

# Sweating the Numbers

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# Christophe Peymirat Managing Director



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# SWEATING THE NUMBERS

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# Pressure on travel management

Cash is now ascendant

Who spends a lot of that cash? (rhetorical question)

What are you doing about the amount of cash you spend?

How can you demonstrate you are doing a good job and spending it in the most efficient and economic manner?

...all equates to pressure to make  
decisions that demonstrably improve the  
bottom line –

**now.**

# CFO Europe Research



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## Services in collaboration with Amadeus Report 2008:

### Finance professionals responses:

- A mere 10 percent said travel costs are managed "very well."
- "travel cost management has made a minimal contribution to overall cost management at their companies"

## Contd...

- "better accuracy of travel data" (48 percent.)
- "demonstrate **immediate cost savings**"
- corporate finance departments crave "**one view of travel across the business.**"
- At larger companies ...respondents emphasized a single, accurate view of travel spending as the key...

## Contd...

- Achieving the **one view...made difficult by disparate IT systems...** 71 % said it is "very important" **to integrate travel systems** with expense management systems, but **only 18 % said their organizations have highly integrated the two.** For integration with human resources databases, the response levels were 37 percent (very important) versus 9 percent (highly integrated). For ERP, the responses were 36 % and **10 % respectively.**

<http://www.thetransnational.travel/php/print-friendly.php?cid=CFO-Finance-Travel-Management.Oct-08.29>

# What you need (to be able to do)

## 1. Change behaviour

Remember:

*“Stuff happens because people do things.”*

Your reports, figures and performance are a reflection of the accumulated effect of your staff's behaviour, nothing more.

# What I'm not talking about



# What I am talking about



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Being able to access & use YOUR data in way that enables you to:

- Answer all 'wh' questions, in one place
- Identify 'bad' & 'good' behaviour instantly in a graphical high impact manner that can be shared with whoever you like
- Integrate data from alternative, external and internal sources to produce a flexible data set to give you what you need
- Use all the above to change behaviour, on your own, without having to go to IT or Systems – it's YOUR data.

# Lutz Stammnitz, award winning travel manager, Siemens:

**Having full data** helps prevent travel bans  
"If you travel one day less, then there will be situation where you have fewer overnight stays but the same number of destinations."

**"You can then convince your bosses that they don't have to have a travel ban.** But your staff will have to understand that their compliance has a direct impact on their spend."

# Contd...

“transparency **creates confidence** and the senior executives would realise the impact on the corporation.”

“We try to create transparency and we would not be successful if we did not create transparency.”

<http://www.abtn.co.uk/news/transparency-key-travel-management-stammnitz>

# Historical Context



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Travel industry's pioneering role in data base management: in the forefront of the IT developments in terms of modern database development.

A response to the need from the travel industry with unique problems of multiple entries into the same database - all of this created a serious need for rigorous record keeping, process flow, record locking with very precise and scaleable I/O mechanisms.

# Historical Context contd...



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So: the systems for the travel industry are extremely good at transaction flow and keeping, you can book your airline and pretty much guarantee no mistakes.

BUT these systems are not good for analysis and have created a feeling that it's IT that have control over data.

Do your systems help you do your job well?

# Historical Context contd...



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All of this means that too often people struggle to make informed decisions.

*Being good at transaction processing is not the same as providing good analysis.*

Asking your IT or systems department is not an appropriate division of labour – you are forcing the transaction system to perform the analysis it was not designed to do. (“Teaching a pig to sing”).

# What can you do about this?

- Be more demanding to your systems support function – it's YOUR data!
- Don't accept delivery of fragmented data from different sources as the norm – they take you hours/days/weeks to give you the answer you want (if you ever get it) - you are under pressure to take cash saving decisions NOW



# Contd....

Use the proof of the value of an integrated data set to demonstrate the importance of reporting and reporting correctly – once they have seen the results they will buy in.





