

The Total Economic Impact™ Of TravelBank

Cost Savings And Business Benefits Enabled By TravelBank

A FORRESTER TOTAL ECONOMIC IMPACT STUDY
COMMISSIONED BY TRAVELBANK, FEBRUARY 2024



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ABOUT FORRESTER CONSULTING

Forrester provides independent and objective [research-based consulting](#) to help leaders deliver key outcomes. Fueled by our [customer-obsessed research](#), Forrester's seasoned consultants partner with leaders to execute their specific priorities using a unique engagement model that ensures lasting impact. For more information, visit forrester.com/consulting.

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Executive Summary

Travel and expense (T&E) spending is significant at many organizations, and difficult to rein in. Organizations have often relied on antiquated management tools that were inefficient and led to overspending, especially on travel. Low employee awareness, poor compliance with corporate policy, and limited visibility into spend often hamstrung forecasting and future policy decisions. TravelBank offers an all-in-one automated solution that optimizes T&E spending, improves employee efficiency, and provides leadership with the tools needed to control ballooning T&E budgets.

TravelBank is a travel booking platform and expense management solution that offers organizations a consolidated and easy-to-use platform for handling all aspects of employee travel booking and expenses.

TravelBank commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by deploying [TravelBank](#).¹ The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of TravelBank on their organizations.

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed five customers with experience using TravelBank. For the purposes of this study, Forrester aggregated the interviewees' experiences and combined the results into a single [composite organization](#) that has an annual revenue of \$300 million and a workforce of 1,000 employees.



Return on investment (ROI)

240%



Net present value

\$482K

Interviewees said that prior to using TravelBank, their organizations typically used a combination of competitor expense and management tools. Interviewees described struggling with expensive and unwieldy tools that offered managers limited visibility into T&E spending. End users found the tools difficult to navigate, which led to low awareness and low compliance with corporate T&E policies.

After the investment in TravelBank, the interviewees consolidated their organization's T&E management and saw immediate cost savings. They also benefited from TravelBank's dashboards, flexible reporting capabilities, and comprehensive support. Key results from the investment included increased adherence to expense and travel policy, reduced travel spending, and efficiency time savings for managers, finance teams, and end users.

KEY FINDINGS

Quantified benefits. Three-year, risk-adjusted present value (PV) quantified benefits for the composite organization include:

- **Decreased spend on subscriptions for T&E management tools by 40%.**
TravelBank replaces prior T&E management solutions and consolidates them into one platform. TravelBank's competitive pricing enables the composite organization to immediately save 40% on subscriptions for T&E management tools. This totals over \$93,000 in cost savings by Year 3.
- **Improved employee adherence to T&E policies from 40% to 91%.**
TravelBank increases employee awareness of policies and assists management with identifying out-of-policy expenses, thus improving employee compliance. The TravelBank platform's ease of use encourages more employees to book directly through the app and are guided by up-to-date and easy-to-follow policies. Enhanced visibility for both management and end users enables cost savings of \$321,000 for the composite organization over the three-year modeled period.

- **Reduced travel expenses by 10%.** TravelBank's data and analytics capabilities reduces travel expenses by providing visibility for leadership to improve T&E policies, and visibility for end users to make the most cost-effective travel decisions. By tracking expense patterns, leadership can negotiate preferential deals with repeat vendors. TravelBank also estimates costs for future travel, enabling management to make informed decisions when approving future trips. End users find the travel portal easy to use as it provides straightforward cost comparisons for users to stay within budget. Over three years, this benefit totals \$211,000 in savings for the composite organization. Customers can realize additional cost savings and encourage employees to reduce spending through TravelBank's optional incentives program.
- **Improved manager and end-user operational efficiency by 15%.** TravelBank's user-friendly interface provides time savings for managers in approving requests, end users in submitting expenses and receipts, and finance teams in handling ad hoc reporting requests from leadership. By Year 3, these efficiency gains total \$56,000 in value for the composite organization.

Unquantified benefits. Benefits that provide value for the composite organization but are not quantified for this study include:

- **Improved employee experience (EX).** TravelBank's modern interface allows employees to simply handle all aspects of T&E management. TravelBank's increased visibility enables team members to easily review the status of their expenses and track spending which encourages an increased sense of agency over their budgets, thus increasing morale. TravelBank also provides live travel support via phone, chat, online messaging platforms, or email, granting employees peace of mind in the event of stressors such as flight cancelations during travel.

- **Improved policy and expense forecasting.** With TravelBank's data and analytics capabilities, finance and management teams can track spending, employee expenses, leakage, and trends in a single dashboard that allows them to gain better insights into budgets and cash flow, uncover anticipated costs or fraudulent patterns, and proactively adjust policies to support business goals. With easy access to expenses from the prior year and the ability to estimate costs for upcoming travel, finance teams can create more accurate expense forecasts.
- **True partnership feel.** Interactions with legacy solution providers were impersonal and they were often unresponsive. TravelBank provides smooth implementation support and offers a collaborative approach to new features, creating a positive partnership as employees feel like they have found a true partner invested in their organization's success.

Costs. Three-year, risk-adjusted PV costs for the composite organization include:

- **TravelBank license costs.** The composite purchases licenses for their T&E users for a total of \$172,000 over the three years.
- **Implementation, training, and ongoing management costs.** The composite opts for a TravelBank-led implementation that requires a one-time implementation fee. There is also an internal labor cost associated with implementation. During deployment, TravelBank license holders at the composite organization attend one 1-hour training. Once TravelBank is up and running, ongoing management is minimal. In total, these areas of cost total \$29,000 over three years.

The customer interviews and financial analysis found that the composite organization experiences benefits of \$682,000 over three years versus costs of \$201,000, adding up to a net present value (NPV) of \$482,000 and an ROI of 240%.

Improves adherence to employee T&E policy from

40% to 91%

“Now, we have a standardized process for booking travel and we have visibility into expenses. If you [had previously] asked me how much we spent on something, it would have taken a month to do an analysis. Now it takes an hour.”

