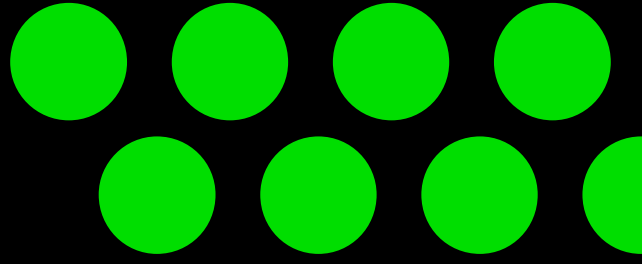


Rethinking the RFP





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A more strategic approach

Beginning to end, an RFP process can take years to complete. It can be an exhausting, time-consuming and stressful slog that often yields little insight into a TMC's true capabilities or the buyer's travel needs. In a 2021 survey, 69% of buyers told FESTIVE ROAD that they believe long-form RFPs are no longer fit for purpose.

Fortunately, there has been change, and the days of generic, 40-page, tick-box RFPs are numbered. Companies are taking a more strategic approach to RFPs, embracing digital submissions, and collaborating with potential suppliers.

The digitalization of RFPs

Long-winded submissions are still the norm in some parts of the globe – especially in the government sector. Large multi-national firms have adopted digital platforms and use electronic submissions to speed the process along.

In the main, digital submissions are quicker and more practical. It allows your potential suppliers to include more interactive content such as links and video testimonials which bring their services and teams to life.



The case for collaboration

While an initial response to an RFP is hugely important, the magic happens in the shortlist – especially if companies are open to a more collaborative approach. **Take this example:**

“Perhaps the best example of a new and innovative approach to RFPs, is a company who recently workshopped their needs – and potential solutions – with the final contenders. This is very different to traditional bid presentations.

It’s about collaboration and knowledge sharing, and requires a level of trust and respect between buyer and suppliers. But it is a great way to get a sense of a TMC’s approach, and whether they’ll be a good fit for your organization or not.”

While the RFP is the blueprint, workshopping the approach with the right people in the room – is powerful. That workshop could discuss financial, operational and tech capabilities with input from various stakeholders. It’s especially powerful once you’ve narrowed your list down to two candidates; it could be a gamechanger.

Keep reading to understand how a Request for Partner methodology to sourcing could enhance collaboration.

