



Op-Ed: Dashboards Raise Level Of Travel Management To 2.0

By TRW Consulting President Tom Wilkinson

DECEMBER 17, 2007 -- There has been a lot of talk—or a lot of hype—about the newly augmented Internet. Referred to as Web 2.0, developers and users now interact transparently with information found on multiple third-party sites. In the travel world, a Web-based booking tool might combine and manipulate information from multiple sites to help a traveler find options or reserve such related services as restaurants.

Web-snobs may debate whether this is anything new. Web 2.0 doesn't really introduce new technology, but end users enjoy the wider breadth of information these technical "mash-ups" can provide, so the term has stuck.

Online travel portals and dashboards offer similar benefits to travel managers. By combining data from different sources, and displaying results in summary or graphical format, they make it easier to spot trends, and then communicate to affect behavior. If amalgamating mash-ups constitute Web 2.0, then dashboards have ushered in the era of Travel Management 2.0.

Under traditional travel management, corporate policies require travelers to book travel through designated agencies with access to a company's negotiated discounts. Designated agencies also report on amounts spent on specific services, suppliers and markets. Companies that put these pieces together and purchase travel through single agencies and charge cards can negotiate discounts with vendors.

Companies that consolidate travel de facto manage their travelers' point of purchase. They direct travelers to preferred vendors who offer discounts and away from vendors playing hard-to-get. They can get reports on travelers who learn about these discounts, perhaps online, but decline to book them for reasons of their own.

Companies that consolidate travel, manage travel. If you don't consolidate, you don't manage travel. If you don't control your point of sale, you can't show vendors that you can move marketshare. No control, no discounts. OK, no good discounts. Any vendor would rather compete on freebies and upgrades—you know, service— rather than on price.

Dashboards have taken travel management to a new level. They enable companies to track and manage these purchasing behaviors. Data still need to be collected by the agency at the point of sale, but can be combined with other data and reports to reveal trends. For example, dashboards may pull data from a charge card feed on hotel bookings or the number of outside agency bookings, and then divide them by the total number of bookings in an agency report. The percentage results can be compared automatically with the previous month's report, and the results can be displayed as a graph. It's easy to see trends and react when trends go in the wrong direction.

Dashboards worth their salt allow drill down to business units or individuals. Often, changing the behavior of a relatively small number of travelers can significantly impact purchasing trends. They make it easy to compare how travelers or business units are doing against each other.

Trend reports sent automatically to senior managers also facilitate comparisons between business units. This will stimulate interest from senior executives, who are in the best position to drive changes.

Like Web 2.0, all this has been possible for a long time, but travel managers would have needed to pull multiple reports from many sources and manually calculate and graph different metrics. Then, they would have needed to compare results with previous periods and create customized graphs. Drilling down would have been done manually, meaning it would not be done. While theoretically possible, that much effort would have left travel managers too tired to figure out what the data means, let alone how to react.

By opening travel purchasing to new dimensions of analysis, dashboard automation has given our profession the tools it needs to raise the level of travel management up to 2.0.