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NBTA Corporate Travel Show Guide

In mid-August, 4,500 travel managers, purchasing professionals and representatives from 400 supplier companies will converge in San Diego at the National Business Travel Association (NBTA) Convention and Trade Show. The event, the 37th for the organization, has grown in both size and stature in direct relation to corporate spend: T&E is now the number two cost center for most corporations, according to multiple industry studies.



Along with higher costs comes greater complexity. Today's corporate travel management isn't just about making reservations and answering questions about expense reports; it's about metrics, spend analysis, contracts, compliance, data security, supply chain management, liability, IT, safety (of travelers and data), corporate culture and HR. It's also about government affairs, points out Don Draves, corporate services manager for Miller Brewing Company and a member of NBTA's Legislative Advisory Committee, which is often consulted by senior senators. "When 26 percent of a typical airline ticket is comprised of tax, there's an urgent need

for a voice in Washington to advocate for rationalization," Draves said.

Educational Seminars

The NBTA convention's 50 seminars will cover the taxation issue, along with in-depth coverage of other key topics, including procurement methodology, T&E systems implementation, meetings management, global issues in managed travel, risk assessment, the reverse auction process, airline contracts and the effects of recent fare restructuring, and the global outlook on safety, security and terrorism. The keynote speaker, former U.S. Secretary of Homeland Security Tom Ridge, will speak on the latter.

Other presenters of note include John Major, the former UK Prime Minister and Deborah Norville of TV's Inside Edition.

Education isn't the only focus of the convention, however. Surveys of travel buyers registered for prior NBTA shows have shown that four out of five attend the event to learn about new products, services and technologies: almost 60 percent planned to find new suppliers at the show, and nearly 75 percent intended to strengthen existing vendor relationships.

These relationships grow more important as companies try to leverage their clout with airlines, hotels and car rental

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companies. By consolidating, then channeling their purchasing through a few select vendors, the relationships they build with suppliers help companies better control both sides of the price/service equation.

Balancing Value with Service

The essence of the travel manager's job is to drive value for the company, with value defined as the balance of price and service," explains Phil Dunphy, director/team leader — global travel, for Pfizer. "It's not simply a question of sending travelers to the lowest bidder. Travel is a core requirement of doing business for any multi-national corporation, so the travel manager has a dual mandate: to improve the company's bottom line, and to lead a service operation that provides travelers with as safe, secure, easy and comfortable a process as possible — from research and booking through post-trip reporting."

Essentially, Dunphy added, travel has come to be viewed as a strategic global business service whether it is one traveler coming to New York or several hundred being sent to a meeting. Today's travel management strategies and capabilities are powerful enough to meet savings goals and also help companies meet objectives in productivity, sales, marketing, business development, and employee safety and satisfaction.

That means developing competency in everything from IT to compliance and ROI

to internal process improvements. Travel managers are being asked to help determine when (or whether) a business trip or meeting is necessary, and what budgets should be if they are; how to advise travelers on ways to stay productive on the road, and how to keep data safe, from physical theft (a laptop snatch at the airport or hotel lobby) or cybertheft (the theft of information sent via Wi-Fi or a public computer terminal).



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Technological Choices

Travel managers are also increasingly involved in technology decisions — with such choices as a self-booking module that links into ERP systems; a corporate card paired with a travel policy that mandates it uses and delivers data that could be used to rein in overspending, as well as identify trends that can lead to future savings opportunities. The data could also be used during supplier negotiations. By linking purchasing data to an electronic expense reporting system, travelers can more efficiently account for their spending, and the back office can be more streamlined during the reconciliation process.

Online bookings are compelling examples of ways technology helps improve productivity while ensuring savings. By having travelers book their own trips, companies save significantly on travel-agent transaction fees. Self-booking software can be configured to only allow reservations that meet with corporate spending policies, and managers can see, in real time, how travel budgets are being spent.

The meteoric growth of Travelocity Business, which combines the convenience of DIY bookings with the support of professional travel counselors available 24/7 perfectly illustrates the intersection of technology and service. Besides convenience, companies can cut travel costs through Web fares, hotel discounts, and service fee savings, representing an average savings of about \$100 per trip, according to the company.

Compliance Demands Transparency

In the compliance arena, Sarbanes-Oxley is prompting senior management to scrutinize travel-purchasing behavior like never before. With greater transparency comes increased need for clear policy and

NBTA ACTS AS THE VOICE OF BUSINESS TRAVEL

Now more than ever, businesses are feeling the effects of government regulations on travel. To ensure those programs enable businesses to make the most of travel, the **National Business Travel Association (NBTA)** advocates on behalf of the corporate travel industry.