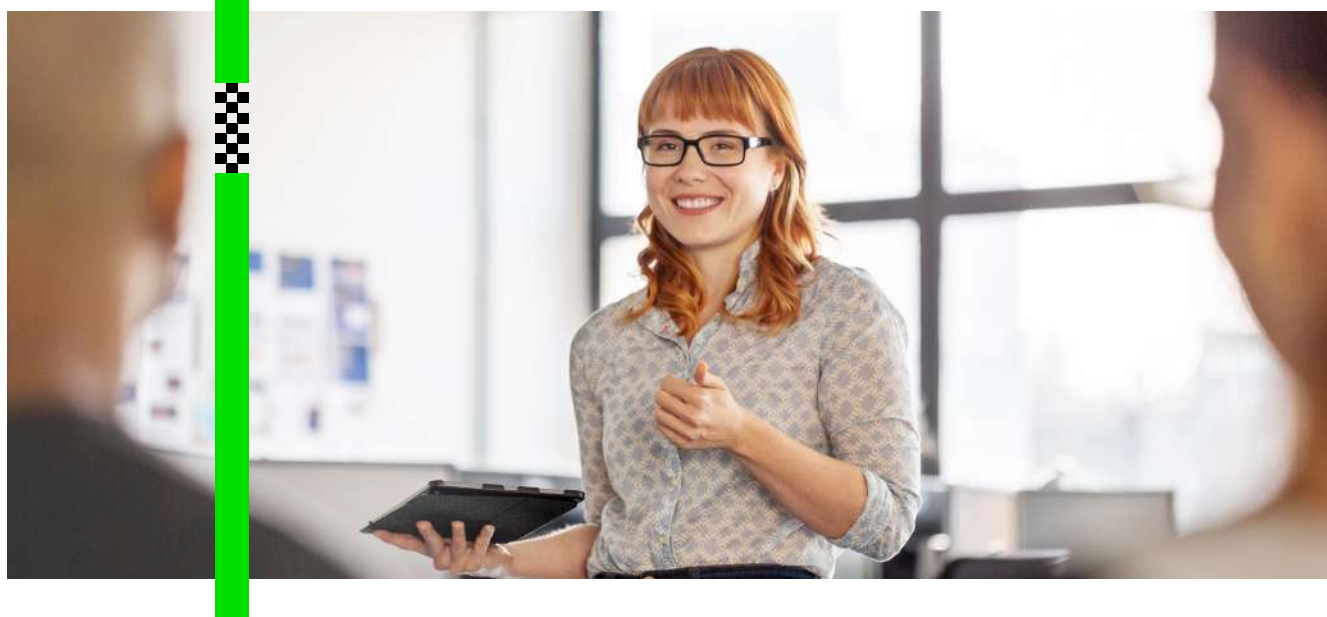
The right people in the room

This phrase comes up again and again. If a company’s travel department is not heavily involved in writing the initial RFP – and present in the tender briefing session – the process is flawed from the beginning.

Too often, procurement takes the lead and travel managers, who understand their organization’s needs, travel behavior and pain points, are left out of the process. There are many others you may want to consult too, such as HR, finance and security.



Common pitfalls in Travel RFPs (and how to avoid them)



- **Thinking travel is like other categories:** Corporate travel is not the same as purchasing a low-value, high-volume commodity product, so needs to be approached differently. Don't use a commodity acquisition RFP template to find the right TMC partner.
- **Not enhancing the process:** Because travel is so different, perhaps incorporate an RFI (Request for Information) or gather vendor profiles to help shorten the process and empower your business to make better decisions.
- **Unreasonable timeframes:** You may have taken months to prepare your RFP, so don't give your TMC vendors two weeks to respond. Rushing the process will detract from the quality of the proposal you receive.
- **Having a long list of candidates:** The more TMCs you ask to bid, the more difficult it's going to be for you to discern who the right partner is. Do your homework upfront and create a shortlist who you can approach instead of sending a tender request to everyone.
- **Not carefully considering your questions:** Think about what your business needs are and how you want to compare answers from prospective TMCs. Sometimes you might want a simple yes / no, other times you may want a more open answer to get a true reflection of the TMC.
- **Lack of communication:** The quality of the RFP and the prospective partnership is enhanced when the communication channels are open between the corporate and the TMC. An upfront meeting with shortlisted TMCs to clarify the scope of the RFP will assist in improving the quality of the proposal.
- **Focusing on price over quality:** Short-term gains delivered through lower transaction fees do not necessarily translate into savings in the long term. Your TMC needs to add value in terms of delivering savings, but also by showing value in other areas, e.g., interpreting data to proactively inform your travel policy, supplier negotiations, delivery of technological tools, helping fulfil your duty of care responsibilities, and helping reduce traveler friction, among others
- **Not having the right people in the room.** Because we can't stress this enough.

Ten steps to a rock-solid RFP

1. Understand your business' travel needs (AKA do you even need an RFP?).

How much does your team travel? Is your relationship with your TMC transactional or strategic? If your travel requirements are fairly basic, and you're happy with your current TMC, chances are you may not even need an RFP.

On the other hand, you might be looking for a partner who goes beyond merely sourcing the cheapest rates for your travel program. Once that handles multi-leg and multi-country trips, for example; who is able to identify savings and opportunities; and able to save your team time and money. Then, you might be in the market for a new TMC.

Understand why, where and how often your team travels. In other words, what is your travel footprint? It may seem obvious, but it should be the starting point for every RFP.

2. Rank your top travel requirements.

Priorities range per company. Some will look more towards cost savings and expense management, while others are lasered on risk management for their travelling employees.

Is it important your travel services includes support at all hours? What's your biggest driver? Is an online booking tool or mobile app key to the success of your travel program?

Think carefully about your organisation's unique requirements and rank them in order of importance so that everyone is on the same page.

3. Identify your current pain points.

Did we mention having the right people in the room? Ask all the relevant individuals in your team, including management, travel bookers and travelers, some pertinent questions.

Ask what their biggest frustrations are before, during and after business trips. What is currently broken in your chosen travel management solution? What needs are not being adequately met by your current TMC/s or travel agent/s?

