How to Measure Corporate Travel Program Success

Keeping Tabs on Corporate Travel

More than 90% of business travelers and travel managers alike believe travel is an important driver of growth.

When generating new business, retaining customers, and building and growing important relationships, taking the time to connect in person can often make the difference between success and stagnation.

But as critical as business travel is to an organization's success, it can't be sustained on a series of blank checks.

On average, travel accounts for 10% of an organization's total spend, but keeping those costs under control is dependent on:

- **Gaining visibility into —** and thereby control over — corporate traveler bookings and spend

- **Analyzing data and trends** to optimize your program and policies, drive deeper savings, and maximize growth

To optimize travel spend and make more data-driven decisions around how to manage your travel program and policy, you don't just need data — you need the right data, surfaced and sliced in ways that highlight savings opportunities, pinpoint your organization's biggest corporate travel cost centers, and offer valuable insights into your traveler's experience.

In this ebook, we'll run through the tell-tale metrics every travel program manager and finance team should track to ensure the most bang for their corporate travel buck.

The Good, the Bad & the Ugly of Corporate Travel Reporting

Traditionally, reporting on corporate travel has been largely dependent on one core KPI: *Spend.*

Now, no one's arguing that overarching travel spend isn't an incredibly important metric — it should absolutely be relied on — but beyond the obvious, today's corporate travel managers and finance leaders need to look to other metrics as well to fully gauge program success:
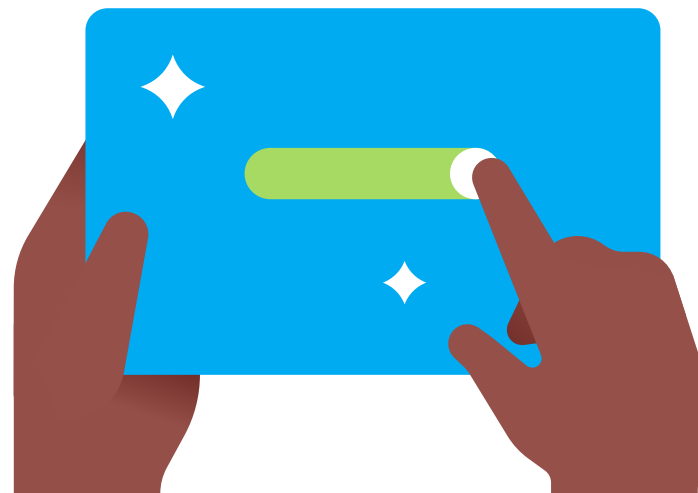
Biggest Savers: Which individuals and departments are helping your organization save the most on corporate travel? Where is there room for improvement and what can you do to enable travelers to make more informed buying decisions?

Traveler Sentiment & Adoption: Are your travelers happy with the experience they're getting with your organization's travel program? How long does it take to book a business trip on your provided solution? Are they getting the support they need while on the road? How quickly does that support respond to them?

The Good, the Bad & the Ugly of Corporate Travel Reporting

Most Booked Suppliers: Which airlines, hotels, and rental car companies are most used by your travelers? Can you identify opportunities to negotiate preferred rates with suppliers to optimize spend and drive deeper savings?

Carbon Impact: A recent TripActions survey revealed 82% of business travelers are concerned about the impact of business travel on the environment, and 61% say it's important for their employer to offset their business travel. If your organization has a carbon offset program, how are you measuring the outcome and communicating that to your travelers?

All this being said, we've compiled a list of corporate travel metrics that — when supercharged with intuitive reporting attributes — help organizations of all sizes and industries derive the most value and business growth from corporate travel.

The Corporate Travel Metrics
Every Program Manager Should Track

Top Savers

On a basic level, identifying your biggest savers — by both individual and department — is critical. Typically, identifying your top savers provides opportunities to identify the most cost-effective behaviors and use those learnings to optimize the program more broadly. It also offers you the opportunity to set concrete examples for the rest of the organization and revisit policies according to overarching traveler trends.

However, it's important to note that a rigid savings-first-at-all-costs mentality isn't always useful, and can even be counterproductive. Dynamic policies can help account for variables such as trip location and dates, while program flexibility that understands no two business trips are alike can actually help drive more success in the end.