DIRECTOR OF ERP SOLUTIONS, HEALTHCARE



ROI

240%



BENEFITS PV

\$682K



NPV

\$482K



PAYBACK

<6 months

Benefits (Three-Year)



TEI FRAMEWORK AND METHODOLOGY

From the information provided in the interviews, Forrester constructed a Total Economic Impact™ framework for those organizations considering an investment TravelBank.

The objective of the framework is to identify the cost, benefit, flexibility, and risk factors that affect the investment decision. Forrester took a multistep approach to evaluate the impact that TravelBank can have on an organization.

DISCLOSURES

Readers should be aware of the following:

This study is commissioned by TravelBank and delivered by Forrester Consulting. It is not meant to be used as a competitive analysis.

Forrester makes no assumptions as to the potential ROI that other organizations will receive. Forrester strongly advises that readers use their own estimates within the framework provided in the study to determine the appropriateness of an investment in TravelBank.

TravelBank reviewed and provided feedback to Forrester, but Forrester maintains editorial control over the study and its findings and does not accept changes to the study that contradict Forrester's findings or obscure the meaning of the study.

TravelBank provided the customer names for the interviews but did not participate in the interviews.

1. Due Dilligence

Interviewed TravelBank stakeholders and Forrester analysts to gather data relative to TravelBank.

2. Interviews

Interviewed five representatives at organizations using TravelBank to obtain data about costs, benefits, and risks.

3. Composite Organization

Designed a composite organization based on characteristics of the interviewees' organizations.

4. Financial Model Framework

Constructed a financial model representative of the interviews using the TEI methodology and risk-adjusted the financial model based on issues and concerns of the interviewees.

5. Case Study

Employed four fundamental elements of TEI in modeling the investment impact: benefits, costs, flexibility, and risks. Given the increasing sophistication of ROI analyses related to IT investments, Forrester's TEI methodology provides a complete picture of the total economic impact of purchase decisions. Please see [Appendix A](#) for additional information on the TEI methodology.

The TravelBank Customer Journey

Drivers leading to the TravelBank investment

Interviews			
Role	Industry	Region	TravelBank Usage
Treasurer	Real estate	\$1 billion	Expense
Sales and project coordinator	Industrials	\$250 million	Expense
Director of ERP solutions	Healthcare	\$1 billion	Travel
Director of procurement	Education	\$71 million	T&E
Treasurer	Real estate	\$26 million	T&E

KEY CHALLENGES

Prior to adopting TravelBank, interviewees either leveraged competitor T&E management solutions, homegrown management via spreadsheets, or a combination of both.

Regardless of before state, the interviewees noted how their organizations struggled with common challenges, including:

- **Lack of visibility into T&E spending.** Before TravelBank, the interviewees struggled with a lack of visibility into T&E spending. For organizations using homegrown spreadsheet solutions, T&E management was an inefficient process that required significant time to manage approvals, reporting, and reimbursements. Staff were in a rush to perform their tasks and did not have the bandwidth to evaluate expenses and catch policy infractions. Similarly, interviewees noted that legacy platforms made it difficult to pull reports as needed and did not automatically flag policy infringements. The sales and project coordinator at an industrials organization shared: “We had no control... basically, we were in a rush to process. We didn’t have time to take a look and evaluate all

of the expenses and where the money was going.” The director of procurement in an education organization shared: “We realized we needed to get our arms around the expense to understand the spending and where it was going. We had leadership that didn’t realize how much we were spending.”

- **Low adherence to T&E policies.** Interviewees also shared how they struggled with employees’ low adherence to company T&E policies. This challenge went hand in hand with a lack of visibility into spending. Organizations frequently set policies but had no way to encourage or enforce adherence. The director of procurement in an education organization described a common scenario: “We had so many departments that just said, “Well it takes too long to get approval,” so they were taking silence as approval and would just take their trips. ... With our prior solution, we had no way to look at all the expenses [quickly and] at once.” The director of ERP solutions at a healthcare organization commented: “Travel for us was a free-for-all situation. ... People booked at a premium and chose carriers based on their personal preference or personal rewards, not on price. We knew there was extra spending we were not catching.”
- **High cost of legacy solutions.** Interviewees expressed frustration with the high costs of their prior solutions. Many expense management platforms lacked travel-specific functionality and support, requiring firms to contract with multiple providers at additional cost. The treasurer at a real estate firm explained: “Cost was our major driving factor. We were paying more for a worse experience.” In addition to higher prices for subscriptions, interviewees also shared additional costs such as charges per report, or charges for unnecessary functionalities. The treasurer at a real estate firm noted: “Our previous solution was too rigorous a system for what we needed. It was too painful to use and administer for what little we put into play. We were charged for every report, and paying for things we didn’t need or want. For us, it was wasteful.”

- **Poor user experience.** Interviewees struggled with their previous solution's poor user experience — they described manual and labor-intensive processes like manual spreadsheet solutions that could not scale to keep pace with their organization's growth. The sales and project coordinator at an industrial organization described: "The company keeps growing and our needs are increasing. We needed to find a solution for automation, because we couldn't keep pace with our old systems for reporting and payments." Interviewees switching from legacy solutions also expressed frustrations with these platforms and their ease of use. The director of ERP solutions at a healthcare company described: "The previous platform was very challenging and very difficult to use. The expense functionality was antiquated. The platform was like a dinosaur."
- **Inefficient T&E process for employees and management.** In combination, these challenges contributed to an inefficient process for both end users and management. Employees struggled with poor user experience, lack of real-time support, and cumbersome processes. Management lacked visibility into spending and policy adherence, and struggled with manual and limited reporting capabilities. On both ends, users felt their prior solutions required significant effort while underachieving organizational needs.

