



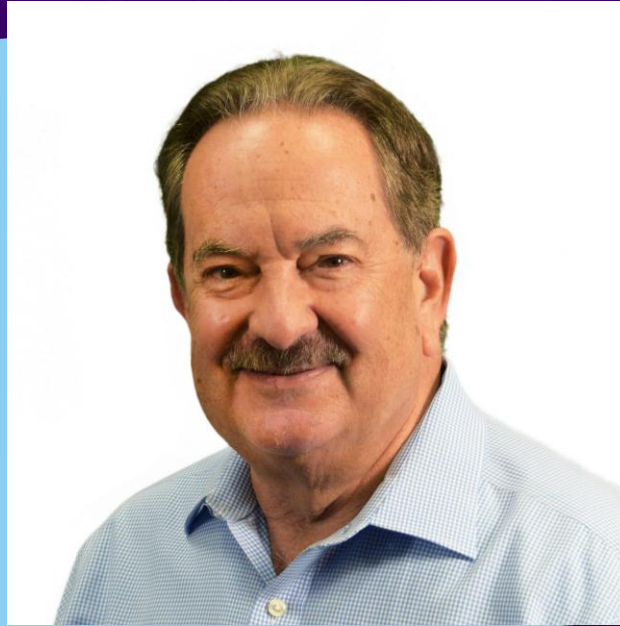
Business Travel Innovation Faceoff



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BY NORTHSTAR



Fare  Audit

ANDY MENKES
President, Fare Audit

**BUSINESS
TRAVEL
SHOW**
AMERICA

15 – 16 OCTOBER 2025
JAVITS CENTER
NEW YORK
BY NORTHSTAR



BTNGROUP
CONFERENCES & EVENTS
BY NORTHSTAR

Proactive Auditing Before You Pack Your Bags



Andrew Menkes, President



Agenda

1

ABOUT FARE AUDIT

2

**MANAGED TRAVEL -
CHALLENGES**

3

INDUSTRY IMPACT

4

**INNOVATION – AIRFARE
AUDITS**

5

**INNOVATION – HOTEL
AUDITS**

6

**ENCOURAGING
COMPLIANCE**

7

MARKET ACCEPTANCE



Business model focused exclusively on **corporate travel**.
We do NOT accept projects from TMCs



Subject matter experts in **business travel program auditing for airfare and hotel**



Airfare Auditing vs. company travel policy +/- 2 hr. window
Audit ticketed fare vs. airline website **within 1 hr. of receipt**



Over **5 million** records audited



Access to **all major GDS** and online reporting for clients

Proactive Auditing: Airfare and Hotel Compliance

1



**Pre-Ticketing At Time of Booking
&/or
Within 1 hour of ticketing**





I don't give a Damn about GDS,
OBT TMC, NDC.....

Here's Mine:

Why is my airfare \$2600 lower
on the airline website that I just
checked than what your TMC
charged me?

Here's my acronym:

WTF



Travel Managers won't get complaints about execs or employees finding a lower fare



Cost of airfare and hotel is reduced by ensuring the lowest applicable prices were booked



Independent audit gives senior management confidence in the value of the managed travel program



The Travel Manager can focus on Strategy instead of Tactics

We avoid these pains in the neck and lower

3



Carpal Tunnel Syndrome



The VP of Hindsight



Your boss giving you grief



CFO giving your boss grief





CATEGORY: AIRLINES

Who should Travel/Procurement Trust?

4



AIRLINE



NDC enables airlines to offer more than just the seat up to and including a higher price or additional experiences i.e. priority boarding more legroom etc.



GDS/OBT



A major airline agreed to pay the GDS a higher fee for higher fares; Paying double or more for seats higher than economy class



TMC



The TMC is paid commissions and overrides based on total volume to an airline. In addition, the GDS is paying higher incentives to the TMC for higher airfares



TRAVELER

As a rule, the higher the airfare the more frequent flyer points the traveler receives. The likelihood of an upgrade is tied to the fare paid

CATEGORY: AIRLINES

What should Travel/Procurement **Verify**?



