Five Years**  
(n=215-225)

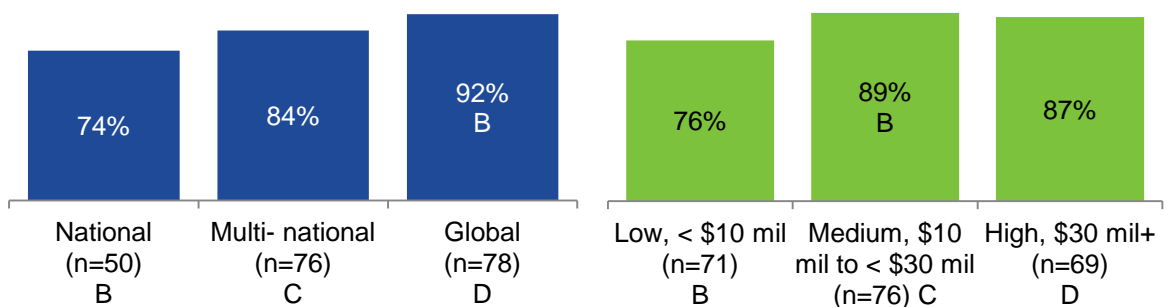


Q10 and Q11. In the next 3-5 years, do you anticipate spending less time, more time, or about the same amount of time on each of the following activities as compared to now?

**Other Future Trends in Travel Management**

There are larger trends at play, in addition to the expected changes with Travel Managers' responsibilities. In general, the vast majority of Travel Managers foresee their role becoming "somewhat more strategic" or "more strategic" in the next three to five years (84%). Those from high and medium spend companies are significantly more likely (both 58%) say their role will be "more strategic" compared to those from low spend companies (31%). Similarly, Travel Managers from

**Expectations for Travel Manager Role to Become  
More Strategic or Somewhat More Strategic**  
By Company Reach                      By Company Spend



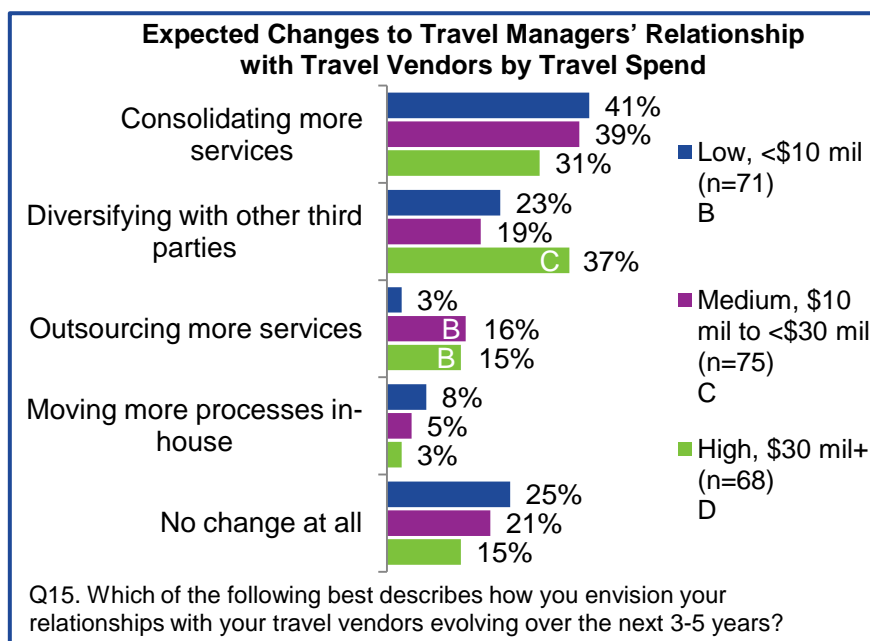
Q14. In your opinion, in the next 3-5 years, do you anticipate the role of the travel manager will become less strategic, more strategic, or stay about the same as compared to now?

<sup>9</sup> Ibid. 4, p.6

companies with a global reach (92%) are significantly more likely than Travel Managers from companies with a national reach (74%) to expect travel management to become more strategic in nature. This trend may be because companies with lower travel spend and national reach simply are less complex in nature and thereby require less strategic planning than those from companies with higher travel spend and global reach.

