

# Marine & Offshore Travel

All hands on deck



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“ The industry was chasing barrels, now it’s chasing efficiency.”

*Daniel Yergin*

# Foreword

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## The hidden industries that fuel your morning commute

When we think of the managed travel industry we generally think about suited up travellers, kitted with laptops, briefcases and corporate presentations all packed neatly into compact hand luggage. But there is a whole other side to managed travel and these travellers only rarely make the headlines. These are the Marine & Offshore travellers who are vital to the global economy. Not only do they provide the resources necessary to operate it but they also move some 90% of the goods and resources that are consumed around the world.

Operating in a global environment, shipping and energy companies are directly impacted by macro and micro economic trends such as GDP growth, oil prices, the socio-political environment, piracy and weather conditions.

Because the Marine & Offshore industries are capital intensive, the cost of immobilising an asset such as a vessel or an oil rig is huge - think tens of thousands of dollars a day. So you can appreciate why transporting the people operating this machinery needs to be arranged with military precision, and why it requires a different type of service engagement than many other forms of managed travel.

You might be asking what exactly is Marine & Offshore travel? This is sometimes referred to as the Logistics industry or the Energy Space; but in a nutshell it is the ecosystem of providers that handles the challenging task of getting crews to ships and engineers, technicians and support crew to rigs - on time, anywhere in the world.

**Managed travel is mission critical to this sector and requires expertise, dedication and passion.** At Amadeus, our commitment to those travel management companies (TMCs) that service the Marine & Offshore companies is second to none. Our global reach combined with our superior airline content has made us a partner of choice for several leading TMCs in that space. We continue to extend our investment in new solutions to address the unique requirements of those specialist agencies.

This paper provides insight into the demands and trends impacting the Marine & Offshore sector and what it takes for the specialised players to succeed in that space. It explains the business processes and priorities, analyses the difficulties these agencies are wrestling with, and it looks at how services are evolving to meet opportunities and requirements as the industry changes.

This paper would not have been possible without the deep engagement of our partners in this space. We are proud to have the participation of the industry leaders in their field to elicit their views on the industry and understand how they are facing these challenging times. We explore the past and the present, with an eye to the future, seeing where the industry is going and showing what part the major protagonists are playing.

We hope you enjoy the read.



**Arlene Coyle**  
*Director, Managed Travel  
Amadeus IT Group*

A handwritten signature in black ink, appearing to read 'Arlene'.



**Renaud Nicolle**  
*Head of Specialty & Networks  
Amadeus IT Group*

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## Section 1

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# The shape and size of Marine & Offshore travel



If evidence were needed of our consumer society, it lies in our consumption of oil and gas, which has doubled since 1973. Global demand for energy is expected to increase by 36% by 2025. Our appetite for raw materials, such as oil and gas and affordable goods, is unabated and as a result we will need to increase the number of people travelling around the world to search for those resources - whether that means digging for them or pumping them out of the ground - and to move them to the demand side of the market.

The travel industry plays a vital role in transferring crew to ships, engineers, technicians and support crew to rigs on land and sea, and miners to their place of work.

To put this into perspective, a company such as BP is estimated to spend more than \$156 million a year on worldwide business travel. Other major players are believed to have similar travel budgets, as stated in *Special report: Oil and gas* by Buying Business Travel (BBT). Industry figures suggest a broad 30:70 split of corporate travellers in the sector between white-collar workers and those working on rigs and platforms worldwide - not an everyday picture of business travel, but it packs a punch.

*"The industry was chasing barrels, now it's chasing efficiency"*  
Daniel Yergin, Vice Chairman of research group IHS.

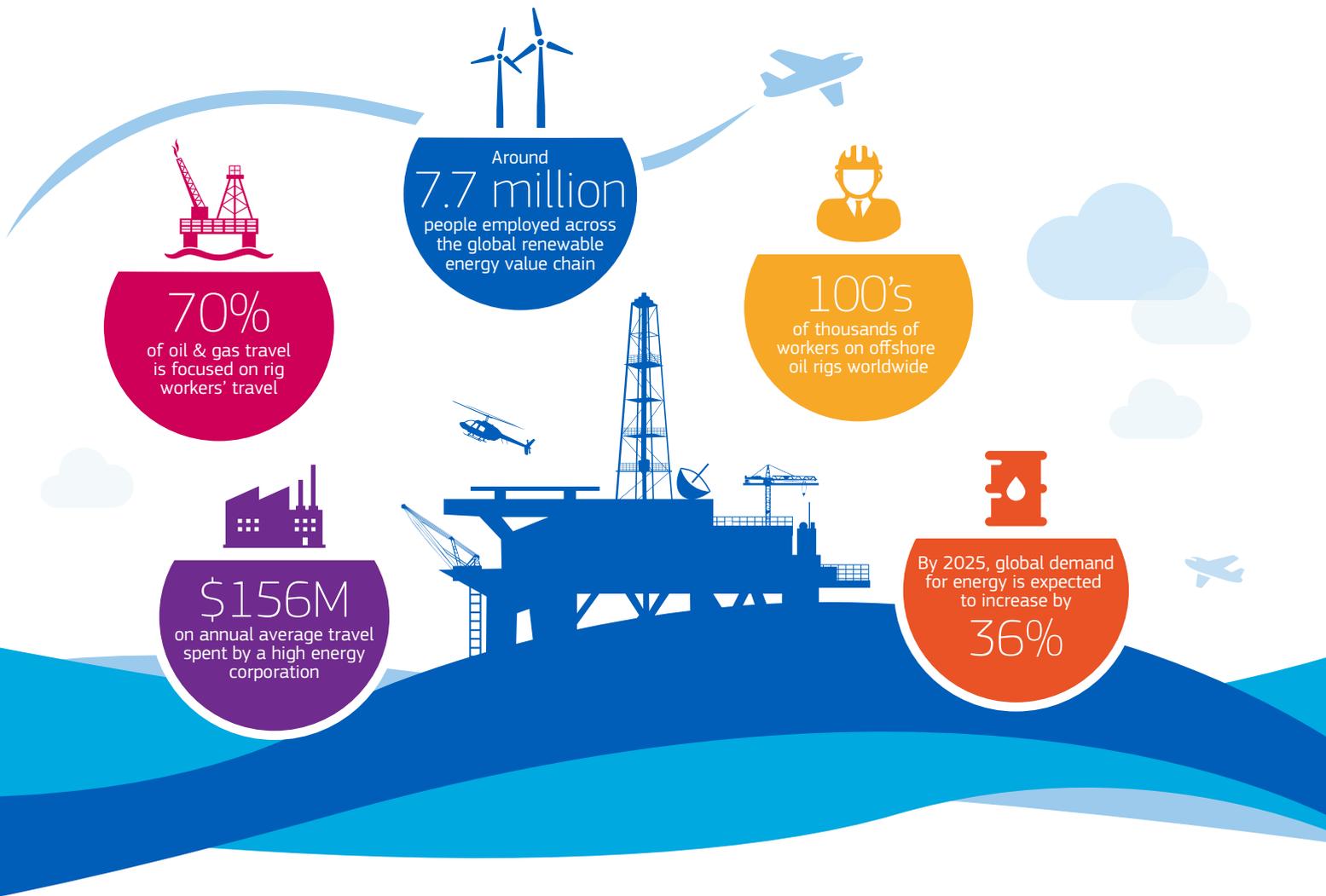
"Activity has marginally been impacted in production countries such as Saudi Arabia and Norway, where we have recently invested and anticipate rapid growth. Exploration areas such as Cyprus and East Africa, have materially slowed down, but we anticipate this activity

to trail the oil price. Commuter tracking and cost management, however, remain our clients top priorities irrespective of where they operate," says COO of Wings Travel Management, UK/Europe and Americas, Paul East.