4. Be generous with information.

The more a potential TMC knows about you and your needs, the better they'll be able to gauge whether they are a good fit for your business. Include details like your geographic footprint, company culture, online capabilities, current travel and expense policy and travel spend.

You should also provide information about your preferred pricing and payment processes, security risk assessments, code of conduct and your relationship-management objectives. Transparency is critical here, as failure to give enough detail is often the cause of disconnect between an organization and its TMC.

5. In return, consider what information you need ... and what you don't.

Case studies. Great. Client references. For sure. But do you really need CVs for the entire team? While certain information will always be required, some, such as supporting CVs are unnecessary, especially as staff may be transferred or promoted during the RFP process.

6. Think about how you'd like the responses to be formulated.

There's a fine balance between efficient use of time, and gathering as much information as you need. Consider your RFP template. A spreadsheet is great (and beats a 40-page tender document hands down), but make sure TMCs can also include supporting links, case studies and videos. After all, you want to get a sense of their company culture – and what sets them apart from their competitors.

7. Weight the responses.

Each response provided by the prospective TMCs should relate directly to one of your business requirements. It's up to you which requirements are the most important in helping you select the ultimate partner. For example, you may place greater emphasis on cultural fit than on sustainability, or maybe pricing trumps all.

8. Set aside sufficient time for presentations and engagement.

As the RFP process evolves, you might decide to replace a traditional panel presentation with a workshop. It gives you an opportunity to engage with more members of the team, and get a real sense of their culture, capabilities and ethos. You could also ask for a full demo of their platform and tools. Either way, make sure you set aside enough time.

9. Discuss the onboarding and change-management process.

This is important, as once your selection has been made, you'll want the transition to be as smooth and seamless as possible. It'll help to understand how travel services will be onboarded to your stakeholders and travelers.

10. Debrief all involved in the process.

When it comes to awarding the contract, adhere to the deadline you set and be respectful of the time and effort invested by everyone involved. Unsuccessful parties would appreciate some feedback – and you may find that you are able to gain some valuable insights in this final part of the process, too!



Advice from FCM's team



"RFPs increasingly include questions or ask for examples of TMC capabilities. These are usually related to very specific challenges and gaps in business travel programs. We often see solution-based questions from organizations, as they want to understand if a TMC that can fix or support a specific requirement. When asking these questions, give prospective TMCs clear and honest indications of what is and isn't working in your current program."

ALEX ARMSTRONG, GLOBAL SVP
COMMERCIAL STRATEGY



"Share your company's culture where possible. This empowers TMCs to respond in a way that demonstrates how their culture aligns with your company. And if they don't, well, maybe that partnership is not the best fit. This intangible human factor is often overlooked."

CIARÁN KELLY, MANAGING DIRECTOR,
MIDDLE EAST & AFRICA

"Rather than using the tender you've issued four times over the past 20 years, start from scratch and reduce the number of questions to those that really matter to you. You won't want to read 100+ pages from each of the six or seven responses you get."

CLARE PRICE, BID MANAGEMENT
TEAM LEADER, APAC



"Provide as much recent data as possible to find the best operational fit, and the most competitive pricing. Also consolidate, consolidate, consolidate – getting your transient, MICE, and consulting services under one roof makes for greater efficiency, and saves money in the long run."

ALEXANDRA DE VAUX, SVP SALES,
AMERICAS



"My advice would be to really step back. Think about what you really want - everything from your cost savings strategy, to booking tools. And it's not just about the 'now' but the future of your travel program too. Are the questions in your RFP and the format you're using really addressing what you need to future-proof your travel program?"

MATTHEW HEYMANS, HEAD OF
SALES EUROPE

"The best RFPs communicate objectives and expected outcomes in a clear, concise, and accurate manner. So share a table, for instance, rather than long prose for key requirements; or point form in place of essays. Too much information encourages content-heavy responses, as bid managers want to cover all bases."

SUHAILE MD, BID MANAGER, ASIA

Request for Partner: a collaborative alternative

There's no denying that increased collaboration is the way forward for supplier selection. This has been reflected in FESTIVE ROAD's research, which found 88% of travel buyers want to hear from TMC specialists and not just the sales team, while 74% want to know more about a TMC's cultures and values.