AIRLINE



Verify that your entire airline agreement pricing metrics are available in the GDS and price automatically



GDS/OBT



Same as above



TMC



Verify that the TMC is offering the lowest fares within your policy



TRAVELER

Verify that the traveller accepted and booked the lowest fare within policy

What's the right letter of the alphabet for Business Class?

4

UA 940 J9 C9 D9 Z9 P3 08 A0 R0 Y9 B9 M9 E9 U9 H9 Q9 V9 W9 S9 T9 L9 K9 G0

All 4 letters can get you seat 1A

What's the right letter to book in Business Class?

1	UA	110	J	23JUN MON	EWR LHR	SS1	5:25 PM	5:55 AM	+1
WPS1 «									
-	BASE FARE			TAXES/FEES/CHARGES					
	USD12250.00			USD1058.00XT			USD13308.00ADT		
XT	1025.00YQ			22.90US			5.60AY		
	12250.00			1058.00			4.50XF		

\$13,308.00

WPNCBⓂ

23JUN DEPARTURE DATE-----LAST DAY TO PURCHASE 17APR/11:59 PM

BASE FARE		TAXES/FEES/CHARGES		
1-	USD1050.00	USD1058.00XT	USD2108.00ADT	TOTAL: USD2108.00
XT	1025.00YQ 22.90US	5.60AY	4.50XF	
	1050.00	1058.00		

ADT-1  PNO50ENC

EWR UA LON1050.00NUC1050.00END ROE1.00 XFEWR4.5

NONREF/0VALUAFTDPT

VALIDATING CARRIER - UA

1 UA 110P 23JUN 1 EWRLHR SS1 1725 0555 24JUN 2 /DCUA /E

\$2,108.00

Airfare Audit Summary

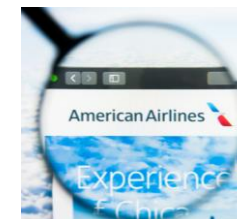


Pre-Ticket

- Lowest Fare Same Flight
- Lowest Fare Within Policy

Ticketed

- Compared to Airline Website





CATEGORY: HOTELS

Who should Travel/Procurement Trust?



HOTELS



When hotel bookings are made by the traveler directly through the hotel's website the hotel property saves on GDS fees and TMC commissions.



TMC



The TMC is paid a minimum of 10% commissions on the daily room rate and overrides based on total volume to the hotel chain.



TRAVELER

The higher the room rate that the traveler selects, the better the room as well as amenities and in many cases clubroom access. **For the 50% of travelers who book their hotels directly, data indicates they are not receiving the corporate discounts.** This also impacts the company's ability to negotiate during hotel RFP season





CATEGORY: HOTELS

What should Travel/Procurement **Verify**?