As oil companies grapple with the consequences of lower revenues, there is a renewed focus on cutting costs. "Most operators break even at around \$70 a barrel on exploration costs but the price is currently at \$50," says Steve Norris, Corporate Managing Director, Europe and Africa, FCM Travel Solutions. Gone are the days when the number one priority was to make sure the black gold kept flowing.

The fall in oil prices has not served the freight shipping industry well either. Larger ships, ordered some years ago to increase economies of scale - replacing a ship with one twice the size increases fuel consumption by only 50% - have been delivered, but in the interim, as economic confidence has fallen so has consumer demand and therefore prices. **As a result, mergers between big industry players have become crucial to riding out this tough period and we believe there are more to come.**

"It is a difficult market all round because although we handle primarily shipping, the Baltic Dry Index is at its lowest since 2007 and day rates for ships are severely reduced, dipping below £20,000 per day, down from in excess of £100,000 several years ago; and vessels are even being stacked," says John Harding, Managing Director of V.Travel, which serves the world's largest marine service provider V.Group.



"In order to cut costs, all organisations can further consolidate suppliers and reduce significant manual process. We are seeing this in the form of staff reduction and postponement of key projects, but **companies are really looking at travel as a means to drive quick savings – stricter travel policy, better monitoring of expense claims (particularly for contract staff) and tighter procedures on reimbursements,**" Harding says.

Cost containment and fares remain a priority for ATPi's clients: "When it comes to availability and faring, you have to have very good, experienced agents with the best technology," says ATPi's Chief Commercial Officer for Shipping and Energy, Gary Pearce. "We are able to show clients that is where we bring real value and that equates to hard dollar savings."

This situation is further complicated by the prospect of recovery, which remains unclear. Although some in the sector expect an upturn in 18 months to two years, the lifting of sanctions on Iran hints towards the availability of a new pool of oil. This may further depress prices, which will have an additional knock on effect on the need to be more efficient while prices become even more competitive.

But it is not all gloom and doom in Marine & Offshore. **Green energy is playing a positive role.** There are 600 plus offshore wind turbine farm projects, approved or planned worldwide, compared to only 800 active oil rigs. Some 7.7 million people are now employed across the global renewable energy value chain, according to the International Renewable Energy Agency (IRENA); up 18% from 6.5 million people in 2014.

As General Manager of G Travel UK and Commercial Director of G Travel International, Jason Barreto, points out: "It's never perfect. In 2007/08, bulk business was going down and oil was going up. It's never all been nice." But there is hope in some sectors. Every new build shipyard is booked out until 2020 because shipping is still a cost-effective way of moving goods. There are therefore still opportunities in this space, which established players are understanding as a new opening and will want to see how they can venture into this niche segment.

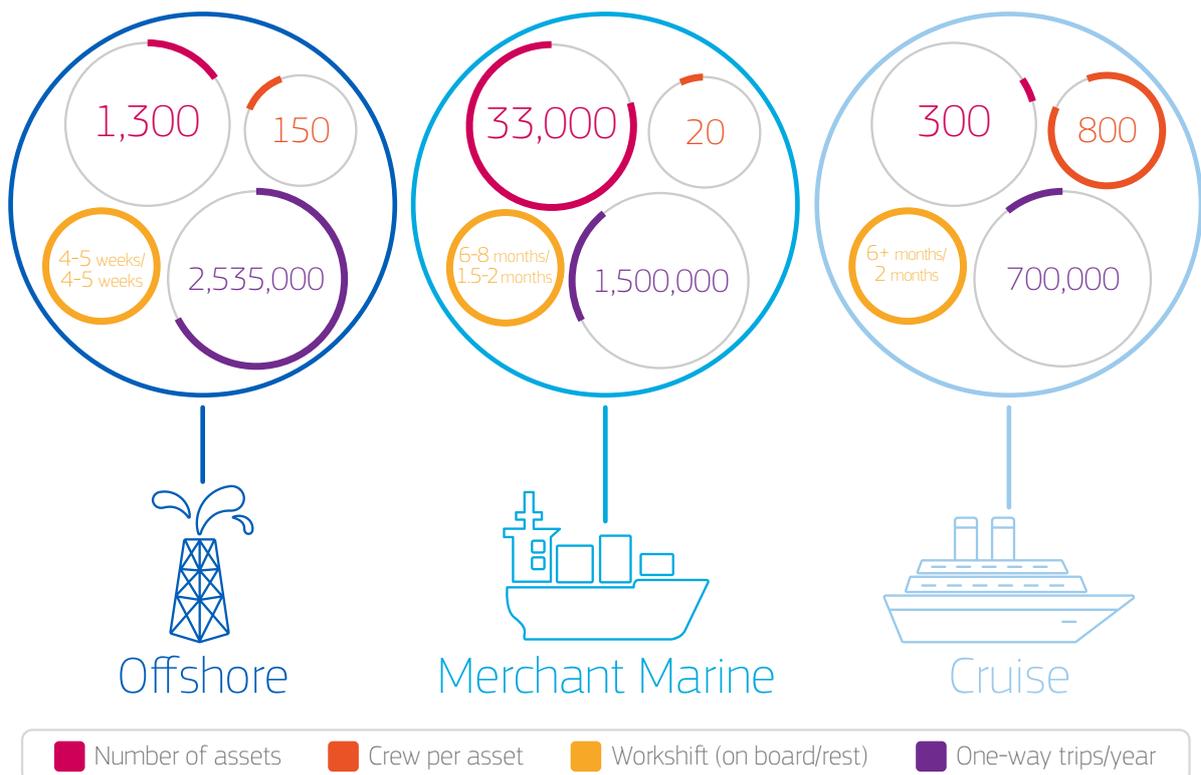
## 1.1 The numbers

There is an estimated **invisible workforce of 1.5 million** working on the world's ships, which are registered in more than 150 countries. The Philippines and India supply significant maritime labour, with many employed on foreign-flag ships operated by international shipping companies. Crew on these vessels are required to work overseas for **six to eight months** and be home for two months' leave. They work 8 hours a day every day, and if the ship enters or leaves port, that may extend to 12 hours.

**In addition, approximately 200,000 people work** on cruise ships worldwide, with somewhere between **800 and 1,500** per ship and generally three or four passengers to every crewmember.

There are in excess of 1,300 offshore drilling rigs (jackups, semi subs, drill ships, barges); the biggest are larger than a football field and rise above the water as high as a 25-storey office block, housing up to 500 workers.

