



[Home](#) > [Topics](#) > [Multinational](#)

Roundtable: Discerning Mobile's Promises And Pitfalls

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Paris - Business Travel News here in October at the Association of Corporate Travel Executives global conference conducted a roundtable discussion with three European travel buyers to explore how social media and mobile technologies impact managed travel and the latest developments in online booking—including persistent frustrations around booking rail tickets—and expense management. Moderated by *BTN* contributing editor Amon Cohen and director of research and media strategy David Meyer, the conversation included Capgemini global travel manager for travel and events **Cyriaque Benoist**, Pfizer travel manager for Europe, the Middle East and Africa **Kate Dolman** and Accenture director of global operations **Margaret McGrath**. An edited transcript follows.

BTN: How much demand is there from your travelers for you to provide social media and mobile tools?



CYRIAQUE BENOIST

Cyriaque Benoist: We have created a pilot with [mobile technology firm] conTgo. We are testing what the value would be of pushing information to travelers. As an example, we have negotiated local taxi agreements in Norway. If you arrive at Oslo Airport, you will receive an SMS giving you the number of the cab firm to dial, which means you are benefitting from agreements negotiated locally. We have measured it and found we are getting a €5 to €10 improvement per trip, so we are giving better service to the traveler and at the same time creating more compliance.

There is strong demand for this added-value information during the trip. Once travelers have arrived at their hotel, we can send them an SMS saying: "Just remember the negotiated price is this one, breakfast and Wi-Fi are included, and you can compare it with the rate on the invoice at check-out very easily." We are getting very good returns from this type of application.

BTN: We hear about all sorts of sophisticated new apps, whereas conTgo is, for this function at least, simply a text message service. Do you think that is all that is needed?

Benoist: I think it is a very good step. What is important is that you are creating a link personally with your supplier. You don't need to be very sophisticated, you need to be efficient and timely—before check-out, not two hours later. When you are real-time, personal and simple, that is a very good proposition.

BTN: What about your travelers, Margaret? Is there much demand to provide mobile services or social networking?



Margaret McGrath: I wouldn't say there is high demand for it, but we do have an



internal social media site and a lot of dialoguing takes place. I don't think we have been able to really exploit what that might mean, so right now it's more that early evolution. We're not using it proactively.

BTN: Is it something you are researching?

McGrath: We are interested to understand how we can use it in a more dynamic way, and we are working with others on this. We are talking to our travel management company and we are talking to our online booking tool suppliers. We are also talking with our own chief information officer's team, so we are in that very early stage of understanding the capability and how we could use it so that it is relevant and worth people's time. There are so many things going on that it is hard to know sometimes how not to overwhelm people. Keep it simple.

BTN: What is the internal system you are using?

McGrath: It's Yammer.



Kate Dolman: We are in a very similar situation. We're really aware that we need to have policies around contacting people because they get so much information from a wide range of sources. We need to think about the relevancy of what we are putting out, and the wallpaper effect, because if you are constantly putting through information in that medium then it can become just another offer for a hotel. But if you get hold of travelers in emergency situations where we would be quite worried about them, that is probably a worthwhile focus.

McGrath: One thing I find very interesting is how much information about their personal lives people are prepared to put on social media sites, yet you cannot get them to fill in a profile. It's crazy.

BTN: Do you have a sense of how many of your travelers have smartphones or tablet devices?

Benoist: Nearly all.

McGrath: Yes, I would say that.

BTN: Presumably they must be using lots of apps and mobile sites independently. Does that create a problem for you?

Dolman: In terms of compliance, I'm sure anything that is easy for them to use in their personal lives and will transfer to their working lives will have a knock-on effect on the compliance of our booking channels. Generally, I think we have other mechanisms in place to capture the big stuff, but it would be categories like hotels where there would possibly be a hitch.

BTN: Is there some way of addressing that further down the management chain, to gather the data or find out where employees have been going, even if they have been using independent channels to book?

Dolman: Payment systems. That is the most effective method we have at the moment. Everything has to go through our payment system, so we can see how they booked and whether they booked out of policy.

BTN: Do you use that method to match up data?

Dolman: We are introducing Concur's integrated travel and expense management system. That's end-to-end and is going to give us greater visibility.

Benoist: One way also could be to create a selection of the apps you are validating. Travel agencies are starting to do that. Carlson Wagonlit Travel is promoting a selection of relevant apps, and I think internally we should promote our own selection. We could promote it through our intranet or electronic newsletters, making clear which apps are permitted.

BTN: **Could you tell travelers which apps they are not allowed to use, like those in which users reveal their location to others, or ban the use of social networking apps for the purposes of commenting on suppliers?**

Benoist: You could do that, but how would you control it?

McGrath: Why would you want to go down that path? People are going to find them. In the best-case scenario, you build a managed travel program which makes sense, is simple and provides additional value, such as an expense tool that simplifies travelers' lives. It's about being smart, honest and building your program where travelers see value. People use hundreds of apps, and there's just no way you can stop them.