On the other hand, Travel Managers are less decisive about the evolution of their relationships with travel vendors in the near future. Slightly more than one third expect to consolidate more services,

such as with a TMC (38%), and one quarter expect to diversify with other third parties as a “best of breed” approach, while one fifth expect no change at all. Unsurprisingly, Travel Managers from companies with high travel spend are far more likely to expect vendor relations to become more removed than Travel Managers from companies with low travel spend. For example, 15% of high spend companies say they will be



outsourcing more services in the future, compared to 3% of low spend companies, and 37% of high spend companies expect to diversify with other third parties, compared to 19% of medium spend companies.

With regards to Travel Managers’ career aspirations in the near future; they most commonly want to advance to a higher level role in travel (44%), while 29% want to stay in their current role in travel. About one out of 10 each have aspirations for career changes, such as transitioning to a larger travel program or organization as a travel manager (13%), transitioning to another functional area such as finance, accounting, or senior leadership (13%), or transitioning to a different area in the travel industry (9%).

Unsurprisingly, significantly more Travel Managers with 20 or more years of industry experience want to stay in their current role in travel compared with Travel Managers who have less than 10 years of experience, since more senior Travel Managers are likely to have already made several career advancements and to be satisfied with where they are in their career. Of note, one out of five Travel Managers with low experience (less than 10 years) want to transition to another functional area in the near future, compared to just 7% of those with high experience (20 or more years). These less experienced Travel Managers are likely to be closer to the beginning of their career and perhaps less dedicated to or unsure of the travel industry than those who are more experienced.

## TECHNOLOGY AND TRAVEL MANAGEMENT

Trends in the business travel sector indicate that technology is a large and integral part of the role of Travel Managers and will take on increasing importance in the future. A large majority (86%) of Travel Managers in the current study have some level of responsibility with technology, such as online booking tools, mobile, or other travel technology software. When asked about what is important to the success of a Travel Manager, evaluating and applying technology solutions is currently considered “very important” by 61% of Travel Managers, but more expect it to be “very important” to their role in

the near future (75%). These data corroborates the findings that mobile options for booking and itinerary management, as well as alternate forms of payment technology will take on higher priority in their role in the next three to five years.

Travel Managers that report to their finance departments (77%) are especially likely to anticipate payment technologies increasing in priority compared to those that report to administrative services (52%). Additionally, three in five (60%) Travel Managers anticipate spending more time in their role evaluating and applying technology solutions in the near future, and Travel Managers reporting to Administration Services are even more likely to expect this change (79%).

It is clear that technology's importance will grow; however, Travel Managers will need to keep up with technological advances in their field if they want to be able to leverage it appropriately, and at present their technology solutions and efforts have mixed success. Currently, just over one-third agree that business and technology are in alignment in their organization (39%), and about the same number are satisfied with the travel tools and reporting capabilities available to them (35%). In a 2014 GBTA study on data conducted in Europe (EU) and Asia-Pacific (APAC),<sup>10</sup> some of the same questions were asked. EU Travel Managers had a somewhat similar response (43% "agree" or "strongly agree") when asked if they believe business and technology are in alignment in their organization, while over one half (54%) of Travel Managers from APAC are in agreement. Additionally, staying current with technological advances in travel is somewhat of a challenge, with roughly one-third each in agreement (33%), disagreement (28%) or neutral (39%) with this statement.

Travel Managers are also asked to comment on their experiences with technology and how it has changed the role of travel management. Overall, the majority of the responses were positive in nature. Some frequently

mentioned areas include an increase in available data, data accuracy, and real-time accessibility. Additionally, Travel Managers are better able to track travelers and their behavior which has many

benefits ranging from better duty of care to greater visibility of total travel spend. Some changes reported were more mixed in their impact, such as a decrease in face-to-face time with travelers as processes become more automated. Although automation means travelers can be more independent and self-sufficient, it can also result in disconnect with travelers which

might negatively impact their understanding of travel policies and thus compliance.

Additionally, some negative impacts of technology also came to light in Travel Managers' responses, but are mentioned less often than the positive ones. Complaints about technology included the stress Travel Managers feel in trying to keep up with the many new solutions and uncertainty in knowing which one is best for their travel program. Travel Managers also mention the need to spend more time educating travelers on the new solutions, as well as feeling like a "help desk" when travelers run into problems or do not understand something. See Appendix for the full list of responses.

