



## Come together:

Integrating your corporate travel  
and meetings programs

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# It's time to maximize your opportunity

Do you know your meetings spend?



Meetings spend can be up to **35%** of your total travel budget... yet is often **hidden** and **fragmented**

**80%** of meetings are organized **outside of policy**



**88%** of companies already have an **SMMP** (Strategic Meeting Management Program) in place today – your **stepping stone** to **successful integration**

**Over 50%** of these have started to **integrate** travel and meetings



**Integrating travel and meetings** puts you in control...

...and **benefits your**



SUPPLIER RELATIONS

MORE SPEND LEVERAGE



RISK MANAGEMENT

HELPING TRAVELERS ON THE GO



EMPLOYEE SATISFACTION

EASY ACCESS TO BOOKING AND INFORMATION



SPEND AND PROGRAM MANAGEMENT

IMPROVED INTELLIGENCE AND POLICY COMPLIANCE



RESOURCES

COMBINED TO EXCEL



ADVITO



## Introduction

It's 2014. Is your company making the most of its meetings spend?

For many companies, meetings spend is one of their least transparent spend categories. It can represent up to 35% of a company's total travel budget (in some industries, like the pharmaceutical and financial sectors, that percentage can go even higher).<sup>1</sup>

But meetings spend is often fragmented and hidden, and the task of uncovering and piecing it together can seem daunting.

Bringing together your company's transient and meetings spend makes a lot of sense—and the good news is that integration isn't an all-or-nothing proposition. When you put in place the level of integration that's right for you, you'll see:

Come together: Integrating your corporate travel and meetings

### More savings

Although they don't always realize it, many companies use the same hotel and air suppliers for both transient and meetings. By combining that spend, you can leverage even better deals than you had before.

### More control

When you align transient and meetings policies more closely, you can gain much better control over booking behavior. This is especially true for meetings, where compliance rates are often significantly lower than for transient travel. And by merging your technology, data and personnel too, you'll find some big wins through process efficiencies.

### More satisfied travelers

It isn't just at the company level that you gain from integration. Your employees will appreciate consistency in their policy and booking process, extra amenities and benefits from suppliers (where you've deepened the relationship by increasing the amount of business you bring them), and enhanced security and emergency assistance services.

While the benefits to integration are obvious, it's not always easy to get started. But now, you can draw on the integration methodology we've created for our customers. This paper doesn't just explain why integrating travel and meetings can add value to your company. It walks you through what you should have in place before you embark on integration, and gives you a four-step process to make the integration smoother.



<sup>1</sup>StarCite, "[Partner Perfect: Strategic Sourcing Key to SMMP Efforts](#)," 2009

## Why you should integrate travel and meetings

### Better supplier relations

#### *More spend for negotiation*

According to estimates from BCD M&I, for the average company, meetings spend accounts for 30% of its overall travel and entertainment costs. Companies are often surprised to find they've been using the same supplier for transient and meetings travel, since negotiations tend to take place in silos.

So, adding that meetings spend to the pot you already have for negotiating can give you substantially more buying power with your suppliers.

While the reality of supplier negotiations is usually more complex than  $A + B = C$  (airlines generally negotiate route-by-route, while hotels negotiate city-by-city or property-by-property), combining meetings and transient spend really can make a difference. Your company's transient hotel spend in Boston or Budapest may not be enough to negotiate a corporate rate, but when you add three or four meetings, even small ones, the total amount could look much more attractive to a supplier. And if you can secure a chain-wide agreement, the rewards are potentially even bigger. It is also sometimes possible to negotiate inclusive extras for both transient and meetings, such as breakfast or Wi-Fi.

### *Consistent terms and conditions*

Enforcing consistent contractual terms and conditions with suppliers is a clear best practice. It allows you to improve compliance and mitigate risk in a number of key areas, including:

- Cancellation
- Attrition
- Insurance requirements
- Supplier reporting requirements
- *Force majeure*
- Liability
- Indemnification



### **Better risk management**

Our clients, and those of BCD M&I, increasingly cite risk management as important an integration driver as supplier leverage.