INVESTMENT OBJECTIVES

The interviewees' organizations searched for a solution that could:

- **Provide comprehensive visibility into T&E spend and out-of-policy expenses.** Interviewees were looking for a new solution that could provide full visibility into T&E spending and provide alerts for out-of-policy expenses. Previous solutions lacked robust and flexible reporting capabilities — if leadership had questions, it often took hours for finance teams to pull relevant data views and reports. Legacy solutions also did not include real-time alerts for out-of-policy spending. The director of ERP solutions at a healthcare organization emphasized their priorities for their new solution: "Most important for us was robust reporting and alerts. We wanted to know if we had a traveler that books out of policy so we could understand why and talk to them if needed."

- **Consolidate T&E management into one solution.** Consolidating and standardizing T&E management was another priority for interviewees. For many of the interviewees, their organizations balanced a solution for expense, a separate solution for travel, or an expense management platform and a spreadsheet-managed travel program. This was not only time consuming in terms of management and expensive to maintain multiple solutions, but it also led to a lack of standardization and an incongruous user experience. The director of procurement at an education organization described their ideal solution, “We wanted something where we would be able to look at the expenses all at once, look at the requests in one file, and not have to go from this system to that system, to anything else, to handle everything from submitting an expense to booking a flight.”
- **Integrate easily with their current tech stack and does not require overhauls to their current financial systems.** While investigating solutions, interviewees found that many alternatives to TravelBank required using different credit cards or banks. The director of procurement in an education organization shared: “I looked at other solutions, but a lot of them required using their credit cards to use their solution. I didn’t want anything that was going to require a major overhaul of our credit cards or require intensive integrations and system-wide changes just to use.” Interviewees wanted an easy-to-use solution that worked seamlessly with their existing tech stack and financial systems.
- **Improve usability and offer real-time support to end users.** In addition to reporting, visibility, and alerts, interviewees also wanted an easy-to-use solution that appealed to and supported end users. The sales and project coordinator at an industrials organization described: “The reason we chose TravelBank is because it’s very easy to handle. It’s very easy to work with and it’s very friendly.” Interviewees also shared the importance of real-time support for travel users. The director of ERP solutions at a healthcare company described: “We have a lot of travelers, and we wanted to make sure they are taken care of. When our travelers get stranded, TravelBank is standing behind them, and they have the ability to do an online chat or call in and have someone personally assist them.”

“Our main driver to adopt TravelBank was standardization. We wanted to utilize one single platform to make it easy, and also to encourage them to follow our policies.”

DIRECTOR OF ERP SOLUTIONS, HEALTHCARE

“Our goals with investing in TravelBank were to better plan our expense and travel budgets, really get our arms around people expensing out-of-policy, and to know exactly where spending is going to better plan for the future. On these, TravelBank has been a success.”

DIRECTOR OF PROCUREMENT, EDUCATION

COMPOSITE ORGANIZATION

Based on the interviews, Forrester constructed a TEI framework, a composite company, and an ROI analysis that illustrates the areas financially affected. The composite organization is representative of the five interviewees, and it is used to present the aggregate financial analysis in the next section. The composite organization has the following characteristics:

Description of composite. The organization has 1,000 employees and an annual revenue of \$300 million. As TravelBank is pertinent in a wide variety of industries, Forrester recognizes that the experience of the composite will be representative across a variety of industries including food services, manufacturing, transportation, retail trade, construction, healthcare, or education.

Deployment characteristics. Prior to adopting TravelBank, the composite used legacy competitor solutions for both travel and expense management. Similar to their usage of TravelBank, 250 travelers had licenses with the legacy travel solution, and 50 employees had expense-only licenses. Of the composite's 1,000 employees, 30% have TravelBank licenses. There are 250 travelers who are mostly sales personnel, and 50 expense-only TravelBank users.

KEY ASSUMPTIONS

\$300 million revenue

1,000 employees

30% of employees with TravelBank licenses

250 travelers

50 expense-only users

Forrester Perspective: Reduce the Number Of Applications To Save Money And Streamline Operations.

Costs are increasing, and CIOs need to reduce the number of applications at their organizations. Most organizations do not regularly review, replace, and upgrade applications, which results in too many apps with poor adoption rates. These low-usage apps cost money and management overhead. Organizations need to critically review their app portfolios to determine which apps are serving their needs and which are deadweight. Consolidation, modernization, and prioritization can eliminate waste and improve performance across operations.²

Analysis Of Benefits

Quantified benefit data as applied to the composite

Total Benefits						
Ref.	Benefit	Year 1	Year 2	Year 3	Total	Present Value
Atr	Cost savings from retiring legacy T&E solutions	\$37,400	\$37,400	\$37,400	\$112,200	\$93,008
Btr	Cost savings through improved policy adherence	\$72,900	\$121,500	\$206,550	\$400,950	\$321,870
Ctr	Reduced travel spending	\$85,000	\$85,000	\$85,000	\$255,000	\$211,382
Dtr	Time savings for managers, finance team, and end users	\$19,076	\$22,838	\$26,600	\$68,514	\$56,201
	Total benefits (risk-adjusted)	\$214,376	\$266,738	\$355,550	\$836,664	\$682,461

COST SAVINGS FROM RETIRING LEGACY T&E SOLUTIONS

Evidence and data. Interviewees realized cost savings by retiring legacy solutions and replacing them with TravelBank for an all-in-one management platform. For interviewees using competitor solutions for expense management, they reported per-license savings compared to their prior solutions, and reduced costs in functionality. In their legacy environments, organizations were often charged per expense report. With TravelBank, users can submit unlimited reports at the same price. TravelBank also allowed organizations to consolidate both travel and expense management into one solution. Organizations that previously paid for two solutions were able to recognize a higher magnitude of savings by switching to TravelBank.

- The treasurer at a real estate firm shared: “With our legacy solution, you paid a rate for every expense report submitted. ... If one person went on three different trips in one month and made three different expense reports, we would get charged for all of them. With TravelBank, if someone wants to submit an expense report for every single transaction, it doesn’t matter.”
- The treasurer at another real estate organization described their experience with an analogy: “For us, our old system was like buying a Chevy Suburban to haul one person a couple blocks a day. It was wasteful. We pay 50% less with TravelBank and get everything we need.”

