

Looking for a new travel management company? Taking the pain out of RFPs

By [Bonnie Smith](#)

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Hands up if you're using the same travel management company (TMC) you've used for years - even if you're not especially happy with their service? Now, put your hand up if you're staying with that service provider simply because you can't face the onerous task of putting together a request for proposal (RFP)?



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As organisations are emerging from the pandemic, they're looking ahead and starting to send out their RFPs. You're more than likely considering doing so as well, but you may believe it'll be difficult for your organisation to undergo change at a time when so much uncertainty has already been thrust on your staff. You may also think that they don't have the time nor the capacity to put together an RFP.

But what if I said that the RFP process doesn't need to be particularly time-consuming or difficult? And that change could have an enormously positive impact on your business?

Travel today has changed a great deal since 2019, which was probably the last time your team did any travelling. They may be preparing to pack their bags once more, but they're going to find that they have a brand-new set of challenges to deal with – and the reality is that the contract you currently have in place with your TMC may no longer be adequate. For example, risk management, duty of care and new approval processes are more important than ever, and your current TMC may not measure up.

But how do you go about formulating an RFP so that you get the desired results? It may sound obvious, but the quality of the information you request – and, in turn, provide – is crucial. Many companies find that their match with a TMC is like unsatisfying date – they may have some things in common, but that all-important connection is lacking – and that’s because their RFP isn’t as precise or detailed as it should be.

Here’s how you can craft an effective RFP:

1. Understand your business’s travel needs

Is your relationship with your TMC transactional or strategic? If your travel requirements are basic, chances are your business falls into the first category. If, on the other hand, you need a partner who goes beyond merely sourcing costs (who handles multi-leg and multi-country trips, for example), the buyer and the TMC alike need to be willing to invest time in the relationship.

The same holds true if travel is an integral part of your business, helping to generate value or if your travel culture is such that people like to be able to consult with an expert rather than organising everything online. A good way for buyers to get this right is by asking all pertinent members of their team – not just the C-suite and budget holders, but the frequent travellers themselves, as well as finance and IT teams, risk management and HR departments, and the people who make the bookings – what they want and expect from a travel policy.

2. Identify current pain points for travellers

What are your team’s biggest frustrations? What needs are not being adequately met by your current TMC?

3. Rank your top 10 travel requirements

Is it vital for your travellers to be able to access TMC team members at all hours? Would you prefer for them to be able to manage changes on their cell phones? Do you expect discounts on fares and accommodation? Think about these points carefully because they will be at the core of the RFP process. You could use a template but take the time to tweak it so that it fits your business – after all, no two organisations have the same needs.

4. Be generous with information

The more a TMC knows about you and your needs, the better it’ll be able to gauge whether it’s a good fit for your business. Include details like your geographic footprint, company culture, online capabilities, travel policy and spend. You should also provide information about your current pricing and payment structure, 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 organisation and its TMC.

5. Think about how you’d like the responses to be formulated

Here, you’re trying to maintain the fine balance between efficient use of time and gathering as much information as you need. That’s why a spreadsheet might not be the answer — it doesn’t give the TMC much scope for explaining what makes them different to competitors. However, you don’t want to encourage them to include multiple and unnecessary attachments, as this makes the process extremely laborious. A solution is to give them an idea of the kind of attachments

you're looking for, such as case studies. You could also invite them to submit explainer videos about their company. This is more efficient, giving you an insight into their company culture at the same time. Finally, be sure to give responders sufficient time to provide detailed, customised answers.

6. 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.

7. Set aside sufficient time for presentations and engagement

This gives responders a chance to answer questions which help you probe further, while also giving you an opportunity to meet more members of the team. You could, for instance, ask for a demonstration of their preferred technologies.

Make sure too, to ask about their onboarding and change-management processes. Once your selection has been made, you want the transition to be as smooth and seamless as possible.

8. Identify and decide on the pricing model

For example, transactional pricing or subscription pricing, and make sure you understand the prospective TMC's unique pricing methodology – what factors are included, and how are they determined? This makes for easy comparison.

9. References

If you're going to contact references, focus on what matters: you want to find out if there are any weaknesses to a supplier's approach, and how the relationship can be best managed.

10. Debrief all involved in the process

When it comes to awarding the contract, adhere to the deadline you set for this 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.

Done right, the RFP process can set you up for a successful, strong and enduring partnership. It'll crystalise exactly what your team's corporate travel wants, needs and priorities are and – with any luck – 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.

ABOUT THE AUTHOR

Bonnie Srith, General Manager, FQMTravel.

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