BTN: **It's an interesting point that you may want to make your own program more attractive than the external alternatives, but sometimes that must be very hard. For example, Eurostar has launched an app through which you can get a mobile boarding pass, but that service is not yet available through the TMCs. It must create great temptation for your travelers to book Eurostar independently instead.**

McGrath: We faced that in France, because when [French national railway company] SNCF set up e-ticketing, the capability in our online booking tool was not there. The TMC followed behind and was able to do it, but the booking tool could not, and that was a big challenge. You have to face those situations, which means working with your suppliers. If travelers have to deal with the paper version of a ticket or go to a kiosk, then you have to provide some other added value to keep them in the program.

Dolman: The other conundrum is that if you go out and say "nobody do this," and they didn't know about it in the first place, they might think about doing it.

Benoist: We are clearly moving from a situation where we are imposing things on travelers to where we are influencing them, so you need to be able to sell your approach and convince them. There will be a fight between us as a company and the supplier, because we are all reaching for the same target, which is the traveler. The traveler will be between, and we will need to be the biggest influence.

McGrath: You have to be very smart at marketing. You also need to demand support from the supplier. Take the American Express card, for example. I am sure that any company which uses it experiences the constant complaint of why is it not accepted more widely, so Amex has brought out an app that will use geo-coding to tell travelers, wherever they are, the nearest restaurant or supermarket that takes the card.

Benoist: That is a good example of how to convince people who, for example, say Amex does not have good acceptance. If you provide the locations, you can say, "I guarantee that in every city in Europe you will find a restaurant that accepts Amex." You are using technology as a new selling point.

BTN: **Do you feel expense management systems are becoming more responsive to your needs in**

Europe?

Benoist: We are seeing progress. We have adopted a strategy of full integration of our booking tool with our expense reporting tool. We, too, have chosen Concur and we will deploy it in the United States and all countries in Europe.

BTN: Do you think the concept of integrated booking and expense management works as well in Europe as in North America?

Benoist: Yes, because it is important to us to have one single point for the user so they can manage all of the chain from the booking at the beginning to the expense. If you are able to do that from one point, it is very user-friendly.

McGrath: It's another value-add. You talked about leakage and why people would want to commit to the managed program. To be able to have that complete end-to-end simplifies life even further. We don't have the opportunity to do that today, but we see the value for sure.

BTN: Cyriaque, why Concur as opposed to KDS or some other integrated solution?

Benoist: Concur offered us key functionality, especially for the U.S. market, which is our number one country for travel spend. We have KDS in France.

BTN: Focusing specifically on online booking, do you continue to improve adoption within your companies, or have you reached a plateau?

Benoist: There is a plateau because there is not yet a tool in the market to deal with complex trips, although this may become the case two or three years from now. With complex trips there remains a strong added value from the TMC, because if you have spent 15 years practicing your craft, you are very well-suited to deliver good advice.

BTN: But do you think the definition of a complex trip might have changed? Perhaps in the past you would have booked only point-to-point trips on an online booking tool.

Benoist: For me, "simple" means point-to-point and "complex" is all the other ones. The split in most companies is around 70 percent simple and 30 percent complex.

BTN: What sort of adoption rate do you have for point-to-point?

Benoist: In most regions we are close to 90 percent, which is a plateau because there is a good reason why the other 10 percent are exceptions.

Dolman: We do the same thing, asking people to go online for simple bookings, and we are getting good adoption. If people do go outside the guidelines and book multi-sector trips—which they can do—we have a safety net where the agency will check the reservation to see if they can make any savings. There are markets that I think could be doing better, for whatever reasons, such as culture.

We introduced it in Egypt, for example, and [the adoption percentage] shot straight up to the high 60s, but then it proved to be like a Christmas toy: Everyone had their fun, and after that, the percentage went down quite a lot. The ability is there, and the type of travel is there. It's all waiting to take off, but culturally we have more administrative staff in that market than other markets.

McGrath: We are seeing people wanting to do more online. It's more about managing expectations of what the tool can do. We put out messaging to call the agency for very complex trips of four or five segments, but we still have people looking to do that [themselves], so, like Kate, we have the secondary check, depending on the number of segments and the price. It's a question of finding a balance. In the early days, allowing only point-to-point became a limitation, so we don't discourage people like that anymore.

As far as adoption rates are concerned, we have some fairly high rates, but I would not say we have plateaued. We believe more could be done, and we are still implementing in some markets.

BTN: Where do you see the potential for improvement?

McGrath: There is still an opportunity to do better among very senior executives and the executive assistants who support them. On the question of touchless bookings, we have done very well, but there remains a need for education.

BTN: What prevents fulfillment from being touchless?

McGrath: Sometimes there is a very genuine reason why it needs to be touched on the back end. The airlines are doing some interesting things right now that are causing touches, but we are still also seeing people doing silly things, like calling the agent to say they have made a booking and asking if it has been confirmed. We do a lot of analysis of cause of touch, and there is definitely capacity for improvement.

BTN: What about content? Do you have everything you want in your online booking tools in Europe?

Dolman: Not rail. It's unfathomable, really. Essentially, it should be the same as the airlines: global distribution system access and Billing and Settlement Plan payment, and yet it doesn't even seem to be on the horizon.

