Spotnana Exits Stealth Mode with Big Names—and Big Aims

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Corporate travel startup Spotnana has just emerged from stealth mode with the backing of some major industry players, and the company is touting equally major plans to shake up the sector.

The brainchild of WTMC founder Sarosh Waghmar, Spotnana can act as a full travel management company for direct corporate clients, but also is offering its technology platform to support the operations of other TMCs and suppliers, in an arrangement the company likened to acting as an Amazon Web Services for the corporate travel industry.

Among the boldface names involved in the New York-headquartered venture are Concur co-founder Steve Singh, who serves as Spotnana chairman and is an investor in the company, along with veteran corporate travel innovator Johnny Thorsen in the role of vice president of partnerships. Former Concur sales chief Bill Tillman will head Spotnana's efforts in that area, while onetime American Express Global Business Travel COO Bill Brindle will serve as its vice president of travel operations

In an interview with BTN, Singh said he had expected not to return to the travel sector after leaving SAP Concur in 2017 but was "reinvigorated" by Waghmar's vision for Spotnana, which centers on uniting various aspects of the travel process that traditionally had been fragmented among disparate tech stacks and controlled by multiple stakeholders with various motivations and incentives.

"Everything from the GDS layer, to the mid-office … it's all very fragmented. They have different customer records, they have different motivations," said Singh. "Various TMCs have motivations to only deliver the content that they want to preference, as opposed to what the customer wants," he added.

Spotnana aims to bring harmony to those competing priorities by leveraging the current generation of cloud-based network technology, offering what Singh described as a "full range of functionality a customer needs, that integrates content from any source, but yet is also configurable."

Looking for Clients Who Share a Vision

That configurability is key to Spotnana's use case as tech architecture underpinning the operations of third-party TMCs and other suppliers, who can customize the platform to their own specific needs and add value tailored for their own target audience via the system's open-API model, Singh noted. For instance, an air carrier can build a more robust content display than is available in the GDS atop Spotnana's platform, he added.

The company currently has two TMC partners and is working with several others, and will launch with multiple

partners across the expense, HR and duty of care verticals.

While the platform-based service model is a key aspect of Spotnana's overall value proposition, the company is equally focused on bundling that tech into a full TMC service offering for direct corporate clients—of which currently it has about 50 of various sizes—in order to serve as a model for how cutting-edge technology can provide a superior offering for clients, according to Singh.

"We want to set the bar of what the customer experience ought to be," said Singh. "You should deliver to the customer the full range of choice that customer is entitled to … and align to how customers want to consume technology."

As Spotnana sees it, that means offering a full range of booking content from multiple sources on a global scale, offered via a pay-per-use model as opposed to a subscription fee. And while the company declined to disclose its per-trip cost, Singh said Spotnana would leverage the cost-effectiveness of its cloud-based tech stack and pass those savings along to customers.

Waghmar is no stranger to shaking up existing travel industry frameworks. His previous venture, WTMC, was largely built upon the premise of upending the model of GDSs using financial incentives to drive TMCs to book volume through their channels, even if the content available in that channel was not the best option for the client.

WTMC has ceased operations, with some of its key clients moving on to relationships with major TMCs. But that anti-status quo ethos still runs through Spotnana's veins as well, Waghmar told BTN.

"It's not just time to change the technology, it's even time to change the entire business model," Waghmar noted—citing the reduced costs of cloud computing and advances in artificial intelligence and machine learning as the key factors that allow for Spotnana to offer an alternative to the legacy infrastructure he said has hindered efficiency and misaligned priorities throughout the travel ecosystem.

Investors Back Next-Gen Travel Tech

At the moment, Spotnana has "around 120" employees, Waghmar said, with the majority in development roles as the company continues to build out its platform, along with a growing sales and marketing team.

As for funding, Singh's Madrona Venture Group recently joined with ICONIQ Capital to lead a $34 million Series A round.

"I'm incredibly pleased to work with an entrepreneur like Sarosh," said Singh. "He has experience in the travel industry, but also is a great technologist. You can't just be a technologist and you can't just be travel executive. You have to understand both domains, and that's how you bring value to the customer."

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