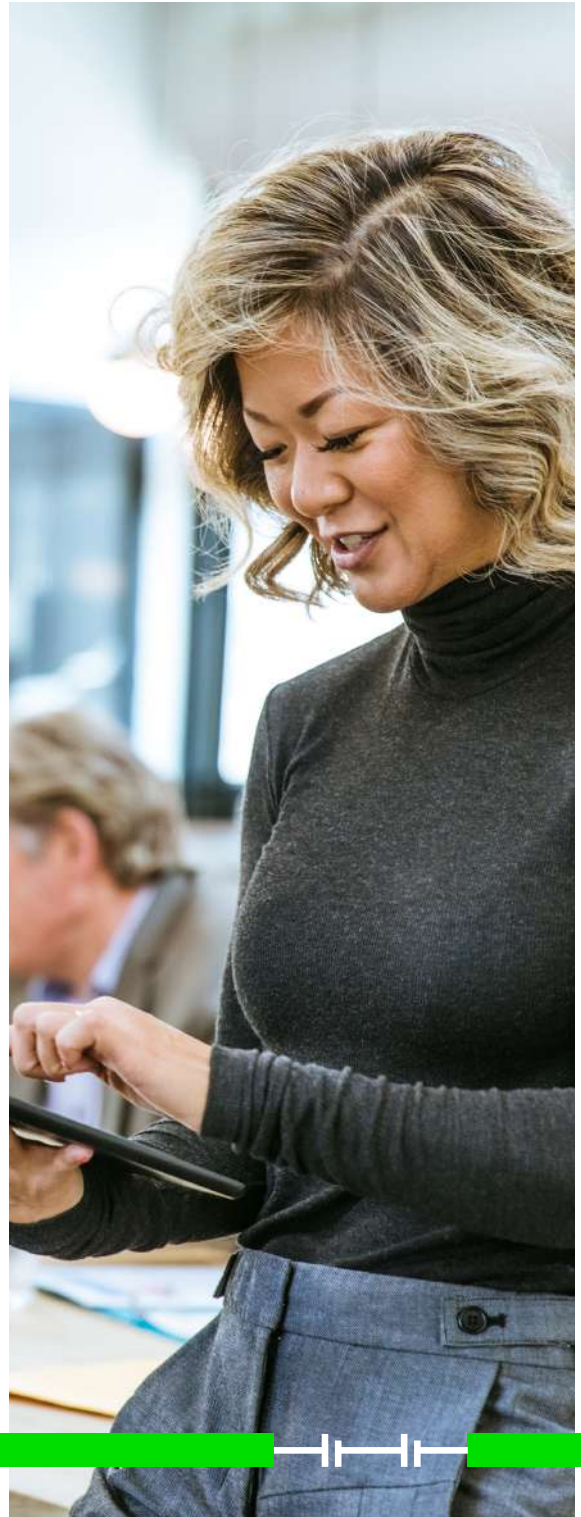
Combine that with the evolution of the travel manager role and procurement teams becoming more strategic, and it's clear that there's a natural progression here for the entire sourcing process.