Travel Managers report a wide variety of travel technology solutions when asked what other types of travel technology will have greater priority for their role in the near future. Some of the more frequently mentioned areas include solutions related to mobility, especially apps for booking on mobile devices. Travel Managers expect to see this technology take on greater importance for younger travelers who

*"Reporting helps me identify areas for improvement and increase compliance"*

*"It's allowed me to be more efficient; however with increased technology it requires additional oversight and education."*

*"It's made it more challenging. You have to constantly be aware of what technology is changing and how it is affecting your travelers."*

<sup>10</sup> *Travel Managers' Data Needs and Challenges*. GBTA Foundation, December 2014.

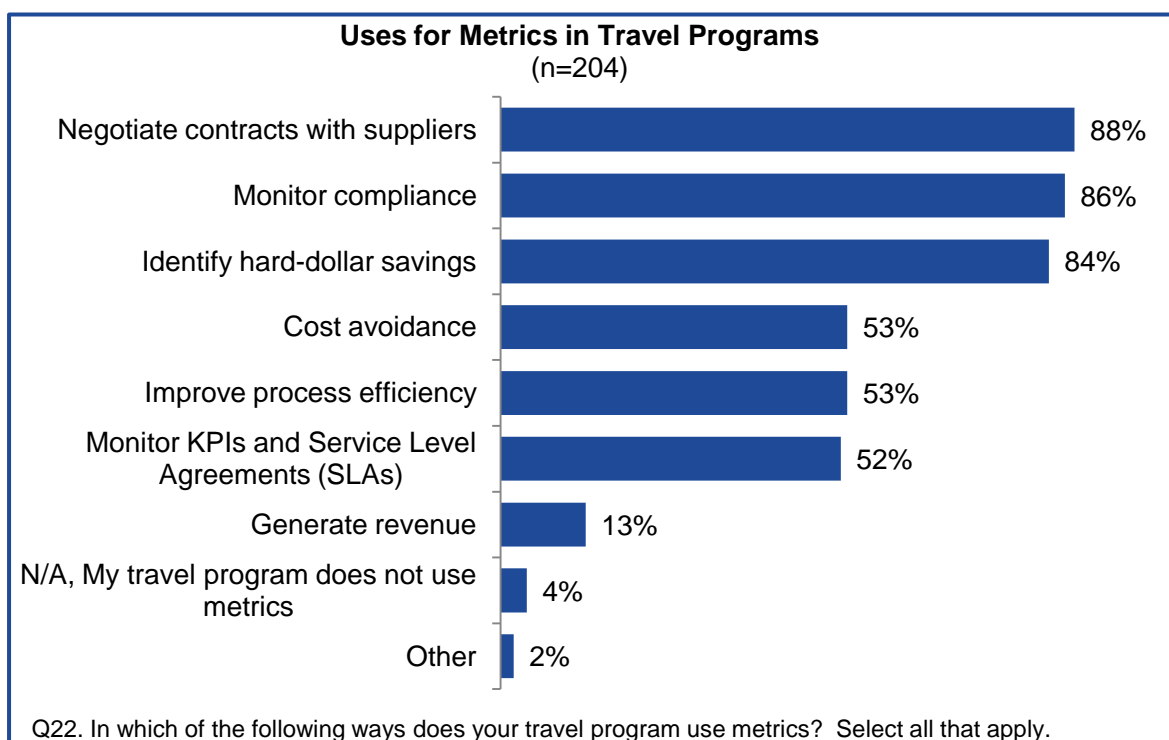
tend to be more experienced and interested with mobile technology. Mobile technology may also play a greater part with duty of care, where there may be an increase in communications and traveler tracking. They also expect there will be an increase in the number of online/virtual options for many facets of business travel, such as meetings and payment methods. Finally, Travel Managers predict that in the near future, tools for tracking, analyzing, and reporting data will become a much higher priority in their role. See Appendix for the full list of future technology priorities.

## DATA MEASUREMENT IN TRAVEL PROGRAMS

While the value of a managed travel program may be evident to those in the industry, Travel Managers still must justify themselves to senior leadership and demonstrate the value their program brings to their company. To this end, collecting data on travel becomes crucial, and Travel Managers place a great deal of value on having accurate, holistic travel data. For example, 70% of Travel Managers currently say they consider leveraging and analyzing travel data to be “very important,” while a larger proportion (82%) say it will be “very important” in the near future, and 58% expect to spend more time leveraging travel data in the near future.