# How?

ERP/ AP  
etc

Airlines

Hotels

Car hire

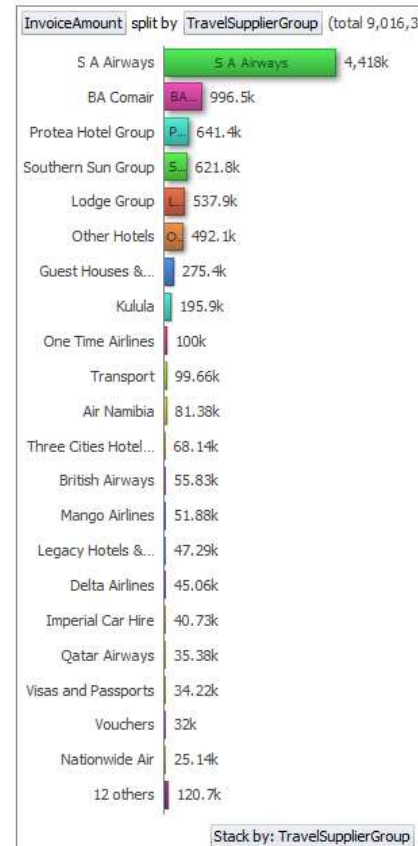
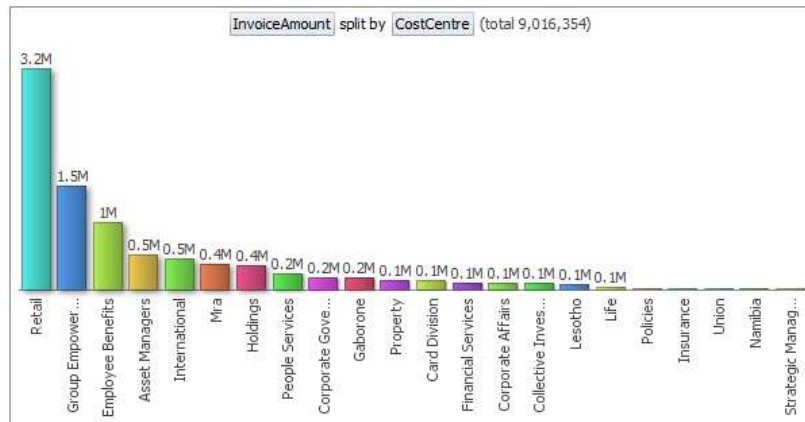
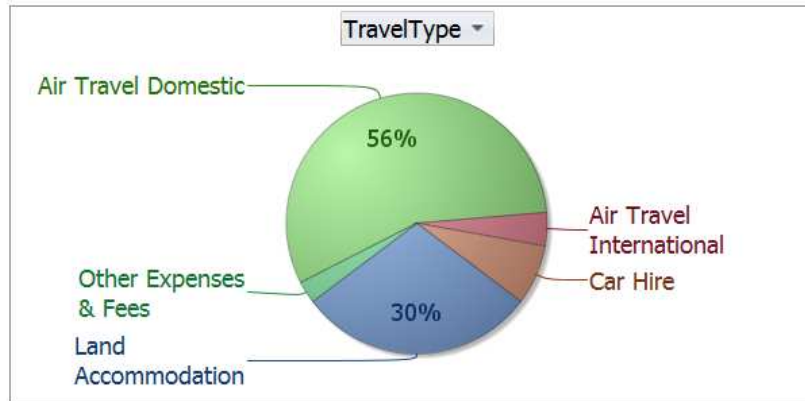
Credit  
cards

Travel  
provider

Integrated  
&  
cleansed  
data

- Monitor supplier use
- Global & departmental KPIS
- Budget monitoring
- Credit card monitoring
- Bespoke macro/micro reporting

## Dashboard



Devices Tools

- Number Of Legs By Date By Cost Centre
- Pivot Table
- Travel Exception report
- Travel Consultant performance
- Overview

