Vision 2020: Big Data And A Little Faith

November 22, 2013 - 01:20 PM ET

By **Amon Cohen**

Whatever else might change between now and 2020—and travel experts expect plenty—no one foresees any diminution in the supreme importance of data for travel management. What many do expect to change, however, is from where data is gathered and how business intelligence will be created and used. Experts also agree that privacy and security issues swiftly will rise up the agenda.

The Data Exchange founder and CEO Susan Hopley, a leader among business travel data professionals, is convinced that travel managers during the next few years will start to work with data in a very different way. For example, many companies operate a policy of booking the lowest logical fare, using management information to track whether travelers are following that rule. Hopley believes the focus of reporting will shift.

"Currently, we use data to tell us what the booked fare was and what the lowest logical fare was, and we obtain that data from the GDS or our travel management company," she said. "Well, how about if my company is a multinational and the fare was bought in Asia, or wasn't bought under contract? Lowest logical fare is going to go away, because correct use of big data will tell us the questions to ask. The data itself will pose the questions and potentially provide the answers.

"Within seven years, the data will check all kinds of different sources and tell us whether our buying patterns are as good as other organizations of our size—instantaneously, or pretty close," Hopley continued. "It'll ask: 'Why are you buying such and such hotel when the average rate in nearby hotels is lower and you are wasting X dollars of company money?' And it will tell us the answer."

According to Hopley, reporting will become more intuitive thanks to the proliferation and improved integration of multiple data sources. Whereas some might view fragmentation of data sources as a threat, Hopley believes exactly the opposite holds true. "I don't think one source of data will ever provide the nirvana of all the data needed to make intelligent decisions," she said. "Value lies in how elements of data combine with other elements to become more meaningful. That's the brilliance of big data: nothing is going to emerge as the single location for it."

One seam of data that several experts identify as a particularly rich, emerging source of information for travel managers is mobile communications, including text messages and social media posts. "I look for patterns," said Maria Chevalier, a former travel manager for Hewlett-Packard and Johnson & Johnson. "If one person said something, it could be a grumpy old man. If four people said it over the past week about a hotel that historically trended highly, I need to let the hotel know it has a little blip and make sure the situation is monitored."

The challenge such data poses is that it is largely unstructured. "The way it exists today, we don't have the ability to collect, mine and utilize it effectively," said Chevalier. "It's easy to collect the data points on ratings; it's the comments which are so unstructured. At HP, we sent a survey to our travelers. We got a good response rate, but that meant we had 20,000 comments. We had no mechanism to mine 20,000 free-form comments. We had two college kids come in and work on it for three months."

Travel and Transport CEO and president Bill Tech also worries about how to capture unstructured traveler communications. "We get challenged so many times by airlines telling us: 'Mr. Smith said he was going to Springfield, Mo., but you booked him through Springfield, Ill., therefore you are wrong and you owe this debit memo,' " Tech said. "We record all our voice messages and we keep a record of all emails, but with texts you can't really. I think we'll find a way to capture that information. It's the Y Generation which will want to use that, because they are used to it, and we must be prepared for it."

Travel Leaders Corporate president David Holyoke is grappling with the same problematic data source. "A big barrier right now into SMS becoming a path for the booking process is PCI [Payment Card Industry] compliance and the security aspect of transmitting certain confidential data over it," he said. "There's got to be a lot more investment into these next-gen communications platforms so we can allow another way of interacting."

While getting to grips with unstructured data is a perpetual challenge waiting for a solution, Advito U.S. principal Bob Brindley worries that several older problems still have not been put to bed. Two examples he cited are obtaining reliable data about airline ancillary fees and gaining access to detailed hotel e-folio data from transactions paid by credit card. Since these are issues many travel professionals expected to be solved by now, they serve as a warning that today's new data headaches may not be cured by 2020.

"Five years ago the conversation was about card e-folio data being a huge improvement," Brindley said. "It should have become an industry standard, but it still isn't."

Yet, he remains optimistic that data will continually improve "for both buyers and suppliers. There will be richer discussions than we have today, but what we have today is better than five to 10 years ago. Both sides have to keep faith."

Sidebar: Data Security And Privacy Is The Goal, But Achieving It Will Be An Uphill Battle

If data is the new oil, then data security is the new pipeline blowout waiting to happen. Numerous travel professionals cite data security and privacy as a rapidly growing concern that by 2020 will become an even more pressing issue.

"Clients more and more now are asking us and other TMCs how safe our data is and whether our systems are secure," said HRG chief executive David Radcliffe.

Oracle global travel global process owner Rita Visser asked, "How much do you know about my traveler? Does the airline or supplier know more about travelers than we want them to know?"

The issue arguably is even more sensitive in Europe than in the United States. "Data privacy will become a bigger issue. It's already being used for espionage today, so I'm not sure how this will end up," said Hans-Ingo Biehl, executive director of German travel management association VDR. Jörg Martin, owner of Germany-based CTC Corporate Travel Consulting, added that his countrymen also are apprehensive about how porous the International Air Transport Association's proposed New Distribution Capability processes appear.

The Data Exchange founder and CEO Susan Hopley believes travel managers will have to make a better fist of tracking who has access to their data and how it is used. "Corporations don't understand the value of their data, or the revenues that are made from it, and in many cases it just streams out their door with no control at all," she warned.

The big concern for many therefore is whether corporations sufficiently can seal their doors to prevent their data seeping out. Since corporate travelers operate and communicate in a highly connected world, it increasingly is difficult to control the transmission of data about themselves and their companies. "I am very worried about social networking because of the risk it poses to security of travel data," said Martin. "If it's a closed, internal network, it might be okay, but posting information like travel itineraries on consumer networks is no-go as far as I'm concerned."

However, travel professionals increasingly discern an indifference among individual employees, especially younger ones, to cherished and hard-fought notions of data privacy.

"People are more open—especially with the Millennial generation entering the workforce—around data being captured, whether in a business travel or consumer setting, as long as the data gathered isn't seen as creepy or invasive, and the results align with their needs," said Travel Leaders Corporate president David Holyoke. "You'll see that evolution continue. It certainly presents a challenge for this industry, but I don't see how anyone can build fences or silos or walls to prevent this from coming into the marketplace."

So swiftly will attitudes change that KDS CEO Dean Forbes believes few travelers will object to being tracked via the global positioning system on their mobile device. "Fifteen years ago, people were cautious about putting a mobile phone in their pocket," said Forbes. "I think attitudes toward tracking travelers through their mobiles for duty-of-care purposes will relax, although that may not happen as soon as 2020. You might get a situation where travelers will be required to check in periodically to let their company know where they are rather than being permanently tracked."

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