

## IBTM's Managed Travel Index<sup>sm</sup> and Benchmarking Tool: What Can It Do for You?

The skills required for corporate travel management have increased over the years as the travel industry has become more complex. The IBTM Managed Travel Index<sup>sm</sup> and Benchmarking Tool provides the corporate travel industry with a unique and unbiased approach to measuring the effectiveness of a managed travel program. It delivers an impartial assessment, while allowing travel professionals to compare the air and hotel costs of their program against national averages.

This on-line tool has two primary components to help evaluate a corporate travel program of any size. The first element is the Managed Travel Index<sup>sm</sup> (MTI), which measures the level of performance of the program in six key areas: finance, administration, sourcing, technology, quality, and compliance. The MTI provides the ability to benchmark your results against companies of similar size, industry or geographic location.

Once you have assessed your MTI score and benchmarked with others in the database, you will be better equipped to communicate best practices and areas for improvement to senior management. The high-level graphical benchmark dashboard is designed to visually demonstrate areas of strength, as well as provide a dynamic reporting structure to share with decision makers.

As you make changes and improvements to your program, the MTI provides a tool to revise your MTI score and re-evaluate your program. You can then use the new (higher) MTI score to continue to raise the level of visibility for your program and demonstrate the effectiveness and return on investment that a managed program brings to your company.

The second component is the Benchmarking Tool which provides onboard fare and performance information for specific airlines and city-pairs that you select, as well as hotel room and occupancy rates across city and regional markets. The IBTM Benchmarking Tool has several components.

**Do you know how much you should be paying?** The Fares Database gives you market breakdown by airline to show you what each airline earns on every market city-pair it serves. See how one airline's fares line up against another. You can run reports for your top city-pairs and download it all to Excel to include in management reports and presentations.

**Know what to expect.** The Benchmarking Tool's Nonstop Service Database shows you what carriers are flying what routes, how much of the

## NBTA Publishes 2006 Business Travel Overview and Cost Forecast

Every year the National Business Travel Association (NBTA) publishes its annual *Business Travel Overview and Cost Forecast*. The report is designed to provide NBTA members one source of insight into the state of business travel and expectations for the coming year. The survey was distributed to and completed by NBTA direct (buyer) members. The report was based on 130 NBTA member travel managers who responded to the survey. The final report is available to members at no additional cost.

Highlights of the report reveal the following findings:

### In 2006, NBTA forecasts that overall travel management costs will increase 9%.

- American business is back in the air and on the road in numbers not seen since the beginning of the decade.

### NBTA forecasts corporate airfares to increase +6%.

- Low cost carriers will keep the prices competitive despite rising operating costs, especially related to fuel.
- During the first six months of 2005, U.S. airlines carried more passengers and flew more flights as compared to the first six months of 2004.
- Taxes added to the base fare of an airline reservation are increasing and some airline ticket total prices include as much as 40 percent in taxes.

### In 2006, NBTA forecasts that hotel rates will increase +9%.

- About 73 percent of respondents indicated they expected to spend more because

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## IBTM To Publish 2005 Compensation and Benefits Survey

Have you ever wondered what salary your peers across the country are making? Do you find yourself comparing without really knowing the facts? Instead of second guessing, wouldn't you want to know for sure?

Back by popular demand, the Institute of Business Travel Management will be releasing its comprehensive 2005 *Compensation and Benefits Survey* at the beginning of the new year. IBTM worked with Industry Insights, a professional research and consulting firm to create and conduct the online study that was sent to 1600 NBTA direct members.

The report is designed to allow individuals to easily compare their compensation levels to that of their peers. In addition to compensation data, the survey collects information on benefits including: insurance, paid leave, company stock, professional development and retirement plans. Finally, the research study focuses on job responsibilities. IBTM's salary survey addresses these areas and provides comprehensive results based on responses provided by members across the country.

As a reminder to all NBTA direct members, if you have not already done so, please complete the salary questionnaire no later than November 30th. If you have any questions please contact Kia Megas at 703-236-1163 or [kmegas@ibtm.org](mailto:kmegas@ibtm.org). ■

## IBTM's Managed Travel Index<sup>sm</sup> and Benchmarking Tool

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market they have, how full they fly and how often they cancel their service.

**Know what's in the air and on the ground.** The Benchmarking Tool's Hotel Data section gives you average room rates and occupancy rates for 162 markets. Review year over year rates for trending in your top markets. Use the data for reporting to senior management, comparing one city to another, or download to Excel for presentations.

Use the IBTM Managed Travel Index<sup>sm</sup> & Benchmarking Tool to

demonstrate your value. This tool is available to all NBTA members on a free trial basis through December 31, 2005. Beginning January 1, 2006 the on-line tool will be available for an annual subscription of \$595 for members. To access the tool, visit the IBTM Web site at [www.ibtm.org/benchmarking](http://www.ibtm.org/benchmarking). ■

## NBTA Publishes 2006 Business Travel Overview and Cost Forecast

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room rates were going up, while almost 41 percent indicated the reason being more trips would be taken in 2006.

- While negotiations for 2006 are expected to be somewhat tighter for travel managers, discount rates and soft dollar considerations are still negotiable.

### **In 2006, NBTA forecasts that car rental rates will increase +5%.**

- Travel managers negotiating rental car preferred vendors list (1) rate, (2) vendor reputation and (3) loyalty programs as the most important factors in the selection of a rental car company.
- Travel managers negotiating rental car contracts overwhelmingly select no more than two preferred car vendors.