Search All

Type here

TravelType

- Air Travel Domestic (2781)
- Air Travel International (200)
- Car Hire (375)
- Land Accommodation (1462)
- Other Expenses & Fees (137)

InvoiceAmount

-32,000 to 283,528.6

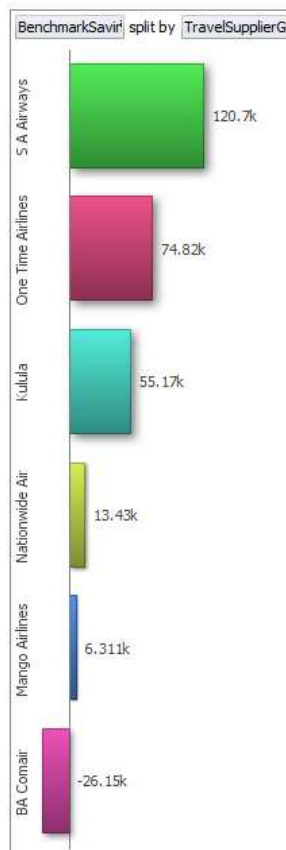
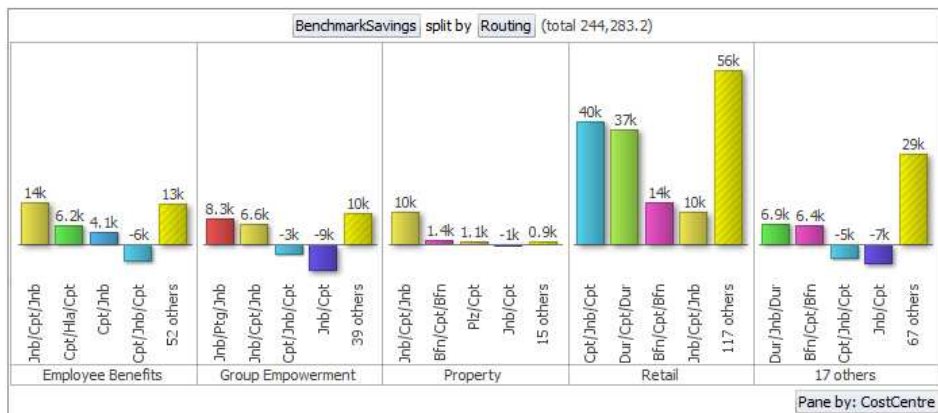
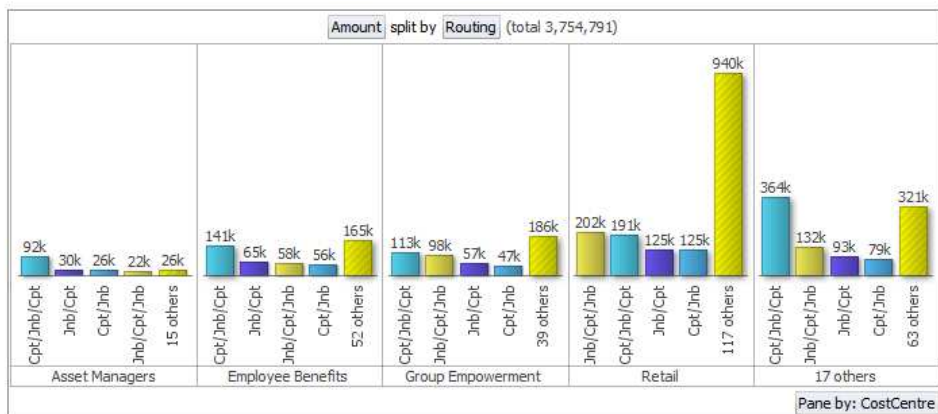
InvoiceDate

02-Jan-2008 to 30-May-2008

TravelSupplierGroup

- Air Namibia (32)
- Avis Car Hire (5)
- BA Comair (488)
- British Airways (8)