Over the past decade, companies have greatly improved duty of care for their transient travelers. They often focus on providing emergency assistance and tracking travelers—usually through their travel management company (TMC)—and making sure employees have essential destination and security information. Meetings-related duty of care, however, has lagged behind. If the TMC didn't book travel to the meeting, the company may not know where its meeting attendees are in a crisis (or even if they showed up for the meeting). Integration is an ideal way to extend your current transient travel security processes—including the consistent profiles that enable seamless 24-hour assistance—to meetings.

### **Better employee satisfaction**

Travel and meetings integration also means bringing together booking processes and information (such as policies, city information and safety messages). With one place to look (whether that's your intranet portal or online booking tool), and one process to follow, you can make travel much more convenient for your employees.

### **Better spend and program management**

#### *Improved intelligence*

A single process and a more unified supplier list will give you a much better picture of your total spend, and also helps you and your colleagues with budgeting.

#### *Improved policy compliance*

Meetings can be a major compliance challenge. Booking tool provider GetThere has estimated that 80% of meetings are coordinated outside company travel policies.<sup>2</sup> There are usually more, and better tracked, controls around transient travel. If you leverage your key transient-travel compliance components—such as trip authorization and exception reporting—meetings compliance should improve quickly.

### **Better use of resources**

The people managing your travel program have knowledge and expertise that can support your meetings program, and vice versa. Few travel or meetings managers have as many people on their team as they would like. Integrating the two teams, and maximizing your technology expertise, can help you do more with the talent available to you.



<sup>2</sup>[GetThere Meetings](#), 2010

## How widespread is travel and meetings integration?

BCD M&I recently analyzed the Corporate Travel 100, *Business Travel News'* annual list of the 100 biggest buyers of travel in the U.S.:<sup>3</sup>

**88** had the core elements of a strategic meetings model and were actively managing their meetings spend

**79** had a group air program and had already negotiated airline discounts for their meetings travel

**17** were approaching fully integrated travel and meetings in which they had already aligned several elements, such as combining their supplier programs

**24** had started integration by combining some of the components of an integrated program such as merging their meetings and transient reporting

**51** were in the early stages of considering integration and were looking at the potential benefits and trying to understand if they were missing out by not aggregating data

### What the figures tell us

U.S. large spenders are moving quickly along the integration evolutionary path. There are a number of reasons for this fact:

- Large-volume companies' need to tackle travel and meetings spend is greater—and they have the resources to do it.\*
- Mature travel programs tend to breed mature strategic meetings programs. With both in place, buyers naturally turn to integration as a source for new savings.
- Meetings programs are easier to implement in the U.S., thanks to a single language and single currency.

Outside the U.S., Advito and BCD M&I have noted rising interest in strategic meetings management in Europe and Australia. We believe integration of travel and meetings will also be the next wave in these markets, as a successful track record among corporate pioneers creates momentum.

*\*According to the GBTA Foundation's Strategic Meeting Management Study 2013, companies with an annual travel spend of \$5 million or more are significantly more likely to have a strategic meetings program in place (45%) or in development (28%) than companies with spend below \$5 million (22% in place and 16% in development).*



<sup>3</sup>Business Travel News, *BTN's 2013 Corporate Travel 100*, October 2013



## The essentials: What do you need before you start integrating?

With such compelling reasons to integrate travel and meetings, an obvious question is: Why aren't more companies doing it?

There are a few likely answers:

- **Supplier resistance** – Airlines are normally very happy to negotiate a combined transient and meetings deal if they think it will bring them more business. Hotels are more reluctant. Many have separate sales teams for the two types of business, and tend to work in silos.
- **Lack of readiness** – Travel and meetings integration isn't rocket science, but it isn't advisable for companies new to managing travel or meetings to focus on integrating the two before they have successfully established both components separately first.
- **Inertia** – Internal resistance to change can be powerful. And the lack of confidence or resources necessary for successful, lasting change management can kill many an initiative before it starts.



### What is a strategic meetings management program?

A strategic meetings management program consolidates your meetings spend and processes. Typical SMMP components include:

- Standardized registration process
- Standardized approval process
- Centralized, dedicated sourcing/procurement process
- Clearly documented planning process
- Payment/expense reconciliation process
- Transparent, detailed data/reporting
- Meetings policy
- Use of meetings management technology

Establishing a strategic meetings management program creates momentum for focusing and leveraging spend. Moving to integration with travel is a natural next step.