With the above numbers in mind, it is no exaggeration to suggest that **offshore manned facilities present logistical and human resource challenges**, whose needs can only be addressed by specialist travel agencies' services which are clearly critical to the oil sector.



## 1.2 The reality



Let us take the example of Julius Romero. Julius is 45 and has worked in the oil and gas industry for the past 15 years. He works on board a semi-submersible drilling rig as Health, Safety & Environment Officer and he and his colleagues spend four or five weeks there, travelling constantly between the installation and home, in his case Manila. [It can take some of his peers up to four days to get home.](#) Welcome to the life of fly-in, fly-out (FIFO) workers.

FIFO workers have no say in their itinerary: planning and approval are done and dusted by the time the traveller sees it.

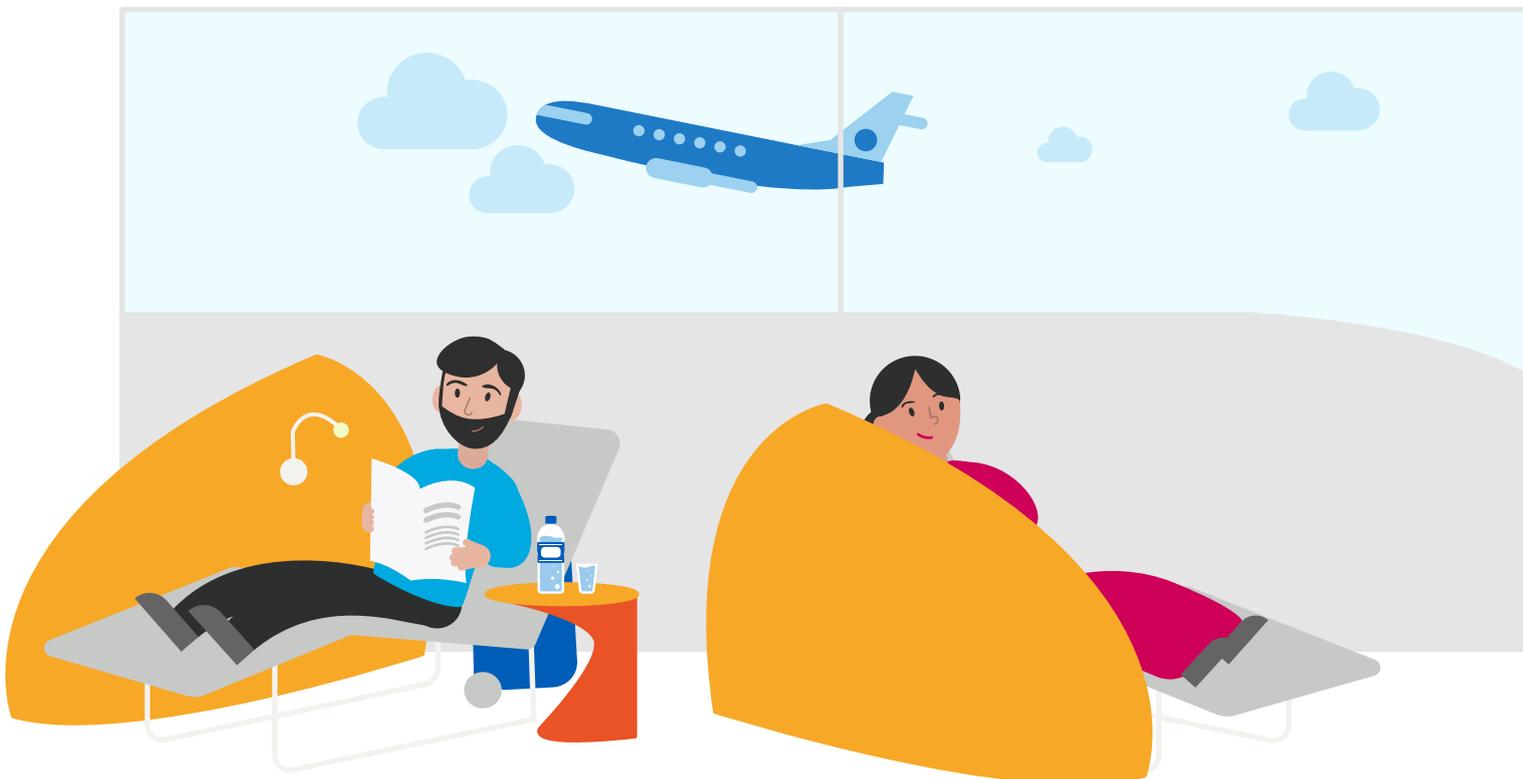
"As far as possible, I let my company handle my travel arrangements and this is done by their travel agency," says Romero. "We are generally billeted to a nice hotel but there is little opportunity for roaming around the city because we are travelling on business and spend most of the time offshore. The travel agency arranges my flights, hotel and logistics such as transfers between the hotel and the airport."

"My employer provides insurance cover for me and also makes sure I have the most convenient itinerary, so that I don't need to go to the airport very early and have ample time between my connecting flights," he says. "I usually receive my itinerary five days before departure."

In Julius's case, a well-planned itinerary is therefore essential to mitigate the long journeys rig workers make to get to work. Julius flies from Manila to Korea and from there to Sakhalin, Russia, where he joins colleagues from Europe and Asia for a night at the designated hotel. The next day, they travel by bus to the nearest port, from which they transfer by boat or helicopter to the installation. "Boat transfer takes 24 hours, so the helicopter is better, as it takes only around 30 minutes and we land directly on site and can start work right away," says Romero.

"I hope one day there will be some sort of special treatment for people who are flying in and out, such as accommodation at the airport in the airline lounge," Romero says. "We do have air miles, which we can use to upgrade our flight from economy class to business class or to hop around in an airline lounge, overflowing with coffee, sodas and other things. But if our connecting flight means we have to wait in the airport for six hours or more, it would be nice to have free accommodation there in future."

Julius Romero's long, fragmented journey and extended periods away from home are typical of workers in the Marine & Offshore industry, and amply illustrate the need for travel consultants with specialist expertise and incisive planning skills to understand these travellers and what the industry can do for them. One miscalculation will have extended ramifications, but get it right and TMCs become the lynchpin to a little understood industry - making their worth as valuable as the assets its travellers are searching for!