BTN: Not even for domestic rail journeys?

Dolman: It's fine for U.K. domestic rail, but as soon as a U.K. traveler tries to book rail across the Channel, they have to go on the phone. You can't do it online.

BTN: Who do you use to book U.K. rail?

Dolman: We are moving to a specialist rail supplier, Thetrainline. Before that, we let people do what they liked. It is only now that we are identifying the spend. A rail booking tool will give people a chance to book further in advance and therefore find cheaper fares. Many people were doing it on Thetrainline's consumer website anyway, so this is a way of helping them.

BTN: Last year, some booking tool providers told us that they were going to have lots of rail content by this point, but you're not seeing it?

Dolman: No.

McGrath: They have uncovered things that they didn't anticipate and it has put back a lot of the new content. SilverRail's objective is to become the conduit that will manage the rail environment and replicate what we experience today in the GDS in terms of the way we buy air and the ability to compare multiple options. That has been a real challenge because the suppliers have all been doing their own thing. They

don't want to talk to the GDSs. Now their need is changing because of the way Europe is opening up, and they are looking at their ability to cross-sell. It will be very interesting to see what happens.

BTN: Do you have some optimism?

McGrath: Muted optimism, yes.

Dolman: There is an issue over all the rail companies producing different ticketing systems. To do a journey across Europe, you end up not just with different tickets but with different technologies.

BTN: What percentage of your rail bookings across Europe do you estimate are made online?

Benoist: I would estimate 40 percent of our rail bookings are online, taking an average across Europe. Until now we have used different booking tools in different European markets. In France, we book through KDS, and we use Cytric in Germany. Each time, there is an optimized situation. It is more difficult if you are using the same booking tool globally.

BTN: Has that helped you achieve lower average fares?

Benoist: Yes.

McGrath: For us, rail has very high adoption if we are buying domestically. The challenge, as Kate said, is trying to buy across borders. In France, Belgium, the Netherlands and Luxembourg, our rail adoption is about 70 percent.

BTN: Using which tools?

McGrath: We use GetThere. We used to have a best-in-market strategy, and we had very high rail adoption with KDS, which we were using in Europe. We did see a big drop when we moved to GetThere but we have slowly been able to bring it back up. We did a lot of development work with the new supplier. It's very high in the Nordics. That's one of the global exceptions where we don't use GetThere, so we can get Swedish Rail there. In Germany we have very high adoption, but it's a direct connection to Deutsche Bahn. Similarly, in the U.K. we are with Thetrainline.

BTN: Is there anything else you want to say about online booking?

Benoist: I see some interest in whether a platform like [online hotel booking agency] HRS would add value compared with the general booking tool. It would be good to have integration of both. That is not so easy, but it is certainly something that would be worth providing. For air, general booking tools are very good. They find you the best fares. But hotels are so complex that I can see the advantage of using another platform like HRS.

BTN: Why? Because they have more content?

Benoist: Yes. That is the question for me.

BTN: Is this becoming more of an issue?

Benoist: I think so. I am hearing in France and the rest of Europe of companies that are fed up with running a big hotel program, so they say they will leave it to HRS. That is a trend.

BTN: Kate and Margaret, are you happy with your levels of online hotel adoption?

Dolman: It could always be higher. Air works so well online. We measure adoption just on air. Hotel does tend to be the one that is a problem. People behave differently. They book their air, and then you want them to book their hotel in the same way, but they don't. They feel like the big decision has been made, so you tend to lose them.

McGrath: We are not looking at a specialized hotel tool. I recognize the added value, but I don't want the fragmentation. We need to be pushing the suppliers more. I think there will be more coming in this area soon.

BTN: Moving to a different subject, do any of you use technology to consolidate your data from different sources?

Benoist: I am trying to select a provider to provide one single entry point.

BTN: Tell us why this move is important to you and which types of data you want to integrate.

Benoist: We still use multiple travel agencies, so it is to create one single point for them and incorporate coverage from the credit card. I would also like to have a match-back to compare data between the agency and the credit card, so I need a third party to do that. And last but not least, I want a user-friendly, web-based tool to share data.

BTN: Could you ask one of your TMCs or your card company to consolidate on your behalf, or do you feel you need an independent aggregator?

Benoist: It is very important to go with an independent company that specializes in data checking and data matching.

McGrath: We have been talking about integrating our card data with our agency data. It's a combined effort between the travel management company and our own CIO team, so we are using some of our internal resources to work with the agency to design something that would give us very robust reporting. Historically, when we had more than one agency, we had one of them combine data from the others, and it was not a good solution. We invested a lot of time in how the data would be mapped to give us a consistent view, and it was very challenging, so a third-party expert might be a good solution.

Dolman: We had challenges. We worked with two agents. I can definitely see the benefit of going down the independent route. But the area of information we are looking at is so broad. We are not just looking at the agency data. We are analyzing the cost of the whole trip, so it pulls in things like taxi journeys and food. We focus very heavily on air spend, yet it's phenomenal what we spend on food, so it will be very useful to see a complete picture of T&E spend. Hopefully we are going to get that with the new combined booking and expense management tool.

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