### **In 2006, NBTA forecasts that meal prices will increase +4%.**

- The Consumer Price Index (CPI) for all food, as reported by Economic Research Service, U.S. Department of Agriculture, is forecast to increase 2.5 to 3.5 percent.



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The report also revealed current trends in travel management, such as online booking tools and mandated travel policies becoming increasingly more popular among corporate travel managers as they find ways to save on transaction costs. Seventy percent of respondents indicated that their companies are currently using an online booking tool while 25% plan to implement the new tool in the near future.

Nearly 90% of survey respondents indicated that their companies' travel programs are mandated to a certain degree. A little more than 50% noted a full or 'hard' mandate, while 37% indicated a partial or "soft" mandate.

If you would like additional information on the findings of the survey, you can access the travel forecast via NBTA's Web site at [www.nbta.org/Research/Surveys.com](http://www.nbta.org/Research/Surveys.com). ■

## Ninth Annual Gala Dinner Tables On Sale Now!

With the new year just around the corner, the Institute of Business Travel Management is busy gearing up for yet another successful fundraising event. IBTM's 9<sup>th</sup> Annual Gala Dinner will take place on Monday, April 3, 2006 in New York.

This year's sold-out gala dinner raised more than \$165,000 with nearly 400 business travel professionals attending the prestigious black tie event, hosted by Crowne Plaza Hotel in New York. The dinner offers guests the opportunity to network with other peers in the business travel industry while enjoying an evening of fun and delicious food.

IBTM's dedication to providing business travel professionals with outstanding educational programs and groundbreaking research has been a valued resource among NBTA members. Proceeds from the gala dinner help IBTM continue to provide members these benefits.

Tables for the 9<sup>th</sup> annual gala dinner are going fast, so reserve your company's table today and take part in one of the industry's most premier events of the year! For more information or to reserve a table, call Kia Megas at 703-236-1163 or [kmegas@ibtm.org](mailto:kmegas@ibtm.org). ■

## IBTM Says Farewell to Board Members

The Institute of Business Travel Management (IBTM) would like to thank the following board members who will complete their term December 31, 2005. Their commitment and hard work in overseeing IBTM and assuring that it succeeds in its mission and goals are much appreciated.

IBTM would especially like to thank Joseph Monaghan, Chair of the board of trustees for his dedication to promote continuous professional advancement among the NBTA membership, as well as the overall industry.

A special thanks also to Hanna Murphy, Vice President of Siemens Shared Services for her leadership as Vice Chair of the Board and Chair of the Research

Committee. Hanna spent countless hours on the development of the benchmarking tool – working with the consultants, hosting focus groups and involving her own staff.

IBTM would also like to thank:

**Mike Fegley**, Vice President of Sales, *InterContinental Hotels* for serving on the Board and Research Committee.

**Kevin Iwamoto**, Global Airline, Car, & Ground Commodity Manager, *Hewlett Packard* for his leadership as Chair of the Finance Committee and Board member.

**Matt Tolan**, Senior Vice President of Global Sales, *Carey Worldwide Chauffeured* who served on the Board and as Chair of the Scholarship Committee.

**Karen Van Buskirk**, Senior Travel Management Analyst, *Perot Systems* who also served on the Scholarship Committee and Board.

Board appointments for 2006 will be announced in December 2005. ■

## REMINDERS

### 2006 Scholarship Applications Now Available!

Scholarship applications for 2006 are now available online. Every year, the Institute of Business Travel Management (IBTM) awards scholarships to qualified NBTA members to attend the Certified Corporate Travel Executive program (CCTE), the Global Leadership Program at the Wharton School (GLP) and the Independent Study Program (ISP) where recipients determine which university and courses they wish to apply their funds. Completed applications are due no later than **Friday, May 12, 2006**. To download the application please visit IBTM's Web site at [www.ibtm.org](http://www.ibtm.org) and click on scholarships.

### 5-day Global Leadership Program — Register Now!

The GLP schedule is out for 2006 and applications are now available. To receive your Certificate of Professional Development from Wharton you must complete one 5-day GLP program and three 2-day GLP programs. Only one 5-day program is offered each year so take advantage of our upcoming 5-day session at the Wharton School in Philadelphia from February 5 – 10, 2006. Space is limited and offered on a first come, first served basis. To view the complete class schedule for 2006 or to register for a class visit IBTM's Web site at [www.ibtm.org](http://www.ibtm.org) and click on education. ■

## UPCOMING EVENTS

- **February 5-10, 2006**  
Global Leadership Program  
*Essentials of Management: Mastering  
Core Business Concepts*  
The Wharton School – Philadelphia
- **April 2006**  
3: *IBTM Board Meeting*  
New York, NY  
  
3: *IBTM 9<sup>th</sup> Annual Gala Dinner*  
New York, NY
- **April 30 – May 2, 2006**  
Global Leadership Program  
*Communication Strategies for  
Leadership and Crisis Management*  
The Wharton School - Philadelphia
- **May 12, 2006**  
*Scholarship Application Deadline*
- **July 15 – 16, 2006**  
Global Leadership Program  
*Marketing Metrics — Linking  
Marketing to Financial Consequences*  
NBTA Annual Convention - Chicago
- **July 16 – 19, 2006**  
NBTA International Convention  
& Exposition  
Chicago
- **September 17 – 19, 2006**  
Global Leadership Program  
*Stepping Up as a Leader —  
Tools & Techniques*  
West Coast
- **November 12 – 14, 2006**  
Global Leadership Program  
*Profitable Development — Driving  
Growth, Creating Value*  
New Orleans



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