If an employee arrives at an important meeting exhausted because they had to book a red-eye, for example, they might lose that important deal. Or if a last-minute change fee exceeds the cost of booking less than two weeks ahead of time, you might end up spending more than you would have with more flexibility in place. While measuring spend and savings is crucial, it's important to remember that there are always other factors at play.

A Note on Incentives:

Q: How do you mobilize employees to make travel decisions that align their personal interests with the organization's?

A: By leveraging policy algorithms that take into account dynamic market data and traveler preferences, and rewarding employees by giving them a share in the savings they generate for the company.

Yes, this means rethinking whether hard price caps are necessary and instead rewarding employees for booking more cost effective travel, which is a shift in traditional thinking for many. However, in case after case, TripActions customers see that deploying incentives (in the form of Amazon rewards, upgrades, and personal travel, for example) as part of a travel policy shift can end up saving organizations a significant amount on overall travel spend, and help improve traveler satisfaction (and thereby adoption) in the booking and trip management experience. (Typically, employees get 30% of the savings when they book below the TripActions price to beat and companies retain the balance of 70% savings for the business).

Most Booked Suppliers & Routes

Across flights, lodging, rental cars, and rail, having visibility into what travelers are booking most often can help you make better decisions around not only overarching travel policy, but also help you negotiate better rates with the most popular suppliers within your organization. Remember, the more your travel policy measures up with what your travelers are actually booking, the more opt-in you'll enjoy and the more successful your program will be.

A Note on Dynamic Policy:

While a nightly hotel cap across the organization might make sense in theory, travelers booking in particularly pricey cities will have to jump through unnecessary hoops to book their travel. Corporate travel solutions that adjust dynamically based on the actual prices of a particular location during a set travel window lead to less headaches and uncertainty for travelers, and can save the company money overall.

Within TripActions, admins can set dynamic policy parameters for their travelers, whether that's to toggle different policy for different titles, or change flight and hotel caps based on real-time variables such as date and location of travel.

Traveler Experience

The one detail that can't be overlooked in any travel program is this: **the only way to accurately measure the success of your corporate travel program is to be sure your travelers are actually using the solution you've provided them.** If they're not, you're not getting the full picture, and if you're only getting half the story, there's no way to rely on the data holistically or make insightful decisions to optimize your program and policies.

Without adoption, you simply cannot have full visibility into your organization's travel data. And without that visibility, it's impossible to make informed decisions about how to analyze and improve your corporate travel program, policies, and spend. And with low adoption rates and out-of-platform bookings, it's also impossible to identify the right suppliers to optimize for savings.

*There are a few ways to measure and understand the traveler experience:*

- **User Adoption:** What percentage of travelers are using your travel management solution? How many new users are being onboarded and at what rate? How many total bookings is your organization seeing in the solution?

- **Traveler Sentiment:** How do your travelers feel about the solution? Does it help or hinder them before, during, and after a trip? On average, how long does it take to book a trip using the provided solution?

- **Support Experience:** How long does it take a traveler to get in touch with a travel agent if they need one? How often do your travelers need assistance when planning a trip or while on the road?

