Foreword

With more data available now than ever in the history of the world, how is your organisation coping with big data when it comes to your travel and meetings programme?

It’s a topic high on every organisation’s agenda, and big data is not a passing fad.

Technology advancement is evolving how we analyse data, but are organisations using this to their advantage and turning that valuable big data into something that is meaningful and adds value to their travel and meetings programmes?

In this paper, we set out to provide travel and meeting buyers with a vision of the challenges, and the staggering opportunities, that big data brings.

Neal Poole
Head of Marketing
Capita Travel and Events
Introduction

Big data is not a passing fad. Technology is driving a fourth industrial revolution, so data and the ability to achieve a 360-degree holistic view of disparate data sets has never been more critical.

More data than ever before
More data has been created in the past two years than in the entire history of the world.

In this day and age, it’s not about how much data an organisation has, it’s about having the capability to bring together the right data sources to connect the dots intelligently.

Data is growing exponentially thanks to advances in technology and computing. By 2020, about 1.7 megabytes per second of new information will be created for every human being on the planet.¹

Analytic tools
Industry specialists Tableau predict that 2017 will witness the convergence of the Internet of Things, the cloud and big data to create new opportunities for analytics². As a result, they say, demand is growing for analytical tools that seamlessly connect to and combine a wide variety of cloud-hosted data sources. These tools enable businesses to explore and visualise any type of data stored anywhere.

And yet, statistically less than 0.5% of all data is ever analysed and used.

Opportunities
The opportunities for travel and meetings management are equally staggering. Most corporates now focus on cost reduction and traveller wellbeing. They want savings, but not at the expense of the traveller experience. As a result, buyers and agents alike are looking for new approaches that fulfill both objectives.

Judging by the rate at which data (and the ability to analyse it) is growing, data analytics in some form will impact the bottom line of every business, regardless of size. By 2019, it is predicted that most large corporations will have Chief Data Officers.

99.5%
less than 0.5% of all data is analysed and used.

By 2019, it is predicted that most large corporations will have Chief Data Officers.

¹Forbes - Big Data: 20 Mind-Boggling Facts Everyone Must Read
²Tableau - Top 10 Big Data Trends for 2017
Gartner defines big data as ‘the three V’s’:

**Volume**

**Velocity**

**Variety**

Capita Travel and Events’ Director of Consulting Services, Sam Welch, believes this principle holds true for the travel industry. The volume, velocity and variety of data provided across different product streams, technology platforms, suppliers and providers in this sector can often be daunting. Aggregating each data source to provide meaningful and actionable insight is more challenging still.

“Not enough travel managers are focussing on big data,” says Sam.

“They know they should be, but are put off by the amount of effort required. It’s a big topic and some travel managers are further ahead than others in tackling it.”

**Big data and smart data**

The secret of big data lies, not in the volume, but the quality of information available to travel and meetings buyers, together with having the capability to join the dots between different data sources. As Sam points out, there’s a big difference between big data and smart data!

Organisations that are focussing on smart data understand the value it brings. A holistic view and the ability to test different hypothesis allows organisations to engage more effectively with the workforce, engineering dynamic policies and programmes which can deliver transformational change.

**Global Business Travel Association**

During the Global Business Travel Association’s 2016 convention, Travel Leaders Corporate President David Holyoke drew the distinction between big data and smart data. “It’s taking data to a behavioural analytical standpoint, making sense of why decisions were made – good, bad or indifferent – how that’s impacting a programme, and growing from that.”

Industry expert Ole Bo Larsen agrees. “The point of data consolidation is to create a basis for decisions, but there’s no point crunching data for the sake of it if it doesn’t add value. Many travel managers’ data requirements are quite basic; where do we travel to and what do we spend.”

However there’s no sign that the barriers are stopping travel managers from devoting more time and resource to exploring the opportunities provided by big data. Sabre’s Travel Manager 2020 report¹ says that 57% of travel managers rank data and analytics in their top three time-consuming activities.

This demonstrates why travel managers require smart data to make sense of why travel decisions are made and how those decisions impact a travel programme.