## Savings By Route By airline



Devices Tools

**TravelType**

- Air Travel Domestic (2781)
- Air Travel International
- Car Hire
- Land Accommodation
- Other Expenses & Fees

**InvoiceAmount**

-32,000 to 283,528.6

**Amount**

-32,000 to 248,707.2

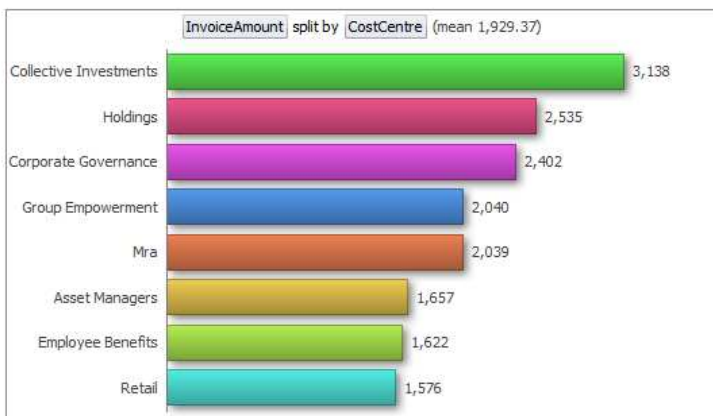
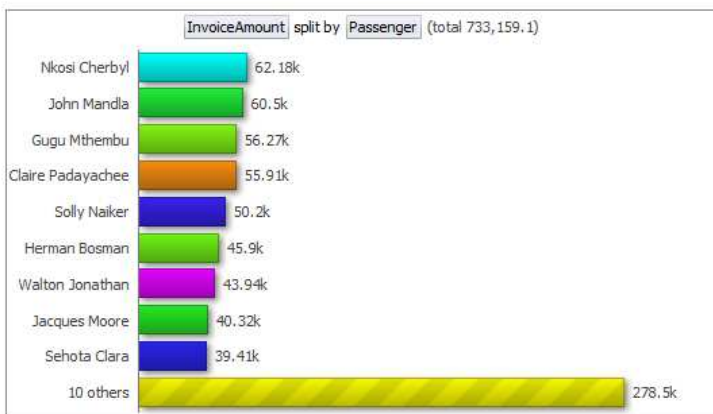
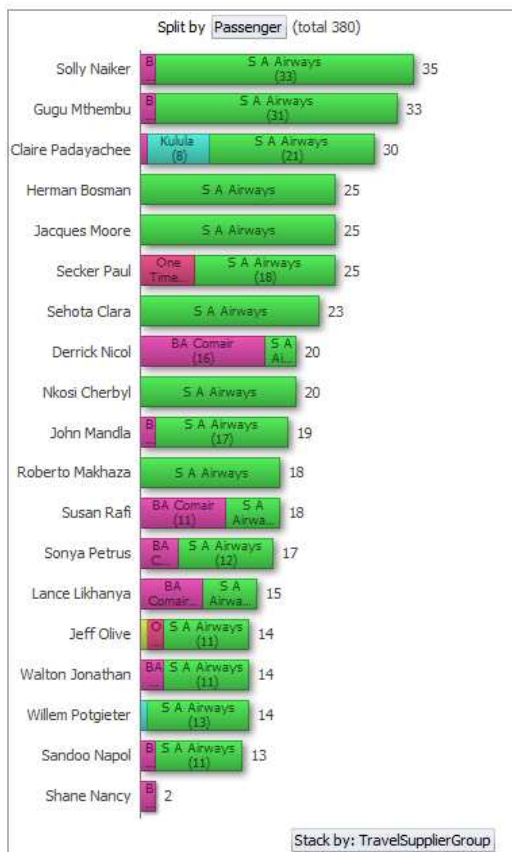
**BenchmarkSavings**

-3,000 to 6,754

**CostCentre**

- Asset Managers (161)
- Card Division (33)
- Collective Investments (29)
- Corporate Affairs (47)
- Corporate Governance (56)
- Employee Benefits (389)
- Financial Services (23)