HOTELS

Corporate rates loaded correctly for 2026. Squatters removed



TMC

Corporate rates display BEFORE TMC rates. Correct room type booked



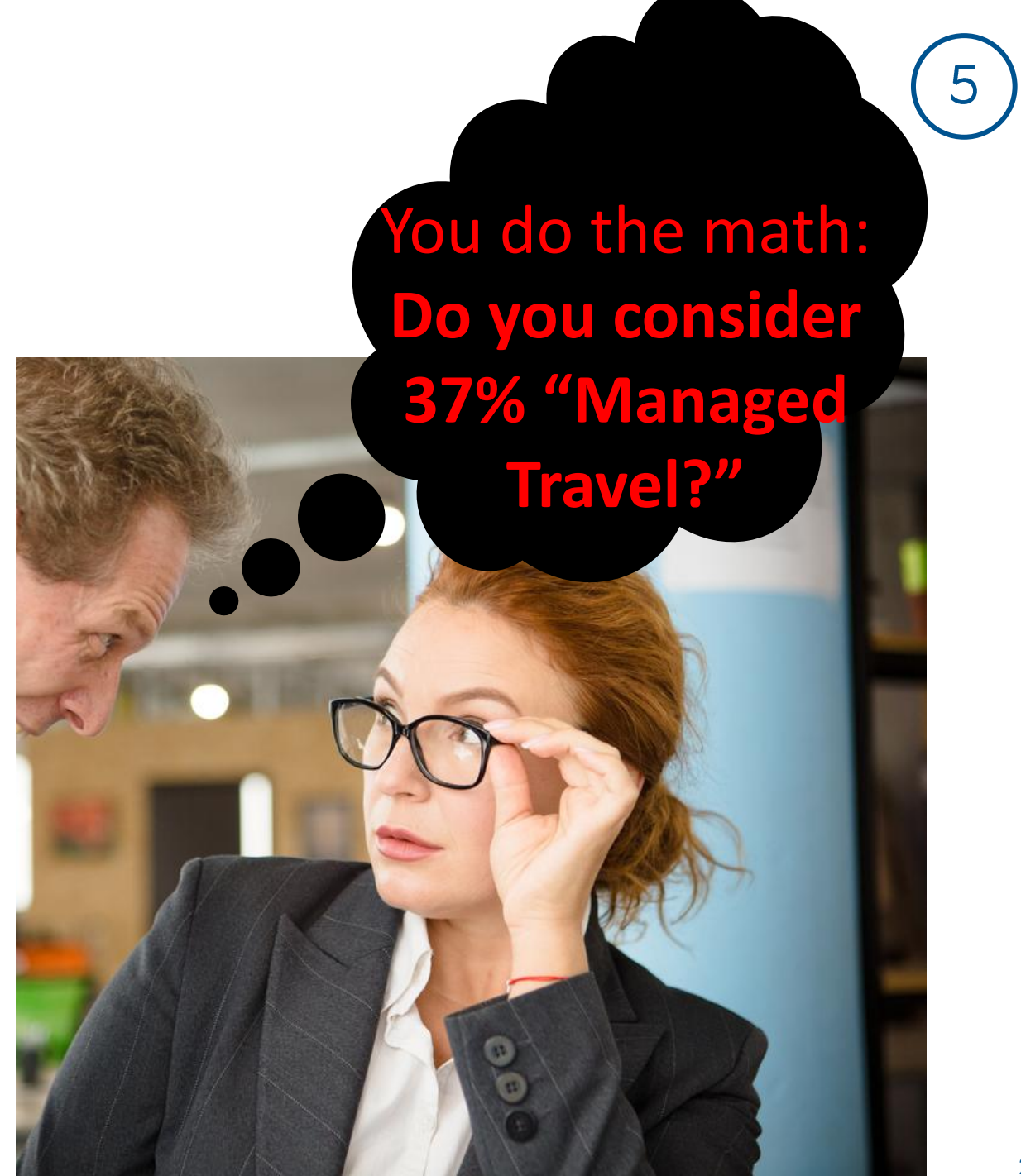
TRAVELER

100% attachment. Company preferred property at the negotiated net rate. Changes not made directly with property.

Unattached Hotels or Hotel Leakage? What will your CFO call it?

The Sabre Management Consulting team conducted a study among select agency customers in North America exploring hotel attachment rates. The findings revealed an HAR of only **37%** (online/offline combined).

<https://www.sabre.com/insights/how-to-maximize-har/>



Unattached Hotels or Hotel Leakage?

It's non-compliance (to travel policy)

5



Unattached Hotels



Hotel Leakage



- **2026 Hotel Directory Rate Loading Accuracy**
 - Checks each of the remaining 3 seasons for preferred rate loading in the GDS
 - Reports on LRA failure and “Corporate rate not listed”