## The basic qualifications for integration

If you can answer yes to the following questions, integration could be your next evolutionary step.

### *Does your company have strategic procurement capability?*

Is your business generally able to control its purchasing? For example, are you able to limit the number of suppliers used by your employees?

### *Is your company already managing travel and meetings separately?*

You need some elements of a structured program in place for both, such as a policy and a list of preferred suppliers. Your meetings program doesn't have to be as sophisticated as the one you have for travel, but you've got to lay the foundation before you can build the house. In some companies this might mean you have larger meetings under centralized control, because of their greater visibility, but not the long tail of smaller events. However, the most important point is that integration with travel is not the immediate solution for meetings spend that is totally ad hoc and decentralized.

### *Do you have management information for both?*

It is very unlikely you will be able to integrate reporting for travel and meetings unless you already have quality data for each separately.

### *Is there already some collaboration between your travel and meetings departments?*

The two do not have to be fully merged but there should be some collaboration—or at least the willingness of the employees involved to cooperate.

### *Do you have online booking?*

There aren't many companies without an online booking tool for transient trips these days, but you will need a process for employees to book meetings too, so the reservation process can be moved online.



## Four steps to integrating travel and meetings

1



After “Why should we integrate?” and “What do we need in place to make the integration a success?” comes “How do we actually DO it?”

We’ve put together a four-step roadmap to answer that question.

### Step 1 – ASSESS

#### *What do I want?*

Understand where you are today, where you want to be, and whether integration will help get you there. Ask questions such as:

- Are there cities or routes where combining our meetings and travel spend is likely to secure additional discounts from a hotel or airline?
- Do we have good risk management procedures for our meetings participants? Would our risk management be improved by adding meeting travel to the security processes we already have in place for transient travel?
- Can we improve the user experience by leveraging the expertise, knowledge and services of both transient travel and meetings?

#### *Am I ready?*

Answer the questions in the section above to see if your existing separate programs are mature enough to bring together. At this stage, your data won’t be as comprehensive as it is likely to be once you integrate, but analyze the information you currently have to judge whether it’s worth proceeding.

#### *What goes out-of-house?*

Determine which tasks need to be done, and if you should perform them in-house or outsource them to partners, such as your TMC or meeting management supplier.

#### *Win senior management buy-in*

Like all major internal projects, your integration initiative will be difficult-to-impossible to accomplish without senior management support. Present the business case, emphasizing not only potential savings but service enhancements, and the reduction of risk exposure, which is a major area of concern in boardrooms. Once you secure a senior sponsor, ask them to communicate that they expect everyone to cooperate with you.



2



## Step 2 – INTEGRATE INTERNALLY

### *Create a team*

Bring the travel and meetings management teams together. Work hard on unity to make both sides feel valued, and stress that all aspects of the integrated program will be stronger for joining forces.

### *Integrate technology*

Attempt, as far as possible, to make the way your people book meetings the same as the way they book travel. Create a single travel and meetings portal with the same look and feel for both. The portal should contain all necessary forms, the policy document, a unified frequently asked questions document, and so on.

Things become a little more tricky with the booking and reporting process. There is no travel booking tool today that is completely able to handle meeting bookings, and vice versa, but there are partnerships between various travel and meetings booking providers which make switching between the two more seamless.

