
AFFILIATE NETWORKING

YOUR GATEWAY TO GROWTH

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WHY THE CORPORATE TRAVEL MANAGER SHOULD BE YOUR NEW BEST FRIEND

Business travel spending reached nearly 1.3 trillion USD worldwide in 2016 and is projected to rise to 1.6 trillion by 2020.¹ In a study conducted by the Global Business Travel Association, they found that business travel was responsible for about 3% or roughly \$547 billion of U.S. GDP in 2016.² Additionally, the number of domestic business trips in the US alone is expected to increase to 471 million by 2020.³ This presents a significant growth opportunity for those in the travel industry and a challenge for businesses trying to manage those costs.

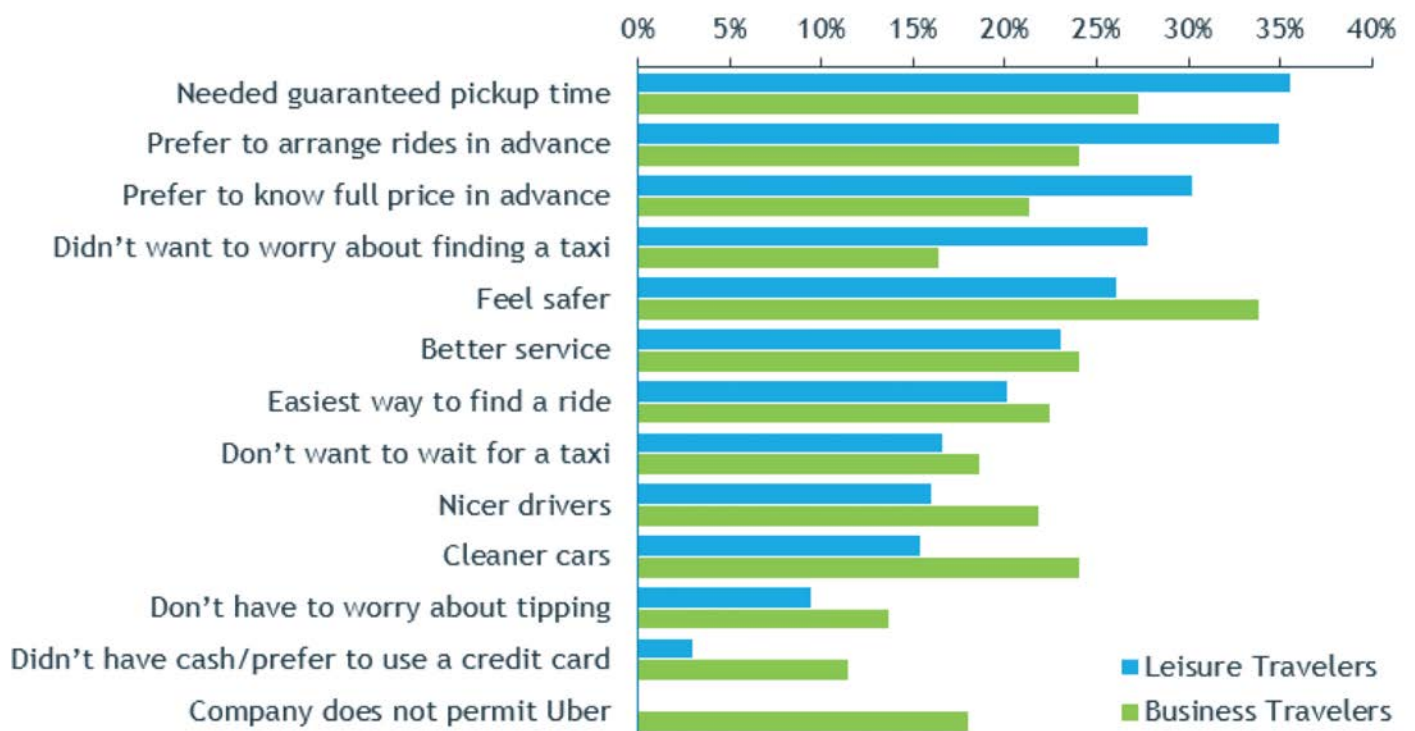
Despite the convenience, availability, and popularity of ride-hailing services, price, safety, and quality concerns make prearranged transportation still the preferred alternative among corporate travel planners managing their budgets and their liabilities. According to a survey conducted by PhocusWright, approximately 20% of business travelers indicated that they did not use a ride-hailing service simply because their company wouldn't allow it.