Bonus: Carbon Impact

As mentioned above, more and more business travelers now want to know the impact their travel has on the environment, and what their organizations are doing to offset carbon impact. Tracking these metrics per business trip can help drive greater employee satisfaction with your corporate travel program, which in turn will drive higher adoption and offer more visibility into where travel dollars are being spent.
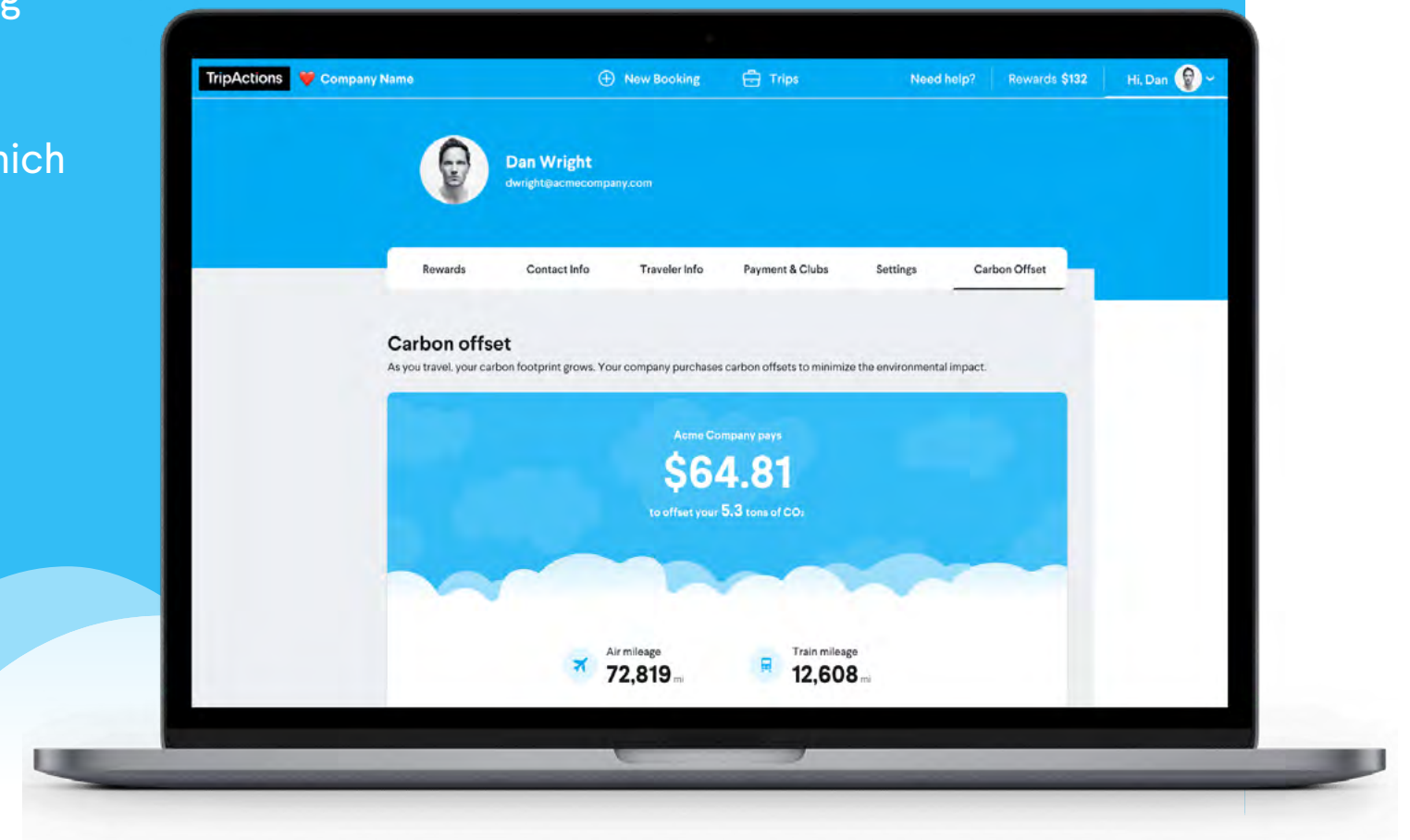
A New Era of Corporate Travel KPIs

At this point you don't need to be sold on the importance of data and tracking the right KPIs for your business. Without data points backing your decisions, you're flying blind, not just in your travel program, but in the larger organization as well.

But by the same token, be careful not to steer too far in the other direction and accumulate data simply for the sake of having it. All the reporting in the world won't deliver real value unless those metrics are accurate and actionable, and they won't be accurate unless your travelers are actually using your organization's travel booking program.