---

¹ Sabre’s Travel Manager 2020 report
So what data does the travel manager need, and why invest in big data if the key is smarter and actionable data? What happens if the data contradicts current business objectives?

Meaningful data
The challenge is to understand and convert available data into smarter data and thereafter into smarter travel programmes.
However the process must start with an understanding of, and agreement amongst stakeholders on the objective and requirement for aggregating the data.
"Travel managers should avoid data for data's sake," says Capita's Sam Welch.
"Meaningful data is data you can do something with. Smart data is intelligent data, because it is relevant."

Actionable data
So what data is actionable, and can too much emphasis be placed on transactional data? Jennifer Steinke, Manager - Corporate Travel at Dycom Industries Inc has written many articles on corporate business travel data strategy.
"We need live data that enables us to be proactive and create smarter travel programmes which help travellers to perform their job. We need to think more strategic about our data and not just look at 'average airfares', 'room nights' etc. How can we use the data to influence the traveller's behaviour?"
Steinke enjoys the benefit of in-house Business Intelligence (BI) resources that have enabled her to engage with 44 subsidiaries to understand their requirements and evaluate how to accommodate them.

Big data in travel management
Corporates pioneering the use of big data in travel management are focussing on traveller behaviour analysis, qualitative research and on the technology platforms that power smart travel programmes. They tend to have mature programmes, so need to do things differently in order to drive incremental savings and are doing so by challenging existing policies and approaches.
The principles of big data are equally applicable to meetings. At Capita Travel and Events we estimate that 70 - 80% of business travel is for meetings-related purposes.
Travellers are generally arranging business trips to facilitate a meeting with a customer, supplier or other business colleagues. The need to meet drives the need to travel, and yet corporate Meetings and Events (M&E) spend is often given least consideration when designing booking processes or aggregating data.
The return on investment (ROI) from big data varies, depending on what each organisation is trying to do or change. There are always opportunities to cut costs, reduce demand and improve the traveller experience; it is the degree of opportunity that varies from business to business.

Understanding traveller behaviour
Travel managers need to segment their travellers to understand their behaviours. Knowing what motivates people to travel helps identify patterns and potential opportunities for change. For example, an analysis of the top 20 rail/air/car routes and trips will reveal the cost of internal collaboration compared to meetings with customers and suppliers, and how much can be saved by switching to alternative (i.e. virtual) means of engagement.

What is the value from investing in big data, and how can opportunities for change be identified?

The impact of travel
Big data also enables travel managers to look at the impact of travel on employee productivity. Specifically by comparing employee time and salary cost based on different travel modes, times and duration of travel. The true cost of car travel includes time spent driving. Other considerations include how business key performance indicators (KPIs) are improved by travelling and whether these are quantifiable or qualitative, such as employee engagement. Travel management companies (TMCs) can also use data analytics to quantify their value to the customer, for example highlighting serial non-compliance and proactively bringing suppliers into policy.

Our Smarter Working infographic shows you why it pays to dig into your data:

View infographic
If the full potential of big data is to be realised, stakeholder buy-in is essential. But how can they get involved, and who should take ownership?

Gathering stakeholders
Trevor Elswood is Capita Travel and Events’ Chief Commercial Officer. As he explains, big data provides an opportunity for buyers to bring the right stakeholders to the table with a new view of how travel and meetings can ‘enable’ them to achieve their specific objectives.

“Take HR departments as an example. They have a clear foothold in duty of care, but it’s not their only agenda. Talent attraction and retention will be high on their list. If we really want HR support for change, isn’t it time to look at how business travel can support all of their aims? We really should be putting travel and meetings under the microscope to understand the impact they have on organisational performance.”

By doing so, Trevor argues, CEOs and boards get an intelligent platform by which to make informed decisions - on property, people, spending priorities and revenue opportunities.

Procurement department
Although procurement departments work with travel managers, HR, technology and security before writing their policy documents, Trevor sees a missed opportunity. “By failing to combine silos of data and data sources, you can never build the big picture. Stakeholder views remain in silos and real organisational value is left unlocked,” he says.