## Top Travellers



**Devices** **Tools**

- Number Of Legs By Date By Cost Centre
- Pivot Table
- Travel Exception report
- Travel Consultant performance
- Overview

**Search All**

Type here

**TravelType**

- Air Travel Domestic (380)
- Air Travel International
- Car Hire
- Land Accommodation
- Other Expenses & Fees

**InvoiceDate**

02-Jan-2008 to 30-May-2008

**Amount**

-32,000 to 248,707.2

**Passenger**

Type here

**Routing**

Type here

# Sweating The Numbers

Scott Gillespie  
VP, Strategic Initiatives  
TRX

# Baking Delicious Data in the Hotel Category

- From Raw to Very Useful Data
- Key Ingredients
- The Baked Goods: Hotel Clusters

# Start with Raw Hotel Data



**66 Hotels Used**  
**Hotel Name**

**£ 193,159**      **1,396**  
**Spend**              **Room**  
                                 **Nights**

Radisson Edwardian Berkshire	£	24,827	137
Hilton London Metropole	£	21,451	136
Hilton London Kensington	£	20,240	164
The Park Lane Hotel	£	11,151	56
Sheraton Park Tower	£	9,815	44
Myhotel Bloomsbury	£	9,163	56
Radisson SAS Portman Hotel	£	7,237	44
Radisson Edwardian Grafton	£	6,951	44
Charing Cross Hotel	£	6,028	34
Mandeville Hotel	£	4,400	19
Sherlock Holmes Hotel by Park Plaza	£	4,298	25
Hilton London Hyde Park	£	4,269	22
Royal Lancaster	£	4,041	28
Knightsbridge Hotel	£	3,503	42
Howard Hotel	£	3,331	40
Jarvis Intl Regents Park	£	3,263	18
Hilton London Paddington	£	3,224	30
Piccadilly Thistle Hotel	£	3,079	24



# Mix Together

66 Hotels Used  
Hotel Name

£ 193,159  
Spend

1,396  
Room  
Nights

£ 138  
Avg.  
Rate

Hotel Name	Spend	Room Nights	Avg. Rate
Radisson Edwardian Berkshire	£ 24,827	137	£ 181
Hilton London Metropole	£ 21,451	136	£ 158
Hilton London Kensington	£ 20,240	164	£ 123
The Park Lane Hotel	£ 11,151	56	£ 199
Sheraton Park Tower	£ 9,815	44	£ 223
Myhotel Bloomsbury	£ 9,163	56	£ 164
Radisson SASPortman Hotel	£ 7,237	44	£ 164
Radisson Edwardian Grafton	£ 6,951	44	£ 158
Charing Cross Hotel	£ 6,028	34	£ 177
Mandeville Hotel	£ 4,400	19	£ 232
Sherlock Holmes Hotel by Park Plaza	£ 4,298	25	£ 172
Hilton London Hyde Park	£ 4,269	22	£ 194
Royal Lancaster	£ 4,041	28	£ 144
Knightsbridge Hotel	£ 3,503	42	£ 83
Howard Hotel	£ 3,331	40	£ 83
Jarvis Intl Regents Park	£ 3,263	18	£ 181
Hilton London Paddington	£ 3,224	30	£ 107
Piccadilly Thistle Hotel	£ 3,079	24	£ 128