NBTA believes the government should ensure that travel is safe and secure; that travel taxes do not create undue financial burdens; and that security programs do not negatively impact travelers or block the healthy conduct of global commerce. To achieve these objectives, NBTA empowers its members to take action and serves as the voice of corporate travel in Washington — most recently testifying at a House hearing on the importance of a national Registered Traveler program.

The **2005 NBTA Convention and Trade Show** provides delegates with opportunities to learn about NBTA's Government Relations program and how they can make a difference for their companies. Tom Ridge, the first U.S. Secretary of Homeland Security, will speak with attendees about national security and travel, building on a relationship NBTA formed with Ridge when he was in office.



NBTA Executive Director and COO, Bill Connors, with Tom Ridge, first U.S. Secretary of Homeland Security



www.nbta.org

enforcement; reliance on accurate, complete data; and control over who flies which class, who qualifies for hotel upgrades, and where meetings are held.

Strategic Meetings Management

Today, attending meetings and conventions represents nearly one third of all business travel. And with companies increasingly turning to meetings as an area to be managed in order to control costs and boost value, NBTA's educational programming provides seven sessions on Strategic Meetings Management. "Companies are really looking hard at non-production-based purchasing, and they're realizing how much savings opportunities there are if they can better control how

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meetings are planned and purchased," said Kari Kesler, global manager of Honeywell Meeting Solutions and co-chair of the NBTA Groups & Meetings Committee. "We've identified numerous best practices involving data collection and analysis, negotiations and contracting. By implementing even intermediate controls, companies can see significant savings," she says.

A NEW STANDARD IN AIR TRAVEL

Malaysia Airlines has just earned a "5-Star" designation by Skytrax, a quality assessor of more than 375 airlines worldwide. According to Peter Miller, Skytrax director of marketing, "Malaysia Airlines cabin staff service is renowned as one of the world's best — it has the required hallmarks of efficiency, but what sets it apart is a most distinctive charm and character of service so reflective of the Malaysian culture."

Malaysia Airlines is the largest passenger carrier in Southeast Asia, flying to more than 100 destinations in six continents. The carrier offers five flights per week from Los Angeles and three from New York to Kuala Lumpur. For more information: visit www.malaysiaairlines.com.

Addressing the New Reality

As for the service component of travel management, travel managers are seeing new demand for their expertise and advice when it comes to navigating the rough waters of life on the road. Today's reality

roster of airlines that provide in-flight Internet access at reasonable fees — and major carriers that still know how to pamper passengers before, during and after their trips. On Malaysia Airlines, for example, Golden Club (business) Class passengers are treated to complimentary limo transfers, luxurious dining, and a sumptuous in-flight experience. The airline's service is so spectacular, in fact, that it has just joined the most exclusive cadre of only four world airlines — those with a five-star ranking by global aviation rating organization Skytrax.



for travelers: flights with no food on board, long waits at security checkpoints, huge and sometimes mysterious surcharges, red tape when it comes to visas and other documentation for international travelers.

On the other hand, there is good news to communicate as well: a growing

With the latest technology, products and service information for the business travel industry available at the 37th annual NBTA Convention and Trade Show, this event is guaranteed to be an important, worthwhile educational and vendor relationship building experience for all.

MANAGING TRAVEL AND REDUCING COSTS

Travelocity Business is a full-service corporate travel agency that helps companies easily manage travel and reduce costs, while providing more choices to travelers. The company combines the expertise, service and travel choices of online technology with the full-service convenience of dedicated agents available 24/7. It is the only major online corporate agency that has built and now owns all of the end-to-end ticketing and fulfillment technologies required for enabling and managing travel reservations to deliver the best travel experience to corporations.

Companies can cut travel costs through flight deals, Web fares, hotel discounts and service fee savings — representing an average savings of more than \$100 per trip, including airfare savings averaging 26 percent per ticket and service fee savings of up to 84 percent (see site for savings details).

For more information, visit www.travelocitybusiness.com.

WEB RESOURCES

Malaysia Airlines
<http://www.malaysiaairlines.com>

National Business Travel Association (NBTA)
<http://www.nbta.org>

Travelocity Business
<http://www.travelocitybusiness.com>

To learn more about business travel visit:
<http://www.businessweek.com/adsections>

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