Business Travel: **2021**

# 5 Steps to Building a Business Case for Travel Management

**CI AZUMANO**
BUSINESS TRAVEL

# Build Your Business Case for Travel Management

Organizations that adopt a corporate travel program save time and avoid significant costs by:

- ❑ Automating booking and expense reimbursement
- ❑ Positively influencing employee purchasing decisions
- ❑ Optimizing preferred supplier pricing

Even so, making the case for a corporate travel program managed by a 3rd party provider can be difficult.

**CI Azumano Business Travel** has created this short guide to help you build a business case that will demonstrate a tangible return on investment and make you look like a business superstar.

CI AZUMANO
BUSINESS TRAVEL

# Introduction:

Business travel is an important driver of business growth. From helping to build and retain key client relationships, maintain your supply chain or keep your employees connected and engaged, travel is an essential element of success.

Creating an effective travel management program will help you get the highest return out of your travel program, while also keeping your travelers safe and happy.

**To help you on your journey, we've broken this guide down into four sections:**

1. Establishing your travel program goals

2. Building stakeholder consensus

3. Defining your program requirements

4. Measure Return on Investment (ROI)

5. Present your business case!

CI AZUMANO
BUSINESS TRAVEL

# 1

---

# Establishing Your Travel Program Goals

**Every managed travel program is designed** around its own unique requirements. Perhaps you're looking to control costs or reduce the administrative burden of travel and expense management.  You may be working towards improving traveler satisfaction and safety while they travel.

In any case, establishing your travel program goals and KPIs will help you determine if your current travel management solution is working for you, and where you need to make adjustments to improve performance.

CI AZUMANO
BUSINESS TRAVEL

# Program Goal Example: **Improving Traveler Program Adoption**

## Program Adoption Drives Traveler Visibility

You struggle with business travelers who book on their own. As a result, you lack visibility over their travel spend; expense reimbursement is a time-consuming process for these unmanaged bookings, and these travelers are difficult to support when they need help on the road. These are common challenges which are why *Improving Traveler Program Adoption* **is the primary objective for most travel programs.**

There are myriad reasons why your current travel program may suffer from low program adoption. Travelers may feel that they can find cheaper deals online, select their preferred hotel or airline, or pick the times that are most convenient to them, regardless of cost. You can improve traveler program adoption by addressing their concerns, and informing them about additional benefits they may not have considered.

CI AZUMANO
BUSINESS TRAVEL

# Automation Drives Program Adoption

CI Azumano Business Travel's automated booking and expense management solution, powered by SAP Concur, gives business travelers access to their preferred suppliers, including consumer content from sources like Southwest, Booking.com, or Expedia.

Reimbursement for travel spend booked in a managed program occurs in a fraction of the time versus one made outside of the policy.

Additionally, **bookings through Concur will be supported by experienced agents** who are equipped to quickly solve problems, where ever your travelers are, 24/7/365.

CI AZUMANO
BUSINESS TRAVEL

# Program Goal Example: **Travel Supplier Optimization**

Consolidating your travel spend around a set of **preferred suppliers** will be a significant savings driver for your travel managed program. Airlines and hotels are eager for your business and in many cases offer negotiated programs that can result in lower rates, but also improved incentives and amenities for traveler participation.

**CI Azumano Business Travel** regularly negotiates preferred hotel and airline agreements on behalf of clients. Our experience and clout at the negotiating table help companies maximize the value of their hotel and airline partnerships. The savings can add up fast.

Optimizing your supplier portfolio can drive as much as **12% off total travel spend!**

CI | AZUMANO
BUSINESS TRAVEL

# Incremental Improvement:

A well-managed travel program should include regular reviews of traveler program adoption and booking behavior. These Key Performance Indicators (KPIs) can reveal incremental opportunities to optimize supplier spend.

Adjusting your organization's travel policy to influence traveler booking behavior can lead to material cost avoidance.

For example...**encouraging 14-day advance purchase on airline tickets can drive an additional 5% savings on travel spend.**

# 2

# Building Stakeholder Consensus

Once you've got an initial set of goals established, it's time to take your plan to other influential stakeholders in your organization. When it comes to managed travel, stakeholders are often found within finance, procurement, and human resources. Think about what's important to them, and the work towards aligning your goals to their priorities.

The best way to get alignment is to bring together a cross-functional travel team, tasked with building the right program. Those expert voices will broaden your perspective on the company's goals while increasing buy-in for your finalized plan.