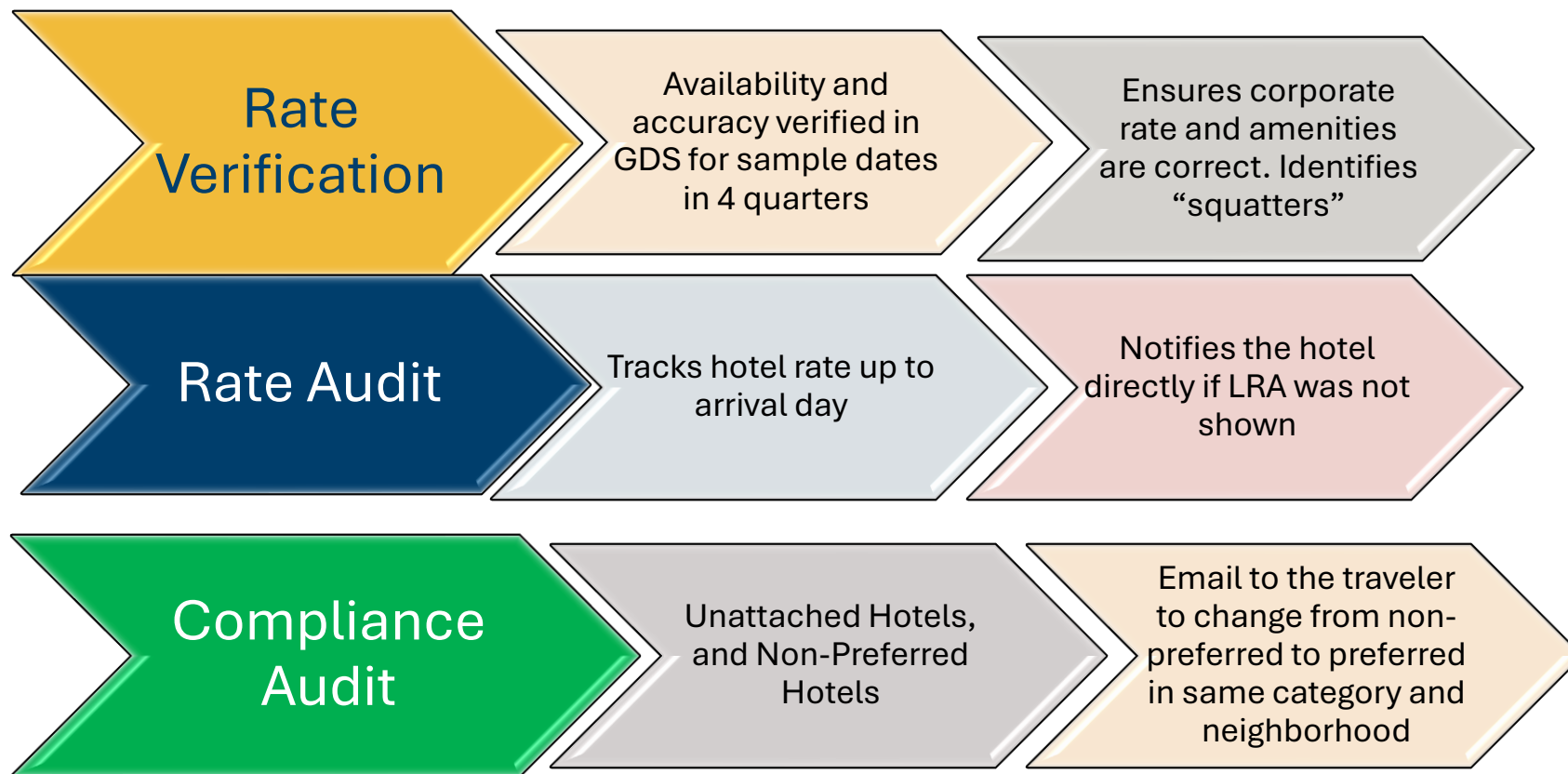
- **“Squatter Hotels”**
 - Properties that you declined during the RFP but loaded their hotel as “Preferred”

- **Unattached Hotels (a/k/a “leakage”)**
 - Any PNR with RT air but no hotel booked generates an email to the pax
 - Fare Audit checks the day before flight departure to verify that a hotel was booked

- **Preferred Property Not Booked**
 - Email sent to pax that there’s an equivalent hotel nearby that is preferred
 - Identifies the rate difference



Hotel Audit Summary



The Hawthorne Effect

Individuals modify an aspect of their behavior in response to their awareness of being observed



Connect

Disconnect

Check Queues

Demo Email Address

Auto Emails

☒ On
 ☐ Off

Phase I

Phase II

Emails

Phase I Emails Generated

Populate List

Send Selected

Send All

☒ PNRNO - LZUYAE
☐ PNRNO - BUHJRT
☐ PNRNO - BUHJRT

Dear Traveler.

