

NEWS RELEASE

New analysis from BCD Travel finds that failure to use effective audit practices costs companies hundreds of millions of dollars per year in missed hotel discounts

ATLANTA, May 17, 2017 — A multi-level analysis by BCD Travel of hotel rate auditing programs reveals that combined, mid- to large-sized companies overspend on hotel room nights by hundreds of millions of dollars.

Without performing standard rate audits, a company overspends by \$122,500 for every \$5 million it spends on hotels. Using both standard rate auditing and rate availability audits prevents \$225,000 in overspending for every \$5 million spent on hotels. Additionally, hotel price monitoring programs like BCD Travel's Hotel Price Assurance realize a net savings of \$110,000 for every 50,000 hotel bookings.

"Every travel program should include standard hotel rate audits, rate availability audits and hotel price assurance," said David Mitchell, BCD Travel senior vice president for supplier relations and global hotel strategy. "Every one of those services yields a return on investment."

Given the amount of time, effort and resources that companies invest in the negotiation and implementation of a preferred hotel program, corporate buyers can't afford to then overspend at their preferred properties, Mitchell explains. Realizing a return on hotel sourcing requires companies to not only confirm that preferred rates are accurately loaded into the distribution system, but also to make sure negotiated rates are available for booking when travelers need them.

BCD Travel's analysis examined program effectiveness of clients taking advantage of three separate levels of hotel rate auditing:

- Standard Rate Audits, which ensure negotiated rates are loaded into the GDS
- Rate Availability Audits, which also verify whether negotiated rates are available at booking
- Hotel Price Assurance, which audits rates post-booking to take advantage of price drops up until check in

The top reasons travelers are overspending include:

- **Negotiated rates aren't loaded into distribution systems.** BCD Travel found that 15% to 30% of corporate rates aren't loaded during the first round of audits.
- **Hotels limit the number of rooms eligible for discounts.** Through availability rate auditing, BCD Travel found hotels don't make corporate discounts available over 35% of the time.
- **There is no single best source for hotel bookings.** The rates for the same hotel room may be different depending upon where the traveler shops. Because rates fluctuate and sometimes dip below corporate rates, BCD can find a rate cheaper than the corporate rate 40% of the time.

- **Sophisticated hotel pricing.** Hotels have sophisticated pricing systems, and room rates change frequently. With Hotel Price Assurance, BCD can find a rate lower than the one originally booked about 15% of the time.

To optimize travel spend and achieve the true potential of their buying power, companies today need to embrace new, more powerful and more forward-thinking sets of services now available, says Mitchell. Companies can save substantially by booking with systems that shop across multiple content sources and that continue to shop for lower rates even after rooms are booked. As a best practice, corporate buyers should also compare preferred rates to fluctuating market rates.

Ensuring the availability of desirable rooms and rates is critical, because the success of a hotel program depends on earning travelers' confidence that they can find what they want in-program. That's why BCD Travel vastly expanded its hotel room and rate offerings, now with over 600,000 unique property options across the globe through multiple sources beyond just global distribution systems. BCD clients can choose from over 12.6 million hotel rate shopping choices, including fully flexible, restrictive, pre-paid, package, wholesale and mobile rates.

"Over the past five years, we have helped our clients avoid more than \$80 million in hotel overpayments by conducting a range of historical, real-time and predictive auditing solutions that give businesses unparalleled insight into their discount programs," Mitchell says. "Too few customers are leveraging the analytics and new shopping capabilities to drive higher savings and higher traveler confidence into travel programs. The capabilities are here. It's time for companies to embrace them."

-END-

About BCD Travel

BCD Travel helps companies make the most of what they spend on travel. For travelers, this means keeping them safe and productive, and equipping them to make good choices on the road. For travel and procurement managers, it means advising them on how to grow the value of their travel program. In short, we help our clients travel smart and achieve more. We make this happen in 108 countries with almost 13,000 creative, committed and experienced people. And it's how we maintain the industry's most consistent client retention rate (95% over the past 10 years), with 2016 sales of US\$24.6 billion. For more information, visit www.bcdtravel.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, Flugladen and Vayama), Park 'N Fly (off-airport parking) and joint ventures Parkmobile International (mobile parking applications) and AERTrade International (consolidating and fulfillment). BCD Group employs over 13,000 people and operates in 100+ countries with total sales of US\$25.4 billion, including US\$10 billion partner sales. For more information, visit www.bcdgroup.com.