CI AZUMANO
BUSINESS TRAVEL

# Finance Department Priorities:

## They require financial return on investment:

Calculating ROI is the most critical element of getting your plan executed. You will get your finance department's attention and ultimately their buy-in by using a realistic model, based on industry benchmarks, that demonstrates a significant return on investment.

> **CI Azumano Business Travel** has built a sophisticated ROI calculator that can provide the hard numbers you will need to build a solid business case.

## They want access to clean data, that easy to manipulate and integrate into their financial platform:

Data is oxygen to those folks in the finance department. Showing them that your proposed travel management solution will give them access to clean data that can help them with forecasting and cash flow management.

## They are looking to improve spending controls:

Showing your finance team how a managed travel management program can control employee spending and remove extra work from the reimbursement process will be a surefire way to grab their attention.

# Procurement Department Priorities:

## They want to demonstrate the ROI on strategic supplier sourcing:

Procurement folks look for ways to improve supplier agreements and a managed travel program can help them achieve that goal. As noted above, negotiate hotel rates and airline agreements for frequently traveled markets can drive significant savings.

## They also want to utilize industry benchmarking and predictive analysis:

To see how your business purchasing decisions rate against your peers, and show how influencing traveler purchasing behavior can drive down costs.

**CI Azumano Business Travel's** account management team leverages powerful benchmarking and predictive analytics solutions that can demonstrate the effect of sourcing and policy improvements can lower total spend in real-time.

CI | AZUMANO
BUSINESS TRAVEL

# Human Resources Department Priorities:

## They want to ensure traveler satisfaction and safety while traveling for business:

This has become an increasingly important goal emerging from the global pandemic. This is oftentimes handled under a business's duty of care policy.

A managed travel program provides greater visibility on where their employees are and can help protect travelers when they need service and support on the road.

CI Azumano Business Travel provides on-demand traveler reporting, so you'll always know where travelers are. We also give our clients access to Risk Messaging solutions, so companies can quickly and easily reach out to travelers when travel is disrupted.

CI AZUMANO
BUSINESS TRAVEL
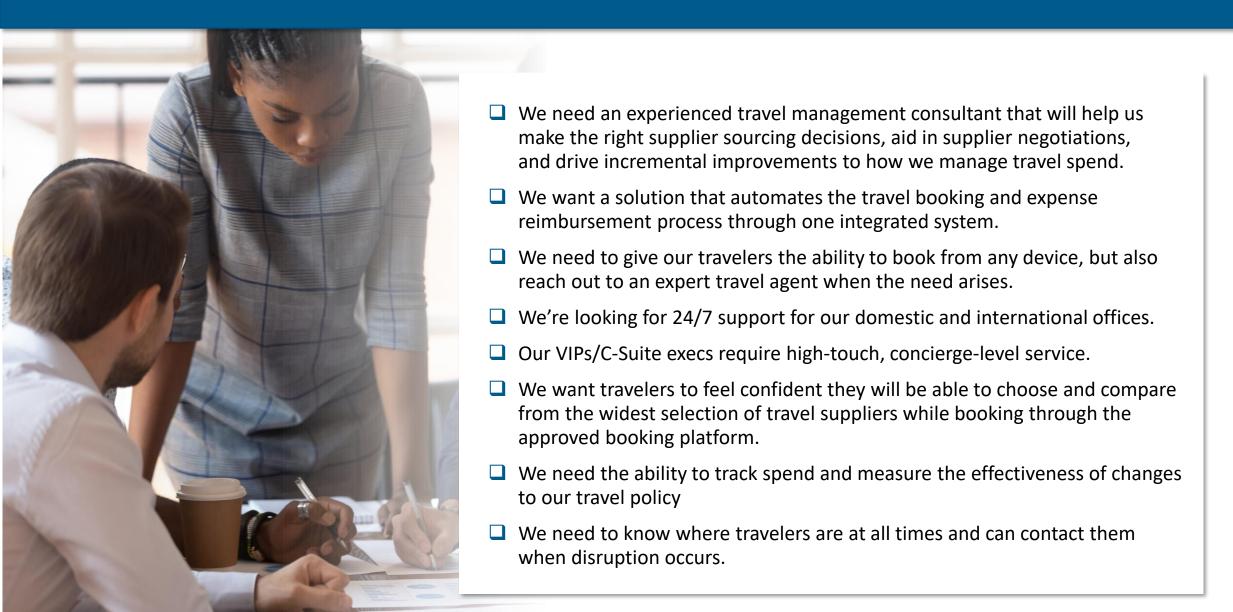
# 3

# Defining Your Program Requirements

**Once your cross-functional team is established**, it's time to start thinking about what you want your managed travel program to look like. These requirements will give you the tools to objectively assess what travel management provider is best positioned to help you achieve your program goals.