¹ <https://www.statista.com/statistics/207103/forecasted-number-of-domestic-trips-in-the-us/>

² <https://www.statista.com/topics/1859/travel-agencies/>

³ <http://www.lctmag.com/industry-research/news/724387/business-travel-generates-547-billion-in-gdp-7-4-million-jobs>

WHY TRAVELERS USED PREARRANGED CAR SERVICES RATHER THAN TAXIS OR RIDE-HAILING



Source: PhocusWright: Hail This! The Transformation of the Ground Transportation Experience for Travel – March 2016

20%

Business Travelers Not Allowed to Use
Ride-Hailing Services

An aerial photograph of a city at sunset, with a network diagram overlay consisting of white circles and connecting lines. The city lights are visible against the orange and blue sky. The title 'CONNECTING THE DOTS' is centered in large white letters.

CONNECTING THE DOTS

In another study led by American Express Global Business Travel, they found that 56% of corporate travel managers had completely ruled out ride hailing services citing safety and quality as their primary concerns.⁴

That leaves many of them still needing to “connect the dots” when it comes to arranging ground transportation and selecting the right provider. They look at a number of factors before choosing a vendor including their ability to deliver consistent, on-time service; the professionalism and demeanor of their drivers; the condition and variety of their vehicles; and the quality of their referrals. For companies with multiple locations, this can be an even harder task, as it may mean working with a number of providers to meet their needs.

Managed travel presents a tremendous opportunity for prearranged transportation operators looking to maintain a competitive edge over ride-hailing services. But before you shift your marketing and sales efforts to corporate America, make sure your business can support the demand.

⁴ <https://www.amexglobalbusinesstravel.com/content/acte-corporate-travel-policy-webinar/>



THE CORPORATE CONUNDRUM

Delivering Exceptional Service.
All the Time, Every Time,
Regardless of Demand.

You've landed a corporate account. It's a big win for your sales team and your bottom line, but to keep that account requires consistent exceptional service, communication, and management. According to American Express Global Business Travel, the traveler's experience will play a critical role in shaping a company's travel policy.⁵

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At the onset of your engagement, you may have an adequate number of vehicles and drivers to meet requests, but what happens if your client increases demand? Are you able to ramp up your operation accordingly to fulfill those needs? If the answer is no, or you're not sure, then establishing an Affiliate Network may mean the difference between keeping that account or losing it to a competitor.

⁵ <https://www.amexglobalbusinesstravel.com/content/acte-corporate-travel-policy-webinar/>



THE BENEFITS OF AFFILIATE NETWORKING

Becoming part of an Affiliate Network offers up a number of benefits, the most significant of which is being able to quickly maximize your earning potential. Through these partnerships, you can broaden your reach in the marketplace because you'll have the bandwidth available to meet increasing demands, pursue additional accounts, and become more competitive with alternative transportation providers like UBER and Lyft.

Another key benefit is that it's a relatively low risk opportunity to earn additional revenue for your business. If you're the partner being brought in, all you need to do is accept requests, deliver the transportation in a timely manner, and invoice back the lead operator. If you're not interested or unable to provide service, you simply reject the request. You still control your processes and workload.