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- It realizes 40% cost savings by switching to TravelBank.
- Its use of the legacy solution and TravelBank is consistent.

Risks. Forrester recognizes that these results may not be representative of all experiences. The actual cost savings realized by an organization may vary depending on:

- Cost of legacy T&E management solutions.
- Usage patterns of legacy T&E management solutions.

Results. To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$93,000.

Reduced spending on T&E management

40%

“Cost was our major driving factor in switching to TravelBank. We were able to retire two solutions at once and we were looking at 75% savings.”

TREASURER, REAL ESTATE

Cost Savings From Retiring Legacy T&E Solutions					
Ref.	Metric	Source	Year 1	Year 2	Year 3
A1	Annual spend on legacy solution	$Et/(1-0.4)$	\$110,000	\$110,000	\$110,000
A2	Reduced spending with TravelBank	Composite	40%	40%	40%
At	Cost savings from retiring legacy T&E solutions	$A1 \cdot A2$	\$44,000	\$44,000	\$44,000
	Risk adjustment	↓15%			
Atr	Cost savings from retiring legacy T&E solutions (risk-adjusted)		\$37,400	\$37,400	\$37,400
Three-year total: \$112,200			Three-year present value: \$93,008		

COST SAVINGS THROUGH IMPROVED POLICY ADHERENCE

Evidence and data. With TravelBank, interviewees reported significant increases in employees adhering to corporate T&E policies both due to a clearer understanding and increased awareness of company policies, which made it easier for management to identify and correct out-of-policy behavior.

Adopting a T&E platform with clear booking guidelines increased employee awareness of policies and made it easier for employees to adhere to them. Interviewees described old travel management solutions as slow and cumbersome, which led employees to forgo formal channels and instead book directly with vendors. When booking on their own, employees frequently chose their preferred providers to maximize individual perks such as airline miles or hotel points. This often led to missed opportunities, such as employees not leveraging company-preferred discounts or not using other company rewards. For expense in particular, the head of procurement at an education organization frequently saw employees failing to take advantage of the organization's tax-exempt status, costing the organization money and leading to audit challenges.

For management teams, TravelBank's alert systems notified finance and accounting teams of out-of-policy spending, allowing leadership to encourage adherence in real time. In their prior states, interviewees described a situation where out-of-policy spending was often not noticed until months after the incident, making accountability difficult.

- The director of ERP at a healthcare organization shared: "Before, if someone booked out of policy — we might find out, we might not. It might have taken me two or three months to catch in the past. Now we get alerted immediately if someone is out of policy."
- The sales and project coordinator at an industrials organization noted: "With TravelBank, all of our policies are clear and set up on day one. We already set up everything so it's easy for employees to see what the guidelines are and what policy they are under. There's no questions and it's all done."
- The treasurer at a real estate company shared: "Before, we estimate we had about 40% adherence. Now, we're up to 70% and climbing. With TravelBank, policy is a lot easier to understand and follow, so we're seeing less pushback about following it."

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The average annual expense amount per employee prior to TravelBank is \$7,500. This is an aggregate number including both travel and other expenses.

- Before TravelBank, the composite had a 40% policy adherence rate. With TravelBank, the composite sees a growing increase in adherent employees over the three-year modeled period.
- The percentage increase in policy adherence with TravelBank grows dramatically from Year 1 to Year 3 as users become more familiar with the platform and management continues to catch and encourage users to follow policy. This benefit ramps up as Forrester also recognizes that it takes time to change employee behavior.
- Employees who strictly follow company T&E policies spend 20% less than nonadherent employees.

Risks. Forrester recognizes that these results may not be representative of all experiences. The actual cost savings realized by an organization may vary depending on:

- Average annual amount expensed per employee at a given organization.
- Previous rates of adherence to T&E policy prior to TravelBank investment.
- Employees' willingness to follow T&E policy, and management's willingness to encourage adherence.
- Average savings employees can realize through policy adherence.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$322,000.

Increase in T&E policy adherence by Year 3

85%

“With TravelBank, we've seen our compliance increase from 65% to between 95% and 99%. I don't think people were intentionally doing wrong, I think they just didn't have the guidance that we have now with TravelBank.”

DIRECTOR OF PROCUREMENT, EDUCATION

Cost Savings Through Improved Policy Adherence					
Ref.	Metric	Source	Year 1	Year 2	Year 3
B1	Employees submitting T&E reports	Composite	300	300	300
B2	Average annual amount expensed per employee (rolled up average including travel and other expenses) prior to TravelBank	Composite	\$7,500	\$7,500	\$7,500
B3	Percentage of employees not adhering to expense policy	Composite	60%	60%	60%
B4	Employees not adhering to expense policy prior to TravelBank	B1*B3	180	180	180
B5	Percentage increase in policy adherence with TravelBank	Composite	30%	50%	85%
B6	Net new employees adhering to policy with TravelBank	B4*B5	54	90	153
B7	Average savings due to policy adherence	Composite	20%	20%	20%
Bt	Cost savings through improved policy adherence	B6*B2*B7	\$81,000	\$135,000	\$229,500
	Risk adjustment	↓10%			
Btr	Cost savings through improved policy adherence (risk-adjusted)		\$72,900	\$121,500	\$206,550
Three-year total: \$400,950			Three-year present value: \$321,870		

REDUCED TRAVEL SPENDING

Evidence and data. TravelBank's data and analytics capabilities supported management in improving T&E policy and encouraging end users to make more cost-effective travel decisions, reducing travel spending for the interviewees' organizations. TravelBank made it straightforward for management to review past T&E data to pinpoint possible areas of future savings. By reviewing frequent expenses or destinations, interviewees were also able to negotiate discounts with specific hotels or car rental companies for future trips.

Interviewees also took advantage of TravelBank's cost estimation capabilities. When considering the value of upcoming travel, users could easily estimate costs and make informed decisions when approving future trips.