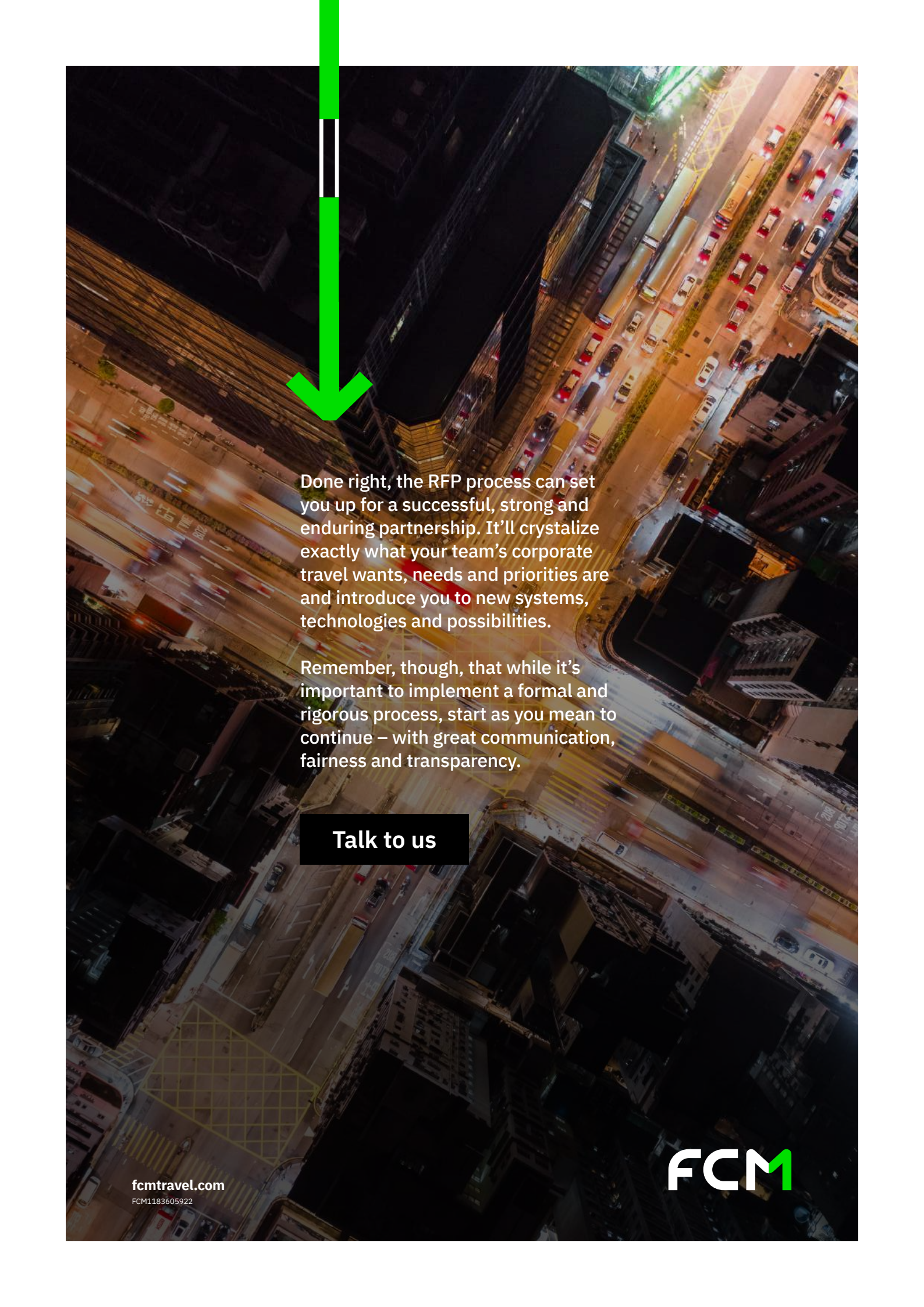

This concept isn't new. University of Tennessee's *Unpacking Collaborative Bidding* paper published in 2016 details different sourcing strategies; the pros or cons of various RFx methods (e.g. RFP, RFI); and even coined its own new method - Request for Partner.

They argued it would be the perfect methodology "to create a highly collaborative longer-term relationship where innovation, cultural fit, and a win-win mindset are essential to engage a dynamic environment." Which is perfect for corporate travel. This approach not only allows the buyer and supplier to develop the "solution" during the bidding process, but also to get a solid feel for how well the organizations work together.

While the concept may not be new, it's encouraging to see it is 'out there' and evolving in practice for business travel RFPs. The examples you've read, the pointers shared and the advice from our team; it all points to a much more collaborative process. The buyer-TMC relationship is increasingly described as a partnership that is future-focused; where organizations recognize they can evolve side by side with their TMC.

And with new priorities coming to the fore, including sustainability; diversity, equity and inclusion (DEI); and traveler health and wellbeing, it is more important than ever that your TMC understands your current and future business goals and obligations – and shares your values and culture.





Done right, the RFP process can set you up for a successful, strong and enduring partnership. It'll crystalize exactly what your team's corporate travel wants, needs and priorities are and introduce you to new systems, technologies and possibilities.

Remember, though, that while it's important to implement a formal and rigorous process, start as you mean to continue – with great communication, fairness and transparency.

Talk to us