Once you've found an Affiliate to partner with and can now satisfy your corporate account's increasing demands, you'll need to figure out how to send that operator work since they're using their own system. You don't have the luxury of time to train them on your system. Your focus is on meeting the needs of your client. You also likely want to keep the corporate account under your name, which means you need management tools and a completely private-labeled experience so that everything flows through you.

Your goal is to find a solution that makes it easy to exchange information with others without changing your own processes or system; and with minimal ramp up time. Enter the Affiliate Distribution Network.



HOW TO CONNECT AFFILIATES TOGETHER

Understanding Affiliate Distribution Networks

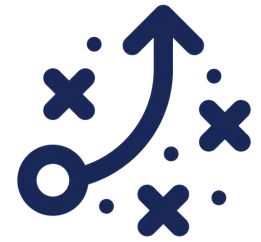
What is an Affiliate Distribution Network? In its simplest terms – it's a gateway to growth. More specifically – it's *your* gateway to growth.

It starts with a switch that opens the gateway. As the primary vendor working on a corporate account, you need to have a booking and dispatching system in place where your client's customers and employees can reserve and manage transportation. That's the heart of your operation and should give you the ability to run reports, generate invoices, and manage all facets of that account's activity. If you're part of an Affiliate Network, that switch also needs to enable you to send and receive information to others.



To pass information from one side of the gateway to the other requires a bridge. An Affiliate Distribution Network needs to be more than ordinary bridge. This bridge must seamlessly exchange data between different systems, but also emulate the destination environment. Utilizing emulation software enables each Affiliate within the Network to receive a request in a format that works within their system and is familiar to them without any changes or training required.

MANAGING THE NETWORK



While opening and closing a gateway requires a bridge and switch, it's important to have a set of instructions. These instructions, or rules, will allow you to distribute and manage work in a way that you prefer. For example, you may want to send one Affiliate a larger percentage of ride requests than another. With a configurable rules-based system, you can control the volume and distribution.



KEY RECOMMENDATIONS



Having an Affiliate Network will give you the bandwidth you need to meet your corporate travel manager's expectations. If you're interested in exceeding those expectations, we recommend implementing the following systems to ensure a top-notch traveler experience.

1

Use a private-labeled central booking and management system that reflects your brand or that of your corporate account. It exudes professionalism and helps establish trust and credibility.

Pro Tip: Make sure your system can support service extras, quick reservation functionality to process requests faster during peak times, has the ability to dispatch and re-allocate work in real-time, and can generate custom reports & invoices.

2

Implement a service issue management system that will enable you to respond to and address any situation quickly and efficiently.

Pro Tip: Use a Call Center to field questions, handle complaints, and offer assistance. Offer online chat as another means to communicate. Be sure to track issues and log all communication records for transparency. If you don't have the bandwidth in-house, outsource to another firm. Good or bad, the traveler's experience reflects directly upon how well you handle a situation.

3

Have a messaging system that allows you to easily communicate with your Affiliates, your client, and their travelers.

4

Offer self check-in tools giving passengers the ability to track and connect with drivers in real-time. This can make the traveler's experience even better, which again, can help maintain your position as a vendor.

THE BOTTOM LINE

Having partners available that you can work with seamlessly allows you to deliver quality transportation when and where it's needed. Whether you've landed a corporate account, a hotel contract, or a large convention, an Affiliate Network with the right system and management tools in place can be your gateway to growth.

Contact The Hudson Group to learn more about establishing an Affiliate Distribution Network for your company.



ABOUT THE HUDSON GROUP

The Hudson Group is an application service provider for the ground transportation industry that delivers innovative, scalable ground transportation solutions to help clients reduce costs, increase revenue and gain competitive advantage through technology.

We have developed a highly configurable, state-of-the-art ground transportation system designed to manage all facets of a ground transportation business. The Hudson Ground Transportation System (HGTS) provides comprehensive, best-of-breed ticketing, order entry and dispatch technology to leading ground transportation providers worldwide. To learn more about Hudson, visit us online at www.thehudsongroup.com.