# Add Flour

66 Hotels Used

£ 193,159

1,396

£ 138

38%

Hotel Name	Spend	Room Nights	Avg. Rate	In Program?
Radisson Edwardian Berkshire	£ 24,827	137	£ 181	Yes
Hilton London Metropole	£ 21,451	136	£ 158	Yes
Hilton London Kensington	£ 20,240	164	£ 123	Yes
The Park Lane Hotel	£ 11,151	56	£ 199	No
Sheraton Park Tower	£ 9,815	44	£ 223	No
Myhotel Bloomsbury	£ 9,163	56	£ 164	No
Radisson SAS Portman Hotel	£ 7,237	44	£ 164	Yes
Radisson Edwardian Grafton	£ 6,951	44	£ 158	Yes
Charing Cross Hotel	£ 6,028	34	£ 177	No
Mandeville Hotel	£ 4,400	19	£ 232	No
Sherlock Holmes Hotel by Park Plaza	£ 4,298	25	£ 172	No
Hilton London Hyde Park	£ 4,269	22	£ 194	No
Royal Lancaster	£ 4,041	28	£ 144	No
Knightsbridge Hotel	£ 3,503	42	£ 83	No
Howard Hotel	£ 3,331	40	£ 83	No
Jarvis Intl Regents Park	£ 3,263	18	£ 181	No
Hilton London Paddington	£ 3,224	30	£ 107	No
Piccadilly Thistle Hotel	£ 3,079	24	£ 128	No



# Add Butter and Sugar, Mix Into a Very Useful Batter



66 Hotels Used      £ 193,159      1,396      £ 138      38%

Hotel Name	Spend	Room Nights	Avg. Rate	In Program?	Lat	Lon
Radisson Edwardian Berkshire	£ 24,827	137	£ 181	Yes	51.51447	-0.14851
Hilton London Metropole	£ 21,451	136	£ 158	Yes	51.51868	-0.16826
Hilton London Kensington	£ 20,240	164	£ 123	Yes	51.50485	-0.21546
The Park Lane Hotel	£ 11,151	56	£ 199	No	51.50589	-0.14455
Sheraton Park Tower	£ 9,815	44	£ 223	No	51.50205	-0.15936
Myhotel Bloomsbury	£ 9,163	56	£ 164	No	51.51875	-0.13175
Radisson SAS Portman Hotel	£ 7,237	44	£ 164	Yes	51.5157	-0.15688
Radisson Edwardian Grafton	£ 6,951	44	£ 158	Yes	51.52428	-0.13766
Charing Cross Hotel	£ 6,028	34	£ 177	No	51.50772	-0.12714
Mandeville Hotel	£ 4,400	19	£ 232	No	51.51599	-0.15103
Sherlock Holmes Hotel by Park Plaza	£ 4,298	25	£ 172	No	51.5209	-0.15696
Hilton London Hyde Park	£ 4,269	22	£ 194	No	51.51013	-0.18908
Royal Lancaster	£ 4,041	28	£ 144	No	51.51154	-0.17626
Knightsbridge Hotel	£ 3,503	42	£ 83	No	51.49772	-0.16345
Howard Hotel	£ 3,331	40	£ 83	No	51.511	-0.11499
Jarvis Intl Regents Park	£ 3,263	18	£ 181	No	51.529	-0.16871
Hilton London Paddington	£ 3,224	30	£ 107	No	51.51596	-0.17496
Piccadilly Thistle Hotel	£ 3,079	24	£ 128	No	51.51031	-0.13218



# Necessary, but not Sufficient



# Key Ingredients Include Tools and the Human Factor



## High Quality Data

### Ingredients

- 1-1/2 cups all-purpose flour
  - 2 teaspoons baking powder
  - 1/4 teaspoon salt
  - 1/2 cup (1 stick) unsalted butter, softened
  - 3/4 cup sugar
  - 2 large eggs
  - 1/2 cup reduced-fat sour cream
  - 2 tablespoons milk
  - 1/2 teaspoon vanilla extract
  - 5 chocolate and creme sandwich cookies (such as Oreos), broken up
- Frosting:
- 2 cups confectioners' sugar
  - 1/4 cup (1/2 stick) unsalted butter, softened
  - 1/4 cup reduced-fat sour cream
  - 1/4 teaspoon vanilla extract

+

## Right Tools



+

## Clever Analytics

### Directions

1. Heat oven to 350°. Line 36 indents of mini muffin pans (using 3 pans total) with paper or foil liners. If you have only one or two pans, bake batter in batches.
2. In small bowl, whisk flour, baking powder and salt. In large bowl, beat butter until smooth. Beat in sugar until fluffy. Beat in eggs, one at a time.
3. On low speed, alternately beat flour mixture and sour cream into butter mixture, beginning and ending with flour. Add milk and vanilla; fold in cookie pieces. Divide batter among prepared cups; for ease, place batter in a re-sealable plastic bag, snip off a corner and pipe into cups.
4. Bake at 350° for 15 minutes, until tops spring back when lightly pressed. Remove cupcakes to a rack; let cool.