Our automated hotel review program has identified your hotel reservation at the Hilton Waldorf Astoria Hotel checking in 03/05/2025. at a rate of \$259 per night, for a total of 2 nights. We have audited this reservation found it is not in compliance with the Company's hotel travel policy. Company policy requires you to select a standard room at one of the preferred hotels or you will be considered out of policy. To avoid delays in expense reimbursement please change your reservation to the Sheraton Manhattan which is Company's closest preferred property to your selection.

Non preferred properties are considered within policy if savings is \$25 per night or greater.

To change your reservation, click on the 'reply' button. The agency will process your request and forward the change. There is no need to add anything in your request unless you have special instructions. Please act quickly as the rate may sell out if you delay making that change.

Thank you for your support of the Company's cost avoidance initiatives.

Dear Traveler:

Our automated hotel review program has identified your hotel reservation at the HILTON 'WALDORF ASTORIA' checking in 03/05/2010 at a rate of \$259.00 per night for a total of 2 night(s). We have audited this reservation found it is not in compliance with the Company's hotel policy.

You are required to select a standard room at one of the preferred domestic hotels or you will be considered out of policy. To avoid delays in expense reimbursement, please change your reservation to the Company's closest preferred property.

Non preferred properties are considered within policy only when savings is \$25.00/night or greater.

To change your reservation, click on the 'reply' button. The agency will process your request and forward the change. There is no need to add anything in your request unless you have special instructions for the agency. Please act quickly as the rate may sell out if you delay making that change.

Thank you for your support of the Company's cost avoidance initiatives.

Start

Home Auditors Scr...

Home Auditors Scr...

Hotel Manager Plus

2 Microsoft Office...

Hotel Manager P...

Email to pax to change to the preferred hotel



Dear Moe

Your flights to Los Angeles on December 12th returning
December 16th **were not booked at the lowest logical airfare**
(non-stop)

There are lower fares with our Company Discounts for your
same itinerary within 1 hour of your departure time.

**Please use the Online Booking Tool (CliqBook) to book the
lower fare within Company Policy**

Thank you for your support of the Company's cost avoidance
initiatives.



Dear Larry,

Your flights to Los Angeles on December 12th returning December **16th did not include a hotel booking for your 4 night trip**

Company policy requires that you book your hotel in conjunction with your flights unless you are attending a Conference that requires hotel rooms to be booked as part of the registration.

Company must be able to locate our employees at any time during their business trip to assist with any weather or incidents that can affect their safety and security

Please use the Online Booking Tool (CliqBook) to book the lower fare within Company Policy



Dear Curly

Our automated hotel review program has identified your hotel reservation at the Hilton Waldorf Astoria Hotel checking in 03/05/2025. at a rate of \$559 per night, for a total of 2 nights. We have audited this reservation found it **is not in compliance with the Company's hotel travel policy.**

Company policy requires you to select a standard room at one of the available preferred hotels or you will be considered out of policy.

Please change your reservation to the Sheraton Manhattan which is Company's closest preferred property to your selection and \$359 per night

To change your reservation, use the Online Booking Tool (CliqBook) or click on the Reply button.

The new technology no longer relies on human input and intervention.

- ✓ PNRS are automatically scanned via our customized programming and emails are auto-generated to the passenger, the hotel, the travel manager or the employee's boss (above a certain \$ amount). Email content can be customized by client and even DK#
- ✓ Tickets issued can be automatically scanned and priced against the carriers' website from the POS Country consumer website **within 1 hr. of ticketing.**
- ✓ Clients have access to an online dashboard to see the daily audit results for GDS and airline-direct bookings

Proactive Auditing Before You Pack Your Bags

www.fareaudit.com

AUDIT REPORT

Actual Audit Projects

Hotel Manager Plus 7.0

Fare Audit

Trust & Verify

Connect

Disconnect

Check Queues

Demo Email Address

Auto Emails

On

Off

Phase I | Phase II | Emails

Phase I Emails Generated

Populate List

☒ PNRNO - LZUYAE

☐ PNRNO - BUHJRT

☐ PNRNO - GRVMGG

Send Selected

Send All

Dear Hotel Manager:

Our automated hotel check has found a discrepancy in the rate booked at your hotel. Our employee SMITH/JOHN is booked at your property arriving 04/26/2010 at the rate of \$279.00, confirmation number 89833215. The ABC Company negotiated rate for that period is \$239.00. Please change the rate to reflect our contract rate and also update the GDS to reflect the correct rate.