On a macro level, the connection between travel policy and employee retention rates has been realised, although many HR managers would like to know the tipping point for a high performer’s resignation. Some forms of business travel may lead to costly absenteeism, depending on the employee’s frequency, mode and density of travel.

“Companies need data-led insights on a wide range of issues that will help them look at travel and meetings in a smarter way. It’s the power of effective influence which is sorely missing in many organisations’ travel strategies.”

Sam Welch believes that a phased approach is required. “In the first phase, decision makers across procurement, travel, finance, HR, security, IT, venue-find and event management need to agree upon the culture of the organisation, the challenges and strategic objectives.”

“Data analytics that focus on the needs of all stakeholders, combined with qualitative research programmes which are focussed on traveller and meeting arrangers’ needs will generally drive the best results.”
What role should the TMC play?

Regardless of corporate size, sector or reach, the travel management company (TMC) has a central role to play in data analytics.

Facilitator and enabler

The TMC’s leading role in data analytics is essential, not least because the TMC will have responsibility for implementing any smarter working policies and processes that are introduced as a result of actionable insights.

However, this requires the TMC to have made the required investment in technology to be able to deliver a meaningful output and to change means of service delivery. Here the TMC’s role is one of facilitator and enabler, bringing together data analytics and the people with travel and expense expertise to participate in steering groups.

Capita plc’s extensive Business Intelligence (BI) expertise has transformed businesses by going far beyond meeting alternatives such as instant messaging and video conferencing. Its behavioural scientists are also widely recognised for delivering best practice in non-travel environments.

Supported by new technology investment, a combination of travel and non-travel BI and behavioural science expertise has led to the Capita Travel and Events’ innovative Smarter Working Programme.

Read more on Smarter Working
Start by taking a step back. Create a steering group of senior business stakeholders and invest the time with them to consider the business’ objectives, challenges, opportunities and priorities.

Look beyond travel and expense in your strategic review. Consider new markets, workforce engagement, skills gaps and how the organisation uses digital channels. Your review should define the culture the business aspires to be and its strategic needs.

Gather as much data as possible from the various sources available to you, from transactional data via your TMC, payment card providers and finance teams, to qualitative data from social media and other communication channels.

Agree the different hypothesis/questions you want to test.

If your organisation has an internal BI resource, use it. If not, outsource data analysis to a team of experts or data scientists. Tackling analytics can be very time consuming!

Once the available data has been mined and analysed, bring your steering group back together to review the findings and re-align them with core business priorities.

Remember that businesses are all about people, so any travel offering has to suit the needs of the user as much as the company.

Apply the findings of your data analytics to what you should be doing within the confines of current travel activity, making sure your TMC has the technology in place to implement the required changes to make travel smarter.

Never work in isolation. Engage with your steering group and TMC at every stage. You will need access to the right solutions, expertise, toolkits and technology to initiate business transformation.

Consider how travellers are recognised for good citizenship. Rewarding good behaviour is the natural progression from understanding what motivates the traveller – and why.

Be data savvy! Always respect data protection rules and regulations, including the General Data Protection Regulation (GDPR) which is enforceable from May 2018.
Get in touch

Find out more about what big data means for your organisation, and how Capita Travel and Events are working with organisations to turn data into more meaningful and actionable insight.

0330 390 0340
travelevents@capita.co.uk
capitatravelevents.co.uk

Acknowledgements and sources
Big data, big deal. Written by Mark Harris of Travel Intelligence Network (TIN). Travel Intelligence Network helps travel, meetings and hospitality providers to position themselves as thought leaders through unique content. Our award-winning output includes 50+ white papers and annual reports on the meetings and serviced apartments sectors; conferences and award events. We also help industry brands with strategic challenges including brand messaging, identify and diversification. For more information go to the-tin.com
Sources:
• Amadeus – At the big data crossroads: turning towards a smarter travel experience
• BTN – big data: current and coming impact on travel and travel management
• Forbes magazine
• GBTA.org
• Marr, Bernard
• Sabre – Travel Manager 2020
• Tableau – Top 10 big data trends for 2017