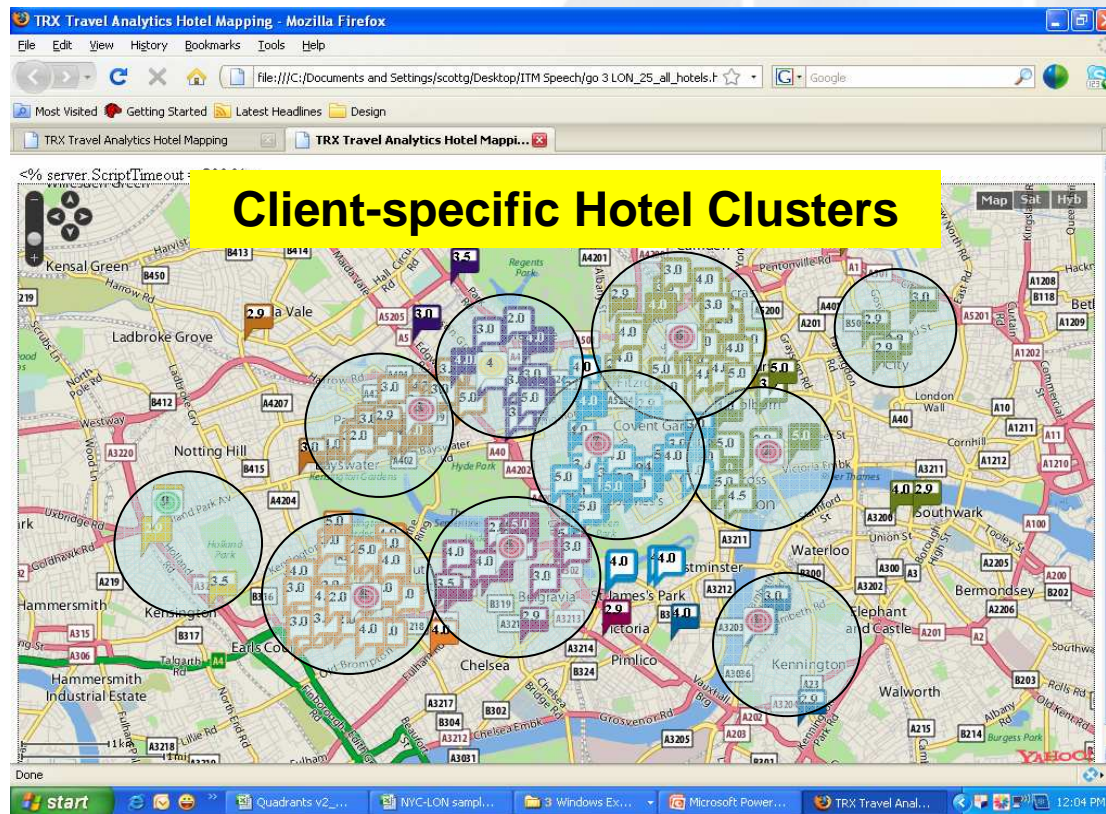
# From Hotel Mapping...







# Cluster Benefits



1. Actionable Compliance Insights
2. Realistic Tier-down Savings
3. Fast Bid Lists
4. Relevant Rate Benchmarks
5. Sophisticated Negotiations



## High Quality Ingredients



## Clever Chefs and Recipes



## Proper Tools

# Delicious Data!



# Thank you!

Contact

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