For end users, TravelBank's platform made it easy to compare prices and choose the cost-effective options that fit their needs. TravelBank also provided visibility into budgets and past spending, giving travelers more of a stake in staying within budget.

- The director of ERP solutions at a healthcare company noted: "By tracking spending and seeing where we travel the most, we've been able to negotiate preferential deals with hotels and car rental companies to see even more savings. We think this benefit will only grow over time."
- The same interviewee continued: "TravelBank also gives us the ability to understand the budget around future activities. If somebody says they want to go to a particular conference, it's easy for me to go into TravelBank and get high level estimates of how much it's going to be."
- The director of procurement in education shared: "People have visibility and agency over their budgets. ... We're seeing people be a little more diligent about what they're doing. They care more because they can see their budgets and see the savings. It's helping them to make better decisions when they travel."
- The treasurer at a real estate company described, "With TravelBank, users can clearly see the lowest cost, and we can track it and know if people are staying within budget or not."

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- Travelers at the composite organization take an average total of 1,000 trips per year. With 250 travelers, this is about one trip per quarter.
- The average cost per trip is \$1,000.
- Travelers realize 10% savings per trip with TravelBank.

Risks. Forrester recognizes that these results may not be representative of all experiences. The actual reduction in spending realized by an organization may vary depending on:

- The number of annual trips employees take at a given organization.
- The average cost per business trip.
- The amount that teams take advantage of TravelBank's capabilities to drive cost savings with their organization's travel.

Results. To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$211,300.

Percent savings per trip with TravelBank

10%

"We're saving over 10% because the tool is encouraging users to go where we get the best value for our dollar."

DIRECTOR OF ERP SOLUTIONS, HEALTHCARE

Reduced Travel Spending					
Ref.	Metric	Source	Year 1	Year 2	Year 3
C1	Annual trips	Composite	1,000	1,000	1,000
C2	Average cost per business trip	Composite	\$1,000	\$1,000	\$1,000
C3	Percentage savings per trip with TravelBank	Composite	10%	10%	10%
Ct	Reduced travel spending	$C1 \times C2 \times C3$	\$100,000	\$100,000	\$100,000
	Risk adjustment	↓ 15%			
Ctr	Reduced travel spending (risk-adjusted)		\$85,000	\$85,000	\$85,000
Three-year total: \$255,000			Three-year present value: \$211,382		

TIME SAVINGS FOR MANAGERS, FINANCE TEAM, AND END USERS

Evidence and data. Interviewees also realized time savings for managers, finance teams, and end users. TravelBank's easy to use platform and flexible reporting features enables time savings across a variety of activities for managers and finance teams, including approving T&E requests, pulling ad hoc reports, and submitting expenses. For end users, TravelBank offered a quick and streamlined process to submit expenses. In previous solutions where organizations were billed by the report, employees had to save their expenses until the end of the month and submit one large report. With TravelBank, transactions can automatically sync with the app and users can complete and submit expenses in real time on mobile, which reduced the hassle associated with organizing receipts. TravelBank's easy-to-use interface also helped streamline the submission process.

For managers, interviewees shared that leadership found the platform more intuitive, resulting in time savings in reviewing and approving expense reports. TravelBank's alerts also called attention to out-of-policy spending, automating some of the review process for team leads. When problems arose, managers could easily comment through TravelBank to streamline the feedback cycle for reviewers and end users, and TravelBank's mobile approval capabilities enabled them to review and approve expenses from their mobile phones.

Finance and accounting staff at the interviewees' organizations also struggled with frequent ad hoc requests from leadership. Prior solutions were often unwieldy — finance and accounting staff had to pull reports and perform manual calculations in separate spreadsheets. TravelBank's flexible dashboard and reporting capabilities enabled teams to quickly pull requests as needed — in most cases, in a matter of minutes. In their prior states, interviewees reported a frustrating process that typically took hours, and in some extreme cases, days.

- The treasurer at a real estate organization described the benefits for end users: "It's easier than our old system. When they're submitting a receipt, it probably takes them 25% less time to prepare that report."
- The sales and project coordinator at an industrials firm described: "Instead of our salespeople spending a few hours at the end of the month, they just spend several minutes a few times throughout the month. They don't need to save every single receipt and try to remember what they'd done and match it to their credit card statements. As soon as they finish with a dinner for example, they take a picture of the receipt, and the expenses are autopopulated on the app."
- The treasurer at a real estate organization shared: "Managers definitely experience time savings. What managers really like is they are able to review expense reports on their phone. That was not something they could do previously."
- The sales and project coordinator at an industrials company shared: "The managers who were approving used to have to spend much more time reviewing and following up on expenses. Now, they see it in the system, write a comment to the person, answer any questions and then they approve it and are done. It takes much less time now."

- The director of ERP solutions at a healthcare organization shared the experience of their finance team: “We used to get one to two inquiries per month from leadership on analysis or other questions. It used to take us days to track down numbers and pull a report. Now it takes an hour.”
- The director of procurement at an education organization described: “Pulling reports used to take a couple of hours. Now it takes a couple of minutes.”

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The composite processes 3,600 expense reports annually. This assumes licensed employees submit an average of one expense report per month.
- Before TravelBank, management took an average of 30 minutes to review each expense report. This includes time needed to follow up as needed on reports with questions.
- TravelBank reduces the time required to review expense reports by 5% in Year 1, which increases to 15% by Year 3. This benefit increases over time as managers are identifying more out-of-policy expenses with TravelBank that they need to follow up on. This also accounts for transition time costs as managers familiarize themselves with the new solution.
- Before TravelBank, the finance team received an average of 100 ad hoc requests per year from leadership, each taking roughly an hour.

Risks. Forrester recognizes that these results may not be representative of all experiences. The actual reduction in spending realized by an organization may vary depending on:

- Number of expense reports submitted per year.
- The time it takes end users to submit reports and the time it takes managers to review and approve reports.
- The number of ad hoc requests the finance team receives per year.
- The time it takes for the finance team to pull reports and respond to requests prior to TravelBank.

