

Travel Management Company captures more business with Groupize

Travel Management Company servicing companies with at least \$5M in air spend needing to provide a new service for groups, events and meetings. The Travel Management Company has a comprehensive service offering for business transient travel, including proprietary technology, but has purposefully not offered full service groups and meetings. However, as their clients did have group, event and meeting spend, those clients were forced to manage these out of program or with other third parties, putting the agency at risk of not managing a segment of their clients travel program.

CHALLENGE

Due to the agency's solution set, most group, event and meeting requests from their clients were handled by other third parties – outside of the managed travel program. Furthermore, many prospects considering the agency for their TMC had group, event and meeting programs that needed to be addressed. Without offering a solution, the agency had a reduced chance of winning this new business. The agency executive team needed to find a strategy to bring group, event and meeting spend from current customers into the agencies managed spend, as well as new business (RFP's) from companies that require meeting management without a significant capital investment.

OBJECTIVE

To find a solution that could be managed by the agencies existing human resources, while meeting the needs of their customers and creating a revenue stream, without disrupting the agencies core technology including the GDS and Concur. Combined with meeting the functionality needs of their customers, the product needed to meet the price point for different levels of clients.

SOLUTION

Groupize, already vetted as a Preferred Supplier by their agency consortia, offers a strategic solution for TMC's to resell and refer to their customers with a minimal investment. By offering clients self-serve technology, the agency does not need to invest in additional human resources, yet meets all the client's needs for group, events and meetings. Thanks to the deep integrations into SAP Concur and their GDS, the agency has full visibility into the events and meetings within a company and can provide ancillary services based on each individual client needs.

CASE STUDY

Meet the needs of a select group of clients and monitor the ROI that self-serve technology will deliver for both the client and the agency. By assisting only in set-up and implementation, the agency would control key aspects of the program like SAP Concur integration and GDS integration, but all other aspects from sourcing to registration

website build would be done by staff of the customer. Follow the initial clients and their meeting production for a six month time period and create SOP's for future customers and learn how a self-serve event technology fits into an agencies strategic solution set. Evaluate risks and rewards to determine a portfolio wide launch.

Why Groupize worked for established TMC:

- ✔ SaaS technology that could be deployed overnight with custom configurations including IATA and rate codes
- ✔ Two-way integration into SAP Concur and the GDS that does not disrupt operations
- ✔ Pricing model that met customers budget
- ✔ Allowed customers to produce more into agency consortia hotel program and clients preferred suppliers
- ✔ Fully vetted by agency consortia program, providing credibility to product
- ✔ Quantifiable Savings for clients on airfare per event, up to 22%
- ✔ Groupize offers sales and marketing support to Account Managers, letting them focus on the value of the technology, not the fine details
- ✔ Provides visibility into the event & meeting spend within corporate clients to further strategize on ways to grow the account
- ✔ Bring Duty of Care and Risk Mitigation to a category of travel that has traditionally be done offline

RESULTS

Year one results with a soft launch including five customers; three existing customers and two new accounts won in part to the Groupize solution. Two of the five companies started with a focus on Registration with travel in Concur and delivered over \$1M of air spend to the agency in the nine months.

FUTURE PLANS

Year two plans include a marketing campaign and formal launch to entire customer base and plans for up to 25 more customers in year two. The additional customers will also be focused on hotel sourcing and spend, driving new commissions and GDS segment assistance to the agency. If each customer had the air spend of the first two, the incremental air spend for meetings & events would be \$12,500,000 plus all self serve air transaction fees. All of the new spend will be obtained without hiring any additional human resources to manage the meetings on the agency side. Furthermore, the agency is no longer at risk of losing business to other third parties as they no longer need to refer their clients elsewhere or be viewed as having a limited strategic offering.

Agency expects to win three to five new corporate clients in year two, partly due to their meeting offering, which will provide additional value to the agency.