# Section 2 \_\_\_\_\_

## Expert support



## Traveller profile & travel pattern



Travellers	Contractors/Workers/ Permanent staff	Contractors/Workers/ Permanent staff
Traveller Request/ Approver	Managing Agent/ Operations for onboarding and captain or 1st officer for off boarding	Line manager
Advance purchase	Volatile/Last minute	Short-term planning (during exploration) Planned rotation (during production)
Health, visa & insurance checks	✓	✓
Remote non- conventional routes	✓	✓
Itinerary	One-way/Open-jaw	Round trip
Booking class	Mainly Economy	Mainly Premium for operators and Economy for service providers
Transfer/ meet & greet	✓	✓
Accommodation/ camp management	Very rare	Very rare

## Services & technology



Contracted travel management services	✓	✓
Global/Regional TMC coverage	✓	✓
24/7 service	✓	✓
IT system integration (profile, expense)		For permanent staff
Self servicing (self booking, mobile)		In some regions
Secure payment solution, pre-payment	✓	✓
Duty of Care (locate, communicate, repatriate)	Via captain/1st officer	✓

These segments are unique and complex by nature due to remote non-conventional routes, time sensitive workforce management and complex duty of care requirements



By now we have understood that Marine & Offshore travel management requires high level masterminding compared to booking a business traveller on a flight to a capital city. The shipping industry involves complex logistical requirements that are compounded by tight deadlines and frequent last-minute booking changes of multi-sector, long haul itineraries. These are large groups of people who are travelling from all over the world to arrive at the same time, **often in non-mainstream destinations**. Timing and understanding the destination is crucial in order to make on-time transfers and the right call at the right time to the assets they will be operating.

Understanding the differences between Marine & Offshore and traditional corporate travel is vital for travel agencies to plan movements accurately and respond to the unique specificities of this specialist space. The high touch expert service required in this vertical leaves room for specialists to differentiate and create value for their customers. High engagement and high reward would therefore seem to go hand in hand in the case of Marine & Offshore travel.

If there was ever any doubt of the Marine & Offshore complexity, consider this: "In 2015, V.Travel booked marine travellers into more than 1,078 different destinations," says John Harding. "The Marine & Offshore specialist requires a broader range of skills than in corporate travel and needs to be truly global."

Unfortunately today, crew can be treated more like a commodity. "The crew member is less cosseted than a corporate traveller - no airline preference, no profile and no ancillaries. The prime concern is to move the crew from A to B at the lowest cost, at the prescribed time, no matter how," Harding says.

The complications in the Marine & Offshore space lie in the final destinations: *"Employees are not normally travelling to a city. In the Marine & Offshore business, at least 50% of their business travel finishes on a vessel, a drilling rig or a platform,"* says ATP's Chief Commercial Officer for Shipping and Energy, Gary Pearce. "They may stay at a hotel on the way but they end up in remote locations in West Africa, offshore in the North Sea or the Gulf of Mexico, for example."

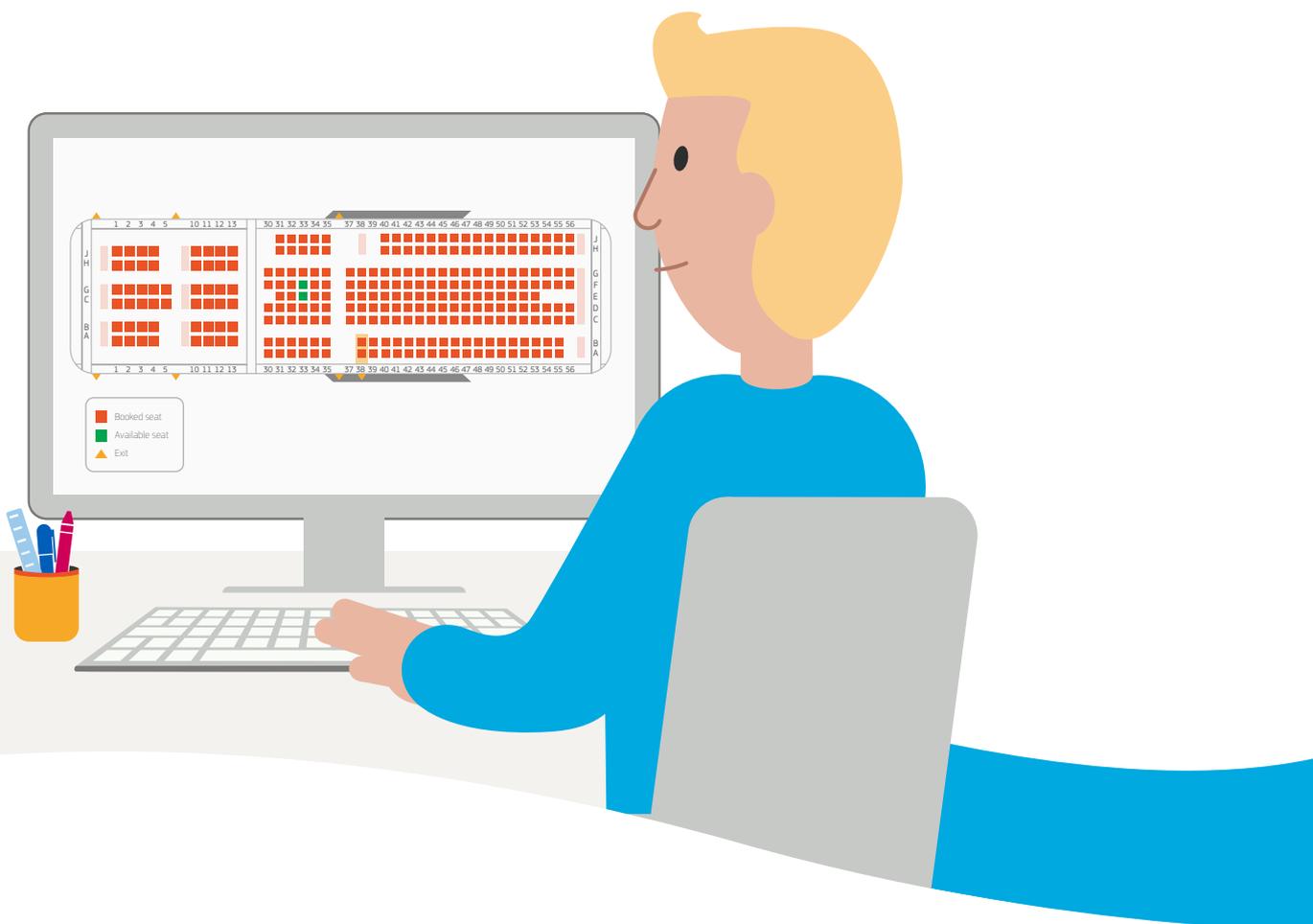
"Whereas corporate travel is booked for individuals, crew changes can involve between five and 20 people at a time and we receive those details in one email," says American Express's Carl Jones.

"Because these employees travel on special fares, the information we require is different. For hotel accommodation, we usually arrange hotel billbacks, as crewmembers do not generally have corporate cards."

"In addition, we have to ensure we have the vessel names and registration country, and have confirmation that the traveller is eligible to travel on the special fares," says Jones. "Consultants' knowledge and understanding of these details and this booking process is vital. Having a global system that enables this to occur consistently, as well as a level of customisation, is key."

A top notch service, trust in your technology and servicing partner as well as the innate ability to manage complexity with more than a smile is therefore crucial to all segments of the Marine & Offshore industry.

"Our job involves booking multi-sector journeys with split ticketing options to optimise fares," says G Travel's Jason Barreto. "We have to work under tight booking timelines, as most marine travel is last minute with numerous changes, and we liaise with port agents and directly with vessels to confirm travel requests." **In short, the need to keep several balls in the air goes with the territory.**



## Section 3

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# What does it take to become a specialist?