Results. To account for these risks, Forrester adjusted this benefit downward by 5%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$56,000.

Time savings by Year 3 for managers to review and approve expense reports:

15%

“One of the biggest benefits for us has been time efficiency. Expenses are being submitted faster, and people are not complaining like with our old solution. ... They are happy with it; both the ones who process the expenses and the ones who submit it also.”

SALES AND PROJECT COORDINATOR, INDUSTRIALS

ANALYSIS OF BENEFITS

Time Savings For Managers, Finance Team, And End Users					
Ref.	Metric	Source	Year 1	Year 2	Year 3
D1	Average number of expense reports to review annually	Composite	3,600	3,600	3,600
D2	Average time to review and reconcile expense reports prior to TravelBank (minutes)	Composite	30	30	30
D3	Annual time spent by managers reviewing expense reports (hours)	D1*D2/60 minutes	1,800	1,800	1,800
D4	Percentage of time savings to review expense reports with TravelBank	Composite	5%	10%	15%
D5	Total hours saved with TravelBank for expense approvals	D3*D4	90	180	270
D6	Average fully-burdened hourly salary per manager	Composite	\$44	\$44	\$44
D7	Subtotal: Annual savings for managers in expense approvals and reconciliation with TravelBank	D5*D6	\$3,960	\$7,920	\$11,880
D8	Average time spent by finance team on ad hoc requests from leadership before TravelBank (hours)	Composite	100	100	100
D9	Percentage of time savings with using TravelBank to address ad hoc requests	Composite	80%	80%	80%
D10	Average fully-burdened hourly salary per finance team member	Composite	\$44	\$44	\$44
D11	Subtotal: Total savings from finance team on ad hoc requests	D8*D9*D10	\$3,520	\$3,520	\$3,520
D12	Time spent per end user in submitting expense reports per year (hours)	D1*0.5 hours	1,800	1,800	1,800
D13	Percentage of time savings in submitting expense reports with TravelBank	Composite	20%	20%	20%
D14	Average fully-burdened hourly salary for a generic business worker	Composite	\$35	\$35	\$35
D15	Subtotal: End user time savings in submitting expense reports	D12*D13*D14	\$12,600	\$12,600	\$12,600
Dt	Time savings for managers, finance team, and end users	D7+D11+D15	\$20,080	\$24,040	\$28,000
	Risk adjustment	↓5%			
Dtr	Time savings for managers, finance team, and end users (risk-adjusted)		\$19,076	\$22,838	\$26,600
Three-year total: \$68,514			Three-year present value: \$56,201		

UNQUANTIFIED BENEFITS

Interviewees mentioned the following additional benefits that their organizations experienced but were not able to quantify:

- **Improved EX.** Interviewees reported significant improvements to employee experience, both in ease-of-use and travel support.
 - **Ease of use.** Interviewees consistently shared that TravelBank provided a friendlier user experience. The treasurer at a real estate firm described: “Our old system was like a dinosaur. TravelBank is easy. It’s intuitive. It’s slick. It’s got the capabilities we need and it’s easy to deal with.” TravelBank also provides real-time visibility to users concerning budgets and spending. With access to this information at their fingertips, employees felt more empowered with how they use their budgets. The director of procurement at an education organization shared: “With TravelBank, employees have more agency over their budgets, and more visibility. It’s improving their morale.”
- **Live travel support.** Another important TravelBank feature is live travel support. Interviewees shared their disappointment with the customer service and support features of prior solutions. With TravelBank, they trust that their travelers have resources available to them if issues arise during trips. The director of ERP solutions at a healthcare company described: “Users can track their flights in the TravelBank app and manage changes. They also get notified of delays and cancellations. They have dedicated travel agents at TravelBank that can help you. ... Just knowing they have an organization supporting you is so helpful.”
- **Improve policy and expense forecasting.** TravelBank’s data and analytics capabilities provide insight to finance and leadership. This allows them to both refine and improve T&E policy, as well as create more accurate expense forecasts. Interviewees discussed leveraging the information gained from TravelBank to improve and refine their T&E policy. The sales and project coordinator at an industrials organization shared: “Before, we didn’t have policies for cell phone usage or internet usage for homeworkers. We realized it was something we needed to keep an eye on, and now we have policy in place to

standardize processes.” In terms of future forecasts, the director of procurement in education shared, “It really allows leadership, especially at the director level or supervisory level, to see where their yearly budgets are going, and gives them the information they need in planning for the next year.”

- **Partnership with TravelBank.** Interviewees felt that TravelBank was a partner invested in their success. Before switching to TravelBank, interviewees described impersonal and slow support and service with their prior solution. The treasurer at a real estate organization shared, “If we need any customer support, we know it will come quickly as opposed to two or three weeks down the line which used to be our experience.” They also felt that TravelBank valued their feedback. The sales and project coordinator at an industrials organization described: “It feels like a partnership. I feel like I have a voice or say in possible features or things that could be provided within TravelBank.”

“TravelBank has been very hands-on in making sure we’re successful from year to year. I can’t say that enough in this world where customer service is often lacking. Their customer success teams truly want to make sure their customers are successful.”

DIRECTOR OF PROCUREMENT, EDUCATION

“From an accounting and auditing [perspective], everyone understands better how they need to allocate spending quarter to quarter so there are no surprises at the end of the year.”