Please advise ABC Company Travel department at HotelTravelManager@abc.com when this is completed.

Thank you.

ABC Travel Department

Phase II Emails Generated

Populate List

Email to NAM to change the rate to LRA

Start

Home Auditors Scr...

Home Auditors Scr...

Hotel Manager Plus

2 Microsoft Offic...

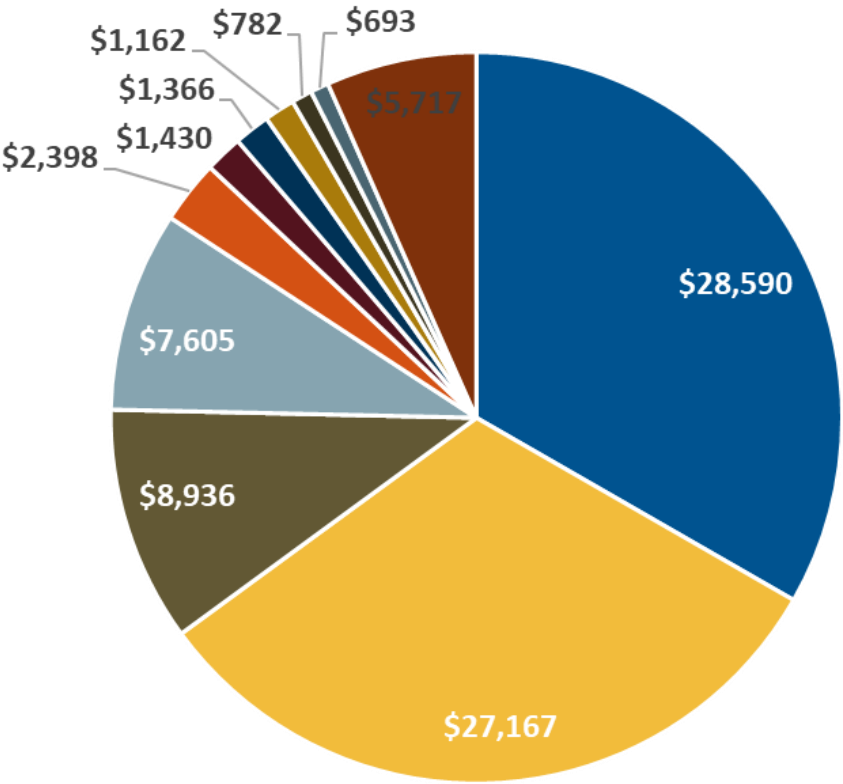
Hotel Manager P...

Sample Report from a recent GDS vs. Web Fare Audit

\$85,847 in 3 months

TMC Total Fare Amt	Count of Ticket	Webrate	Webrate Lower
\$ 1,710,019	2419	\$1,693,977	\$ 28,590
\$ 2,192,541	2184	\$2,340,349	\$ 27,167
\$ 707,279	1382	\$ 724,888	\$ 8,936
\$ 222,255	551	\$ 186,130	\$ 7,605
\$ 24,493	29	\$ 20,253	\$ 2,398
\$ 29,623	15	\$ 28,747	\$ 1,430
\$ 68,806	155	\$ 67,151	\$ 1,366
\$ 3,917	2	\$ 2,824	\$ 1,162

			Sum of Webrate Lower
33%	87%	May	\$ 29,287
32%		April	\$ 22,136
10%		March	\$ 34,424
9%		Total	\$ 85,847
3%			





Airfare Audit Report Dashboard (May 8-31, 2025)

\$30, 278 in 3 weeks!