Transparency, communication and strong account management are all key to a good relationship. Clients need to feel confident that their staff's travel requirements, comfort and safety are the top priority at any time of the day or night. Proactive communication goes a long way to overcoming the pressures of unexpected changes in travel arrangements. This could not be more true in the specialist space. But it doesn't stop there.

As we pointed out in our whitepaper *Managed Travel 3.0: An insight from the inside*: "While TMCs move into areas of expertise, the specialists will also look to reinforce their uniqueness and value-add by incorporating additional services and content relevant to these particular segments through partnership or vertical integration."

This statement is backed up by American Express's Carl Jones: "We believe the industry has a lot to learn from elements of the corporate travel such as [pre-trip approval tools](#), [duty of care](#), [travel policy content and structure](#), [data tracking](#), [streamlining end-to-end process](#), and [more](#). Our expertise in dealing with large global clients is critical in this regard. We are also increasingly connecting clients to share best practice and find ways to approach common problems."

V.Travel's John Harding agrees. "Find your niche in the market and try to partner with the client, rather than be a supplier," says Harding. "Ticket price is just one component of total travel cost - delays, accommodation, victuals, salary and accrued leave can all push up the final bill. [The sector does not simply require a TMC](#)

[background](#): expert personnel are delivering a 24-hour service using specialist fares to all destinations via the appropriate technology."

We see more and more specialised, highly skilled, global travel agencies serving these industries. Traditional TMCs are now creating dedicated divisions to serve Marine & Offshore customers, with personalised travel programmes combining increased efficiency, safety and cost-effective solutions.

24-hour service is particularly important for travel when you consider the destinations involved. Take for example rural areas in Africa. "Travel consultants must also be able to access any passenger records at all times, no matter where the booking originated, in order to provide a complete service and our single technology platform allows consultants to do that," says COO of Africa & Middle East of Wings Travel Management, Frank Palapies.

Because the sector is global by nature and organised around major hubs such as Singapore, Houston, Aberdeen, Dubai, Athens, Manila and Mumbai, Marine & Offshore travel agencies need to be able to service the industry from anywhere in the world with the right local presence. In the Asia Pacific region, with a particular concentration of resource and mining driven predominantly by Australia, and offshore activity in countries such as Indonesia, Malaysia, Thailand and Australia, we can safely say these are not your typical corporate headquarters.



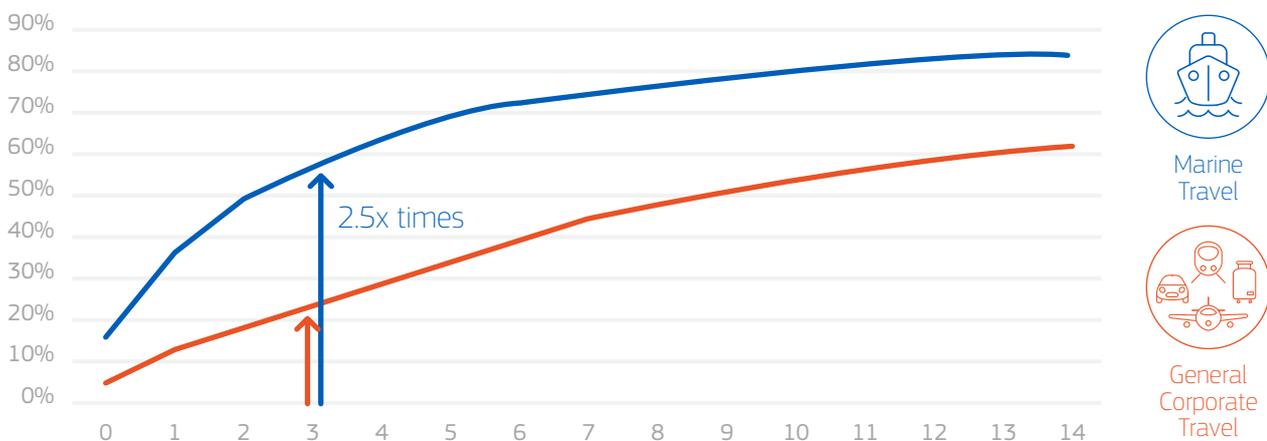
## 3.1 Maintaining strong service levels worldwide

Technology and the ability to get access to fares and inventory are key. Marine & Offshore specialists excel in the need to focus on a number of factors at the same time to stay competitive. Responding promptly to urgent demands created by external factors that continually affect industry operations - be that weather, ships rerouted, crew or volatility - means that maintaining strong service standards within a tightly integrated global network covering the major Marine & Offshore hubs is fundamental. This is one of the factors that differentiate a good from a great supplier.

"Managing expectations is essential. The Marine & Offshore sector operates 24/7 and our after-hours service can be very busy if something goes wrong with a large crew change, for example. We need to ensure those concerned are fully aware of Marine & Offshore requirements and the cost implications to the client if an engineer doesn't make it to the rig," says FCM's Steve Norris.

When we consider that, in marine travel, **57% of PNRs (Passenger Name Records) are created and/or modified within three days of departure - 2.5 times more than the standard corporate travel - understanding the need for an instant response from TMCs is critical.**

Percentage of Air Itineraries created/modified by days prior to departure



## 3.2 Safety and security

If there is one area which sets aside the Marine & Offshore vertical, we would venture to suggest that this is duty of care, which cannot just be a tick in a box. Marine & Offshore travellers often operate in areas that pose challenges - political unrest and volatile economies - which put extra pressure such as on travel consultants to be able to locate, inform and assist them at any moment with an effective contingency plan.

The oil and gas sector was first to track its business travellers and does so more extensively than any other industry. Security and bringing staff safely to their destinations and on time are the number one priority. Flexibility and versatility are essential to this end. As an example our partner ATPI advises that they provide a 24-hour operation, 365 days a year, globally and locally, and are backed by the company's in-house duty of care solution and its ability to integrate with third parties whom clients work with.