DIRECTOR OF PROCUREMENT, EDUCATION

FLEXIBILITY

The value of flexibility is unique to each customer. There are multiple scenarios in which a customer might implement TravelBank and later realize additional uses and business opportunities, including:

- **Provides teams with flexible and creative tools to meet their business’ changing needs.** With TravelBank, organizations have the tools they need to handle changes to their businesses.
 - **Scalability.** TravelBank seamlessly handles changes in volume for processes like invoices or payments. New licenses can be added easily to accommodate organizational growth. The sales and project coordinator at an industrials organization described: “TravelBank can easily handle changing volume on processes like invoicing or payments. Having a tool that can handle this and save labor is a big impact for our company.”
 - **Flexible payments.** TravelBank’s virtual card capabilities, enables organizations to easily empower employees without going through difficult, resource-intensive procedures such as adding vendors to the database, opening new corporate cards, or adding additional TravelBank licenses. The treasurer at a real estate organization shared: “With virtual cards, we can easily set them up to meet any needs. ... As one example, when we fly new hires out for interviews we aren’t going to issue them a corporate

card. But with TravelBank, we can easily set up virtual cards to make it easy for candidates and for us.”

- **Travel incentives programs to decrease travel spending.** TravelBank continues to refine their functionality and offer new programs to support customers with their T&E management. One program that interviewees are looking to adopt in the future is TravelBank’s travel rewards program. With the program, when travelers spend below budget, they can earn points to redeem for gift cards and other prizes through TravelBank. This program incentivizes spending within budget and provides benefits to both employees and organizations. Though relatively new, interviewees shared excitement and interest in eventually rolling out this program at their organizations

Flexibility would also be quantified when evaluated as part of a specific project (described in more detail in [Appendix A](#)).

“We’re interested in some of TravelBank’s other programs we haven’t adopted yet. In this economy and with rising costs, of course we’re always looking at where we can reduce costs. Offering incentives is always something that appeals to our users and we think would be successful.”

DIRECTOR OF ERP SOLUTIONS, HEALTHCARE

Analysis Of Costs

Quantified cost data as applied to the composite

Total Costs							
Ref.	Cost	Initial	Year 1	Year 2	Year 3	Total	Present Value
Etr	Subscription fees	\$0	\$69,300	\$69,300	\$69,300	\$207,900	\$172,339
Ftr	Implementation, training, and ongoing management costs	\$21,630	\$2,772	\$2,772	\$2,772	\$29,946	\$28,524
	Total costs (risk-adjusted)	\$21,630	\$72,072	\$72,072	\$72,072	\$237,846	\$200,863

SUBSCRIPTION FEES

Evidence and data. Interviewees paid a subscription fee to TravelBank to use the platform, and they are typically billed monthly. Costs vary based on the number of licenses and the types of users. Costs also vary across travel-only licenses, expense-only licenses, or T&E licenses.

Modeling and assumptions. Based on the interviewees' experiences, Forrester assumes the following about the composite organization:

- The composite has 250 T&E licenses and 50 expense-only licenses. The number of licenses does not change over the three-year modeled period.
- Pricing may vary. Please contact TravelBank directly for additional details.

Risks. Forrester recognizes that these results may not be representative of all experiences. The actual cost realized by an organization may vary depending on:

- The number and type of licenses an organization requires.
- Changes to the number and types of licenses.

Results. To account for these risks, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$172,000.

Subscription Costs To TravelBank						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
E1	Monthly subscription cost	Composite	\$0	\$5,500	\$5,500	\$5,500
Et	Subscription fee	E1*12 months	\$0	\$66,000	\$66,000	\$66,000
	Risk adjustment	↑5%				
Etr	Subscription fee (risk-adjusted)		\$0	\$69,300	\$69,300	\$69,300
Three-year total: \$207,900			Three-year present value: \$172,339			

IMPLEMENTATION, TRAINING, AND ONGOING MANAGEMENT COSTS

Evidence and data. Interviewees described a straightforward and seamless implementation process with limited ongoing management requirements. The implementation process took an average of several months, though some interviewees working on tight internal timelines were able to deploy TravelBank within several weeks. Interviewees paid a one-time upfront implementation fee to TravelBank when deployment commenced. From there, TravelBank handled most of the setup processes, including platform and software testing. The interviewees shared that TravelBank does not require users to purchase the implementation support, but most interviewees opted to pay the nominal fee for setup support.

Interviewees consistently remarked on the ease of the process and the TravelBank team's responsiveness. In terms of training, interviewees described a light lift. Some interviewees opted for short 30-minute to 1-hour sessions for end users and managers, while others provided optional recorded content for users to leverage as necessary. Almost universally, users found TravelBank to be intuitive to use.

After implementation and training, interviewees described limited ongoing management needs, usually consisting of weekly calls with the TravelBank team to address any questions and updates. The treasurer at a real estate organization described TravelBank as akin to a copier, where, once set up, could be largely forgotten and just performed its job with no problems.

- The treasurer at a real estate company described their training needs, saying, “We had a 1-hour recorded training for key users like admins and frequent travelers.”
- The head of ERP solutions at a healthcare company described, “TravelBank requires minimal maintenance... we have one call with TravelBank each week for maintenance and upkeep but that’s basically it.”

Modeling and assumptions. Based on the interviewees’ experiences, Forrester assumes the following about the composite organization:

- It requires a total of 150 hours of labor from internal staff for implementation.
- The average hourly fully-burdened salary of employees involved with implementation is \$44.
- It requires all employees with TravelBank licenses to attend a 1-hour training on the platform.
- The average hourly fully-burdened salary of licensed TravelBank users at the composite is \$40.
- Once set up, the composite spends an average of 5 hours per month on ongoing management of the platform.
- It chooses to contract with TravelBank for implementation.

Risks. Forrester recognizes that these results may not be representative of all experiences. The actual costs realized by an organization may vary depending on:

- The size and complexity of the TravelBank deployment.
- The level of implementation service required.
- The average hourly salaries of staff involved in implementation, management, and training.
- The number of employees requiring training on TravelBank.

Results. To account for these risks, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$29,000.

“The transition was very smooth. TravelBank was well organized. They had a great project plan and they just executed. If I gave out awards for implementations, they would get that.”