For the best in corporate travel reporting, it's crucial to invest in a modern travel management solution that your travelers actually enjoy using, giving you maximum reliable insight into traveler satisfaction behavior and spend trends.
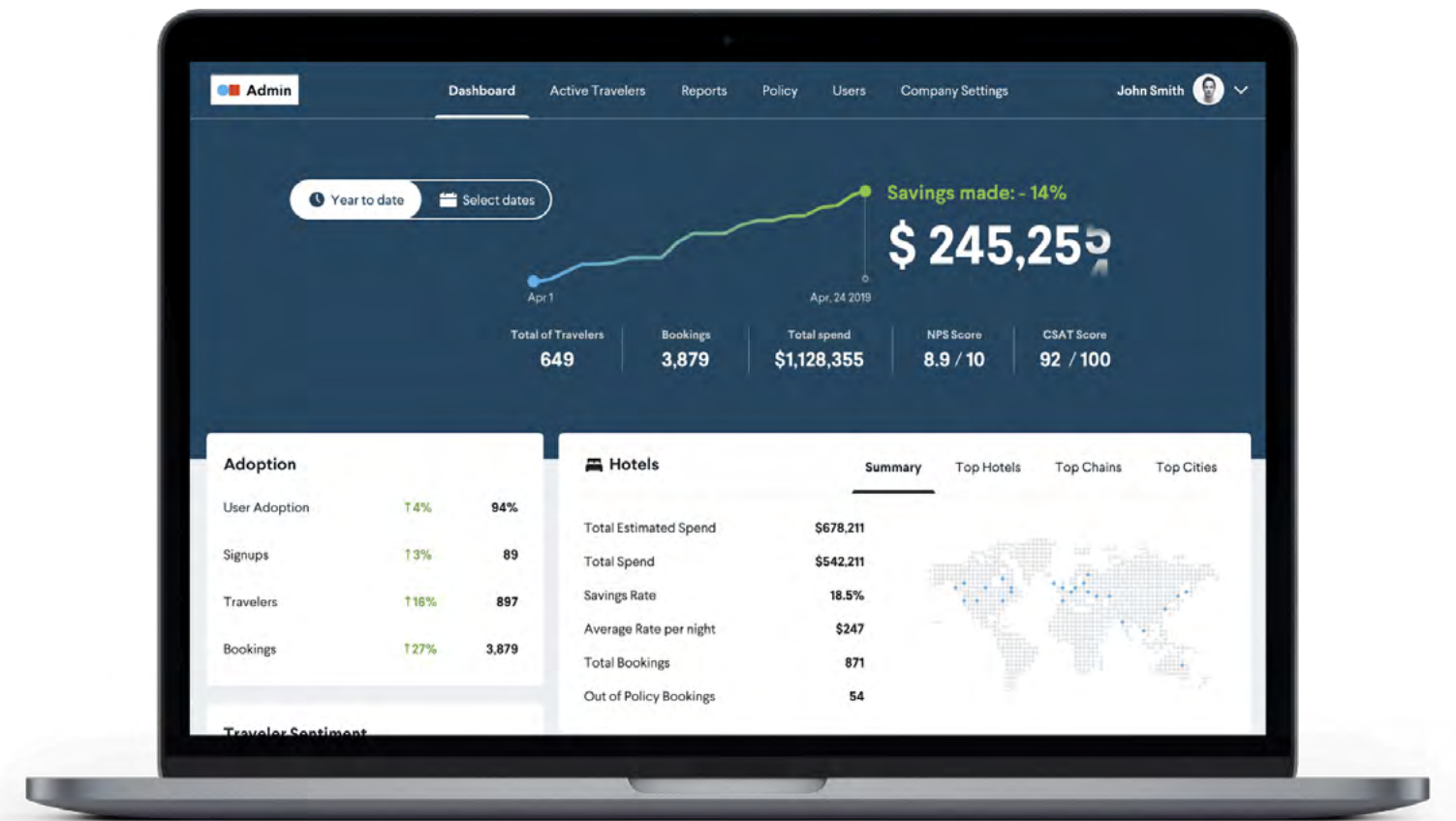
We believe being there in person is powerful. It enables employees to build relationships, close deals, and drive growth. Fast becoming the default for corporate travel, TripActions is the modern business travel platform that combines the latest machine learning-driven personalization with unrivaled inventory choice and proactive, global 24x7 travel agents to delight employees, finance leaders, HR professionals, and travel managers alike—all while empowering organizations to seize travel as a strategic lever for culture and growth. Learn more at www.tripactions.com.

box

snowflake

Crate&Barrel

wework

TripActions®
Let's go.

tripactions.com | #tripactions | #LetsGo