Your travel program requirements will likely reflect the problems you're trying to resolve, or opportunities you want to capitalize on.

CI AZUMANO
BUSINESS TRAVEL

# Program Requirement: **Examples to Include in an RFP**

- ❑ We need an experienced travel management consultant that will help us make the right supplier sourcing decisions, aid in supplier negotiations, and drive incremental improvements to how we manage travel spend.

- ❑ We want a solution that automates the travel booking and expense reimbursement process through one integrated system.

- ❑ We need to give our travelers the ability to book from any device, but also reach out to an expert travel agent when the need arises.

- ❑ We're looking for 24/7 support for our domestic and international offices.

- ❑ Our VIPs/C-Suite execs require high-touch, concierge-level service.

- ❑ We want travelers to feel confident they will be able to choose and compare from the widest selection of travel suppliers while booking through the approved booking platform.

- ❑ We need the ability to track spend and measure the effectiveness of changes to our travel policy

- ❑ We need to know where travelers are at all times and can contact them when disruption occurs.

# 4

---

# Measuring Return on Investment (ROI)

**A managed travel program can drive as much as 30% off total travel spend** if it is properly implemented and managed, but those numbers can be hard to calculate if you don't know what drivers to use for your model.

In this section, CI Azumano offers a few suggestions to get you on your way to measuring your travel program's return on investment.

CI AZUMANO
BUSINESS TRAVEL

# Measuring Your Travel Program's Return on Investment (ROI)

### Unused Ticket Management:

Nearly 5% of airline tickets go unused due to cancellations or exchanges. Capturing the residual value of those tickets via a managed travel program can save as much as 5-7% off total air travel spend.

### Policy Changes Driving Better Purchasing Decisions:

Policies that encourage 14 day advance purchase of airline tickets, or that mandate a negotiate rate on hotels can drive meaningful results, anywhere from 5-6% depending on the strength of the policy.

### Negotiated Agreements on Air/Car/Hotel:

Negotiated rates, amenity programs and loyalty bonuses drive travel management ROI. Organizations can expect as much as 3-4% if they concentrate purchasing around preferred hotels and carriers.

These are just a few examples of elements that can be included in a Travel Program ROI analysis. **CI Azumano Business Travel** can perform an analysis of your travel spend and produce a thorough, detailed analysis of total potential ROI for your business.

# 5

## Present Your Business Case

**You've done a tremendous amount of work** outlining your goals, bringing a team together, gathering requirements, and building your estimated ROI. Now it's time to line up all the approvals and get things rolling. We know that, regardless of all the hard work you've put in, getting the final sign-off can be the toughest obstacle to overcome. Here are some best practices to consider.

CI AZUMANO
BUSINESS TRAVEL

# Presenting your business case!

### Build a short pitch deck:

Construct a presentation with no more than 5 slides outlining the opportunity, the proposed solution, and the return on investment. Practice makes perfect! Present the deck to your cross-functional team. Get to the point that you can anticipate frequently asked questions and respond with confidence.

### Secure an executive sponsor:

If you've been successful in building your cross-functional team, you've increased the chance that one of those members can secure an executive champion to help get final approval. Get time on their calendar, focus your pitch on what is likely to be their priorities, and ask for their support. Once you have their commitment, success is much more likely.

### Socialize the idea to additional stakeholders:

You've built a great cross-functional team that contributed their perspectives and ideas, but it can't hurt to get more people on board. Bring in departmental leadership, review the proposed program, accept their feedback and ask for their support. Every supporting voice will build momentum to success.

CI AZUMANO
BUSINESS TRAVEL

We hope this short guide helped you prepare for building a case for corporate travel management, but don't feel like you have to go it alone.

**CI Azumano Business Travel** can help you build your plan, calculate the ROI and make the case. Give us a call or send us an email, and we will be ready to jump in and help you build a best in class travel management program.

**Good Luck and Safe Travels!**

**CI Azumano** has a fifty-year track record servicing Fortune 1000 companies and the US Government. As an Elite Concur Partner, CI Azumano is part of a select group of TMCs supporting the world's most popular and powerful online and mobile travel booking management platform. We also integrate with leading international travel security firms.

Reach out to us to learn more about how CI Azumano Business Travel can help you protect your travelers with the top-level service and support they deserve.

https://www.ciazumano.com | businesstravel@ciazumano.com

CI AZUMANO
BUSINESS TRAVEL