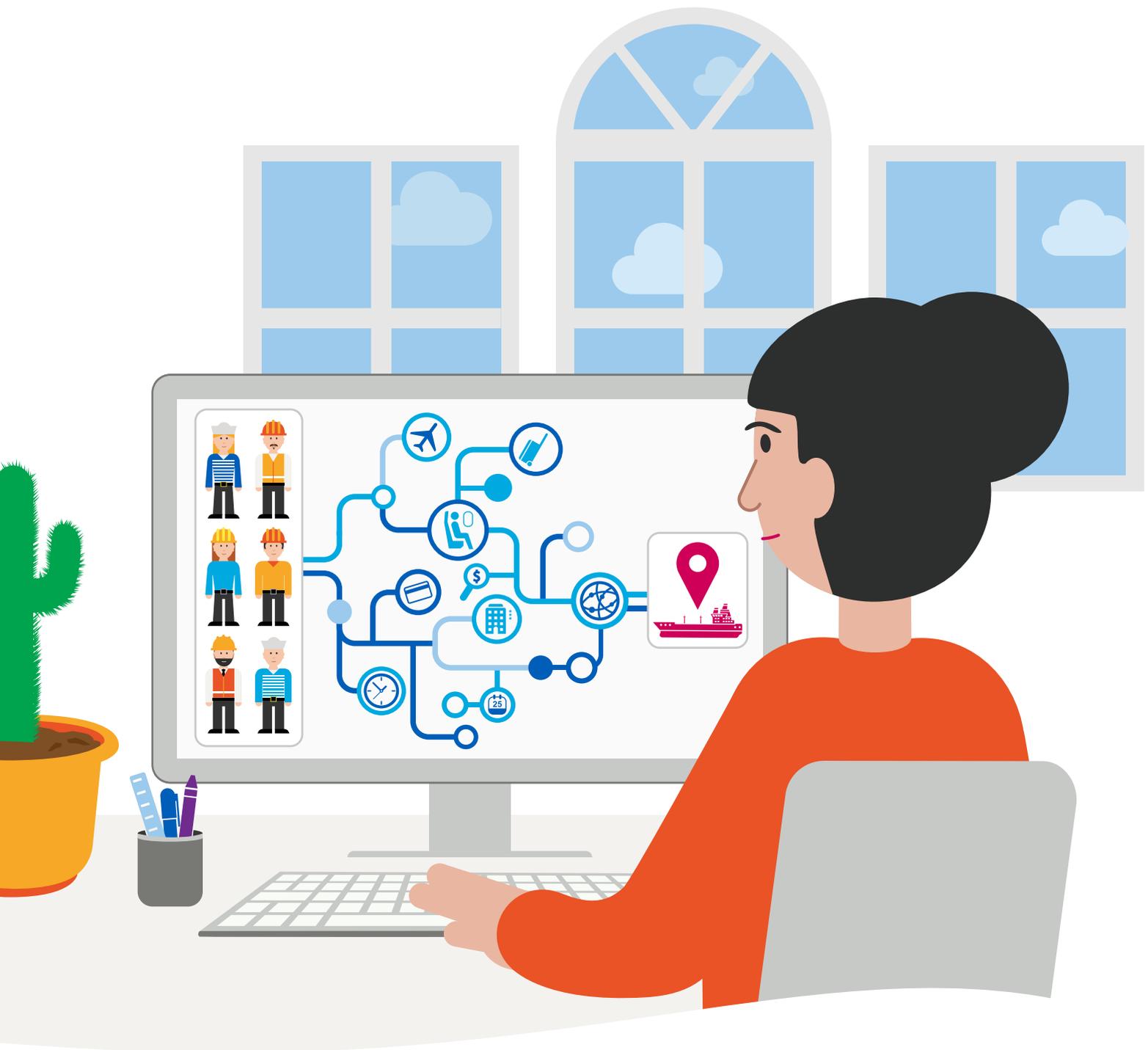
The complexities caused by the global nature of Marine & Offshore demand a higher level of expertise from agents, including visa and immigration, a reliable 24-hour emergency service, knowledge of vessel and rig types, worldwide network for multipoint servicing, plus net fare contracts with full flexibility and extra baggage allowance.

Safety comes first and the safety and security of travellers is central to contract negotiations. [It is here that global and local approaches meet.](#) TMCs must be able to provide a worldwide perspective on risk management, while being able to implement palliative processes locally. "A business should be represented globally but ensure its systems are fully integrated to allow immediate access to a traveller's information for reporting, and the travel logistics company should fully understand the travel conditions unique to each region," says Wings' Frank Palapies.

## Section 4

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# Content and technology: failure is expensive



Content and technology are essential drivers and enablers in the Marine & Offshore sector.

As our traveller Julius indicated, Marine & Offshore travellers' unique needs, unconventional routes, time sensitive workforce management and duty of care requirements make travel management in this sector particularly testing.

"Handling crew rotation, which involves moving large numbers of people in many directions simultaneously is a complex and challenging undertaking," says HRG's Allan Davidson. "And because the sector operates 24/7, there is added pressure to deliver data in real time to improve the decision-making process. This is not, however, an option: without these elements the customer will not have the control and visibility required to safeguard the traveller and manage the costs associated with travel."

## 4.1 Superior content is the foundation

"We move 160 people per day to 48 rigs – failure is very expensive," said Derek Massie, Senior Vice President of Human Resources at Seadrill, a leading offshore deep-water drilling company, in BBT's *Special report: Oil and gas*.

Last-seat availability is critical in this industry because until a job is assessed or started, full manpower cannot be accurately calculated. Groups of between three and 40 people may be needed on site at short notice; and there may be eleventh-hour flight changes because of disruption or alterations in crew rotation.

"At the last minute, flights in some markets are often sold out. We move well over 140,000 seafarers worldwide and having access to superior air content gives us competitive advantage and saves money for our customers," says V.Travel's John Harding.

Amadeus supports Marine & Offshore operators by offering just that. "Our global reach, combined with our unique airline content and pricing capabilities for complex itineraries means we are in a strong position to process such bookings. In the case of last-minute flight changes, because of disruption or crew rotation changes, our TMC customers benefit from the 124 airlines hosted on our Altéa PSS. Through the full visibility over the PNRs shared with these airlines, they can see any changes made to the reservation and take immediate action to access the very latest seat availability and ensure they get clients to their final destination on time," says Head of Specialty and Networks for Amadeus IT Group, Renaud Nicolle.