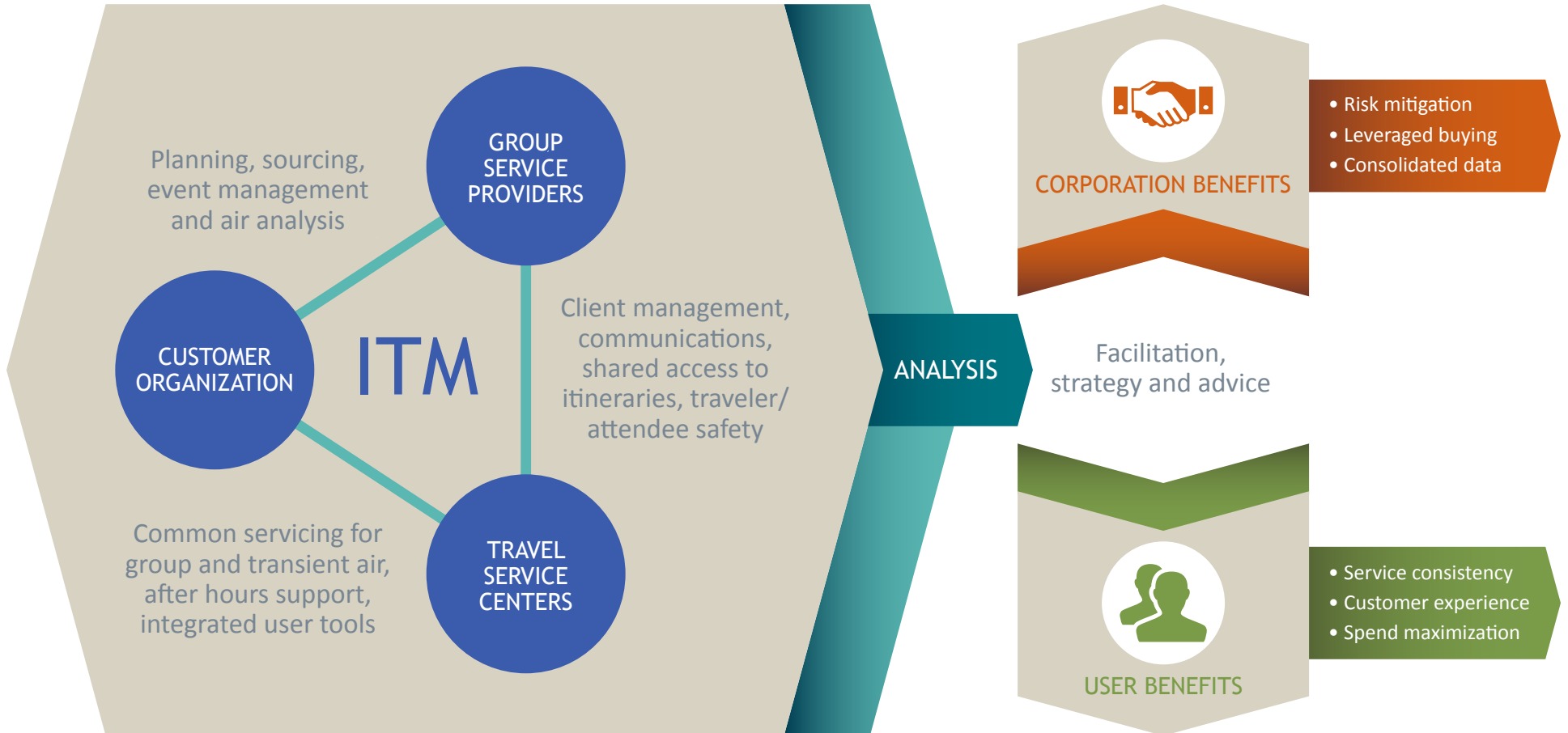


## Unified reporting from Advito

One challenge to integration is that there are no unified reporting tools on the market. However, Advito, BCD Travel and sister division BCD M&I are able to aggregate transient and meetings travel data, a service we perform for many global clients. Advito consolidates data from clients' booking tools for both meeting and travel with meetings technology systems such as Cvent and ACTIVE StarCite, SignUp4 and also card data. We analyze the information and provide recommendations, which we can then act on for you.

# The ITM model

## A key element of a Strategic Meetings Management program



3



### Step 3 – INTEGRATE YOUR SUPPLIER MANAGEMENT

#### *Create consistent terms and conditions*

Once again, as far as possible, align the terms and conditions for your contracts for both transient and meetings suppliers.

#### *Wait for the right moment*

Moving from step 2 to step 3 may take as long as 18 months because it is best to wait until you have good aggregated data before starting to negotiate with suppliers. Once you have data showing both your transient and meetings spend, you're in a much better position to negotiate.

