



## Cybersecurity Firm

# Global defense and cybersecurity firm saves \$2 million on hotels with Dynamic Performance Management™

Shift to year-round hotel program management enables constant visibility, quick action and improved access to preferred rates.

## Challenges

For years, the hotel contracts for a U.S.-based defense and cybersecurity firm were pretty straightforward. The company used most of the same hotel properties over and over. It negotiated rates annually, factoring in per-diem amounts allowed by its government clients.

Then two important things changed. Hoteliers began shifting to pricing models that fluctuated based on supply and demand. And the company switched to a strategic sourcing process that was dynamic, too. The travel program needed to be able to demonstrate the value and performance of its hotel contracts throughout the year.

The company's travel program leader had heard about Stay's Dynamic Performance Management offering from the business travel consultancy, which had helped the company manage hotel sourcing for more than a decade. But she'd always been skeptical about how it would fit the unique needs of her travel program. The changing landscape encouraged her to explore what a dynamic approach to hotel program management could deliver.

## At a glance

### Challenge:

Create an updated travel program with the intelligence to demonstrate the value and performance of its hotel contracts throughout the year.

### Approach:

Using Stay's Dynamic Performance Management to reduce hotel spend.

### Results:

- \$2MM saved on hotels in the first complete program year, a savings rate of 3%
- Preferred rates available 73% of the time vs. 60% when DPM was adopted
- Ongoing hotel program assessment and adjustment
- Reduced time and effort on annual hotel sourcing
- Improved hotel experience for travelers

## Approach

Dynamic Performance Management™ gave the travel manager access to real-time analytics and regular data-centered insights. Stay consultants advised her about how to act on that information to proactively manage hotel supplier performance.

She was able to see that some hotels were limiting travelers' room availability if they booked fewer than four nights a week. Other hotels were providing the company's preferred rate only half the time.

"It really highlighted the issues in our program and I was able to make immediate course corrections. That helped me preserve savings and respond to service issues affecting travelers before they became real problems."

Travel Manager

## Results

In its first year of using Stay's Dynamic Performance Management services, the company saved \$2 million on hotels — shaving 3% off its annual hotel spend. The travel manager expects the savings to be even greater in year two. "We're actually tracking ahead of our hotel savings goal," she said.

The company's hotel program is now "fluid and flexible," the travel manager explained. She's able to spot trends, adapt to market conditions and make swift yet well-informed decisions. In addition, she has always-available access to the data she must report to her company's strategic sourcing team. "We can see how our program is performing against our supplier contracts at all times."

In addition, most hoteliers are making their preferred rates available to the company's travelers 73% of the time, in large part because the hotels know rates are being tracked constantly. Before the company switched to Dynamic Performance Management, preferred rates were available to travelers only about 60% of the time. "Now our travelers are getting more stays at great properties at our per-diem rate," the travel manager said.

Another big benefit: The travel program has begun moving away from annual hotel negotiations. That's a huge time saver for the travel manager, a self-described "party of one with a Stay army" behind her. "I've been trying to get across to hotels that we don't need to play this game every year," she said.

The reluctant adopter of Dynamic Performance Management has become an evangelist. "Dynamic Performance Management has taken our hotel program to a whole new level," she said. "It enables ongoing consulting that's available to us 12 months a year."

## About the Company



### Headquarters

United States



### Travelers

25,000 worldwide



### Annual Hotel Spend

\$78 million



### Industry

Defense, civil government and cybersecurity services

Stay by BCD Travel drives greater savings through spend management while also increasing program adoption and satisfaction. With our multifaceted strategies, your second largest spend category can become your largest new source of savings.

Contact us today at [Stay@bcdtravel.com](mailto:Stay@bcdtravel.com).