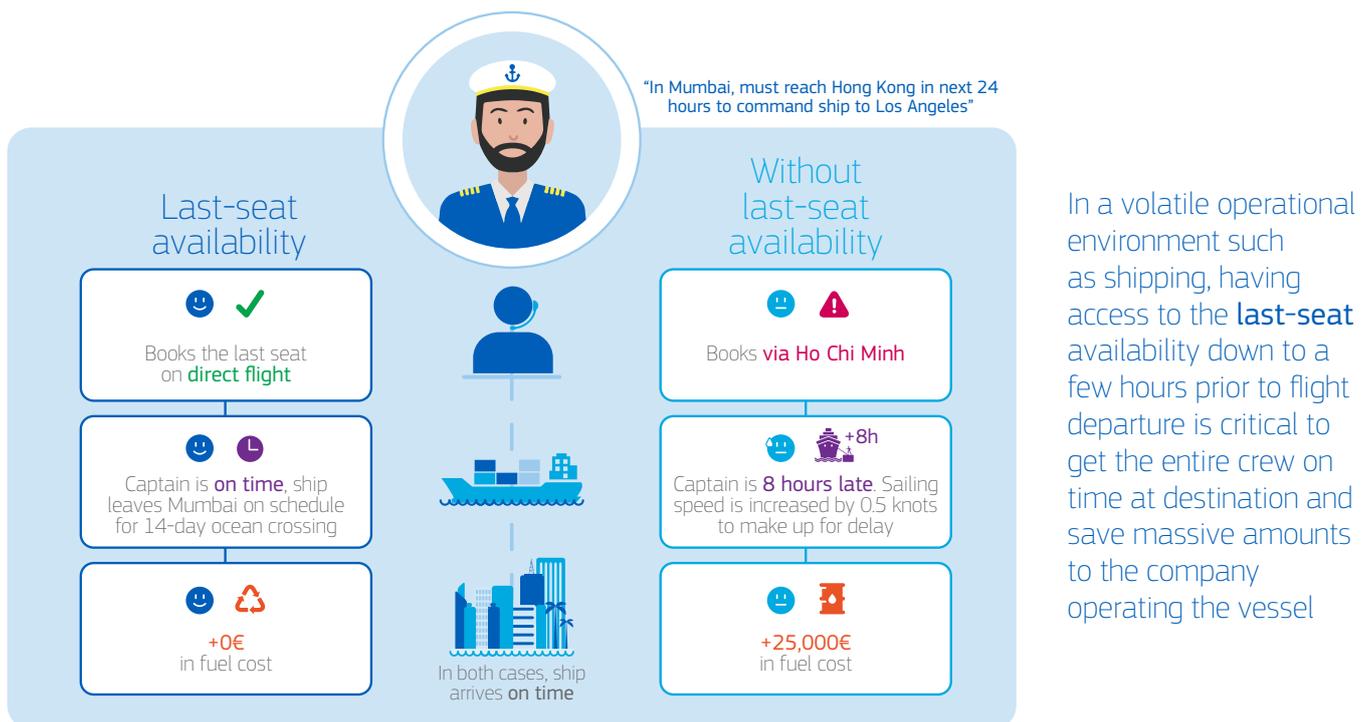
### Negotiate smarter

Building an airfare program that incorporates cross border, last mile and flexible conditions is key.

A recent study published by Carlson Wagonlit Travel, 2016 Energy, Resources and Marine Forecast, states that in addition to savings of up to 30%, Marine & Offshore Fares are on fully flexible tickets that can be adjusted without financial penalty and include increased baggage allowance to allow for crews' long absences.

The low cost of oil in recent times has benefited this space. V.Travel has seen its Marine & Offshore Fares drop by on average 10% in the past year – a significant change given that air tariffs usually remain static. More schedules on existing routes and new services are creating greater competition, which keeps prices in check.

When booking travel to less developed countries, the last connection to a site may not be on one of the mainstream carriers, adding a further layer of complications. Although most TMCs have relationships with the big players, they sometimes use third party consolidators to cover the rest. "Our global product team has the ability to source rates that are specific to the oil & gas and maritime industries. Through ATPI's presence in Europe, Middle East, Asia and Africa we can access alternative fares from our worldwide offices to ensure further cost savings for our clients," says Gary Pearce.



## Managing private, non-traditional content

As Julius Romero said, there is a great opportunity for TMCs to add destination services to their proposition because the traveller's trip does not end at a main airport, but rather it needs to be managed right up to their final destination, whether that is an oil rig or a vessel. It is – and should be – the ultimate one-stop shop. “There are multiple vendors and generally their content is not loaded into the GDS,” says Carl Jones. “We partner with companies to include the last mile in the traveller's itinerary.” The devil is in the detail.

Traditionally, however, the corporate travel elements of a trip – commercial flights, accommodation in chain hotels – have been handled separately from the non-traditional content, with the first often given to a TMC and the second to a different supplier. Not to mention getting quotes for charter flights, helicopter and boat transfers which up until now have been disjointed. This is where the industry has room to improve and where travellers and suppliers can benefit.

### A new type of hotel?

Going off the beaten track often means Marine & Offshore workers rarely stay in chain hotels. The need for Marine & Offshore travel

agencies to be able to manage, access and compare local and global hotel content with private allotments, independent hotels, and even camps content is a unique part of the integrated solutions which are present in this space.

This variety of beds brings its own difficulties. “At many of these places, hotel staff understandably speak only the local language, so you need someone on the ground who can communicate with them to negotiate the best rates and make sure the bookings are right; and many of these properties are not available via GDS,” says ATPI's Gary Pearce.

Close relationships with numerous hotels prove particularly beneficial if the crew checks out for an offshore departure only to be delayed another day by inclement weather. “Being able to rely on a hotel to accept the entire crew back for an extra night is critical,” says COO of Wings Travel Management, UK/Europe and Americas, Paul East.

“Recognising the importance of relevant hotel content, private and public rates unique to the Marine & Offshore traveller, Amadeus provides tools which aggregate and manage these properties, inventory and rates to then seamlessly integrate into mid office and reporting applications,” says Director of Hotel Distribution at Amadeus, Peter Waters.

## 4.2 Technology plays a central role

We have seen technology play a major role in delivering Marine & Offshore travel services. Work Force Management Systems (WFM) is the heart, if not the brain, of the leading companies in the sector. WFM manages resources and equipment requirements as needs evolve over the course of a project, from exploration to exploitation.

What WFM will do is to select available crew that have the mandatory skills and certificates to accomplish a task, and from there, it can issue a travel request to the TMC. Some technology does so by sending a structured email to the TMC, but it is an opportunity to bring more value to customers through greater automation of the booking process. “By integrating our clients' HR crewing systems into our GDS through our proprietary technology GTRS, we speed up the booking process, and provide greater accuracy through implementation of global payments systems and emergency tracking tools,” says G Travel's Jason Barreto.

Paul Revel, Editor of Buying Business Travel, believes that technology has a greater role to play in this space: *“Oil & gas sector travel buyers and their TMCs appear to be facing a double challenge at the moment: oil prices driving pressure to deliver significant cost savings, alongside increased focus on duty of care and best practice in traveller security. One positive aspect for buyers in this difficult environment is progress in technology: new tools can help with complex logistics in this sector, such as crew rotation and charter aircraft, while improved mobile apps can streamline other processes such as trip approval.”*

ATPI Griffinstone would agree with the need to provide superior technology. ATPI provides a similarly cohesive service through *ATPI CrewLink™*: a workflow technology platform that integrates with internal or third-party crew management tools and allows clients to manage everything, from scheduling through travel management to reporting. “*ATPI CrewLink™* allows us to tie a flight itinerary into all ground transportation requirements and book it all at the same time, even though it is mostly a manual process,” says Gary Pearce. “We call it *ATPI Door to Deck™*. The efficiencies both for us and our clients are legion.”

As TMCs expand their end-to-end services, there is an increasing need for a universal itinerary solution that brings together all the different components of such complex itineraries. This allows not only increased services to travellers by delivering complete trip details by email or mobile but also improved duty of care and reporting for cost management purposes.

### Digital payment

Where progress in technology will play a key role, equally crucial will be the payment processes in the Marine & Offshore sector, which today are handled differently from other organisations.

With regard to travel expenditure, seafarers are not provided with corporate cards, nor are they expected to pay for any travel related service. Marine & Offshore organisations usually rely on their TMC to handle payments for accommodation and transfers for them. These are generally processed as billback, i.e. the provider charges the TMC, who pays the supplier and then passes the bill to the corporation. This allows travellers to check into accommodation with just an ID.

“The specific needs of the Marine & Offshore sector create different payment challenges for TMCs,” says Head of Travel Payments at Amadeus IT Group, Celia Pereiro. “We can help mitigate this by providing them with a number of payment options to help manage their cash position, including a corporate billback solution to automate the payment process by generating virtual card numbers attached to specific transactions. Payment confirmations are sent automatically to the supplier and reconciliation is facilitated by tracking the numbers.”