#### *Start with small meetings*

Combine small meetings with transient spend first. You're more likely to be using the same hotels already for both purposes. Larger meetings are often held at dedicated convention hotels not normally selected for transient programs. As a result, they generally have to be included through a chain-wide agreement with the supplier.

#### *Show suppliers what they can win*

Historically, hotels have resisted integrated negotiations, but they are beginning to understand clients increasingly request a single point of contact for both categories. As a result, more hotels are agreeing to a single negotiation covering both. Explain to hotels that they do not necessarily have to provide a single pricing model, but you do expect them to provide one consolidated report for transient and meetings.

Hotels will also be more responsive if they can see a way to gain from integration. Use your data to show them how much more business you can give them compared to what they earn from you today.

#### *Reduce your hotel numbers—carefully!*

Delivering more room nights to certain suppliers means you will have to reduce the number of hotels you use overall in each city. However, be careful that you continue to offer a selection of hotels to meet the needs of your transient travelers as well as hotels that work well for meetings. For example, you may negotiate with a hotel that is ideal for conventions, but that same property is not convenient for your transient travelers who regularly visit a customer based on the other side of the same city.

#### *Show suppliers what they can lose*

A little stick may be needed as well as a little carrot. Many hotels pick up meetings bookings because planners act outside policy, often at higher rates. Explain to these hotels they will need to be part of the program from now on because you are getting much tougher with meeting planners about booking within policy and gaining better visibility of your spend. If they aren't willing to offer you a good deal from now on for both meetings and transient, they will lose business.



4



#### Step 4 – COMMUNICATE

##### *Reassure meetings bookers*

Travel and meetings are sensitive subjects, so communications are always essential. As usual, don't forget to explain the "why" of your initiative as well as the "what."

Transient travel communications are normally directed at travelers. For an integration project like this, however, you need to pay attention to meeting planners, because organizing events is often one of the parts of their job they like best. Explain that you aren't interfering with their decision of whether to hold a meeting, or with micro-management of issues like food and beverage and other on-site requirements. Instead, after understanding their meeting requirements, you will be offering a slightly smaller selection of high-quality hotels. Since you'll have taken care of the terms and conditions, you will save them a lot of routine negotiating work as well as saving considerable money for the business. Good communication should help meeting planners and budget holders see that they too will win, not just the company.



## In short

What you'll get from integrating travel and meetings:

- Better supplier relations
- Consistent supplier terms and conditions
- Better risk management
- Better employee service and satisfaction
- Better travel management
- Better use of resources

Remember the four steps to integration:



- Understand what you want, and whether integration will get you there
- Determine which tasks you should outsource
- Win senior management buy-in



- Create a merged team
- Integrate your travel and meeting policies
- Integrate your technology



- Create consistent terms and conditions
- Be patient
- Show suppliers what they can gain
- Reduce your numbers prudently
- Show suppliers what they can lose



- Manage the change
- Explain the importance of improved sourcing to meeting planners
- Communicate the successes and added benefits of the program to your senior sponsors and internal customers





## For more information

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### About Advito

Advito is the travel industry's most progressive consultancy, existing to help procurement leaders modernize their approach to managing the travel and meetings spend category. Led by a unique team of multidisciplinary experts and thought leaders, we work with both clients and suppliers to push the boundaries of traditional air and hotel sourcing and strategic meetings management. We help companies minimize their travel spend and maximize their travel program value in a data-rich, consumer empowered world. Headquartered in Chicago, Advito operates in key business markets around the world as an independent operating unit of BCD Travel. For more information, visit [www.advito.com](http://www.advito.com).

### About BCD Group

BCD Group is a market leader in the travel industry. The privately owned company was founded in 1975 by John Fentener van Vlissingen and consists of BCD Travel (global corporate travel management), Travix (online travel: CheapTickets, Vliegwinkel, BudgetAir, Vayama and Easytobook), Park 'N Fly (off-airport parking), Parkmobile International (mobile parking and traffic applications) and joint ventures Airtrade (consolidating and fulfillment) and VakantieXperts (leisure travel). BCD Group employs more than 13,000 people and operates in almost 100 countries with total sales, including franchising, of US\$22.8 billion. For more information, visit [www.bcd-nv.com](http://www.bcd-nv.com).