TMCs are typically the ones that handle the management and reporting of travel data, according to over three-quarters (77%) of Travel Managers. Over one-third (37%) of Travel Managers say that internal resources are primarily responsible for this function, and especially for companies with medium and high travel spend (43% and 48%, respectively). Much more rarely, a third-party data provider manages and reports on travel data (12%). Regardless of who handles this function, not having any entity manage travel data is nearly unheard of (4%). Overall, travel data is managed most often by only one of these three sources (74%), particularly in companies with low travel spend (88%). Meanwhile, three in 10 companies with high travel spend tend to use two entities for their travel data management and reporting.

Among the ways in which travel programs use data is in contract negotiations with suppliers, according to nearly nine out of 10 Travel Managers. Other common uses for travel data include monitoring compliance (86%) and identifying hard-dollar savings (84%). Cost avoidance, improving process efficiency, and monitoring Key Performance Indicators (KPIs) and Service Level Agreements (SLAs) in buyer-supplier contracts are other ways in which just over half of Travel Managers report leveraging travel data. In general, a significantly larger proportion of Travel Managers from companies



with high travel spend leverage metrics in their travel programs, compared to Travel Managers from companies with low travel spend.

There are many aspects of travel data in which Travel Managers are involved; some are strong points for their travel program, while others are weak points. The area in which Travel Managers most frequently agree that they are successful is with understanding which KPIs their senior leadership most values—64% of Travel Managers “agree” or “strongly agree.” As a follow up, these Travel Managers were asked to list the top-three KPIs that their senior leadership most values. As might be expected, the metrics are centered on costs and savings. Specifically, the most frequently mentioned KPIs include those that relate to travel spend, cost and savings management, and compliance. The trend for compliance to be included among measurements of costs and savings is supported by findings in a 2014 GBTA study on the costs and savings of a managed travel program,<sup>11</sup> where traveler compliance ranked among the top sources of savings for travel programs.

Other areas in which Travel Managers are moderately successful pertain to measuring and tracking the right travel metrics (54%), using traveler needs, preferences, and behavior to predict future behavior (54%), and having access to real-time data (52%). The few Travel Managers who disagree that they are measuring the right types of metrics (19%) think that they should be measuring and tracking the most valued KPIs listed above. This similarity between the metrics Travel Managers say their program should be measuring and the KPIs that senior leadership value points to a consensus in the industry that cost- and savings-centric metrics are the most valuable in determining the success of travel programs. See the Appendix for a full list of the senior leadership-valued KPIs and the key metrics currently not being measured.

<b>Travel Data, Measurements and Technology</b> n=207-217	<b>Agree / Strongly agree</b>	<b>Neither agree nor disagree</b>	<b>Disagree / Strongly disagree</b>
I think that we are measuring and tracking the right types of travel metrics.	54%	27%	19%
We look at traveler needs, preferences, and behaviors to help us predict future behavior.	54%	31%	15%
I have access to real-time data.	52%	19%	29%

Q18. Please indicate your overall level of agreement with each of the following statements about your company's travel data:

Q19. Please indicate your overall level of agreement with each of the following statements about your company's measurement and technology efforts:

A more complete understanding of Travel Managers' areas of data successes and challenges can be found by looking at trends in other regions. In 2014, a GBTA study in EU and APAC<sup>12</sup> found that Travel Managers based in those regions are slightly less likely than North American (NORAM) to have access to real-time data, with 43% reporting this in APAC and 45% in EU, compared to just over half of NORAM-based Travel Managers (52%). However, those in EU (64%) and especially those in APAC (76%) are more likely than those in the NORAM (54%) to say they look at traveler needs, preferences and behavior to predict future behavior. Of note, one area that NORAM Travel Managers find particularly challenging, compared to Travel Managers from other regions, is having confidence in the accuracy of their company's travel data – fewer than half agree with this statement in the NORAM (46%), while slightly fewer than three-quarters agree in APAC (73%) and EU (70%). This discrepancy in the number of NORAM Travel Managers with real-time data compared to the number expressing confidence in their data and using it to measuring traveler behavior indicates that, though a majority

<sup>11</sup> *What Costs and Savings Do Managed Travel Programs Experience?* GBTA Foundation, October 2014.