“We make it easy for travel agencies by integrating payment options into their booking flow and providing a wide choice of providers,” says Pereiro.

This would seem to be one area in which all players can gain more, whether this is in the traditional managed travel space or in the vertical space such as Marine & Offshore.

# Section 5 \_\_\_\_\_

## Strategic vision



When facing headwinds such as those prevailing in the Marine & Offshore industry, every player must be available on deck. Major oil and marine companies are focused on optimising processes and costs but they are not the only ones involved. Suppliers, from special equipment providers through travel agencies to helicopter manufacturers, also have a duty to support the need to do better. The current downturn should be grasped as an opportunity to improve processes in order to be in a stronger position when the winds blow more favourably.

“I think a downturn in any business provides an opportunity for the very best to differentiate themselves, whether through services or product, and that is what we strive to do,” says ATPi’s Gary Pearce.

## Moving to online

Perhaps one example of those tailwind changes lies in the way this industry has sourced its travel. Traditionally, the model for servicing the Marine & Offshore clients has been a high-touch, offline process where the knowledge and the comfort of one-on-one direct communication has been the norm.

“Most clients still keep track of crew movements on Excel spreadsheets and stand-alone crew management tools that don’t integrate with its own systems. This is a big opportunity to reduce costs and increase productivity,” says FCM’s Steve Norris.

However, “with evolving technology, some of that knowledge can be sourced from self-booking tools to empower the booker to identify the optimal routing,” says Wings’ Frank Palapies. “TMCs that have not already incorporated some form of online booking into its offerings will find it hard to remain competitive. Online procurement, with integrated end-to-end solutions spells the future for TMCs.”

“As technology improves, we will continue to employ increasingly complex algorithms to address our clients’ needs, leading to an increased automation of services and meanwhile, our single technology platform sets us apart when it comes to providing global data for our clients,” says Palapies.

V.Travel also sees online booking tools as the way forward. “Our clients are looking to us to help them facilitate crew management processes and we are talking to technology companies to help us provide a system that gives them the edge,” says John Harding.

## Global collaboration, a key driver of system integration

As explained in Section four, linking the WFM to the TMC IT systems can bring considerable efficiencies.

“The way forward is to automate the elements of WFM to ensure that when a customer assigns a crew member, this automatically triggers the most efficient and appropriate booking at the best price, feeds trip details directly into the customer’s workforce management tool and gets the details to port agents and the traveller’s mobile device,” says American Express’s Carl Jones. This is the holistic vision of an efficient industry. “Speed and content access are incredibly important and having all information in one place ensures consultants know - and are seen to know - customers better.”

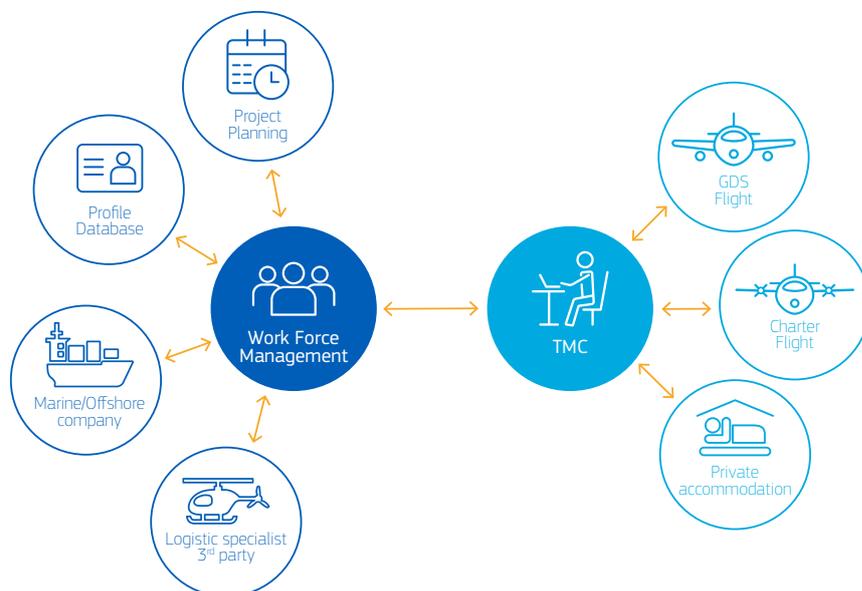
An example of where this cooperation is in action is in the APAC region, where marine has a particularly strong significance in the Philippines as well as the energy sector in Australia.

“We help our TMCs automate bookings and control all the elements of each trip — charter, helicopter rides, flight changes and hotel payments - so that they can work faster while maintaining total itinerary management,” says Head of Corporate IT for Amadeus Asia Pacific, Frédéric Saunier. “This drives efficiencies and enhances productivity, allowing them to reduce cost and have greater visibility of their booking activity.”

A further example of this global collaboration is in North America. “Amadeus has a solid track record of delivering technology solutions for cruise lines and marine travel companies which benefits their guests, corporate clients and crew members,” says Carolyn Cauceglia, Vice President of Strategic Sales and Account Management at Amadeus North America.

“Collaborating with major North America cruise lines, Amadeus has developed an innovative contextual search and air shopping solution, which integrates the ship, itinerary, embarking and disembarking locations, date, time, and passenger information. Linking the cruise line inventory with Amadeus’ best-in-class search technology and a powerful rules engine optimises crew and guest management operations and ensures that only relevant flight options are proposed for each trip,” says Cauceglia.

## Connecting the dots



## Conclusion

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The complexity and mission critical aspects of the Marine & Offshore space means this is a vertical like no other.

To service labour-intensive Marine & Offshore clients, travel management specialists require flexibility, versatility, open technology, dedicated skills and in-depth knowledge. Competition and financial pressures in the Marine & Offshore industries are driving massive changes and travel consultants have to respond to these quickly in order not to be left behind. Safety and convenience for travelling staff may be high priorities, but so are cost-effective solutions, often provided on a handbrake turn.

The good can only get better. Within this demanding environment technology developments continue apace, allowing agents to introduce efficiencies that save money and ensure prompt delivery of information and service. The more creative travel agencies are, the better chance they have of staying ahead of the game.

These may be hard times, but just as the travel industry survived the onslaught of 2008/09, the Marine & Offshore industry will triumph over its current tribulations to emerge slimmer, fitter and in fighting form.

Together with our partners in this space, Amadeus is committed to supporting the Marine & Offshore travel sector with leading-edge technology and expertise. Our content, global presence and dedicated account management are backed by sustained investment and strategic partnerships to take critical processes, such as workforce management and travel planning, end-to-end itinerary management, payment and duty of care, to the next level and into a new era.

All of this adds up to better cost management and the ability to deliver the efficiency and high standard of performance that the shipping and energy companies aspire to.

Onwards and upwards sailor.



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John Harding, Managing Director, V.Travel

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Julius Romero, fly-in, fly-out (FIFO) worker

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Paul Jarvie, Head of Account Management Scotland, FCM Travel Solutions  
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Paul Revel, Editor, Buying Business Travel

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