Below all converted to US\$

	Currency	Ticket (#)	Total Fare Amt (USD)	Webrate (USD)	Webrate Lower (USD)
	USD	441	\$ 411,999	\$ 356,925	\$ 13,051
5431	GBP	133	\$ 147,982	\$ 147,982	\$ 7,386
7457	SGD	104	\$ 103,466	\$ 79,289	\$ 5,816
6016	AUD	64	\$ 77,444	\$ 46,518	\$ 3,910
100	EUR	8	\$ 5,714	\$ 6,455	\$ 115
	Grand Total	750	\$ 746,604	\$ 637,168	\$ 30,278



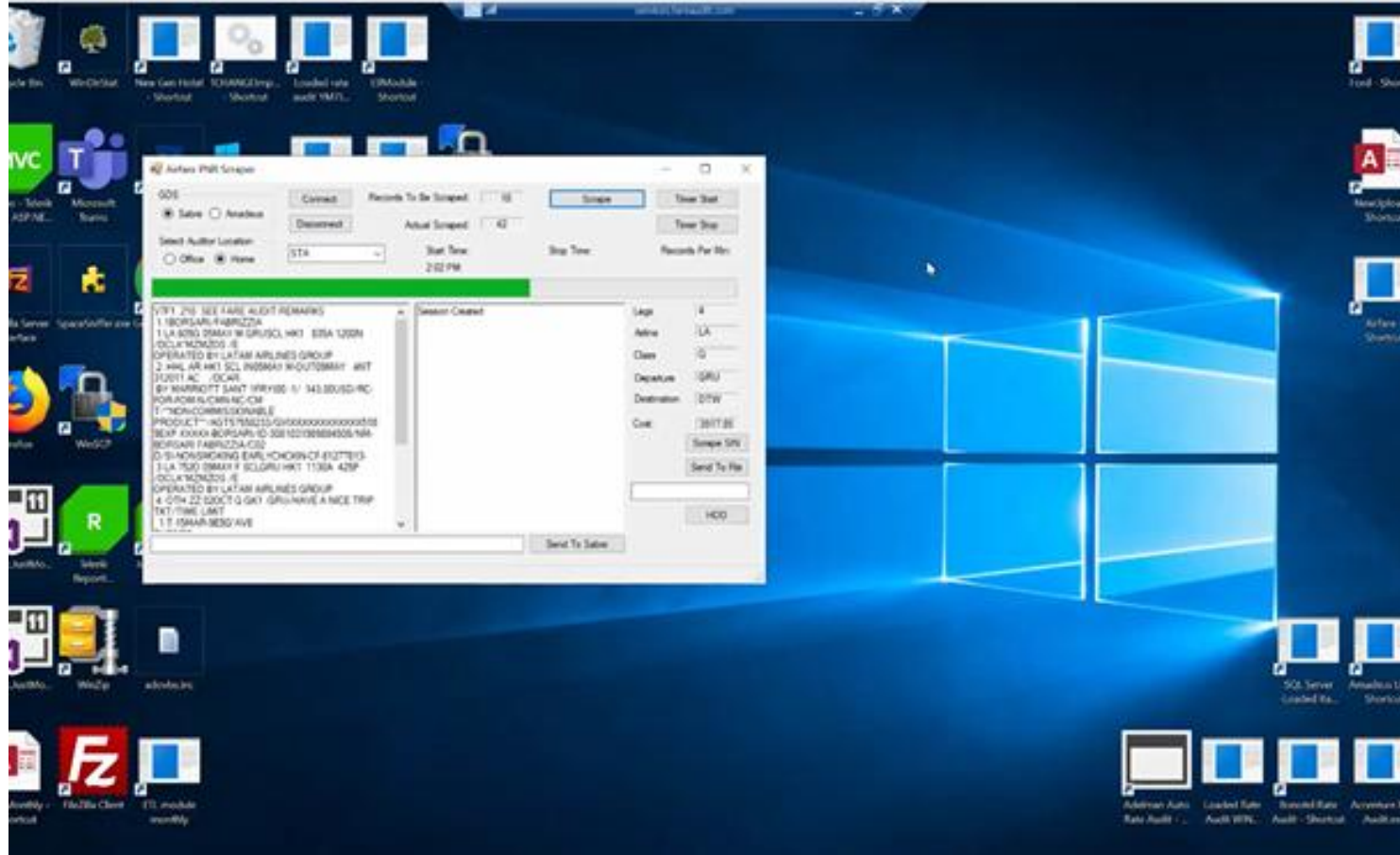
MARKET ACCEPTANCE

7

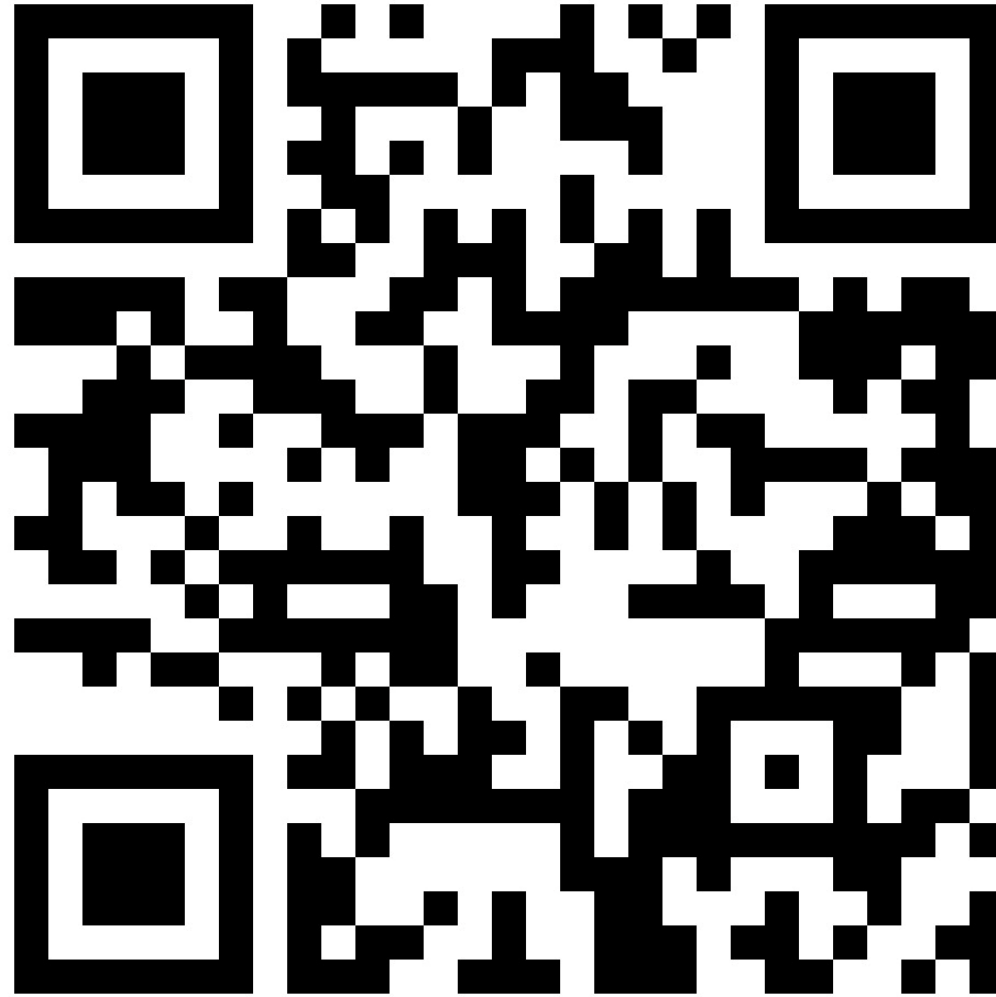


- In 2025 (when PTC acquired it) Fare Audit onboarded 6 new clients
- We Guaranteed that our monthly fee would be lower than the airfare savings identified- **we never had to return a fee**
- Average savings over ticketed airfares ranged from 12% - 17%
- Annualized savings identified was ~\$2,080,000

Where's the tech part of this Andy?



Where's the tech part of this Andy?



Proactive Auditing Before You Pack Your Bags



Andrew Menkes, President