TREASURER, REAL ESTATE

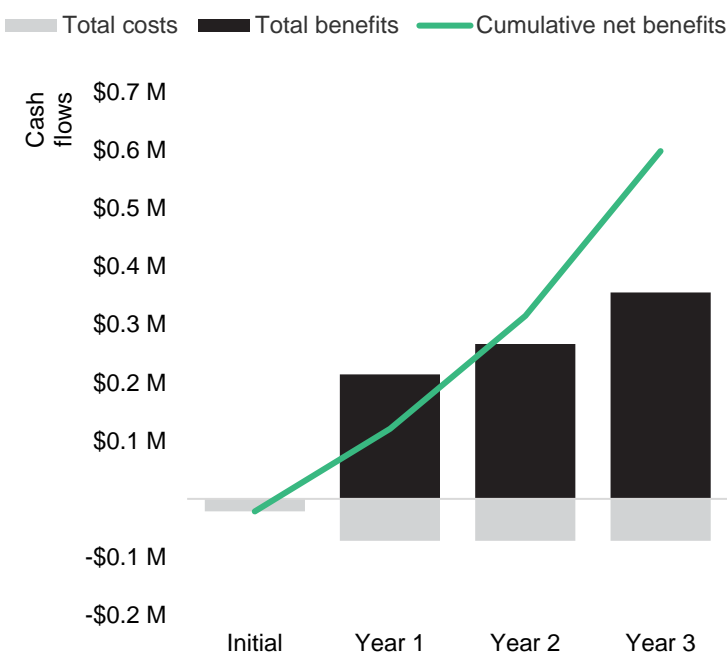
ANALYSIS OF COSTS

Implementation, Training, And Ongoing Management Costs						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
F1	Initial implementation fee to TravelBank	Composite	\$2,000	0	0	0
F2	Hours of internal effort for TravelBank implementation	Composite	150	0	0	0
F3	Average fully-burdened hourly salary of employees involved with implementation	TEI standard	\$44	\$0	\$0	\$0
F4	Hours of training per employee at implementation	Composite	1	0	0	0
F5	Employees receiving training	Composite	300	0	0	0
F6	Average fully-burdened hourly salary of employees receiving training	Composite	\$40	\$0	\$0	\$0
F7	Total implementation and training cost	$F2 \times F3 + F4 \times F5 \times F6$	\$18,600	\$0	\$0	\$0
F8	Hours of internal effort required for TravelBank ongoing management	Composite	0	60	60	60
F9	Average fully-burdened hourly salary of platform administrators	Composite	\$0	\$44	\$44	\$44
F10	Total ongoing management cost	$F8 \times F9$	\$0	\$2,640	\$2,640	\$2,640
Ft	Implementation, training, and ongoing management costs	$F1 + F7 + F10$	\$20,600	\$2,640	\$2,640	\$2,640
	Risk adjustment	↑5%				
Ftr	Implementation, training, and ongoing management costs (risk-adjusted)		\$21,630	\$2,772	\$2,772	\$2,772
Three-year total: \$29,946			Three-year present value: \$28,524			

Financial Summary

Consolidated Three-Year Risk-Adjusted Metrics

Cash Flow Chart (Risk-Adjusted)



The financial results calculated in the Benefits and Costs sections can be used to determine the ROI, NPV, and payback period for the composite organization's investment. Forrester assumes a yearly discount rate of 10% for this analysis.

These risk-adjusted ROI, NPV, and payback period values are determined by applying risk-adjustment factors to the unadjusted results in each Benefit and Cost section.

Cash Flow Analysis (Risk-Adjusted)						
	Initial	Year 1	Year 2	Year 3	Total	Present Value
Total costs	(\$21,630)	(\$72,072)	(\$72,072)	(\$72,072)	(\$237,846)	(\$200,863)
Total benefits	\$0	\$214,376	\$266,738	\$355,550	\$836,664	\$682,461
Net benefits	(\$21,630)	\$142,304	\$194,666	\$283,478	\$598,818	\$481,598
ROI						240%
Payback						Less than 6

APPENDIX A: TOTAL ECONOMIC IMPACT

Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders.

Total Economic Impact Approach

Benefits represent the value delivered to the business by the product. The TEI methodology places equal weight on the measure of benefits and the measure of costs, allowing for a full examination of the effect of the technology on the entire organization.

Costs consider all expenses necessary to deliver the proposed value, or benefits, of the product. The cost category within TEI captures incremental costs over the existing environment for ongoing costs associated with the solution.

Flexibility represents the strategic value that can be obtained for some future additional investment building on top of the initial investment already made. Having the ability to capture that benefit has a PV that can be estimated.

Risks measure the uncertainty of benefit and cost estimates given: 1) the likelihood that estimates will meet original projections and 2) the likelihood that estimates will be tracked over time. TEI risk factors are based on "triangular distribution."

Present Value (PV)

The present or current value of (discounted) cost and benefit estimates given at an interest rate (the discount rate). The PV of costs and benefits feed into the total NPV of cash flows.

Net Present Value (NPV)

The present or current value of (discounted) future net cash flows given an interest rate (the discount rate). A positive project NPV normally indicates that the investment should be made unless other projects have higher NPVs.

Return on investment (ROI)

A project's expected return in percentage terms. ROI is calculated by dividing net benefits (benefits less costs) by costs.

Discount rate

The interest rate used in cash flow analysis to take into account the time value of money. Organizations typically use discount rates between 8% and 16%.

Payback period

The breakeven point for an investment. This is the point in time at which net benefits (benefits minus costs) equal initial investment or cost.

The initial investment column contains costs incurred at “time 0” or at the beginning of Year 1 that are not discounted. All other cash flows are discounted using the discount rate at the end of the year. PV calculations are calculated for each total cost and benefit estimate. NPV calculations in the summary tables are the sum of the initial investment and the discounted cash flows in each year. Sums and present value calculations of the Total Benefits, Total Costs, and Cash Flow tables may not exactly add up, as some rounding may occur.

APPENDIX B: ENDNOTES

¹ Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders.

² Source: "[CIOs: Reduce Costs By Scoring Application](#)," Forrester Research Inc., January 6, 2023.



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