

Client Success Story

Global hotel strategy



Client profile

Business: Tobacco industry leader with brands including Davidoff, West, JPS, Gauloises Blondes and Golden Virginia

Countries: Worldwide

Travel program size: Imperial Tobacco’s Global Travel Program covers more than 55 countries with Global Service Standards and a Single Travel Agency Concept managed through BCD Travel.

Highlights

- Uniform global hotel sourcing that maintained existing preferred hotel choices
- Data-driven insights across countries in an at-a-glance dashboard
- Greater leverage during hotel sourcing negotiations
- Better decisions when evaluating hotel program operations



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– Julie Iliffe, Imperial Tobacco Group

The challenge

Imperial Tobacco Group was seeking a more disciplined approach to hotels. The company lacked resources to manage the hotel request for proposals process. Travel program leaders also wanted to know if ITG’s meetings, incentives, conferences and exhibitions (MICE) program was ripe for consolidation and related savings. But their biggest challenge was figuring out how to revamp a manual hotel program sourcing process that consumed six months of the year.

The international tobacco giant’s travel program leaders knew they needed to modernize their approach. The question was how.

“We had a lot of ideas, but we didn’t have the resources on our own to thoroughly assess our hotel strategy, evaluate and understand MICE patterns and spend or update and automate hotel sourcing,” said Julie Iliffe, category buyer for the global travel program for Imperial Tobacco Group, which operates subsidiaries worldwide. “We needed best-practice guidance from experts who understood the hotel market and had rolled out strategies that worked at other companies. We needed expert knowledge about what was working in other sectors.”



£161,000

Approximate projected savings (roughly US\$211,000) in annual hotel spend

Our approach

“The link between BCD Travel and Advito was key,” Julie said, noting that BCD has been Imperial Tobacco Group’s travel management company for many years. “We didn’t have to start with an unknown entity. We were comfortable sharing our information and data.”

Advito used that data to assess ITG’s existing approach. The first step was a comprehensive analysis of spend and volume—critical components of a strategy for hotel sourcing and broad program management. Advito looked at the overall program structure and evaluated how well existing processes aligned with the company’s travel program goals. The consultancy identified strategic gaps and dug into the validity of targets set for markets and properties.

During the discovery phase, it became clear that ITG’s greatest needs were increasing hotel program efficiency while retaining local market influence over preferred hotel choices. “Our countries absolutely know the best accommodations in their own markets, and we didn’t want to lose that input,” Julie said.

Local control also was a factor in the MICE evaluation. Was a centralized plan for meetings management the right approach? Should local markets take the lead? How could ITG leverage existing data to make well-informed decisions about strategic change? Advito created an at-a-glance dashboard that provided data-driven insights into MICE operations across countries. Both are powered by DecisionSource®, BCD Travel’s business intelligence platform.

Cost-cutting was important to ITG, but the company also wanted Advito to prioritize local market specifics and requirements as it created the strategy and measured results. “Throughout the process, Advito was flexible,” Julie said. “They tailored their consulting to fit what we really wanted to achieve.”

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The results

Imperial Tobacco Group moved to an automated, modern approach that:

- Opened access to additional global hotel content suppliers, enabling travelers to choose the most appropriate hotels for their trips
- Aligned hotel program and sourcing strategy to broader program goals
- Enabled efficient and uniform global hotel sourcing
- Considered local needs and hotel preferences
- Provided data-backed insights that enabled greater visibility into hotel program operations and spend for better decisions
- Strengthened ITG’s negotiation position with hotels, ensuring greater leverage
- Offered insights into its MICE program to inform strategic decisions
- Reduced annual travel spend through hotel program savings and cost avoidance

Streamlining and modernizing hotel sourcing resulted in projected savings of approximately £161,000 (roughly US\$211,000) in annual hotel spend, according to Advito analysis.

Up next is a decision on MICE consolidation. “Our target was to create a MICE strategy that factors in the benefits of central vs. local meetings management,” Julie said. “Advito’s dashboard provides that transparency. It exceeded our expectations.”

Advito provided advice and hands-on expertise to:

- Optimize ITG’s global hotel program and sourcing strategy
- Make more hotel content available—going beyond the negotiated preferred program and GDS options
- Design and implement a global request for proposals process for hotels
- Create a global catalog of hotel content that included properties preferred by local markets
- Implement BCD’s TripSource® platform, which simplified hotel booking and synced with DecisionSource®
- Create a dashboard that uses DecisionSource data to provide insights into MICE operations across countries
- Conduct audits to ensure ITG was getting the rates it had negotiated with hoteliers