<sup>12</sup> *Travel Managers' Data Needs and Challenges.* GBTA Foundation, December 2014.

has the capability to get real-time data, the quality may be lacking and could be preventing them from leveraging it effectively.

Additional questions shed light on possible reasons why only a modest number of NORAM Travel Managers are using data in a predictive capacity. For example, over one-third (36%) of Travel Managers “disagree” or “strongly disagree” that they are satisfied with their available travel tools and reporting capabilities. Additionally, more than half (53%) agree that it is difficult to work with travel data because it resides in multiple sources and formats and under half (44%) agree that they spend too much time on manually processing, cleaning, and reconciling data because of inaccuracies.

<b>Travel Data, Measurements and Technology (continued) n=207-217</b>	<b>Agree / Strongly agree</b>	<b>Neither agree nor disagree</b>	<b>Disagree / Strongly disagree</b>
I find it difficult to work with the travel data because it resides in multiple sources and formats.	53%	21%	27%
I spend too much time on manual data processing, reconciling and cleaning data because of inaccuracies.	44%	30%	26%
I am satisfied with the travel tools and reporting capabilities that are available to me.	35%	28%	36%

Q18. Please indicate your overall level of agreement with each of the following statements about your company’s travel data:

Q19. Please indicate your overall level of agreement with each of the following statements about your company’s measurement and technology efforts:

However, NORAM Travel Managers are not alone in these challenges, as similar numbers of EU-based Travel Managers also encounter difficulties from multiple sources and formats of data (52%) and spend too much time correcting data inaccuracies (44%). Those based in APAC fare somewhat better in these areas (47% and 36%, respectively).<sup>13</sup> See Appendix for full table of NORAM, APAC, and EU responses.

Taken as a whole, these data indicate a need among NORAM travel programs for higher quality reporting tools capable of improving data accuracy, consolidating data, and producing better reports. If Travel Managers can find and implement such tools, they should be able to track metrics with more confidence and supply more robust reports on the most valued KPIs to senior leadership, which ultimately will help provide a more concrete demonstration on the value of the Travel Manager’s role.

## **KEY TAKEAWAYS**

- Broadly, Travel Managers can expect to see their role becoming more strategic in nature in the near future. For example, activities such as leveraging travel data, and developing and aligning strategic travel program goals will become significantly more important to the Travel Managers’ future success than current success. Meanwhile, building and maintaining contracts and relations with travel suppliers, a decidedly tactical activity, is the one activity that is expected to remain the same over time. This supports the idea of increasing strategy for Travel Managers in the next three to five years, and provides a good direction for Travel Managers to focus their attention in order to remain at the forefront of changes in the industry.
- It is also evident that technology’s importance to Travel Management will be rapidly increasing, as seen by the significant increase in number of people expecting it to be important in the near future compared to now. Technological advances in their field is an important area for Travel Managers to devote more time to expanding their knowledge, given it is an area expected to take up more time in the future and it is an area that is difficult to keep abreast of. Particularly as younger generations of traveling employees join the workforce, technology is likely to take on a larger role in all aspects of travel management.

<sup>13</sup> *Travel Managers’ Data Needs and Challenges*. GBTA Foundation, December 2014.

- Mobile technology is predicted to be a much higher priority in the near future than it is now. More travelers will want this option, particularly for online booking and itinerary planning, as well as providing a means of tracking travelers' behavior. Another technological solution mentioned is payment technology, such as mobile payments. This field of technology is likely to see an increase in developments in the near future, and Travel Managers would benefit to monitor new mobile solutions closely and consider if they are the right solution for their travel program.
- The general consensus about the most important metrics to track and the most valued KPIs according to senior leadership are all in some way related to costs and savings. Whether it is about travel spend, policy compliance, or tracking negotiated rates, all of these measurements relate back to the bottom line. These are among the most important data that Travel Managers should be tracking in order to show their company's executives the performance and value of their managed travel program.
- In general, Travel Managers face the most challenges working with multiple sources and formats of data, in addition to spending too much time manually reconciling data due to inaccuracies. Furthermore, they are less than satisfied with the travel tools and reporting capabilities available to them. Taken together, these results indicate a clear need for data consolidation and better methods and tools for data collection and reporting, which could be areas of opportunity for technology developers and suppliers.